



Becoming an Authorized Food Stamp
Retailer in Vermont:

A Step-by-Step Guide

A Hunger Free Community Report

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Resource Note

This guide was created by Maryn Olson, Bill Emerson National Hunger Fellow from the Congressional Hunger Center, during her field placement with the Food Stamp Outreach Project at the Vermont Campaign to End Childhood Hunger.

This report will serve as the basis for a Vermont Grocer's Guide, to be developed by the Vermont Campaign to End Childhood Hunger and distributed to retailers throughout the state of Vermont.

Introduction

This guide is offered as a resource to Vermont food retailers who are interested in learning about the Food Stamp Program and becoming authorized to accept food stamps in their stores.

The Food Stamp Program adds over \$34 million dollars to the state's economy every year, dollars that are used by eligible households to purchase food. Food stamps provide consumers the means to purchase food through normal channels of trade; for retailers, the Food Stamp Program offers an opportunity to increase sales, attract customers, and provide a service to the community.

The rural beauty and independent spirit of Vermont are part of why people love this state. These qualities also serve to mask the all too prevalent hunger that a growing number of Vermonters face. According to the 2000 U.S. Census, more than 55,500 Vermonters lived below the poverty level in 1999. And an average of 67,000 Vermonters were at risk of hunger each year between 1998 and 2000.

Currently, nearly half of Vermont's towns do not have a retailer that accepts food stamps, making it difficult for many receiving this assistance to use their food stamp dollars locally. As a food retailer, you have the opportunity to participate in the Food Stamp Program and help ensure that Vermonters have access to the food they need to feed themselves and their families.

While we realize that many factors contribute to a grocer's decision to participate in the Food Stamp Program, we offer this guide in the hope that it will encourage more Vermont retailers to become involved with the Food Stamp Program.

Thank you for your service to Vermont. We look forward to your participation in the Food Stamp Program as an authorized Food Stamp retailer.

Best wishes,

Maryn Olson
Bill Emerson National Hunger Fellow
Vermont Campaign to End Childhood Hunger
February 2003

What is the Food Stamp Program?

The Food Stamp Program is a federally funded nutrition supplement program. It is administered by the United States Department of Agriculture (USDA) through its Food and Nutrition Service (FNS). As described by the USDA: "The food stamp program is designed to promote the general welfare and to safeguard the health and well being of the Nation's population by raising the levels of nutrition among low-income households.¹" The USDA sees the Food Stamp Program as the country's first line of defense against hunger. Households are given monthly benefits (in the form of special debit cards) to spend on food.

The program began serving low-income individuals and families as a pilot project in 1961, and became a permanent program in 1964, expanding to all states in 1974.² By late 2002, over half of Vermont food stamp recipients were either children or over the age of sixty. In fact, 88% of the benefits in Vermont were issued to households that included children and/or persons who are elderly or disabled.³

In Vermont, households apply for food stamps through the Department of Prevention, Assistance, Transition, and Health Access (PATH). Eligibility is based on household income and resources. Families receive food stamp benefits in the form of a "Vermont Express" EBT (Electronic Benefit Transfer) card, which looks much like a credit card. Benefits are deposited into accounts electronically at the beginning of each month and can be used by recipients to purchase eligible foods from any authorized food stamp retailer; purchases are deducted from a participant's account in a debit system, ensuring that retailers will always receive payment for food stamp sales. Food stamps significantly increase the purchasing power of low-income households by providing benefits that may only be spent on food.

In 2002, an average of nearly 40,000 Vermonters received monthly food stamp benefits, enabling them to buy almost \$34 million worth of food at local food stores.⁴ This federal money entering the local economy benefits food retailers, local farmers, and community businesses, in addition to increasing access to adequate food for those receiving the Food Stamp benefits.

Food stamps are good for Vermont and good for Vermonters.

Food Stamps: Quick Facts

People receiving food stamps in Vermont: 40,000 per month (2002)

Program began: 1964

Administered by:
U.S. Department of Agriculture's Food and Nutrition Service (USDA FNS)

Federal dollars entering Vermont as food stamp benefits: \$34 million (2002)

Average monthly household food stamp benefit: \$135

Food stamps are no longer paper coupons; instead, they come on an EBT card, much like a credit card.

Why become an authorized Food Stamp retailer? Views from Vermont Grocers

This is what **current Vermont food stamp retailers** have to say about their experiences with the Food Stamp Program:

“The benefits are sales we wouldn’t have otherwise . . . There is really a need for people to have a way to pay for what they need.” He also noted: **“If you treat the Food Stamp customer the same as you do others, you’re going to have a loyal customer**, because they’re looking for what you have, and it’s just good business.” Miner Clark, Clark’s IGA in Londonderry

Why accept food stamps?

- ✓ additional business
- ✓ makes economic sense
- ✓ good business practice
- ✓ fits into commitment to serving the community

“There are some people in the area who don’t have transportation, and we’re the only large store in the area. **We just felt we should be providing that service.**”

George Fraser, Dan and Whit’s General Store in Norwich

“I knew it was added business, so **there weren’t any disadvantages to it.**” Joe Kamuda, Kamuda’s Supermarket in Pittsford

“It’s business. **It’s [food stamps] the same thing as cash. You don’t turn people away**, in other words.” John Gariepy, John’s Market in Island Pond

“There’s the built-in benefit that every time someone shops here and uses Food Stamps, it’s business we probably wouldn’t get otherwise. Plus **taking Food Stamps fits into our mission.** There are intangible benefits . . . It’s a good thing to do to reach out to people in the community.” Ralph Lancaster, store manager, Upper Valley Food Co-op in White River Junction

“I’ve always looked at it [the Food Stamp Program] like **it’s one of those things you offer the customers** . . . It’s worth having it; it is one of the services for the customers.” William Prunier, Prunier’s Market in Bomoseen

“We wanted to offer the service to the community.” Bill MacDonald, Waits River General Store in West Topsham

Becoming an Authorized Food Stamp Retailer: What's Involved?

In order to accept food stamps in your store, you must be authorized by the USDA and become EBT-capable, either with equipment or vouchers. The whole process typically takes between 30 and 45 days. Here is what's involved:

1. An application form (four pages) which asks for store name; location; type of business; names, addresses and social security numbers of owners; months and hours of operation; number of employees; inventory; and sales figures.
2. A site visit (approximately 30 minutes) takes place at your store.
3. Food Stamp Program training, either at the FNS office or at your store.
4. Acquisition and installation of EBT equipment or EBT capability.



How do I know if my business is eligible to participate?

Before completing the entire application process, it is important to determine that your store is eligible to be a Food Stamp Retailer. You can figure this out by consulting the “Retail Store Eligibility” worksheet in the USDA application packet, or see below.

To be eligible, a store must fit one of the following two categories:

Offer for sale, on a continuous basis, at least three varieties of qualifying foods in each of the following four staple food groups, with perishable foods in at least two of the categories:

- meat, poultry, or fish
- bread or cereal
- vegetables or fruits
- dairy products

This means that each day, the store must have on display for sale at least three different varieties of foods that fit into each of the four staple food categories.

OR

More than one-half (50%) of the total dollar amount, or retail sales, of all things (food, nonfood, gas and services) sold in the store must be from the sale of eligible staple foods.

Here are some helpful definitions:

Continuous basis: on any given day of operation, a store offers for sale and normally displays in a public area qualifying staple food items.

Perishable foods: items that are either frozen staple food items, or fresh, unrefrigerated or refrigerated staple food items that will spoil or suffer significant deterioration in quality within two to three weeks.

Retail sales: all retail sales of a firm including food, non-food, gas and services. Fees directly connected to the processing of staple foods (i.e. raw meat, poultry, and fish) may be counted as staple foods when a store is calculating eligibility based on criterion 2 (above).

Staple foods: do not include accessory foods such as coffee, tea, cocoa, soda, non-carbonated drinks, candy, condiments, spices, hot foods, or ready to go foods.

Variety: different types of foods within a category. This does not include different brands or sizes of the same food, the same item with varying ingredients (i.e. smoked and plain turkey), or different types of the same item (i.e. two kinds of apples).⁵

If your store fits into one of these categories, you are likely eligible to participate.⁶

Steps to Become an Authorized Food Stamp Retailer: What to Do

*Check the box and make note of the date as each task is completed. Items with a dark box are for your information. Remember to keep copies of **everything** for your records!*

- Request an application packet from FNS (USDA) by calling USDA at 1-877-823-4369. This will be mailed to you on behalf of this region's FNS New Hampshire/Vermont Field Office in Concord, NH.
Date application requested: _____
Date received: _____
Note: If you have not received a package within five days, contact the Vermont/New Hampshire Field Office so they can correct the problem.
- Complete the application form "Food Stamp Program Application for Stores." It is extremely important that you **complete the entire form** and answer all questions accurately. See page 11 for question-by-question instructions.
- Date your Food Stamp Program retailer application was submitted to FNS field office: _____ *Retain a copy for your records.*
Important Note: An incomplete application will be returned to you and delay the authorization!
- If FNS requests any additional documentation from you, submit the information promptly to avoid delays in the authorization process.
Documents requested: _____

Date submitted: _____
- Staff from FNS or contracted consultants visit the store to complete an evaluation of the site and take pictures.
Date of site visit: _____
- Once your complete application is received, FNS has 45 days to approve or deny your application to be a certified Food Stamp retailer. FNS has two issues to look for:
 - a) Determining if the store is an eligible grocery store
 - b) Running a background check on the owner to be sure you haven't been in violation of Food Stamp Program rules before at a different site.

The Vermont/New Hampshire FNS field office has a locally imposed standard of 30 days to complete the certification process. However, it is important to realize that this process does take time. **Do not leave Food Stamp authorization until last in the permit application process. This will likely delay your store's ability to offer this important service to your customers once you open.**

- Once you are approved as an authorized Food Stamp retailer, the FNS field office will notify you by mail. You will receive an application approval package, which includes a retailer guidebook, video, and the program rules.

Date notified of authorization by FNS: _____

- If you have never interacted with the Food Stamp Program before as a retailer, FNS will likely require a face-to-face or phone training session for you. However, if you have past experience with the program, a training packet will be sent to you in place of a formal training session.

Date training materials were received: _____

OR

Date that in-person training was conducted by FNS: _____

Person who did the training: _____

Phone: _____

- **Important: You will not be able to accept food stamp benefits immediately after being authorized by FNS.** You must wait until your store has the proper equipment and/or the supplies to accept EBT benefits.

- Once authorized, stores are each given an FNS authorization number. *You will need this number whenever you contact FNS or the EBT contractor for assistance.* The number is found on your FNS license.

FNS Authorization Number: _____

- When a store is authorized, FNS notifies the state's EBT equipment contractor. The contractor will then contact you and inform you that the store is eligible to participate in several ways (see page 17 for more detailed information about EBT equipment options).

- Type of EBT equipment (combined/separate/vouchers): _____

- Name/contact information of your EBT contractor [*retain copy of contract for your records*]: _____

- Date equipment was installed: _____
- Once the EBT system is installed, store personnel must be trained in use of the equipment.
- Retailers are reviewed every five years by FNS through a site visit in order to continue as an authorized food stamp retailer. The site visit will have much the same format as the initial visit during the authorization process.
My store will be up for review in (five years from now): _____

Completing the Application

The application packet from the USDA includes detailed instructions and an application checklist that will help you complete the form. Follow the USDA’s instructions carefully. **An incomplete application will be returned to you and delay the authorization process.**

In addition to the instructions provided by the USDA, refer to the question-by-question instructions below and the tips offered as you fill out the application. Numbers correspond to the questions on the application.

- Has your store (under your ownership in this location) accepted Food Stamps before? If so, “X” the box in the upper left hand corner of the first page to indicate that this application is for reauthorization.

Application question	Information to provide on form	Helpful tips
Page 1		
1	Write the name of your business.	
2	If you have an Employer Identification Number (EIN), write it in the boxes provided.	If this number is under the name of a different business, write that business’ name.
3	If your store is a chain store, mark “Yes” and give your store’s “Chain Store Unit Number” if you have one.	
4	A. Store address: write your store’s complete address in the spaces provided. If you have a store number because you are one of several stores at an address, give that number.	B. Mailing address: DO NOT list your business’ mailing address if you receive mail at the business’ street/physical address.
5	List your store’s telephone number.	Don’t forget the area code!
6	List the date your business opened or will be opening with you as the owner.	Give exact date, including day, month, and year.
7	Include with the application a copy of <u>at least one</u> of the licenses your business has. <i>(You do not need to send more than one license.)</i> If you do not have a license, you <u>must</u> include an explanation for this with your application.	Any of the following are acceptable: health permit, food inspection permit, sales tax permit, sellers permit, business license, lottery license, beer or wine license, etc.
8	What type of business are you opening/operating?	Types are listed and defined on the application.

Page 2		
Application question	Information to provide on form	Helpful tips
9	Indicate the type of ownership this business is under. Also, indicate if your business is a franchise.	Types of ownership are listed on the application.
10A	If a franchiser or parent corporation owns your business, give that business' name and address if it is different from the address given on page 1.	
10B	List owners' names (exactly as shown on Social Security card) and home addresses in the order of how the owners want to be contacted by FNS. List up to five owners.	Include copies of <u>each person's</u> Social Security card. This is one of the steps most often forgotten!
11	Give the name of the person who will primarily be responsible for daily operations in the business. If the business is part of a chain, give the name of the chain store's district manager.	
12A	Include this business when counting how many businesses you own.	
12B	Indicate if the owner has at any point owned or operated a business in the state that applied to be a certified Food Stamp retailer.	If so, you must provide a list of businesses (other than chain stores). Give the business' full name, address, and approximate date of application or authorization.
12C	Has the business owner, corporation, or manager ever owned or managed a firm that violated the Food Stamp Program regulations and was fined or disqualified because of this?	If so, you must provide an explanation of the violation, identifying the persons or corporation, store name and location, and date of violation.

Page 3		
Application question	Information to provide on form	Helpful tips
13	Indicate if the business owner, corporation, or manager has ever had a license denied, withdrawn, or suspended or been fined for license violations.	

Page 3, continued

Application question	Information to provide on form	Helpful tips
14	Indicate if any of these people have been charged with or convicted of any crime: any partner, business owner, immediate family members of owner or partners who are involved in business' operation, corporation, manager, stockholder who has a considerable role in the business operation.	If so, you must include a written explanation of the situation.
15	Note if your business is open year-round; if not, indicate which months the store is open.	
16	Store hours: if not 24 hours, list days and hours it is open.	
17	Give total number of people who work in this business.	Include all workers regardless of whether they are paid, unpaid, full- or part-time, owners or family members.
18	Indicate the number of cash registers the business has and if the registers have optical scanners.	
19	Is the business authorized to accept WIC vouchers or checks? Note: WIC is the federal Special Supplemental Nutrition Program for Women, Infants and Children, and is administered by the Health Department.	Your response will be "NO." The WIC program in Vermont operates on a home delivery system; participants are not given vouchers or checks to redeem at grocery stores.
20	List your bank's name and branch, address, and phone number.	This information is needed so your reimbursements will be deposited in your account electronically.
21	What does your business sell? Check all categories that apply.	
22	Indicate which categories of staple foods your business stocks, and circle the items in each category list that you carry.	See page 7 for a definition of staple foods.

Page 4

Application question	Information to provide on form	Helpful tips
23A	Indicate if you are giving actual or estimated annual gross sales.	Note: If your store has been open for more than 12 months, you must submit actual sales information.

Application question	Information to provide on form	Helpful tips
23B	If you are using actual annual gross sales, indicate which federal income tax year data you are using. Then list the total retail/wholesale sales for the year at that store.	
23C	Indicate total eligible retail food sales for the year. You can estimate this number if you don't have an actual number.	Note which items not to include (listed on application).
24	Do you operate a wholesale and retail firm at the same location? If so, you need to answer A and B: total annual gross retail sales, total annual gross retail food sales.	
25	Complete A OR B only. Answer A if your store carries a full line of groceries, or B if your store has a specialty line of staple foods.	
25A	Check "variety:" for each category in which your store meets the definition of variety, and "perishable" for each category in which your store meets the definition of perishable.	See the definitions of variety and perishable with the question instructions.
25B	Using the definition of staple foods, give total annual retail staple food sales. This may be estimated.	See the definition for staple food with the question instructions.

Sign your application form. This means that you believe the information you supplied on the application to be true and that you have a basic understanding of the Food Stamp Program.

- Include copies of:
 1. One current license required to operate this business; **and**
 2. Photo ID (front and back of driver's license) for all owners, partners, corporate officers, and shareholders; **and**
 3. Copy of Social Security card or other verification of SSN for all owners, partners, corporate officers, shareholders.

Note: if you do not have a photo driver's license, please submit some other photo identification.

- Keep a copy of your application and all accompanying materials for your records.
- Submit completed application form and above documentation to the FNS field office:

USDA FNS New Hampshire/Vermont Field Office
279 Pleasant Street Suite 200
Concord, New Hampshire 03301

What to Expect During a Site Visit

At some point during the 45-day period, an FNS representative may visit your store to take pictures of the store, shelves, and inventory, sketch the store layout, and ask some questions. In combination with the information on your application, the information gathered in this visit will be used to determine whether or not your store is eligible and if you will be approved as a Food Stamp Retailer.

Site visits usually happen within ten days of an application being submitted to the FNS field office. The FNS field office will **not** notify you of the date or time they will be visiting, but will likely confirm your hours to be sure the store is open.

The FNS staff member or a contractor will present photo identification and/or hand the storeowner, manager, or clerk a Letter of Introduction and Consent Form. The store representative must provide his or her signature indicating consent to the review, refusal, or withdrawal of the application. A store cannot be reviewed without this consent, but the store also cannot be authorized as a Food Stamp retailer without the review. The visit should take approximately 30 minutes and should not interfere with store operation.

Once the business representative gives consent, the reviewer will evaluate the store on the following criteria:

General Store Information	Store name, address, phone number, days and hours of operation (posted or verbal), owner’s name and length of ownership, language in which the consent form was provided to store personnel
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General Store Characteristics	area of location, store placement, parking availability, type of price display, store/type of business, retail and/or wholesale, Food Stamps signs posted (if this is a reauthorization check), shopping carts/basket availability, optical scanners, POS devices, number of cash registers/check-outs
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Food Service information	hot foods sold, foods sold for consumption in store and seating provided, heating equipment available for customers, deli or prepared foods section, salad bar, fountain or hot beverages, salvage foods, USDA foods, meat/seafood specials or bundles
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Non-Food Stock and Services	alcohol products, tobacco, money orders, auto parts/supplies, gasoline, hardware, furniture, check cashing, lottery tickets, paper products, stationery, floral/gardening, pagers/phones, gift items, magazines, books, video, passport photos, cookware, clothing, pet food, pharmacy, phone cards, household cleaning supplies, hunting/fishing equipment, health/beauty aids, fax/copy service, or others
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Store Conditions	empty coolers or shelves, broken coolers, moldy coolers, dusty cans/packages, faded/missing labels, poor lighting, foul odors, dirty/unsanitary, ice crystals on frozen food, expired/outdated foods, or other conditions
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The reviewer will also take note of the varieties and quantities of food available in each of the following categories and how they are stored (fresh, frozen, or refrigerated):

- Dairy Products
- Fruits
- Vegetables
- Bread and Cereals
- Meats, Poultry, Fish⁷

In combination with your application, this information will be used to determine if your store is eligible and qualified to be authorized as a Food Stamp Retailer.

EBT Equipment: Deciding What's Best for your Store

Once your store is authorized as a Food Stamp Retailer, the state of Vermont is required to give you access to the EBT system. However, the way in which you participate in the EBT system is up to you. The decision about EBT equipment is one that each retailer needs to make for his or her individual store because of the many factors influencing what is best for each store.

The volume of a store's food stamp sales, as well as the prevalence of credit and debit card usage, will likely determine which option is most feasible, economical, and best fits into your business plan. Attention to this equipment issue is necessary in order to make the Food Stamp Program work best for your particular store.

How it works:

After the USDA authorizes your store as a Food Stamp Retailer, this information is put into their computer system, and Vermont's state EBT contractor, Citibank, is notified that there are newly authorized retailers. Citibank will contact you within several days and inform you that the store is entitled to participate in the EBT system in several ways:

- Use State-leased EBT equipment at no cost to you (supplied by Citibank on behalf of the State of Vermont)
- Add EBT capability to commercial (third party) debit/credit POS equipment
- Use contractor-supplied equipment (this usually is for larger retailers, often chain stores, that have their own "in-house" contractors for equipment and processing)
- Use the paper voucher system (this mostly applies to non-traditional retailers)

How to decide what equipment option is best for your store:

Question 1: Does your store have the ability to use electronic EBT equipment?

Yes: go to the Question 2.

No: Farmers' markets and many other seasonal, part-time, or small-volume food retailers may lack the technology and resources to process EBT card sales electronically.

Consequently, the paper voucher system will likely be the way you can participate in the Food Stamp Program as a retailer. You will receive a supply of vouchers from the

state, and a retailer number. Each time a customer pays with food stamps, you will call FNS (you have to supply your own phone access but it's an 800 number) and get approval for the sale. Vouchers must be mailed in within 15 days of approval. You must also give FNS your bank account information so the money can be wired to your account for deposit.

Question 2: Does your store have commercial debit/credit POS equipment?

Yes: You have a choice to make among several options:

- You can continue with your commercial POS equipment and add EBT capability to the commercial equipment, making it an integrated machine,
OR
- You can keep your commercial equipment and have a State-supplied EBT POS machine at no cost to you (this means you would have two POS terminals at the checkout),
OR
- You can give up your commercial equipment and take the State-supplied EBT equipment (at no leasing cost to you), and have the credit/debit capability added in so the equipment is integrated.

No: You have two choices:

- You can take the State-supplied EBT equipment and decide whether to have the credit/debit capability activated in the equipment.
- Or you can lease commercial credit/debit equipment, and have EBT capability added.

Important things to know as you decide:

If you choose to take the State-contracted equipment, you will have to pay for the dedicated phone line to be installed. However, the State will reimburse you for this cost. In addition, the State will pay the monthly equipment leasing fee and the cost of the phone line.

When thinking about adding credit/debit capability to State-leased EBT equipment, it's important to know that you as the retailer are responsible for any per-swipe fees for credit and debit transactions (there is no transaction fee for EBT in this case). The State is not responsible for these costs.

If you decide to add EBT capability to commercially leased POS equipment, the State is no longer liable for any costs associated with the equipment. You as the retailer will be responsible for any fees assessed for the equipment as well as any EBT, credit, and debit transaction charges.

State-leased EBT equipment is free to the retailer for the first 12 months, regardless of the amount of food stamp sales during that time. However, the equipment will only continue to be free to the retailer at this point if monthly sales have averaged, and continue to average, more than \$100 (see below for more information).

Additional information for retailers choosing State-leased EBT equipment

After 12 months, the State contractor evaluates the average monthly food stamp sales for stores using State-leased EBT equipment. The threshold that determines if the State will continue paying for the State-leased equipment in your store is having food stamp sales that average more than \$100 each month. If you meet this requirement, the State will continue paying for the leased EBT equipment, making it free to you.

However, retailers with average monthly sales below \$100 do not qualify for free State-leased EBT equipment. If your average monthly food stamp sales are not at least \$100, you have four options:

- Pay the monthly leasing fee (approximately \$20) to Citibank and continue using the State-leased EBT equipment. Adding credit and debit card capability to the equipment is also an option at this point if you did not do so before.
- If you have commercially leased credit/debit POS equipment, you can add EBT capability to your system and discontinue use of the State-leased EBT equipment.
- You can lease commercial credit/debit POS equipment if you do not have it at this point and add EBT capability.
- Use the manual voucher system, which involves calling FNS to seek authorization for each food stamp sale and keeping paper records.

Many factors go into determining which equipment option is best for each store. Only you will be able to decide what's right for your store.

Now that you're authorized: how to stay that way

Congratulations! Now that you are officially an authorized Food Stamp retailer, it's extremely important to pay attention to what happens in your store so you can continue participating in the program. Remember, as the storeowner, you are responsible for the actions of your store personnel as well as your actions. It's extremely important to know the rules and procedures of the Food Stamp Program and make sure that your entire staff follows them.

- Train staff well in EBT procedures and have refreshers regularly. Do clerks know which items are not Food Stamp eligible? It is helpful to document which clerks were trained when by having them sign and date a log sheet or the cover of the training guide.
- Be sure checkout equipment is updated regularly to sort correctly Food Stamp eligible from non-eligible items.
- Always post "We Accept Food Stamp Benefits" sign and other program information provided by USDA in your store so customers know you accept their EBT cards.
- Advertise your status as an authorized Food Stamp retailer in your store's ads to spread the word to community members.
- Prominently post your store's FNS authorization permit to accept Food Stamps.
- Do not allow customers to use Food Stamp benefits to pay for items sold on credit.
- Do not sell ineligible items to customers using Food Stamp benefits.
- Do not keep EBT cards or PIN numbers at the store for customers.
- Do not give change on EBT transactions.
- Do not "traffic," or exchange cash for Food Stamp benefits.

Penalties for violating Food Stamp Program rules include significant fines, loss of authorization for the Food Stamp Program, jail time, tax investigation, and loss of liquor and lottery licenses. It also reflects poorly on your store, and eliminates potential revenues from lost Food Stamp sales.

How to welcome Food Stamp customers to your store.

Adequate training for store personnel is the key to making the Food Stamp Program work well for your store. Be sure staff members know how to use equipment correctly. It's also important that staff members know what to do when equipment is not functioning in order to respect the privacy of customers using EBT.



- ✓ Food Stamp/EBT customers are customers. They should be treated as any other customer: with respect, courtesy, and attentive service.
- ✓ Be discreet when processing EBT cards. If you have to ask a customer what kind of card s/he is swiping through POS equipment, offer all the options: credit, debit, or EBT. This is less exclusionary and more respectful.
- ✓ If a customer's card doesn't work in the machine, manually enter the number. The customer alone should enter the PIN number; that information is confidential.
- ✓ There is no minimum purchase required for EBT transactions.
- ✓ Know if eligible and non-eligible items need to be manually separated at checkout. If your store has electronic scanners, they will likely be separated automatically, but make sure staff are aware of equipment capability. Do staff members know which items are eligible?
- ✓ You cannot limit which checkout lanes Food Stamp customers can use, or have a "Food Stamp only" line.
- ✓ You cannot give change on EBT transactions.
- ✓ Explain your store's procedure for handling transactions when equipment is not functioning properly.
- ✓ Food stamp customers can use food stamps to purchase any eligible food item. Food stamp customers, like any other shoppers, have the right to choose the foods they wish to buy.

Your rights in the application process

You have the right not to be discriminated against on the basis of race, color, national origin, sex, age, religion, political beliefs or disability, in accordance with federal law.

You have the right to have your questions about the application process answered when you call the Vermont/New Hampshire FNS field office.

You have the right to have a decision from FNS within 45 days of the office receiving your completed application to be an authorized Food Stamp retailer.

You have the right to have site visit personnel present photo identification and obtain your written consent to the business review.

If your application is denied, you have the right to apply again after six months.

If you feel you have been the victim of discrimination, you can file a complaint by writing to:

USDA
Director, Office of Civil Rights
Room 326W
Whitten Building
1400 Independence Avenue, SW
Washington, D.C. 20250-9410

Resources: who to call if you have questions or problems

Did you know?

The FNS/USDA website includes a section of **frequently asked questions** (FAQs) for retailers at:

www.fns.usda.fsp/retailers/becoming/htm.

Questions about the application process?

Contact:

Robert Hughes, Officer-in-Charge
Vermont/New Hampshire Field Office
USDA FNS
279 Pleasant Street Room 200
Concord, New Hampshire 03301
Phone: 802-828-4492

Questions about Vermont's EBT equipment contract?

Contact:

Allan Merritt
Food Stamp/EBT Director,
Department of PATH
Agency of Human Services
103 South Main Street
Waterbury, Vermont 05671
Phone: 802-241-2867

Questions about your commercial EBT equipment?

Contact your EBT contractor directly.

Are you interested in talking with current grocers in Vermont about their experiences with the Food Stamp Program?

Contact:

Vermont Grocer's Association at 800-842-8503.

Other sources of information:

- **United States Department of Agriculture (USDA) Food and Nutrition Service (FNS) Website:** <http://www.fns.usda.gov>
- **USDA FNS Vermont/New Hampshire Field Office** 279 Pleasant Street Room 200 Concord, New Hampshire 03301 Phone: 802-828-4492 Fax: 603-225-1620
- **Vermont Campaign to End Childhood Hunger** Laura Philipps, Nutrition Policy Specialist and Food Stamp Outreach Coordinator. 180 Flynn Avenue Burlington, Vermont 05401 Phone: 802-865-0255 Fax: 802-865-0266. Web: www.vtnohunger.org
- **Vermont Grocer's Association** 33 Lafayette Street Rutland, Vermont 05701 Phone: 800-842-8503 Fax: 802-773-2242 E-mail: info@vtgrocers.org Web: <http://www.vtgrocers.org>

Helpful definitions and acronyms

EBT: Electronic Benefits Transfer. This is the debit system through which Food Stamp benefits are distributed in Vermont.

FNS: Food and Nutrition Service, a division of the USDA. FNS administers the Food Stamp Program.

Food Stamp retailer: a business (and/or the owner) that is authorized by the USDA's FNS to accept food stamp benefits as payment from customers for food purchases.

PATH: Vermont Department of Prevention, Assistance, Transition, and Health Access. The Department of PATH administers the Food Stamp Program within the State of Vermont.

POS: Point of sale. This term is used to refer to the equipment used in processing EBT cards.

Store: This term is used in this guide to refer to any business that could or does serve as an authorized food stamp retailer. A variety of types of businesses are actually eligible to participate in the Food Stamp Program.

USDA: United States Department of Agriculture.



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Kathy Miller, Elmore Store, Lake Elmore
John Gariepy, John's Market, Island Pond
Joe Kamuda, Kamuda's Supermarket, Pittsford
Gary Lisai, Lisai's Market, Bellows Falls
Lonnie Lisai, Lisai's Chester Market, Chester
Robert Cleary, Maple Corner Store, Calais
Penny Cyr, Monkton General Store, North Ferrisburg
Morey Clark, Mr. C's, Rutland
William Prunier, Prunier's Market, Bomoseen
Bernie Thibeault, Steeple Market, Fairfax
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¹ 7 CFR §271.1 (a).

² www.fns.usda.gov/fsp/faqs.htm#12.

³ Champlain Valley Office of Economic Opportunity. Faxed communication from Mary Carlson, 21 January 2003.

⁴ *ibid.*

⁵ USDA FNS “Retail Store Eligibility USDA Food Stamp Program.” No date.

⁶ Information from “Retail Store Eligibility USDA Food Stamp Program” handout. No date.

⁷ Information from USDA FNS survey form, April 2000.