



ILLINOIS FARMERS' MARKET LINK GUIDE

ESTABLISHING A PROGRAM TO ACCEPT LINK CARDS AT YOUR FARMERS' MARKET



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HEARTLAND LOCAL FOOD NETWORK
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Bank



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INTRODUCTION

FOREWORD

This manual was developed by Heartland Local Food Network, Inc., based on its experience supporting implementation of a Link program at the Downtown Bloomington Farmers' Market in Bloomington, Illinois. By sharing this information, we hope to make it easier for other markets to achieve the same goal – and to expand access to fresh, healthy food for low-income residents throughout the state of Illinois.

This manual provides a step-by-step guide for farmers' markets to become Link retailers, including detailed information, along with checklists and reference materials. In addition to including examples from our own experience, it also includes information about alternative approaches and tools. We are hopeful that other markets will add information about their own experiences, increasing the value and reliability of this guide over time.

We thank the many organizations that participated in the development and success of this program at the Downtown Bloomington Farmers' Market: Downtown Bloomington Association, State Farm Bank, Harvest of Hope, West Bloomington Revitalization Project, and Illinois Wesleyan University. We especially want to thank Illinois Wesleyan graduate Danny Burke, whose vision and passion for food justice inspired this effort.

This project would not have been possible without the dedication and hard work of the following individuals: Shae Davidson and Elaine Sebald, Downtown Bloomington Farmers' Market volunteers; Erika Kubsch and Jennifer Mullinix, Downtown Bloomington Association; Patty Kelly and Marsha Veninga, Heartland Local Food Network, Inc.; Eric Marshall, Harvest of Hope; Heather Paul, State Farm Bank; Celina Mendoza, Illinois Wesleyan University student and State Farm intern; and Deborah Halperin, Illinois Wesleyan University and West Bloomington Revitalization Project. We also thank the many volunteers who provided staffing for the Link table at the Downtown Bloomington Farmers' Market, as well as the market's vendors and customers, whose support of the Link program was critical to success in the program's very challenging first year.

Finally, we would like to gratefully acknowledge the invaluable assistance and support provided by Susan Suchy, Illinois Link Program Director, Department of Human Services and Dick Gilbert, Midwest SNAP EBT, United States Department of Agriculture Food and Nutrition Service.



Sorting Out the Terminology: Link, EBT, SNAP, & Food Stamps

Link is the name of the Electronic Benefits Transfer (EBT) system used in Illinois to distribute food and cash assistance benefits authorized under several federal and state programs, including Supplemental Nutrition Assistance Program (SNAP) benefits – formerly known as “food stamps.” The Link card allows SNAP recipients to receive their benefits electronically, by using a card that looks like a credit card. Though these terms – Link, EBT, and SNAP – are often used interchangeably, they are technically different.

- **SNAP:** Administered by the USDA office of Food and Nutrition Services, SNAP is a federal program that helps low-income individuals and families buy the food they need for good health. Though SNAP is a federal program, recipients apply for benefits by completing a state application form. The name of the program was changed by the Food and Nutrition Act of 2008, in an effort to reflect the Program’s emphasis on Nutrition and the change in the program delivery that no longer uses paper “food stamp” coupons.



- **EBT:** Electronic Benefit Transfer (EBT) is an electronic system that allows recipients to access their SNAP benefits using a card similar to a credit card. This system replaced paper food stamps after passage of the Personal Responsibility and Work Opportunity Reconciliation Act of August 22, 1996, which mandated that all states implement EBT systems before October 1, 2002.

- **Link:** The name for the Electronic Benefits Transfer (EBT) system used in Illinois to distribute food and cash assistance benefits, including SNAP. The card used to redeem benefits is known as a Link card. Each state has a different name for its EBT system -- for example, Louisiana Purchase, Golden State Advantage (California), Oregon Trail, Lone Star (Texas), or Hoosier Works (Indiana).



To put it another way, Link is the name of the **EBT** system Illinois uses to distribute **SNAP** benefits – formerly known as “food stamps” -- to its residents. A more detailed description of the many terms and acronyms you may encounter during the implementation of your market’s Link program can be found in the *Glossary* in *Appendix A* at the end of the Guide.



WHY ACCEPT LINK CARDS AT YOUR FARMERS' MARKET?

Food Justice & Community Health

In affluent societies like the United States, easy access to food is a luxury that often is taken for granted. Unfortunately, many communities in our country do not have equal access to food, particularly fresh foods, and instead rely heavily on processed, nutritionally-deficient foods. Due to the current economic downturn, a recent *Time* article indicated that “more Americans than ever are receiving food stamps. The Department of Agriculture reported that 35.1 million people relied on government help to buy groceries in June — 713,000 more than in the previous month and a 22% jump from the previous year’s figure.” (Source: <http://www.time.com/time/nation/article/0,8599,1921992,00.html>)



Consider the impact of diet on human health:

- Four of the ten leading causes of death in the United States are chronic diseases for which diet is a major risk factor.
- Eating fresh fruits and vegetables protects against cardiovascular disease, cancer, and Type II diabetes, while consumption of processed foods with high contents of fat, salt, and sugar may cause obesity and other related health problems.



The dangers of poor diet illustrate the need to make high-quality foods available to under served communities. **Food justice** is a commitment to the idea that *all* people have the right to healthy food. **Easy access to high-quality fresh, affordable food is essential to food security and the overall health and quality of life in any community.**





Building Business for Your Farmers

Adding a Link payment option to your farmers' market broadens the customer base for your vendors by opening up your market to a new demographic and increasing customers' purchasing power. If your market also chooses to accept credit and/or debit cards, you may also find customers spend more at the market, especially when buying high-value products, such as meats. The point-of-sale machine that accepts Link benefits electronically can also accept credit and debit cards, thus **increasing potential revenue** from credit and debit card users otherwise unable to use their cards at the market. In 2006, Iowa farmers reported a 13.3% increase in sales when using machines that accepted EBT, credit and debit cards. (Source: Mary Ellen Doyle, RD, MPH, "Food Stamps and Farmers, It's a WIN-WIN," University New England Master in Public Health (MPH) Graduate Program, July 2007, (Source: <http://www.farmersmarketcoalition.org/resources/home/article/1-resource-library/158-food-stamps-and-farmers-it-s-a-win-win-farmers-toolkit-for-accepting-electronic-food-stamps>)

Strengthening the Local Economy

Additional revenue generated from Link recipients and credit/debit users will be spent on local products, thus **keeping money in the community**. According to the July 2009 report titled "Local Food Systems in Central Illinois: An Economic Impact Analysis" every dollar spent on locally grown fruits and vegetables in Illinois generates \$1.34 in the local economy – a 34% return for the local community. According to the USDA, "every \$5 in new SNAP benefits generates nearly twice as much (\$9.20) in total community spending." (Source: <http://www.fns.usda.gov/snap/roll-out/snap-fact-sheet.pdf>)

How We Do It

During the first year the Downtown Bloomington Farmers' Market accepted Link, credit, and debit cards, the program generated almost \$20,000 in sales for its vendors. It is impossible to know how many of these sales would have occurred if this program had not been in place. However, it seems safe to say that the \$5,000-plus of EBT token sales made during this year were sale that would not have occurred, if the market had not been accepting Link cards. In addition, we can assume at least a portion of the nearly \$15,000 in credit/debit sales would not have occurred without this program.





WHAT IS DIFFERENT ABOUT LINK FOR FARMERS' MARKETS?

Farmers' markets are different from ordinary retailers in at least two important ways:

- They typically include multiple vendors; however, the Food and Nutrition Service (FNS) definition of farmers' markets also applies to individual farmers "selling through a direct marketing venue such as a roadside farm stand, pick-your own operation, and/or market stall within a farmers' market." (*See full definition in the Glossary.*)
- They are typically located in outdoor venues with limited access to electricity and telephone or data lines.

Accepting SNAP benefits at farmers' markets became more difficult when paper food stamps were replaced with Electronic Benefits Transfer (EBT) cards, called Link in Illinois. Link recipients access their food benefits electronically by swiping their cards using the familiar electronic machines widely used by merchants for credit and debit purchases. Unfortunately, since individual farmers' market stalls generally do not have access to electricity and phone lines, it became difficult for each food vendor to accept Link benefits in the same way they accepted paper coupons.

Markets can tackle this challenge, however, by having a **Central Point of Sale (POS) Device that processes transactions through a wired or wireless network. Alternative redemption systems** are used to enable EBT customers (and credit/debit customers, if desired) to purchase from multiple vendors using a single POS machine.





IS A LINK PROGRAM FEASIBLE FOR YOUR MARKET?

Before making a decision to implement a Link program at your market, you will want to make sure there is a demand for Link at your market and that the market will have the resources needed to implement and maintain the program. Here are some questions to consider:

1. Will you have enough Link customers? If your market is near a low-income area, or your community provides subsidized public transportation making it easier for customers to come to you, accepting Link could be good for your market. Ideally, residents of the low-income community should be active participants in evaluating how the market can best serve their needs. Involving these prospective customers will help ensure the Link program is needed and is implemented in a way that makes it convenient and comfortable for them to shop the market. It may also enable the market to identify additional or alternative solutions needed to meet the community's food needs.

2. Does your market have the budget to purchase a POS device and pay monthly fees? If not, would it make sense for your market to use a free POS machine provided by the state to accept Link cards only (no credit/debit cards)?

Because costs vary, you will need to research costs for your individual market, which may include the following one-time costs:

- Up to \$1,000 for a rechargeable POS device with cellular capabilities, and
- Up to \$600 to purchase tokens or paper scrip (optional, see *Develop an Alternative Redemption System*)

And the following monthly costs:

- Service fees
- Wireless/cellular fees
- Fees for each debit, credit, and Link transaction

The monthly fees totaled approximately \$725 during the first year of operation for the Downtown Bloomington Farmers' Market, but these fees will vary, depending on the fee schedule of your selected processor and your transaction volume. There are several options you may wish to consider to fund these costs:

- a. **Applying for a grant** - The FNS website includes information on USDA Grant Resources for Farmers' Markets to help cover SNAP expenses. For more information go to http://www.fns.usda.gov/snap/ebt/fm-scrip-Grant_Resources.htm.
- b. **Requesting assistance from local businesses** - Downtown Bloomington Association received a grant from State Farm Bank to cover start-up costs, as well as funds for community outreach. (For more information, see *A Funder's Perspective under Step 7: Implement Community Education and Publicity to Promote the Program.*)



c. **Charging a small fee to credit/debit card users** - These fees can be used to cover monthly fees and transaction costs. It is important to note, however, that no fees can be charged to Link card users.

If these options are not adequate to cover your anticipated costs, you may consider using an EBT-only machine available free from the State of Illinois. These machines require electricity and a telephone connection, so they will not be feasible if your market does not have access to electrical outlets and a telephone line.

NOTE: A worksheet to help you collect cost information and estimate total annual expenses has been included in the Appendix.

3. **Does your market have enough staff (employees and/or volunteers) to administer the program?** You need staff at the market to tend the POS device, help customers complete their transaction, to handle reimbursements (if using a scrip system), and to do the necessary bookkeeping and banking each week.
4. **Do you have time to implement a Link acceptance program before your market starts for the year?** The application and implementation process can take several months.
5. **Do you have an individual who is willing to take responsibility for the Link program?** Your market must have one individual who will certify that s/he is the “owner” of the firm and sign the SNAP application agreeing to take responsibility for proper management of the program and the actions of the staff (employees and volunteers) operating the market.



QUICK-REFERENCE GUIDE FOR FARMERS' MARKETS

1. **Complete Application to Become a SNAP Retailer.** As of February 2010, farmers' markets no longer need state approval to become authorized Link retailers.
 - a. **Request an application by calling 877-823-4369 or complete the application online at <http://www.fns.usda.gov/snap/ebt/fm.htm>.** After completing the online application, you will need to mail additional required documentation to complete your application. You should allow 45 days for your application to be approved.
 - b. **Once you are approved by FNS, you will receive an FNS number with your approval confirmation.** FNS will refer your approval to the State of Illinois' EBT Contractor, who will send you a Retailer Agreement and other information about setting up the point-of-sale (POS) terminal.
2. **Develop an Alternative Redemption System.** Because they have multiple vendors sharing a single POS terminal, farmers' markets use alternative redemption methods for Link sales. This approach enables each vendor to accept Link benefits without the need to be separately authorized by FNS and obtain their own POS terminal. Most markets use paper scrip, wooden tokens, or receipts that customers can use to redeem Link benefits with vendors.
3. **Choose a Processor and Point-of-Sale (POS) Machine.** You may request that the state's EBT contractor supply a free POS terminal that processes only EBT (Link) cards; the free machines require electricity and a phone line. You may also purchase, lease or rent a POS machine that processes credit and debit cards in addition to EBT cards. The market will need to select a processor BEFORE choosing a POS machine, because the POS machines are supplied by the processor and are not always transferable between service companies.
4. **Develop a Record-keeping & Vendor Reimbursement System.** A system must be established to record and track POS transactions. If scrip or tokens are used, the market will need to determine how to collect scrip that has been redeemed by customers and how to reimburse vendors. The market should consider how often reimbursements will be made and whether reimbursement will be made by check or electronic funds transfer to the vendors' bank accounts.
5. **Educate Vendors on Using the Program.** It is imperative to educate vendors about FNS regulations and your market's redemption and reimbursement processes. Before the season begins, a Participation Agreement should be signed by vendors to ensure they understand program requirements. A quick-reference card for vendors may also be helpful. (*An example is provided in the Appendix.*)
6. **Implement Community Education and Publicity to Promote the Program.** To make the market's Link program sustainable and successful, it is of the utmost importance that other entities besides the farmers' market become involved and have a vested interest in the program. Getting multiple organizations involved allows for more funding and volunteer opportunities, while also helping to ensure the existence of the program because so many different entities have a stake in its success.
7. **Train Market Staff to Support the Program.** USDA provides a training guide that can be used to help market staff understand FNS regulations. Staff members will also need to understand how to operate the POS machine and how to handle problems, including what phone numbers to call when processing problems are encountered. A good understanding of the market's alternative redemption and reimbursement systems will also be needed.



BECOMING AN AUTHORIZED LINK RETAILER

Step 1: Complete Application to Become a SNAP Retailer

In 2010, the Food and Nutrition Service (FNS) streamlined their application process for farmers' markets to accept SNAP food benefits on states' EBT cards, including the Illinois Link card. Farmers' markets interested in accepting SNAP benefits fill out the same FNS application used by other retailers. **No special state application or approval is needed.**

Farmers' markets should submit an application to FNS to become an authorized retailer. A retailer authorization application can be requested by calling 877-823-4369 or by completing an application online at <http://www.fns.usda.gov/snap/ebt/fm.htm>. The online application is a three-step process:

- Set up and activate a USDA eAuthentication account. After the account is created, USDA will send you a confirmation email with a hyperlink to activate your account.
- The Online Application allows you to start and stop the application process. You have up to 30 days to complete and submit the completed online application to FNS. Be prepared with the following information before you start: name, home address, and social security number of person who will be responsible for the SNAP program at your market. You will also need an estimate of total sales for all vendors selling eligible food items at your market.
- After completing the Application, additional documentation must be sent to an FNS field office. A list of required documents is provided during your online application process or in your application packet if you apply via paper. Contact Robin Masters at (317) 510-7226 or by email at Robin.Masters@fns.usda.gov. You can also contact the following FNS offices in Illinois to answer questions about SNAP and the application process: Chicago Field Office, 888-258-2941; Springfield Field Office, 888-258-6107

After receiving the FNS certification for SNAP, your market will be authorized to accept the Illinois Link card as well as EBT cards from other states. Each state has its own name for their EBT card, which are eligible for use at any SNAP certified retailer nationwide.





Frequently Asked Questions When Completing FNS Application

This section lists “Frequently Asked Questions” that may arise when completing your FNS application. Answers were provided by the Detroit Field Office, Food and Nutrition Service, USDA. (Source: *Frequently Asked Questions: EBT and Serving Food Stamp Customers*, <http://farmersmarketcoalition.org/>)

- **Question #7: Type of ownership:**

How do markets that are nonprofits, or sponsored by municipalities answer this question? *It is suggested at this time, that either Publicly Owned Corporation or a Cooperative is selected as ownership type. Documentation of Non-Profit status must be submitted with the application; i.e. IRS exemption letter, or Articles of Incorporation for a Domestic Non-Profit Corporation.*

- **Question #8: Primary owners or major shareholders or cooperative officers:**

If there is a governing board of some sort, is it sufficient to provide information about its officers rather than about each board member? What about markets that are operated by a municipality? Is someone required to provide identification? *Whether they are an officer, board member or a market master, photo identification and documentation of social security number must be received for an individual responsible for the operation of the Food Stamp Program at the farmers’ market.*

- **Question #10: Contact info for Parent Corporation:**

How might this apply to farmers’ markets? *This question has no application for farmers’ markets and can be left blank – this question pertains to multi store chains or franchises.*

- **Copy of current license required to operate:**

What should I attach? *Some municipalities will issue a license to operate a market while others do not; there is no required license by the Michigan Department of Agriculture to operate a farmers’ market. If you have a local business operator’s/seller’s/or vendor’s license you may submit that with your application.*

- **Question #13: Estimate your annual retail sales:**

How do I estimate my annual sales? *For a farmers’ market with multiple vendors, ask each vendor to estimate a dollar amount of what they think they may sell in a month, then multiply that by the number of months you are open.*

- **How long will it take to become authorized?**

The USDA Food and Nutrition Service field office has up to 45 days from the date they receive a completed application to approve or deny your application for a food stamp program permit.





PLANNING & MANAGING THE LINK PROGRAM

Step 2: Develop an Alternative Redemption System

Purpose of an Alternative Redemption System

Using a centralized POS machine requires development of a system that enables customers to shop with individual vendors – and ensures vendors receive payment for products sold using the centralized POS terminal.

Types of Alternative Redemption Systems

There are two main types of alternative redemption systems:

- **Scrip** is an alternative currency, such as coupons or wooden tokens, which can be used instead of cash to purchase items from market vendors. Using this system, customers will swipe their Link card in the centralized POS machine, determine the amount of benefits they would like to use and enter their PIN. After their purchase is authorized, they receive a receipt showing their account balance, along with tokens or scrip for the approved amount. The tokens/scrip can be used like cash to purchase eligible products sold by individual vendors. The market must allow EBT tickets or tokens to be returned for credit on the customer's Link account at the end of the same day, or they can be redeemed for eligible food items on another market day.
- A **receipt or voucher system** requires customers to select the items they wish to purchase getting a voucher from the vendor. Leaving their items at the vendor's stand, they bring the voucher to the centralized POS device, swipe their Link card for the amount shown on the voucher, get a receipt for the transaction, and then return to the vendor with this paid receipt to pick up their purchases.

Scrip Redemption System:



Receipt or Voucher Redemption System:





Managing Your Alternative Redemption System

Scrip – Tickets or Tokens

The most popular alternative redemption approach is to use paper scrip or tokens specifically designed for your farmers' market. (See Appendix B for sources for purchasing wooden tokens.) According to USDA federal standards, scrip must be differentiated in some manner to distinguish credit/debit transactions from SNAP purchases, because only certain food items are eligible for SNAP. While vendors must be able to recognize what type of transaction was used to purchase the scrip (Link or credit/debit), scrip should not be so different as to create a stigma for Link users.

Methods of Differentiating Scrip:

- Denomination - \$1.00 for Link and \$5.00 for credit/debit (Since change cannot be given by vendors for Link transactions, smaller denominations are needed.)
- Color - One color for Link scrip and another for credit/debit scrip.

Regardless of the method you choose for differentiating scrip, providing vendors with written explanations describing restrictions on the use of the scrip system is important. For example, EBT tokens may include the following statements: "EBT-Eligible Items Only – NO CHANGE GIVEN."

To prevent counterfeiting of your scrip system, your design should be one that is not easily duplicated. Markets using paper scrip may use tickets with a watermark and serial number and/or a type of security paper (like "Kant Kopy") that cannot be photocopied. Markets using wooden tokens have a reduced risk of counterfeiting.

Paper Receipts or Vouchers

If you decide to use a receipt system, you may choose to use a POS device that has the ability to record sales internally that uses a unique code for each vendor and produces multiple receipts. After customers select the items they wish to purchase, the vendor writes the total amount due on a paper voucher or chit and holds the items at the booth. The customer then presents the voucher at the customer service booth and swipes a Link, credit, or debit card for the sales amount shown on the voucher.

After the transaction is approved, three receipts are printed for each sale: one each for the customer, vendor, and market. The customer will be given two receipts and told to return one to the vendor, who will exchange the vendor's receipt for the parcel. After the market, the sales receipts and chits are reconciled with the sales allocated to each vendor. Vendors are paid according to the method and schedule developed by the market.

Some POS machines can be programmed to direct funds from these transactions directly to the vendors' bank accounts. These machines must be programmed with information about each vendor's bank account. At the time of sale, the vendor code for each farmer is entered before the customer swipes their Link, debit or credit card. This approach eliminates a substantial amount of work needed for bookkeeping and vendor reimbursement. However, the memory of these machines is limited and may only handle information for a small number of vendors, so they may not work for larger markets.



A Note on Manual Vouchers

Manual vouchers are provided by the state's EBT contractor and should be kept with EBT materials at the market and can be used as back-up when the POS terminal is not available. If your market has very low SNAP sales (less than \$100 monthly), you might also consider manual vouchers as your normal method for redeeming SNAP benefits. This eliminates the need for a POS terminal altogether and may be an excellent low-cost alternative for some markets.

Whenever manual vouchers are used, the market representative fills out the voucher with the Link customer's name, Link card number, and market information. The voucher must be signed by the customer and the Link card must be presented. The representative must then call the Illinois Link Retailer Help Line to obtain a voucher authorization number, which freezes the amount of purchase in the customer's Link account. The Link purchase is processed with the voucher. Vouchers should be settled electronically, through the POS terminal. If that cannot be done, then a market with an EBT-only POS terminal directly connected to the Link/EBT system would submit the voucher to the EBT Contractor to settle. A market that uses a third party processor needs to send the voucher to the third party processor to settle.

Being Sensitive to Stigma

It is important to recognize that there can be a stigma attached to using SNAP benefits. Since the introduction of the Link card, which looks just like a debit or credit card, has significantly reduced this stigma, it is important for farmers' markets accepting Link to be sensitive to the way benefits are converted into scrip and how acceptance of the scrip is handled at each vendor's booth.

Signage for Accepting Link Benefits

Link customers should be able to easily discern which vendors sell eligible items and can accept their scrip. The market should create signs for vendors to display at their booths indicating what types of scrip the vendor can accept. For example, a farmer would be able to accept both credit/debit and Link tokens, while an artist would be able to accept only credit/debit tokens. (See Appendix for examples of signs used at the Downtown Bloomington Farmers' Market.)

How We Do It

As a larger market with over 50 vendors, Downtown Bloomington Farmers' Market uses a wooden token system. We have a POS machine that accepts Link *as well* as credit/debit cards, and volunteers dispense tokens after payment. Link recipients stand in the same line as credit/debit card users, and both they and credit/debit customers use wooden tokens to make their purchases. Our tokens are plain wood with just the words printed in different colors—Link tokens in blue and credit/debit in green. Change (in cash) may be given for \$5 green credit/debit tokens, but change may NOT be given for \$1 blue Link tokens (per USDA guidelines). The market supplies signs for the vendors' booths that have pictures of the tokens accepted by that vendor.





Step 3: Choose a Processor and Point-of-Sale (POS) Machine

Factors to Consider When Selecting a Processor and POS Machine

Under federal regulations, authorized retailers who average \$100 or more in food benefit sales per month and who do not choose to buy or lease their own equipment are eligible for an EBT-only POS terminal that can only be used for EBT transactions. If your market chooses to use the free EBT-only POS machine, you will need to have a telephone line and electrical outlet available as no wireless option is available. Using the free POS machine, will require you to use the state’s EBT contractor as your processor.

If your market does not choose to use the free EBT-only machine, you will need to select a processor other than the state EBT contractor – called a “third-party processor.” This processor can provide credit and debit service, as well as EBT and will be responsible for authorizing and processing transactions and settling the market’s account.

Selecting a processor must be done before choosing a POS machine as the POS machines are supplied by the processor and are not necessarily transferable between service companies. When choosing a processor, it is important to investigate several options to determine which company best meets the needs of the market.

Each processor has different financial structures and fees for EBT and debit/credit services. (The bank currently being used by your market may offer these services.) Comparing costs may be easier when using a standard template like the one below. This information may be more meaningful if you translate the fees into the actual cost for a typical transaction of \$20. Some processors may allow farmers’ markets to skip monthly fees during the months they are closed, so be sure to ask.

Cost of Machine	Purchase: Lease:	
Bank Statement Fee/Service Fee		
Wireless/Cellular Fee		
Transaction Fees	Fee Schedule (per transaction or percent)	Calculate actual cost for a \$20 transaction
EBT		
Debit		
Pin		
Signature		
Credit		



Types of POS Machines

There are two types of POS machines:

- Wired POS terminals, which require an electrical outlet and an analog telephone line, and
- Wireless POS terminals, which are battery-operated and do not require a telephone line or electrical outlet. Wireless machines can use either wi-fi or cellular service. If your market does not have wi-fi access, make sure you select a machine that has cellular capabilities (and usually costs more). Make sure your processor offers good cellular coverage in your area, especially if your market is located in a rural area.

How to Contact Potential Third-Party Processors

(Note: The third-party processors, listed on the next page, have helped other farmers' markets. This list does not include all existing third-party processors, is subject to change and should be verified.) When requesting an application, be sure to describe to the third-party processor representative how you plan to use the machine as some companies offer special pricing for farmers or non-profit organizations. Markets located in rural areas will need to use a provider that has cellular service in your area. It is also important to determine a secure place where the POS equipment, scrip, and supplies will be stored when not in use as well as who will be responsible for proper storage.





Chase Paymentech (800) 435-9789

www.chasepaymentech.com

POS Terminal:

http://www.chasepaymentech.com/portal/community/chase_paymentech/public/public_website/solutions/pos_solutions_pages/verifone_vx610_mobile (wireless/cellular/CDMA)

Fidelity National Information Services (formerly eFunds) (800) 558-6980, ext. 3422

<http://www.fisglobal.com>

POS Terminal:

<http://wi-farmers-market-guide.wdfiles.com/local--files/equipment-and-services-required-to-process-ebt-payments/Brochure.pdf>
(wireless/cellular/CDMA)

Fee Information:

<http://wi-farmers-market-guide.wdfiles.com/local--files/equipment-and-services-required-to-process-ebt-payments/Pricing.pdf>

First Data (800)456-5902

<http://www.firstdata.com/fdis/>

POS Terminals:

http://www.merchantinsider.com/assets/pdf/resources/FD_Terminal_Comparison.pdf

First National Merchant Solutions (800) 354-3988

<http://www.firstnationalmerchants.com/mark/index.jsp>

Total Merchant Services (800) 313-5198

<http://www.merchantsource.com/cart/terminal.html>



Step 4: Develop Record-keeping & Vendor Reimbursement Systems

Record-keeping System

A system must be established to record and track POS transactions. If you are using a scrip system, you will need to consider the following questions:

- How will you record and track POS transactions?
- How will scrip be collected from the vendors after it has been redeemed?
- How will you validate and record scrip counts for each vendor following each market day?



How We Do It

Prior to the start of the season, the Downtown Bloomington Farmers' Market prepared inexpensive, heavy-duty vinyl zipper bags containing a clear pocket on outside to hold vendor identification. Before the start of each market day, market staff distributed the bags to each vendor. At the end of each market, bags containing redeemed scrip and accounting forms are collected by market staff.

Each bag contained the following materials:

(See Appendix for documents used by the Downtown Bloomington Farmers' Market.)

- **Token Reimbursement Form** – Printed on card stock and folded in half to fit each vendor's scrip bag; used for vendor to record quantity of scrip submitted for reimbursement each week.
- **Pen**
- **Debit/Credit/EBT/FMNP Redemption Guide** – Half-sheets printed on card stock and laminated; used as a quick reference to help vendors determine rules for handling the different types of scrip and Farmers' Market Nutrition Program (FMNP) coupons.
- **Signs & Velcro® Fasteners** – Laminated signs for vendors to post indicating what types of scrip they accept (i.e., EBT and credit/debit or credit/debit only; See Appendix)

Validating and Recording Scrip Counts

It is important to track the following information for each vendor by date in the spreadsheet:

- Vendor Name
- Amount of EBT/Link Scrip Redeemed
- Amount of Credit/Debit Scrip Redeemed
- Total Dollar Amount Reimbursed to Vendor



The market will also need to track information about scrip sales. For each market day, the following should be recorded using information from the POS terminal's reporting function:

- Number of Sales
- Count of Scrip Sold
- Total Dollar Value of Scrip Sold
- Surcharge Total (amount charged to customers by the market for using their credit/debit card)

Note: Information about scrip sold should be reconciled with information about scrip redeemed so the market is aware of how much scrip of each type (EBT and non-EBT) has been redeemed. As each vendor's scrip counts are validated, the scrip should not be immediately returned to the central scrip supply. Instead, the scrip from that particular market day should be organized in easily re-countable piles (e.g., in groups of five or ten), separate from the central scrip supply. After all vendors' scrip are counted and validated, reimbursement checks should be prepared (either manually or online, as discussed in the next section) and check totals should be compared against total scrip values in the spreadsheet. These should balance. If not, having the scrip separated out makes it easier to determine whether the error was in counting scrip or in transcribing reimbursement amounts. After reimbursement amounts are balanced against the spreadsheet, the scrip can be returned to the central scrip supply and reused.

How We Do It

The Downtown Bloomington Farmers' Market used a spreadsheet to record scrip counts – and these were checked against individual vendor counts for validation. Recording/validating scrip and reimbursing vendors required about two hours of staff time on a weekly basis for the Bloomington market, which had about 50 vendors (though not all vendors attended every market).

While a spreadsheet appears to be the approach most widely used by other farmers' markets, it can present some challenges (i.e., difficult to share between staff, inflexible, etc.). Your market may wish to consider using accounting software, such as QuickBooks <http://quickbooksonline.intuit.com/finance-accounting-solutions/> or Clarity Accounting : <https://www.clarityaccounting.com>

Managing Vendor Reimbursements

When deciding how to handle vendor reimbursements, you will want to consider how you will handle vendor reimbursements (Frequency? Method?).

Regardless of the reimbursement frequency chosen by your market (i.e., weekly, bi-weekly, monthly) ensuring your vendors receive their scrip reimbursements promptly is critical to maintain vendor support for the market's Link program. Though it is probably not feasible to offer all vendors reimbursement at the end of the market day, the market should make this option available to vendors who have a large amount of scrip to reimburse by establishing a minimum day-of-market reimbursement guideline.

It is also important to note that credit/debit/Link funds for scrip purchased at the market can take up to 72 hours to be transferred to the farmers' market's bank account, so it is wise to wait to reimburse vendors until after funds have been received. Market staff should check the market's account online to verify funds have been deposited before issuing checks.



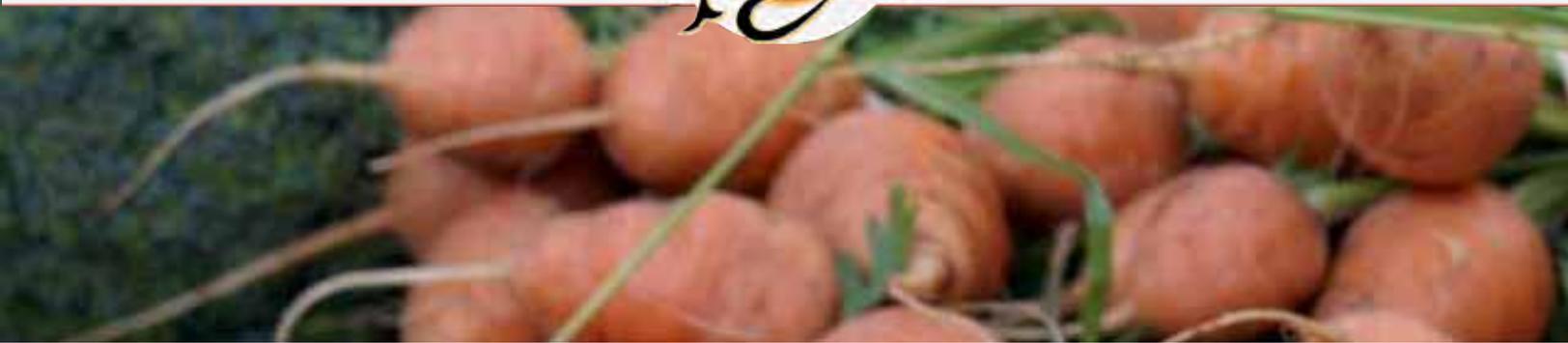
Advantages of Online Bill Pay

Nearly all banks offer online bill pay options, so markets should consider taking advantage of this option for their scrip reimbursements because they:

- **Save time & postage.** The first time vendors are reimbursed using online bill pay will be the most time consuming because vendor names and contact information will need to be entered. However, after this first step, reimbursing vendors becomes an easy and fast way to send checks to the vendors as market staff simply has to enter reimbursement amounts. Vendors should be aware it may take up to five business days to receive their checks in the mail.
- **Easily track transactions.** It is easy to check online if a vendor does not receive a check or if there are questions about the amount. In addition, statements are available online showing all sales, charges, and deposits to the account. Some banks also mail out statements.

How We Do It

The Downtown Bloomington Farmers' Market found that weekly vendor reimbursement was less confusing regardless of the number of tokens vendors had in their bags. (For example, some vendors might have only \$5, while others may have close to \$200). They also opted to use the online bill pay option instead of the more cumbersome manual check writing option.



Step 5: Train Market Staff to Support the Program

Staff members (employees or volunteers) will need to understand how to operate the POS machine and how to handle problems, including what phone numbers to call when processing problems are encountered. A good understanding of the market's alternative redemption and reimbursement systems will also be needed.

It is essential that staff understand FNS regulations and is able to ensure that staff and vendors comply with requirements. They need to make sure appropriate notices are displayed at the information table. They should understand what items are eligible for Link and which are not, and they should be able to answer customer and vendor questions. The best resource for providing this information is the retailer training guide published by FNS. Farmers' markets will definitely want to use this information while developing training for their staff and vendors. The guide can be accessed online using this link:
http://www.fns.usda.gov/snap/retailers/pdfs/Retailer_Training_Guide.pdf#xml=http://65.216.150.153/teaxis/search/pdfhi.txt?query=retailer+training+guide&pr=FNS&prox=page&rorder=500&rprox=500&rdfreq=500&rwfreq=500&rlead=500&rdepth=0&sufs=0&order=r&cq=&id=4bc8dc2711

All new volunteers should receive orientation from the market manager or the market's Link program coordinator. Their first time at the market, they should be paired with an experienced volunteer. It is also a good idea to have volunteers scheduled at the market fairly frequently – at least twice a month – so they have more opportunities to learn the program and do not forget details between volunteer stints. It is helpful to have a copy of the Retailer Training Guide available at the Link table, along with the operating manual for the POS terminal and a phone list to use in case of problems. The market manager or Link program coordinator should always be available to help with problems the volunteers are not comfortable addressing.



Step 6: Educate Vendors on Using the Program

Importance of Vendor Education

It is imperative to educate vendors at your market about how a Link program operates in order for your program to run smoothly. In addition, the market's ability to accept SNAP benefits could be jeopardized if a vendor commits a SNAP violation while operating under the market's FNS license.

You will also need to decide whether you want to make vendor participation mandatory. Before the market season begins, the market should send out a Participation Agreement Form to be signed by each vendor, acknowledging an understanding of program essentials and vendor expectations.

How We Do It

The Downtown Bloomington Farmers' Market decided on mandatory participation primarily to make the program less confusing for customers and to ensure customers using Link benefits were able to purchase any eligible food items being sold at the market. This meant all vendors – even arts and crafts vendors not selling items eligible for Link – were required to accept whatever scrip they were eligible to accept. The agreement used by the Downtown Bloomington Farmers' Market is provided in the Appendix.

What Vendors Need to Know

Vendor education is an ongoing process. All new vendors and all new workers at each vendor booth must:

- Know what kind of scrip they can accept for their products
- Understand that no cash can be given as change for EBT scrip -- but that each customer should receive full value for their scrip
- Understand the market's record-keeping and redemption requirements
- Understand that each individual vendor does NOT need to become licensed to accept Link; once the market as a whole becomes approved to accept Link, each vendor in that market selling eligible items is automatically approved
- Know about the program and be able to direct customers who want to shop with their Link cards to the information booth or staff person to get scrip. (When setting up the Link table, it is a good idea to include some distinctive feature that vendors can easily describe. For example, the Link tent at the Downtown Bloomington Farmers' Market is the only red tent in the market.)



It is especially important for vendors and staff to understand laws and regulations related to SNAP. Link customers must be treated the same as any other customers. Staff and vendors alike should make an effort to cultivate a spirit of hospitality to all who shop the market. Neither the vendors nor the market may do any of the following.

- Restrict Link customers to shopping at certain times, charge them higher prices, or make them use lines designated for Link customers.
- Require customers to make minimum purchases.
- Ask customers for their Personal Identification Number (PIN). Only the customer may enter his or her PIN at the Point of Sale (POS) terminal to complete the Link sale.

Vendors and staff should also understand what items CAN and CANNOT be purchased using SNAP benefits. It is especially important for vendors selling ineligible items to understand these requirements:

- Households CAN use SNAP benefits to buy:
 - All food intended to be eaten at home. This includes staple foods as well as nonalcoholic beverages, snack foods, soft drinks, candy, and ice.
 - Seeds and plants intended to grow food (but not for growing flowers or feeding to birds).
- Households CANNOT use SNAP benefits to buy:
 - Beer, wine, liquor, tobacco, or cigarettes
 - Foods that are hot at the point of sale
 - Foods intended to be eaten at the market
 - Vitamins or medicines
 - Pet foods
 - Nonfood items such as tissues, soaps, cosmetics, or other household goods





Regulations also specify that state or local sales taxes may not be charged for eligible items purchased with SNAP benefits – and the sales tax may not be included in the purchase price as a hidden cost. This presents a bit of a dilemma for farmers’ market vendors, who most often do not explicitly include sales tax in the price of their items. Since the sales tax on most items sold by farmers at the market tends to be low, and it would be burdensome to calculate and separate that amount out at the time of sale (and – at the same time – avoid the need to give cash in change for scrip), there currently appears to be no expectation that vendors who do not do a separate calculation of sales tax need to change their practices. Vendors who do calculate sales tax separately should not charge tax to Link customers. Vendors who do not break out sales tax should be made aware of this requirement – and they may want to handle it similarly to the “no change” rule – perhaps offering a small amount of additional product to customers to ensure they receive full value for their Link purchase.

FNS publishes a training guide for retailers accepting SNAP benefits that farmers’ markets should use in developing training for their staff and vendors. The guide can be accessed online using this link: http://www.fns.usda.gov/snap/retailers/pdfs/Retailer_Training_Guide.pdf#xml=http://65.216.150.153/texis/search/pdfhi.txt?query=retailer+training+guide&pr=FNS&prox=page&rorder=500&rprox=500&rdfreq=500&rwfreq=500&rlead=500&rdepth=0&sufs=0&order=r&cq=&id=4bc8dc2711

Encouraging Vendor Support: “More business with no added expense!”

Implementing a Link program at a farmers’ market brings in new customers, who not only spend Link benefits at the market but may also pick up additional items. If the market chooses to accept credit and debit cards, in addition to Link, vendors have the added advantage of accepting credit and debit cards without having to purchase their own POS terminal or pay transaction fees. The elimination of transaction fees is a benefit even for vendors who may have a POS machine. Another advantage is that the availability of a POS terminal at the market sometimes enables vendors to make large sales that they might otherwise have lost.

How We Do It

An advantage of having a POS terminal at the market is that it frequently enables vendors to make large sales that they might otherwise have lost. At the Downtown Bloomington Farmers’ Market vendors selling high-value items like meats or artwork sometimes had customers interested in making a purchase but without enough cash or their checkbook in hand. The vendors would send the customer to the information booth to purchase scrip, thereby closing a large sale that they might otherwise have lost.



Step 7: Implement Community Education & Publicity to Promote the Program

Securing Funding

There are several sources of funding to consider for your Link program – private foundations, government grants, local companies, and possibly even individuals.

- Federal grants are an important source of funds, but, since applications usually have to be submitted a year in advance, markets need to be looking ahead if they want to use a federal grant to fund implementation of their Link program. Detailed information about potential federal grant sources is provided on the “USDA Grant Resources for Farmers’ Markets” web page: http://www.fns.usda.gov/snap/ebt/fm-scrip-Grant_Resources.htm
- Local companies usually have community outreach programs and may be interested in helping with the market’s Link program. If they do assist, it is important to make sure they are recognized in the market’s signage, promotional materials, and publicity. If possible, arrange a meeting with company representatives and prepare a presentation for them. (The proposal that was presented to State Farm Bank for the Downtown Bloomington Farmers’ Market funding request is provided in Appendix C.)

A Funder’s Perspective

Funding support through local banks, businesses, or community organizations can make all the difference when implementing a Link program at the farmers’ market. As previously mentioned, broad community support and partnership is essential to success. When first approaching a potential funder, make sure to do your research. Approach each funding partnership like any other relationship. You must first have a clear sense of what you are looking for in a funder, and seek only those that are likely looking for the same type of funding relationship. The most successful partnerships are those that are properly aligned from the start, and in which both parties are sincerely committed and capable of fulfilling each other’s needs.

Companies are becoming increasingly focused on ensuring that their monetary support is achieving impact and that community partners are effectively communicating their involvement in the community. The companies that top your prospect list, therefore, should be those with which your market has multiple points of alignment (i.e., community revitalization, environmental awareness, small business development/support, health and wellness).





- Identify and craft a compelling message for companies that possess as many shared points of alignment as possible.
- In order to approach your potential funder with a mutually beneficial proposition, determine the unique resources that your organization possesses which it can bring to the table. For example, nonprofits often have the ability to engage employees in a meaningful way, whether through regular volunteer opportunities or a customized event.
- Nonprofits often have the ability to provide recognition to their partners. Offer creative opportunities to recognize your partners via your website, newsletters, complimentary booth space at the market, or in an annual report.
- Corporations are increasingly looking to fund organizations that can provide evidence of their impact. If you do not already have one, consider developing a facts sheet that offers statistics such as the number and demographics of individuals served, the number of volunteers and vendors, your financial information, and other data pertaining to important outcomes.
- Be proactive about offering to provide your potential partner with any evaluation results that you obtain throughout the year, publicity alerts (particularly those that mention your corporate sponsors), newsletters, and other materials that are developed throughout the partnership. Offer to provide the company with interim and/or final reports and site-visit invitations - even if they do not require them in order to keep them apprised of your progress and demonstrate your commitment toward putting their funding to good use.





How We Do It

Funding support for the implementation of the Link program at the Downtown Bloomington Farmers' Market was provided by State Farm Bank. State Farm Bank was already a financial supporter of a grassroots initiative to revitalize the west side neighborhoods of Bloomington (West Bloomington Revitalization Project). West Bloomington neighborhoods are traditionally underserved; many west side residents are low income, elderly, and receive Link benefits. At several community summit meetings, residents stated that access to affordable, healthy foods was an important component to their improved quality of life. Since the Downtown Bloomington Farmers' Market operates adjacent to the west side neighborhoods, it made strategic sense for the organizers of the market to reach out to State Farm Bank for funding and support of the Link program. State Farm Bank was already supporting the West Bloomington revitalization effort and improving access to healthy food was a component of revitalization plan. By funding the Link program at the market, State Farm Bank was "connecting the dots" and aligning multiple community initiatives comprehensively.

The Downtown Bloomington Farmers' Market recognized the contribution made by State Farm Bank on sandwich board signage at the market, on banners, flyers, website, newsletters, Fresh Shares coupons, and even directed customers to the "big red tent" for Link and POS transactions. State Farms' brand color is red and the tent had the State Farm Bank logo on all sides. Additionally, market organizers' sent information (at least monthly) to State Farm Bank representatives, keeping the bank updated on Link card transactions, debit/credit transactions, and Fresh Share coupon redemption, as well as any coverage in the press.

Volunteer Recruitment and Duties

Volunteers may be the most important success factor for the market's Link program. If your market has few or no paid staff, it may be impossible to operate the Link program on an ongoing basis without reliable, committed, and conscientious volunteers. Volunteer recruitment is a challenge that requires dedication and creativity. When recruiting volunteers, consider contacting local employers, who sometimes will advertise volunteer opportunities to their employees, and local colleges and universities, where faculty members will most likely be aware of students looking for community involvement experience. If the market has a newsletter mailing list, that can also be a good source of potential volunteers.

Community Outreach: How to Promote Link at the Market

An essential component to the success of any Link program at a farmers' market entails outreach to the targeted population. Economic, cultural, and class barriers prevent many Link recipients from feeling welcome at their local farmers' market.

Build Relationships with "Gatekeepers"

Throughout the process of outreach to the targeted Link population, it is absolutely critical to build relationships with "gatekeepers" in the community. **Gatekeepers are people who directly interact with Link recipients:** food pantry managers,





religious leaders, workers at social service agencies, and other community leaders. These people can make a major contribution to awareness of the Link program. It is essential to explain to the gatekeepers the importance and benefit to their community members of using Link at the farmers' market. Members of the community trust the gatekeepers, so when these leaders tell Link recipients that they should visit the farmers' market to use their Link card, people are much more likely to do so.

How We Do It

The Downtown Bloomington Farmers' Market has a volunteer who coordinates and schedules volunteers for all market operations, including the Link table. In addition to the Token Booth Coordinator, who typically also performs other administrative functions at the market, there are two volunteer shifts each market day. These consist of two volunteers, who staff the booth and perform other functions for each 2 ½-hour shift. Volunteer duties at the Downtown Bloomington Farmers' Market are described below:

Token Booth Coordinator: Unpack and organize materials – POS machine, tokens, signs, etc.; coordinate distribution and collection of vendor token bags; track tokens distributed, returned, and reimbursed during each shift; address any redemption problems; ensure tokens are securely stored at the booth and are properly transferred to the office at the end of the market. Answer questions about SNAP, FMNP coupons, and Fresh Shares coupons from vendors and customers.

Token Booth Teller: Assist Token Booth Coordinator in distributing and collecting vendor token bags; answer customer and vendor inquiries regarding market tokens; operate the POS terminal to conduct Link/credit/debit card transactions; assist in setting up and tearing down the token and information booths at the beginning and end of the market.

Provide Financial Incentives

One way to attract Link recipients to the farmers' market is by providing an economic incentive in the form of a **free coupon or matching Link benefits** to be used at the market. These coupons can be distributed through social service agencies, churches, food pantries, and other local organizations. The gatekeepers mentioned in the previous section can help you determine how you can best reach people who are likely to be eligible for Link benefits. When distributing coupons through other organizations, it is important to make sure volunteers at these organizations are knowledgeable about the coupons and the farmers' market, so they can explain their purpose to customers.

It is a good idea to ask the organization if the market's volunteers can pass out the coupons for a period of time. This demonstrates the market's commitment to the Link program – and it also helps the other organization to understand the program, which will help them when they are distributing the coupons. Because not all of the individuals receiving coupons will be Link card holders, though they may qualify for Link, this program can also serve as an outreach for Link. The farmers'





market and other organizations can work together to provide applications for Link and encourage eligible families to apply for benefits.

When providing financial incentives, it is critical to be aware that there may be special FNS reporting requirements. A coupon program like Fresh Shares is not affected because it targets a broad population – not just Link customers. Markets considering programs that benefit only Link customers – for example, programs that match Link purchases – should be aware of the following statement from FNS:

While FNS fully supports healthy incentive projects, these projects run counter to SNAP “equal treatment” regulations, which specify that “no retail food store may single out coupon users for special treatment in any way;” Therefore, farmers’ markets that plan to implement a healthy incentive project or are already operating an incentive project must notify FNS so that FNS will have an accurate record of all incentive projects in operation across the nation. No reporting other than that required by the sponsoring organization is required to comply with FNS rules and regulations. (Source: http://www.fns.usda.gov/FSP/ebt/fm-scrip-Bonus_Incentives.htm)

Publicize the Program

The following are ideas the farmers’ market should consider to help introduce or promote their Link program:

- Hold informational sessions at social service agencies, food pantries, community centers, places of worship, day-care centers, and public libraries.
- Blanket the neighborhood with flyers and posters about Link at the farmers’ market. When designing promotional materials, be sensitive to the language of the targeted population (e.g., if there is a large Hispanic population, print signs in both Spanish and English).
- Contact your local radio stations to inform them about the program and to inquire about getting air time or a public service announcement.
- Send press releases to all media outlets, including targeted neighborhood, ethnic, or minority newspapers.

How We Do It

The Downtown Bloomington Farmers’ Market gained some excellent publicity by turning their Link program kick-off into a community event. They invited the Mayor, other City officials, State Farm Bank officers, and the media. If possible, it would also be a good idea to have musical performances or other entertainment. A press release was issued before the kick-off and attracted good media coverage, including local television news coverage by NBC WEEK 25 News. To read the article and watch the video, visit: <http://www.centralillinoisnewscenter.com/news/local/48001787.html>



Make SNAP Benefit Application Information Available at the Market

The FNS encourages participating markets to provide the public with information regarding the process for applying for SNAP benefits. Your market may want to compose an information sheet containing local FNS contact information (names, address and phone numbers) and have copies available for distribution at the table where your POS terminal is located.

Build a Broad Community Partnership

In the search for volunteers and funding, any Link program at the farmers' market will be most successful if it is tied to a broader community revitalization strategy. The farmers' market should try to ensure any local community revitalization initiatives encompass basic community needs like food access and food security. The health and well-being of any community depends, most basically, on food.

To make any Link program sustainable and successful, it is of the utmost importance that other entities besides the farmers' market become involved and have a vested interest in the program. Getting multiple organizations involved allows for more funding and volunteer opportunities, while also helping to ensure the existence of the program because so many different entities have a stake in its success.

How We Do It

In Bloomington, a diverse coalition came together with the same thought in mind: accepting Link at the farmers' market is a necessary step towards achieving community food security, which ultimately will further the revitalization of the Bloomington-Normal community as a whole. Link at the Downtown Bloomington Farmers' Market was made possible by collaboration among several organizations: State Farm Bank, Downtown Bloomington Association (the sponsor of the farmers' market), Heartland Local Food Network, Inc., Harvest of Hope (a partnership of local food pantries), and West Bloomington Revitalization Project.



GLOSSARY

EBT: Electronic Benefit Transfer -- according to the USDA office of Food and Nutrition Services, Electronic Benefit Transfer (EBT) is an electronic system that allows a recipient to authorize transfer of their government benefits from a Federal account to a retailer account to pay for products received. EBT is used in all 50 States, the District of Columbia, Puerto Rico, the Virgin Islands, and Guam. EBT has been implemented in all States since June of 2004.

EBT Contractor: The entity with which a government entity contracts for the implementation, maintenance and operation of an EBT program.

Farmers' Market: As defined by the FNS, farmers' market is defined as a multi-stall market at which farmer-producers sell agricultural products directly to the general public at a central or fixed location, particularly fresh fruit and vegetables (but also meat products, dairy products, and/or grains). The designation also applies to the following:

- An umbrella organization/sponsor that operates a farmers' market location or locations.
- Direct marketing farmers; these are individual producers of agricultural products, particularly fresh fruit and vegetables, as well as meat, dairy, and/or grains, that are sold to the general public through a direct marketing venue such as a roadside farm stand, pick-your own operation, and/or market stall within a farmers' market.

FNS: Food and Nutrition Service, the office under the U.S. Department of Agriculture that oversees the Supplemental Nutrition Assistance Program (SNAP).

Food Stamps: The former name for SNAP

Fresh Shares: Community program that provided coupons to low-income residents for \$5 worth of free food from the Downtown Bloomington Farmers' Market. (More information can be found in Appendix C)

Link: The name for the Electronic Benefits Transfer (EBT) system used in Illinois to distribute food and cash assistance benefits authorized under several federal and state programs, including SNAP. Each state has a different name for its EBT system. Cards from all states can be accepted by SNAP retailers, including farmers' markets.

POS Machine or Terminal: Point-of-Sale machine. This is the device used to process Link card transactions. There are two types of POS machines. One type can accept only Link cards and is provided free of charge from the State of Illinois. The other type accepts both Link cards and credit/debit cards.

Scrip System: Any substitute for currency which is not legal tender. At the farmers' market, scrip is in the form of tokens or vouchers.

SNAP: Supplemental Nutrition Assistance Program (formerly the Food Stamp program). Administered by the USDA office of Food and Nutrition Services, SNAP is a federal program that helps low-income individuals and families buy the food they need for good health. Recipients apply for benefits by completing a state application form.

Third Party Processor (TPP): An entity, other than the one with which the State has contracted, that provides and maintains retailer POS terminals, authorizes and processes transactions, and settles retailer accounts.



SOURCES FOR PURCHASING WOODEN TOKENS

There are several sources for purchasing wooden tokens – but we encourage you to BUY LOCAL. First, check to see if there are any companies in your area that produce the tokens. The Downtown Bloomington Farmers’ Market used a local company and was extremely satisfied with the price and quality of the tokens. If you do not have a supplier in your community, we recommend contacting CM Promotions, since it is an Illinois company providing a quality product.

Here is contact information:

Branden Freye
CM Promotions
1628 Commerce Pkwy # C
Bloomington, IL 61704-9484
309-829-5646 – ext. 105
branden@cmpromotionsinc.com

If you are unable to source your tokens locally for some reason, you can simply Google “wooden tokens” and you can choose from a list of several different online companies that will ship the tokens directly to you.

The Bloomington market, a fairly large market, purchased 2,500 wooden tokens for a total of \$592.32. These included 1,250 Link tokens and 1,250 credit/debit tokens. It turns out that was quite a few more than we actually needed. Smaller markets, in particular, will want to order fewer tokens.

The following is an online business that has provided wooden tokens to other markets:

Wooden Nickels: www.wooden-nickel.com/; 1-800-750-9915





FRESH SHARES

While Link at the market goes a long way in improving access to fresh foods for low-income communities, it is important to recognize that it does not solve community food insecurity by itself. Link at the market is part of a much broader effort of achieving food justice, which is aimed at ensuring everyone has access to healthy, high quality food. While Link at the market cannot solve food insecurity alone, when combined with a full-service grocery store, community gardens, kitchen incubators, nutrition education, etc., food security can become a reality.

Keeping in mind that Link at the market is only one piece in the puzzle, the Fresh Shares program was created to ensure that all members of the Bloomington-Normal community have access to fresh food. The first component of the Fresh Shares program was made possible by a \$5,000 grant from State Farm Bank. These funds cover the cost of the \$5 Fresh Shares coupons. The goal of the coupon program is to get current and potential Link recipients to become regular customers at the farmers' market.

Additionally, funds for Fresh Shares are generated through credit/debit sales at the farmers' market. The Bloomington Farmers' Market purchased a machine that accepts both Link and credit/debit cards. To help support the Link program at the market and to generate additional funds for Fresh Shares, there is a \$2.00 fee for all credit and debit card users. Approximately \$1.00 of the fee covers the transaction cost for the credit/debit and Link transactions. The remaining money goes towards the Fresh Shares fund to help improve access to fresh foods in the area. These numbers are approximate; the actual transaction fees that have to be covered by the \$2.00 fee will vary depending on transaction volume.

The Fresh Shares program was inspired by programs in other states. The Fresh Shares coupons are modeled on the "Fresh Checks" program of the Farmers' Market Federation of New York (<http://www.nyfarmersmarket.com/ebt.htm>). The use of credit/debit fees to fund Fresh Shares is similar to the approach used at the Crescent City Farmers' Market in New Orleans, Louisiana. The following is a sign displayed at their market explaining the program to their customers in very simple terms:





MATERIALS & MARKET DAY SETUP

- POS Machine with extra paper rolls
- Cell phone to call for service, if needed
- Supply of manual vouchers (needed in case terminal or Link card doesn't work)
- List of important numbers (needed in case of problems):
 - FNS Number
 - Illinois Link Retailer Help Line: 800-418-8000
 - FNS Illinois Field Office Phone Number: 773-424-9033
 - FNS Satellite Office Phone Number: 217-793-5000
 - Third-Party Processor Help Phone Numbers
- "We Accept Food Stamp Benefits" Poster, FNS-132
- "Report Abuse of the Food Stamp Program" Poster, FNS-240
- Scrip
- Scrip Bags for Vendors (Included in bag: Pen, Velcro for mounting sign, Debit Credit EBT FMNP Redemption Guide, Token Reimbursement Form)
- Plastic zip-lock baggies for customers who purchase a large number of tokens and need a way to carry them (however, reusable token bags would be preferable)
- Plastic crate with snap-on lid to transport POS machine, token bags, etc.
- Container to organize scrip (Downtown Bloomington Farmers' Market uses a case designed for poker chips)





SUPPORTING DOCUMENTATION

The following provide some examples of documentation developed and used by the Downtown Bloomington Farmers' Market. As other markets provide additional examples of their documentation, our hope is to offer additional examples showing different approaches.

Vendor EBT Notice: Initial communication to vendors telling them we had been approved to accept Link and would also be accepting credit/debit cards. Also, explaining that ALL VENDORS would be required to participate. We made this decision to avoid confusion for customers.

Vendor Agreement for EBT Credit Debit: Explained rules and guidelines for redeeming tokens and required signature from vendor agreeing that he/she and all other working at his/her booth would comply. We also explained the FMNP coupons in an effort to be fairly comprehensive. (Note: In 2010, this Agreement was combined with the market's other application materials.)

Debit Credit EBT FMNP Redemption Guide: We laminated these half-sheet cards as a quick reference to help vendors determine rules for handling the different tokens and FMNP coupons. These were included in the scrip bag, along with the Token Reimbursement Form used to record counts of tokens submitted for reimbursement each week.

Token Reimbursement Form: We printed these on card stock and put one in each vendor's token bag, so they could record the number of tokens submitted for reimbursement each week. (We also put a pen into each back to make sure they had a writing instrument to record the numbers.)

Debit/Credit & Link Sign: We laminated these and asked vendors who were eligible to accept Link to display the sign at their booth, so customers would know what types of tokens they could accept.

Debit/Credit Only Sign: These were also laminated and provided to vendors who were not eligible to accept Link.

Funding Proposal Presented to State Farm Bank: This presentation was used when meeting with company representatives.

