



**FAMILY INVESTMENT ADMINISTRATION**

**MOBILE POINT OF SALE EQUIPMENT PROGRAM  
PROGRAM INFORMATION AND FUNDING GUIDELINES**

The Maryland Department of Human Services (DHS), under the auspices of the Family Investment Administration’s Bureau of Special Grants (BSG) is pleased to introduce the Mobile Point of Sale Equipment Program (MPOSEP) for Maryland Farmers and Farmers Markets. MPOSEP was created to provide grants to Farmers Markets and individual farmers or vendors for the purchase of mobile point of sale (mPOS) equipment to process Electronic Benefit Transfer (EBT) transactions. With over \$1.1 Billion in food assistance issued by DHS annually, we hope that Maryland Farmers will realize improved access to the untapped market that Supplemental Nutrition Assistance Program (SNAP) recipients represent.

**Purpose of the Mobile Point of Sale Equipment Program (MPOSEP)**

The Supplemental Nutrition Assistance Program (SNAP) in Maryland helps low-income households buy food. This assistance is deposited monthly onto each SNAP recipient’s Electronic Benefits Transfer (EBT) card. SNAP redemption at Farmers Markets nationwide has increased steadily over the past few years and is a trend that strengthens local economies and broadens Farmers Market customer bases by providing low-income consumers with greater access to fresh, locally produced fruits, vegetables, and other groceries. mPOS equipment purchased through the Mobile Point of Sale Equipment Program will allow Markets and vendors the ability to process customer payments made with EBT or “*Independence*” cards.

The Mobile Point of Sale Equipment Program is suitable for Farmers Markets that adopt either Market Level or Vendor Level mPOS Systems. A Market Level System operates through one centralized SNAP-EBT device for the entire Market. With a Vendor Level System, each vendor operates his/her own equipment to accept SNAP, debit, and credit payments directly from customers.

**CHECKLIST:**

<b>Market Level System</b>	<b>Vendor Level System</b>
<input type="checkbox"/> Central bank account used for the Market as a whole	<input type="checkbox"/> Each vendor has a bank account to which sales will be wirelessly transferred
<input type="checkbox"/> High level of SNAP eligible items being sold at the Market	<input type="checkbox"/> High level of SNAP eligible items being sold at the Market
<input type="checkbox"/> Market must complete USDA’s eAuthentication Account Registration then apply and become a SNAP-authorized retailer	<input type="checkbox"/> Each vendor must complete USDA’s eAuthentication Account Registration then apply and become a SNAP-authorized retailer
<input type="checkbox"/> Market has funds to offset costs of transaction fees and any other associated fees	<input type="checkbox"/> Each vendor is responsible for all transaction fees and any other associated direct or indirect costs

Market Level System	Vendor Level System
<input type="checkbox"/> Dedicated, compliant vendors willing to accept tokens as customer payment and receive reimbursement from the Market bank account; a dedicated Market manager or Coordinator for program outreach, accounting and data collection	<input type="checkbox"/> Dedicated vendors who will participate and process transactions every market and comply with necessary procedures and responsibilities including program outreach, weekly accounting and data collection
<input type="checkbox"/> There should be an existing or potential SNAP benefits customer base for any given Market and its vendors	<input type="checkbox"/> There should be an existing or potential SNAP benefits customer base for any given Market and its vendors

### **MPOSEP Eligibility and Application Process**

To receive an MPOSEP grant, an applicant (Market or vendor) must:

1. Be a Farmers Market or a dedicated vendor in at least one of the Maryland Farmers Markets that meet the state definition of a farmers market and therefore are able to accept SNAP. This can be demonstrated through a Market’s inclusion in the annual Maryland Farmers Market Directory: [https://mda.maryland.gov/maryland\\_products/Documents/2018\\_Farmers\\_Market\\_Directory.pdf](https://mda.maryland.gov/maryland_products/Documents/2018_Farmers_Market_Directory.pdf)
2. Complete the USDA’s eAuthentication Account Registration: <https://identitymanager.eems.usda.gov/registration/selfRegistrationForm.aspx?level=1>.
3. Apply and become authorized to be a SNAP-authorized retailer: <https://www.fns.usda.gov/snap/store-farmers-market-application>.
4. Provide proof of Farmers Market vendor membership(s) as well as the authorized FNS number.
  - a. Proof of Farmers Market participation can be provided via executed vendor agreement for participation in a Market OR letter from the Market manager submitted to DHS.
  - b. Proof of USDA authorization can be demonstrated by providing a copy of the authorization letter received from USDA FNS.
5. For vendor applicants: Indicate vendor category and provide permits and/ or certifications for category products. *Categories of Vendors include:*
  - a. **FARMER VENDOR:** sells food, plants, other agricultural products (some or all of which must be SNAP-approved).
  - b. **VALUE ADDED VENDOR:** sells processed farm products such as canned food, baked goods, and/or pet treats (some or all of which must be SNAP-approved).
  - c. **PREPARED FOOD VENDOR:** sells ready-to-eat food, preferably with menu items that contain ingredients sourced from farmer members (some or all of which must be SNAP-approved).
6. Choose an mPOS device/ application (app) service.  
Selection guidance: <https://farmersmarketcoalition.org/education/snap/ebt-equipment-services/>
7. Apply for an MPOSEP grant [*Attachment A*] and submit all requested documentation.

### **MPOSEP Application**

Please answer all the questions on the application accurately and thoroughly. You may use additional pages, as needed, in order to answer questions completely. Applications that are incomplete, submitted without required signatures, or without the required documentation will be deemed ineligible.

Applications are evaluated based on factors such as: the inclusion of all required documentation and signatures, thorough completion of all information requested in each section of the application, proposed outcomes including goals for increased outreach, and explanation of need.

Applicants approved to receive an MPOSEP grant will receive an award letter stating the terms of the agreement including: the award amount, grant year, deliverables with timelines, and DHS contact information.

### **MPOSEP Fund Allocation**

Funds allocated to a Market or vendor through the MPOSEP grant have a **maximum allowance of \$600.00** for the purchase of an mPOS device or system/ application (app).

### **Application Deadline and Submission Information**

The FY 2020 MPOSEP application will remain an open application until all grant funds have been exhausted. Incomplete applications will not be considered.

**It is preferable that applications be emailed.** However, if an applicant chooses to mail its application, DHS recommends that it uses Express Mail, Priority Mail, or Certified Mail – the only methods for which verification can be provided of both the date and time of receipt.

Electronic submissions must be sent to: [BureauOf.SpecialGrants@maryland.gov](mailto:BureauOf.SpecialGrants@maryland.gov).

All mailed and hand-delivered applications must be sent to:

Department of Human Services  
Attn: Bureau of Special Grants  
311 W. Saratoga Street, Room 216  
Baltimore, Maryland 21201

### **Provider Information and Program Changes**

MPOSEP applications must include the **full legal name** of the Farmers Market or farm/vendor business and of the owner and/ or program director. MPOSEP awards will be made payable to the **legal name of the applicant organization.**

**Any changes to the organizational structure, including a change in leadership, location, vendor category or business closure must be communicated to the Bureau of Special Grants via email ([BureauOf.SpecialGrants@maryland.gov](mailto:BureauOf.SpecialGrants@maryland.gov)) within thirty (30) days of the event.** Markets or vendors that close or suspend operations for more than sixty (60) days during Farmers Market season must return all of the award funds before terminating operations. This return of funds due to closures or suspended operations applies only to the fiscal year in which the MPOSEP grant was awarded.

### **Award Use and Prohibitions**

This MPOSEP grant is for the purchase of **ONE** (1) SNAP-compatible mPOS device or system per Market or vendor with a maximum allowance of **\$600.00**. A vendor that sells at more than one Farmers Market simultaneously may only apply for **ONE** (1) grant through this Program. The umbrella organization may, however, submit one application for the purchase of **ONE** (1) mPOS system or mobile app tailored for multiple locations, if applicable. In the single application, all vendors utilizing this

MPOSEP grant must be identified by name and the Farmers Market(s) at which it sells products. **MPOSEP funds may not be used to purchase a credit/ debit card reader that doesn't accept SNAP, a traditional POS terminal even if it accepts SNAP, or for any other purpose.**

SNAP-authorized retailers must follow all SNAP laws, regulations, and the terms of Maryland state or private POS device retailer agreements. Markets and vendors must post a sign provided by FNS which provides information on how people may report abuses they have observed in the operation of the SNAP program.

**Grantees must safeguard the mPOS device from skimming and/ or tampering.** In the event of a breach, the grantee must contact the service provider for guidance and solutions. The grantee must then notify BSG of the occurrence via email: [BureauOf.SpecialGrants@maryland.gov](mailto:BureauOf.SpecialGrants@maryland.gov).

**Grantees must also guard against fraud and “trafficking”**, which is defined as the exchange of SNAP benefits for cash or non-eligible items. Fraud or trafficking can result in disqualification from the SNAP program, monetary penalties, and/or criminal prosecution. Please refer to the following sites for more information: <https://farmersmarketlegaltoolkit.org/snap/legal-topics/enforcement-penalties/>  
<https://farmersmarketlegaltoolkit.org/snap/legal-topics/who-administers/vendor-operated/#vendor-protect-against-fraud>

The mPOS device or system purchased through the MPOSEP grant must only be used by the grantee at a Maryland Farmers Market. This equipment may not be sub-contracted to a third party or used at locations outside of the Farmers Market(s).

Although MPOSEP was designed to help vendors accept SNAP benefits, grantees may not require customers to purchase SNAP-approved foods exclusively.

It is the responsibility of each applicant to read and become familiar with the MPOSEP Guidelines. A grantee who fails to meet any of the grant requirements, such as timely reporting and submission of receipts, may be prohibited from receiving subsequent grants from DHS and may be required to return the current year's grant to the State of Maryland. **Signing and submitting the application constitutes the vendor's agreement to abide by the MPOSEP Guidelines.**

### **Data Reporting and Record Keeping**

Grantees must submit an Annual Activity Report (AAR) indicating the number of SNAP transactions processed in a given Farmers Market season. The AAR details the count and dollar amount of SNAP transactions made on dates within the reporting period. **All transactions** must be reported under the designated categories. It is the expectation, however, that the majority of mPOS transactions are for SNAP products.

Most mPOS platforms include comprehensive management tools with features that include inventory and payroll management, marketing functions, and sales analytics, allowing Markets and vendors to centralize operations and simplify business. This data can be used to complete your AAR.

The AAR template will be included with your award letter.

**Reporting Deadlines**

Annual Activity Reports are due to the Bureau of Special Grants on or before the deadline listed below. A grantee with multiple vendors must send an AAR for each. It is preferred that the reports are emailed to: [leslie.rice@maryland.gov](mailto:leslie.rice@maryland.gov), copying BSG Director Bonnie Ariano: [bonnie.ariano@maryland.gov](mailto:bonnie.ariano@maryland.gov). Grantees, however, may mail or hand-deliver reports to the following address:

Department of Human Services  
Attn: Bureau of Special Grants  
311 W. Saratoga Street, Room 216  
Baltimore, Maryland 21201

Reports are due each year, regardless of whether any SNAP transactions were made or the Farmers Market was open during the reporting period. When no SNAP transactions have been recorded in a particular reporting period, the vendor must report “no SNAP transactions” and the reason why. This may be due to SNAP products usually sold being out of season or unavailable; the grantee’s Market location being closed or in “off-season”; etc. Again, it is the expectation, however, that the majority of mPOS transactions are for SNAP products.

Late submissions of reports will be documented and noted in the grantee’s MPOSEP file as “non-compliant”. **Instances of non-compliance will be considered when reviewing and scoring applications for subsequent MPOSEP grants.**

<b>FY 2020 MPOSEP AAR Deadline</b>	
<b>Reporting Period</b>	<b>Submission Deadline</b> <i>(If this date falls on the weekend, the AAR is due Friday)</i>
<b>March through September 2019</b>	<b>October 31, 2019</b>
<b>March through September 2020</b>	<b>October 31, 2020</b>

If you have any questions during the application process or the award year, please contact: Bonnie Ariano at 410-767-7261 or by email: [bonnie.ariano@maryland.gov](mailto:bonnie.ariano@maryland.gov).

Thank you for your interest in the Mobile Point of Sale Equipment Program and for your service to Maryland residents in need.