

**A GUIDE FOR STORAGE, MAINTENANCE AND
ISSUANCE OF
ELECTRONIC BENEFITS TRANSFER (EBT) CARDS**

**Department of Human Resources
Family Investment Administration
and
Office of Technology for Human Services,
EBT Project Office**

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TABLE OF CONTENTS

I.	Purpose	2
II.	Definitions	2
III.	Vault Card Issuance	3
IV.	Vault Independence Card Referral	3
V.	Multiple Card Replacements	4
VI.	Card Inventory Procedures	4
	A. Vault Card Numbers	5
	B. EBT Card Shipment and Packaging	5
	C. Card Shipment Reconciliation	5
	D. Overages/Shortages Accountability and Reconciliation	6
	E. Daily Supply Accountability and Control	6
	F. Monthly Reconciliation	7
	G. Card Destruction	8
	H. Card Replenishment	8
	I. Monitoring of Separation of Duties	8
VII.	EBT Video	9
VIII.	Appendices	
	A. Vault Independence Card Referral Form	10
	B. Table: Separation of EBT Card Duties	11
	C. Independence Card Inventory Log: Bulk Inventory	12
	D. Independence Card Inventory Log: Daily Supply	14
	E. Independence Card Inventory Log: Card Destruction	16

I. Purpose

The objective of this guide is to provide Local Departments of Social Services (LDSS) and Central DHR staff a comprehensive guide and instruction on how to comply with federal and state laws, regulations and policies for EBT.

II. Definitions

Bulk Inventory/Working Inventory Log – the form that must be completed each time there is a transfer of cards between the Card Custodian and EBT Trainer; captures the number of EBT vault cards in the local department repository.

Card Custodian - the local department staff member who has responsibility for the EBT vault cards.

Card Destruction Log – the form that is used each time a card is destroyed.

Card Referral Form (DHR/FIA EBT 7001) – the form that must be completed and signed by a supervisor when a case worker refers a customer to the EBT Trainer for issuance of a vault card.

Daily Supply Log– the form that must be completed each day card activity occurs, which includes receiving cards from the card custodian, cards issued, cards damaged, cards voided and cards returned to the card custodian.

EBT card - a debit card used to access cash assistance and food supplement monthly benefit allotments. The EBT card can be issued over-the-counter (vault card) or mailed directly to the customer.

EBT Project Office - the bureau in the Office of Technology for Human Services (OTHS) that manages the EBT process and is the liaison between DHR and the EBT vendor.

EBT Trainer - the staff person in the local department of social services who issues EBT cards and trains new EBT customers.

EPPIC System – the electronic system that maintains EBT accounts.

Office of Inspector General (OIG) - the DHR office that investigates program fraud.

Vault card - the EBT card, issued by the local department of social services in limited emergency circumstances, which does not have the customer's name embossed on the card.

III. Vault Card Issuance

There are only four situations that justify the issuance of a vault card; all four situations are considered emergency situations.

The four emergency situations:

1. Homeless households;
2. To meet the 7-day expedited processing standard for Food Supplement Program (FSP):
NOTE: Any expedited case with an issuance date greater than 3 days after the application date and the customer does not have an EBT card;
3. To meet the 30-day normal processing standard:
NOTE: Any FSP case with an issuance date greater than 26 days after the application date and the customer does not have an EBT card; and
4. Individual hardships (and the customer does not have a card) which include, but are not limited to:
 - Household disasters such as fire or flood;
 - Expedited households that are in immediate need of assistance;
 - Domestic violence situations when the household is going to a shelter for battered women and children.
 - Hardship cases at the discretion of the Assistant Director or his/her designee.

The LDSS can choose to issue a vault card on a pending assistance unit (AU) up to the same day the case manager finalizes the case. The customer **cannot set a PIN** or use the card, however, until the AU is finalized and benefits are placed in the account via the overnight batch process. After the AU is finalized, if a vault card has never been issued to the customer, the EBT system will automatically mail an EBT card to the customer the next business day. The customer generally receives the card within 7 days.

If the customer has a card from a prior certification period, the customer can use that same card. If the customer has forgotten the PIN, he or she must call the EBT Customer Service Call Center's toll free number, 1-800-997-2222 or create an account on the EBT website at www.ebt.acs-inc.com or www.connectEBT.com to create a new PIN. If the customer previously had a card but it was lost, damaged, stolen, or cannot otherwise be located, he or she must call the toll free number, 1-800-997-2222 or create an account on the EBT website to request a replacement card.

IV. Vault Independence Card Referral

When referring a customer to the EBT Trainer for issuance of a vault card, you must

complete the Independence Card Referral Form (DHR/FIA EBT 7001), have it approved and signed by a supervisor and give it to the EBT Trainer. The EBT Trainer will not issue a vault card to a customer without a completed and signed DHR/FIA EBT 7001.

The EBT referral form must be scanned into ECMS under document type "EBT Referral."

Case managers should advise the customer that:

- The vault card is the customer's permanent Independence Card. The difference between the card the vendor sends to the customer and the vault card is that the vault card does not have the customer's name on it.
- Customers need to take care of their cards and keep them secure.
- It is against federal law for customers to give, sell or trade their Independence Card or the benefits in the EBT account. Customers can be fined or imprisoned or both for benefit fraud or trafficking.
- Customers who request multiple replacement EBT cards because of reported theft, loss or damage may trigger a referral to the Office of the Inspector General (OIG) for investigation of card misuse.
- Cash customers receive three free ATM cash transactions per month. Each additional transaction costs 85¢, which is deducted from their cash account.
- Customers may receive only one free replacement card in a 12-month period. Additional replacement cards cost \$2.00. If a household gets both cash and FSP benefits, the fee is first deducted from the FSP account. If there is not enough money in the FSP account, the fee is deducted from the cash account.

Remember that issuing a vault card should be a rare exception and not a general rule.

V. Multiple Card Replacements

The EBT Project Office receives a monthly report of multiple card issuances. They review the report and send a notice to the customer about requesting multiple replacements. In addition, the EBT office refers multiple card issuances of six or more cards in six months to the Office of the Inspector General (OIG). The report lists the customer's case information and the number of EBT cards issued over a six-month time period. The report also lists the ID of the EBT Trainer who issued any vault cards. During the investigation process, the OIG may request a copy of the Independence Card Referral Forms.

VI. Card Inventory Procedures

Contact person for all issues related to these procedures: Judy Marsh, EBT Project Office, 410-238-3568 or judy.marsh@maryland.gov.

A. Vault Card Numbers

The forms used for inventory and card issuance refer to the last nine digits of the card number as highlighted: 6005280123450013. The first six (6) numbers are unique to Maryland and will never change and therefore are not necessary to enter/record.

Keeping the EBT cards in card number order is an important part of maintaining card inventories. To that end, it should be noted that the last digit of the sixteen-digit card number is a check digit used for validation purposes and should be ignored when putting cards in order. When putting the cards in card number order, staff should look at the numbers that are 2nd, 3rd and 4th from the end of the card number. See the following sample list of card numbers that are shown in card number order.

600528	012345	<u>001</u>	3
600528	012345	<u>002</u>	5
600528	012345	<u>003</u>	1
600528	012345	<u>004</u>	7
600528	012345	<u>005</u>	6
600528	012345	<u>006</u>	4
600528	012345	<u>007</u>	2
600528	012345	<u>008</u>	0
600528	012345	<u>009</u>	8
600528	012345	<u>010</u>	6

B. EBT Card Shipment and Packaging

EBT card stock is shipped by the card contractor in cartons directly to the bulk inventory site. Cards are packaged in sleeves. There are three hundred (300) cards in each sleeve. Carton measurements are approximately 23"L x 10"W x 4 1/2"H. There can be up to six (6) sleeves per carton depending on the shipment amount. Card sleeves and cartons are sealed with tamper evident tape. Therefore, tampering can easily be detected.

C. Card Shipment Reconciliation (Bulk Inventory/Working Inventory)

A bulk supply of EBT cards should be maintained in each jurisdiction in a secure locked location with limited access.

Upon arrival of a card shipment, the card custodian shall inspect the shipment and verify the numbers of sleeves (referred to as Units on the packaging slip) against the packaging slip located in the carton. Bulk inventory accountability shall be accomplished by counting the number of sleeves received and multiplying by the number of cards per sleeve (300 cards per sleeve). For example, if five (5) sleeves are received, the total number of cards received is 1,500 (5 sleeves X 300 cards/sleeve). A

copy of the Packaging Slip should be kept with the Independence Card Inventory Log/ Bulk Inventory /Working Inventory (Appendix C) for monitoring and auditing.

When a sleeve is opened, count the cards and verify that they are in card number order (refer to the Cards section on how to put cards in card number order). Each sleeve will have a manifest inside that lists all card numbers in the sleeve in sequential order.

NOTE: The cards have a tendency to slide under other cards as you move through the card box, so if a card appears to be missing double check under the other cards.

To make the cards easier to work with and less likely to get out of order:

1. Group the cards together in 10 or 20 card sets.
 - Different card issuance sites will have different issuance volumes. Choose an amount consistent with the needs of the location. All card sets within a card issuance site should contain the same number of cards.
2. Bind each set together with a rubber band, taking care not to bend the cards.
3. Return the card sets to the card box in card number order.

If there are any cards that appear to be visibly damaged include them in the count of the cards received, log them as damaged and destroy the damaged cards (see Appendix E). If there is a significant number of damaged cards contact the EBT Project Office for follow-up with the vendor.

The bulk inventory should be counted once a month by someone other than the card custodian. This count needs to be documented and signed by the person conducting the count. This documentation can be included on the Bulk Inventory/Working Inventory Log. If a discrepancy occurs between the physical count and the amount posted on the inventory log, all efforts to reconcile the differences should be documented. If these efforts do not result in an acceptable reconciliation, contact the EBT Project Office.

NOTE: If a local jurisdiction has more than one site that issues EBT cards, a card custodian must be designated to be responsible for the cards issued to that site. This will be referred to as the "working inventory".

D. Overages/Shortages Accountability and Reconciliation

Due to the bulk inventory being theoretical in terms of actual numbers, it may require adjustments periodically, since actual physical counts occur when a sleeve is opened. An adjustment column is on the inventory log to record this number, if necessary.

E. Daily Supply Accountability and Control

All EBT cards issued to the EBT trainer by the card custodian will be considered "daily

supply" and strict control shall be placed on both access and use of these cards. Each time there is a transfer of cards between the card custodian and trainer; it must be logged and signed on the Bulk Inventory/Working Inventory Log. The EBT trainer shall be solely responsible for the security and use of this inventory.

A daily supply should be issued to the trainer only on designated card issuance days to limit any potential loss (see Appendix D). The daily supply should be kept separate from the bulk inventory or working inventory to assure accountability by the trainer. The daily supply is to be kept secure in a locked area. Other unit employees and customers should not have access to the daily supply.

Unused, damaged and voided cards will be returned to the card custodian at the end of the day.

The Daily Supply Log shall be completed each day card activity occurs (see Appendix D – Independence Card Inventory Log – Daily Supply). This activity includes cards received from the card custodian, cards issued, cards damaged, cards voided and cards returned to the card custodian.

Note: Cards must be issued in sequential order

The trainer should count the cards at the end of each issuance day and reconcile the card count with the sequence number of cards issued each day.

The daily supplies should be locked in a vault or double-locked cabinet during the time that the EBT trainers are not issuing cards to customers.

The daily and monthly accounting records should be maintained in a secure place for three years or until all audit and litigation requirements are fulfilled. Legislative auditors and/or the Office of the Inspector General, internal auditors will perform periodic reviews of the MD/EBT card issuance procedures as part of normal state auditing procedures.

F. Monthly Reconciliation

On a monthly basis, the card custodian must reconcile the number of cards in the card issuance site inventory against the amount of cards shown on the EPPIC Card Issuance Report. A Card Inventory Report will be sent to each designated card custodian on the first working day of each month. The card custodian will report the number of cards issued, damaged and voided, as well as, the inventory number as of close of business on the last day of the previous month. This completed report will be faxed to the EBT Project Office within 5 working days. The EBT Project Office will reconcile the report with the actual number of cards issued through the EPPIC system. If there are any discrepancies, the card custodian will be contacted and efforts will be made to find any missing cards. This would include recounting, re-checking the daily logs, searching

around and in the area where the cards are secured and checking the EPPIC system to see if the missing card was issued. All efforts to locate the missing card should be documented. If all efforts fail the card will be logged as missing.

Actual Daily Logs and Card Referral Forms may be requested periodically by FIA, Office of Programs, for review of vault card issuance.

G. Card Destruction

Card destruction should be entered on the Card Destruction Log, Appendix E. Before destruction, check the status of the card in EPPIC. If the card is not statused, call the EBT Project Office and request the card be statused. Each card destruction must be witnessed. Following is a list of cards that must be destroyed:

- Any card that is found and brought into the Local Department.
- A card that is physically damaged and cannot be issued to a customer. For example, a card that is cracked or severely scratched.
- A voided card. This is any card that is entered into the EPPIC system but not given to the customer.
- A Card that has been mailed to the local department and the customer has not picked up the card for 30 days.

NOTE: If a card is being destroyed from the daily supply, it will be listed as a damaged or voided card on the Daily Supply Log and returned to the card custodian. It will also be logged on the Bulk Inventory/Working Inventory Log. Finally, it will be entered on the Destruction Log. If a card is being destroyed that was previously issued, it is logged on the Destruction Log ONLY. This would include cards that are found and dropped off at the DSS office or cards that are mailed to the DSS office and never picked up.

H. Card Replenishment

The EBT contractor monitors card issuance through the EPPIC system. When a card issuance site reaches an inventory trigger number, provided to the contractor by the State, the contractor will automatically send a shipment of EBT cards to the issuance site. The EBT Project Office will be notified when a shipment is being sent and the Project Office will notify the card custodian via e-mail of the shipment date and amount of cards being shipped. The card custodian will confirm receipt of the shipment by contacting the EBT Project Office when the shipment is received.

I. Monitoring Separation of Duties

Semi-annually FIA obtains a listing from all LDSS offices identifying the staff involved in the card inventory and issuance process. FIA staff compares that list to the list approved by the EBT Office to confirm that the duties do not conflict.

LDSS administrative staff must monitor the separation of EBT duties to ensure compliance. Each LDSS must send an e-mail to Shemerrian Smoot at shemerrian.smoot@maryland.gov by the 5th of each month confirming that the logs for the prior month were completed and in compliance with the separation of duties.

VII. EBT Video

The EBT Project Office has available a video that reviews a customer's use and maintenance of his/her Independence Card, which can be played in a LDSS reception area. LDSSs can contact the EBT Office for a copy of the video.

VAULT INDEPENDENCE CARD REFERRAL FORM

HOH/Customer Name DOB ()	Customer ID Number
Representative Payee - Cash DOB ()	Representative Payee - FS DOB ()

Referral Reason:

- Homeless household
- To meet the 7-day expedited processing standard
- To meet the 30-day normal processing standard
- Domestic violence situations

Individual hardship

- Household disaster
- Expedited in need of immediate assistance
- Other (*Explain below and requires supervisor's approval*)

Direct Deposit

- Customer Requests Direct Deposit
- Customer has a Change to Existing Direct Deposit

Case Manager: _____ Date: _____

Supervisory Approval: _____ Date: _____

DHR/FIA EBT 7001 (REV 04-2016)

Appendix B

Separation of EBT Card Duties						
	Card Contractor	EBT Trainer	Card Custodian	Case manager /supervisor	Someone Other than Card Custodian	OIG/ Audit
Shipment and Packaging	X					
Card shipment reconciliation			X			
Monthly bulk Inventory count					X	
Card inventory/Daily Supply	X	X				
Card replenishment						
Receipt of new cards		X				
Issue cards to Trainer			X			
Security and use of issued inventory		X				
Return damaged cards to Card Custodian		X				
Daily Supply log		X				
Refer customer for card				X		
Issue cards to customers						
Reconcile cards in inventory and cards issued			X			
Periodic Reviews					X	X
Receipt of monthly report of vault cards issued					X	
Investigation of vault card issuances					X	

Department of Human Resources
ELECTRONIC BENEFITS TRANSFER

Appendix D

**Independence Card Inventory Log
Daily Supply**

Date: _____

Reason Codes:

No. of cards received: _____ Sequence # _____ to Sequence # _____

1. Homeless

No. of cards Issued: _____ No. of cards Damaged: _____ No. of unused cards Returned to the Card Custodian: _____

2. To meet the 7-day expedited processing standard

No. of cards Void: _____

3. To meet the 30-day normal processing standard

4. Individual hardships

No.	Customer Name	Card Number BIN #600528	Reason Code	Customer Signature	Trainer Initials	Verification Signature
1						
2						
3						
4						
5						
6						
7						
8						
9						
10						
11						
12						
13						
14						
15						
16						
17						
18						

