Update 2002-16: Common Place Handbook
Electronic Benefit Transfer (EBT), Update #2
Commonly Asked Questions

Background
Electronic Benefit Transfer (EBT) is the automated delivery, redemption, and reconciliation of the Food Stamp and cash benefit programs. It provides clients electronic access to food stamp and cash benefits through the use of an EBT card. This card can be used at point-of-service (POS) devices and Automated Teller Machines (ATMs), wherever a “QUEST ®” logo is displayed. The EBT system will replace the current paper-based food coupon and most of the warrant benefit issuance methods.

EBT IS COMING! IMPLEMENTATION IS NOW DUE 12/02.

Commonly Asked Questions
This Update contains commonly asked questions regarding EBT, and is being issued to provide staff with a greater awareness and preparedness for EBT.

EBT Updates will be issued periodically to keep staff informed. If you have any questions regarding EBT, please forward them to Tomás Dolcini, so that questions can be incorporated into future updates. The e-mail address is: dolcinit@ssa.ca.santa-clara.ca.us.

General Questions
Q: How does EBT work?

A: Cash aid and Food Stamp clients will receive a “Golden State Advantage” Card, which is used like a debit card at Automated Teller Machines (ATMs) and Point of Service (POS) devices. Each client will have their own Personal Identification Number (PIN) to access benefits. The client will have two separate accounts. One account for Food Stamps and one for cash; however, only one card will be issued and benefits from both accounts can be accessed with one card.
Cash aid clients will no longer receive a check in the mail. They will take their EBT card to an ATM or POS location to get their cash. Clients will no longer obtain their Food Stamps at CET offices. They will use their EBT card at (participating) grocery stores to pay for their Food Stamp purchases, and/or to receive cash. Food Stamp benefits CANNOT be accessed through an ATM.

Q: What role does Citicorp Electronic Financial Services (CEFS) play in EBT?

A: Citicorp Electronic Financial Services (CEFS) is the company that has contracted with the State to design, develop, implement and operate the EBT system. CEFS is responsible for maintaining the database of cardholder accounts, authorizing or denying transactions, recruiting and connecting with retailers, providing 24-hour/seven day customer service to clients, cardholders and retailers, settling and reconciling the movement of money in the EBT system, and providing detailed reports to the counties and State.

Q: What does the QUEST ® logo stand for?

A: QUEST ® is a network that is linked to Citicorp and allows transmission of electronic funds when service is rendered by the cardholder through an ATM or POS device. The QUEST ® Corporation established the first nationwide operating rules for EBT. A client can ONLY access benefits where a QUEST ® logo is present.

Q: How is EBT different from Direct Deposit?

A: EBT and direct deposit are two different ways that a county may choose to deliver cash assistance benefits to clients.

In EBT, the client's account is a “memo account.” Unlike a bank account, an EBT account does not actually have funds in it; it only has an authorization amount. When the client uses the card to make a purchase or obtain cash, money is moved from the county bank account to CEFS for payments to merchants or ATM owners, and a debit is posted to the client's memo account. If the client does not utilize the benefits after nine months, the money is paid back to the State.

In Direct Deposit, each month the county will initiate an electronic funds transfer from the county's bank to the individual bank account of each participating client. Each client will choose whether to participate in direct deposit, and will have to maintain a personal bank account in order to have benefits directly deposited. Once the money is deposited in the client’s
account, the client has all of the protections and responsibilities that pertain to commercial banking customers. Clients that do not participate in direct deposit, will receive their benefits via EBT, unless they receive an exemption.

**Access Fees**

**Q:** What types of fees are associated with cash benefits?

**A:** There are two types of fees possible:

- Transaction fees charged by CEFS, and
- Surcharges charged by the store or ATM owner.

<table>
<thead>
<tr>
<th>TRANSACTION FEES - Cardholders:</th>
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<tbody>
<tr>
<td>• Will never be charged a transaction fee for a purchase at a POS device</td>
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<tr>
<td>• Will not be charged for the first four cash withdrawals at an ATM or POS</td>
</tr>
<tr>
<td>• Will be charged 85¢ for transactions at an ATM after four free transactions</td>
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<tr>
<td>• Will be charged 25¢ for a balance inquiry at an ATM.</td>
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NOTE: Clients should be encouraged to use the 24 hour customer service center for balance inquiry.

<table>
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<tr>
<th>SURCHARGES - Cardholders:</th>
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<tbody>
<tr>
<td>• May not be charged for ATM or POS transactions, if that is the bank or store’s policy for other customers.</td>
</tr>
<tr>
<td>• Must be told the surcharge policy in advance and be given an opportunity to cancel the transaction.</td>
</tr>
</tbody>
</table>

**Q:** Is there a fee to access Food Stamp benefits?

**A:** No. Federal regulations prohibit any Food Stamp participating retailer to charge a fee for accessing Food Stamp benefits.

**Q:** Will there be a photo on the card?

**A:** No. At this time the State does not intend to incorporate a photo onto the EBT card.

**Q:** Can a client use their EBT card in another county or state?

**A:** Yes. An EBT card may be used nationwide at any establishment where the “QUEST ®” logo is displayed.
Q: Can the cardholder choose a Personal Identification Number (PIN)?

A: Yes. Each cardholder will be able to choose a PIN number. Initially, PINs will be assigned automatically and mailed to the client two to three days after the card is mailed; however, the PIN can be changed immediately by the cardholder. Card holders should choose a PIN that is easy to remember, but not easy to guess.

Q: How does a cardholder change a PIN?

A: If a cardholder forgets the PIN to access the account, or if the cardholder wants to change the PIN for other reasons, there are two ways this can be accomplished.

- The cardholder can go to a designated county location that has PIN selection equipment and select another PIN, or
- The cardholder can call the toll-free customer service center to select another PIN through the Automated Response Unit (ARU).

Either way, the cardholder must provide identifying information (e.g., SSN, DOB, etc.). When a PIN is changed, the cardholder continues using his/her current EBT card; a new card will not be provided unless specifically requested.

Q: What happens if the card is lost, stolen or demagnetized?

A: The cardholder must report the lost, stolen, or demagnetized card as soon as the problem is discovered by notifying the 24 hour Customer Service Center. Once it is reported, the card will be deactivated so that benefits cannot be transacted by anyone else. A new card will be issued in one to three working days. The client can also obtain a new card at their assigned district office.

Note: Benefits will NOT be replaced if the AR misuses the benefits from an EBT account. Any transaction conducted with a valid card and PIN is the client’s responsibility, even if the transaction was done without the client’s permission or knowledge.

Q: Can the client be issued two cards in the event one of the cards is lost or misplaced?

A: No. Only one active card may be issued at a time; however, an Authorized Representative may receive a separate card.
Q: Will there be a charge to replace a lost, stolen or demagnetized card?

A: No. There are currently no plans to charge clients to replace an EBT card.

**Authorized Representatives (ARs)**

Q: How will the process for Authorized Representatives (ARs) work under EBT?

A: A recipient may designate an AR to have access to the Food Stamp account. An AR will have a separate card with its own account number and PIN. The EBT system will be able to track which card was used to access the recipient’s account.

Q: Will the AR have access to the entire Food Stamp EBT account, or is it possible to limit it to a portion of the benefit amount?

A: An AR has full access to the Food Stamp account.

Q: What if the client has a problem with the AR and no longer wants the AR to have access to the account?

A: The client can deactivate the AR’s card and remove the AR from the account at any time by calling the toll-free Customer Service Center, or notifying their EW. The card status is changed in real time.

Q: If the client changes the status of the card through the Customer Service Center, how will the EW be advised to change the status on CDS?

A: The EW will receive a report from CEFS which indicates the status change, so that he/she can change the card status on CDS.

Q: Will an AR have access to a recipient’s cash EBT account?

A: With EBT, it is now possible for a client to have an AR for cash benefits also. When the client designates an AR, he/she must specify to which account(s) he/she wants the AR to have access. The client can limit the AR’s access to cash or food stamps only, or allow the AR access to both.
**Stagger Days**

**Q:** What is the benefit availability day ("stagger day") for Food Stamps?

**A:** Currently, the stagger day for FAIR is determined by the last two digits of the case number, and benefits are available during the first five working days. For EBT, the stagger day is determined by the last digit of the case number and benefits are available during the first 10 calendar days, including weekends and holidays. The stagger days for Food Stamps are as follows:

<table>
<thead>
<tr>
<th>1 = 1st day</th>
<th>2 = 2nd day</th>
<th>3 = 3rd day</th>
<th>4 = 4th day</th>
<th>5 = 5th day</th>
</tr>
</thead>
<tbody>
<tr>
<td>6 = 6th day</td>
<td>7 = 7th day</td>
<td>8 = 8th day</td>
<td>9 = 9th day</td>
<td>0 = 10th day</td>
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**Q:** Is there a stagger day for cash benefits also?

**A:** Yes. Unlike cash warrants that are available on the 1st of each month, EBT cash payments will be made available using a stagger system. This is done to avoid mass transactions on the 1st of the month. The cash stagger day is based on the last digit of the case number and benefits are available during the first three calendar days, including weekends and holidays. The stagger days for cash benefits are as follows:

| 1, 2, 3 = 1st day | 4, 5, 6, 7 = 2nd day | 8, 9, 0 = 3rd day |

**Note:** There are no exemptions for stagger days under the Food Stamp Program, but there are exemptions for cash assistance programs.

**The Account**

**Q:** Will the client receive a monthly statement regarding transactions?

**A:** No. The client will not receive a monthly statement. It is very important the client keep a record of their transactions to avoid errors in their account balance. When a client has an EBT transaction, his/her account balance will be printed on every receipt and should be readily available to them, as long as they save their receipt.
Q: Can a client deposit money into the EBT account?

A: No. Only the Social Services Agency can deposit money into the cash and/or Food Stamp account. However, a retailer may credit money back into the Food Stamp account if the client returns a food purchase, but money CANNOT be credited back into a cash account.

Q: If clients do not use their full month’s benefits, are they allowed to use the remaining benefits the following month?

A: Yes. Cash and Food Stamp benefits that are not used in the month issued remain available to the client. However, benefits will be “expunged” if the account remains inactive after nine months from the last transaction (or the last deposit if the account has never been accessed). This means the cash and Food Stamp balance will be given back to the State, and clients will no longer have access to those benefits.

Customer Service

Q: Who does the client call if they have a problem with the system?

A: The CEFS provides a Customer Service Center. Clients will be able to call the Automated Response Unit (ARU), toll free, 24 hours per day, seven days a week. Clients will be able to get information about their account, such as balance and transaction history. Clients will also be able to report a lost card, request a new card, change their PIN, and report any problems with their EBT account. If necessary, callers will be connected with a Customer Service Representative. The Customer Service Center should be able to handle most questions and requests related to the EBT system.

Note:

Clients should be advised that the EBT system is only an issuance and redemption system; it has nothing to do with program rules, eligibility or benefit amounts. Questions regarding benefit eligibility and monthly benefit amount, or anything else having to do with eligibility should be directed to the client’s Eligibility Worker.

Q: How many languages will be available in the Customer Service Center?

A: The ARU will provide services in ten languages most commonly spoken by Food Stamp and CalWORKs participants STATEWIDE, not specific to Santa Clara County. These languages are English, Spanish, Cantonese, Vietnamese, Cambodian, Russian, Hmong, Armenian, Laotian and Farsi.
Q: Where can the EBT card be used?

A: Every merchant that currently accepts Food Stamp coupons will be able to participate in the EBT program for Food Stamps and cash transactions. However, retailers must do a minimum amount of business per month ($100.00) in order to qualify for a POS device, and any qualified retailer who redeems less than this amount will be offered the use of manual vouchers. The State will provide POS devices to merchants that qualify, if they don’t already have one. Additional merchants that are not FNS authorized (such as retail stores, restaurants, gas stations, check cashiers and ATM machines) may also participate in EBT for cash benefits.

Q: Can an EBT card be used at a farmer’s market?

A: Yes. If a farmer’s market currently accepts Food Stamp coupons they will be able to participate in EBT. However, since some farmer’s markets don’t have electricity and phones, EBT presents some challenges. The State and CEFS will be working together to find solutions to make EBT available at farmer’s markets.

Q: Can the EBT card be used with mobile vendors?

A: Yes. If a mobile vendor currently accepts Food Stamp coupons they will be able to participate in EBT. Mobile vendors will have to use manual vouchers rather than traditional POS devices to authorize transactions.

For more information regarding EBT, visit our Website address at:
http://newssaweb.ssa.co.santa-clara.ca.us/ebt/index2.html

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Department of Employment and Benefit Services

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