

# **EBT Disaster Plan Guide**

**Food and Nutrition Service, USDA**

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# EBT Disaster Plan Guide

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# EBT Disaster Plan Guide

## I. Introduction

FNS has developed this EBT Disaster Plan Guide to help States in their planning for the electronic issuance of food stamp benefits during a disaster. Responses to recent disasters have demonstrated EBT can effectively deliver food stamp benefits during a disaster situation. However, the responses to these same disasters have also demonstrated the need for well-planned disaster EBT system designs, and operational processes and procedures. As the only operational benefit delivery mechanism for most States, EBT systems will be called upon to deliver food stamp benefits during disasters.

FNS has designed this Guide as a supplement in FNS' **Disaster Food Stamp Program Handbook** (1995), that States now use when developing food stamp disaster plans. The Guide provides FNS' expectations for the delivery of disaster benefits by EBT systems and recommended considerations for developing, implementing and operating a disaster EBT system. It is imperative that each State develops a disaster plan that can deliver food stamp benefits during an emergency while successfully interacting with the State's eligibility system and their EBT contractor's system.

This Guide does not dictate how States must respond. This Guide also does not provide the minute details of any options. States interested in certain features will really need to delve deeper into the features and how they may work in their State by discussing with other States that use those features and with their EBT contractors.

### Levels of Disaster Response

States look at disaster planning and response based on the severity of the disaster. FNS developed a three-tier protocol with Level III being the most severe and widespread. In many instances, Levels I and II disasters may leave food stamp recipients in need of replacement benefits. The degree of these disasters, in most cases, however, may not reach the level where a Disaster Food Stamp program is approved or the disaster program will be either be an expansion upon expedited issuance already in place or a modified disaster food stamp program. In either case, the State's regular EBT system will most likely be sufficient to continue issuing benefits as needed, although, depending on the severity of the disaster situation, some changes to standard operations may be required. For instance, card issuance via the mail may be modified to express mail to specific localities for disaster recipients.

The focus of this Guide is the design and development of a Disaster EBT system to operate during those disaster situations which require the implementation and operation of the Disaster Food Stamp Program (FSP). The recommendations and examples provided deal with circumstances where a Disaster declaration has been officially issued and FNS has approved implementing a Disaster FSP.

FNS hopes the guidelines contained herein will help States be best prepared for disasters and to better understand their options. The Agency understands that different disasters call for different resources. To some degree, the different levels of disasters recognize this. But, even within levels, the appropriate responses may differ across States. Each State should develop a disaster EBT system which can deliver food stamp benefits during an emergency while successfully interacting with that State's eligibility system and their EBT contractor's system.

## **II. FNS Expectations of EBT Disaster Food Stamp Program System**

FNS has several expectations for an EBT disaster issuance system.

1. FNS expects an EBT system that is easy to access and use for recipients, and State and county staff.
2. FNS expects a disaster application and issuance process that minimizes the number of times recipients return to a disaster assistance location for benefit application and issuance. Ideally, this would require only one visit. If recipients must return to pick up their EBT cards, FNS expects cards and benefits to be available as soon as possible, but no later than 3 calendar days from the time of application approval.
3. FNS expects the disaster EBT system to provide easy integration and reconciliation with both the State's eligibility system and the EBT processor's database, and ready access to information on a State's disaster EBT system via on-line data and off-line reports.

### **III. Contract and Design Requirements**

The remainder of this Guide will focus on areas a State must consider when contracting for and developing its disaster response system. However, there is one basic decision that a State will need to make that will drive many other aspects of the disaster response system. How will cards get into the hands of recipients within the FNS-expected time-frame of no more than 3 days? Will the cards be ordered, set up, pinned, etc., only after a case is approved or will cards be pre-made, stored, and ready to be issued before a disaster ever strikes? Many factors will need to go into making this decision. What kinds of and what size disasters does the State expect? How comfortable is the State that necessary data can be captured and communicated in order to create cards and still meet necessary time frames? Can PINs be created in an over-the-counter issuance approach?

More will be presented on these questions, but as a basic decision, the reader should keep this in mind as he or she works through this document.

#### **A. When to contract?**

Most States have an approved Food Stamp Program (FSP) disaster plan. In most cases, adding EBT disaster issuance means amending the FSP Disaster Plan to add EBT issuance procedures and guidance. However, the implementation of the EBT disaster response system itself may require extensive negotiations and work with a State's EBT processor to design, develop, and incorporate an EBT disaster system within the processor's current operating platform. Whether this is best done as part of the Request for Proposals (RFP) process or done once the State has a contract in hand should be considered carefully by the State. Advantages of building requirements in up front may be that the State: (1) can take advantage of competition in terms of getting competitive pricing for the disaster system and know upfront what those costs will be; and, (2) has the requirements in place for the disaster system at the point in time when the full contract is signed. The down side of building it into the original procurement is the possibility that offerors may not understand the State's needs and may tend to overprice their offers to minimize their risk. The answer as to which approach may be more suitable for a State may be in how well the State can specify its needs as part of the original procurement. One approach would be to permit flexibility to negotiate disaster design features after the contract is awarded.

Disaster EBT system design and development also requires working with a State's information technology (IT) staff to integrate the disaster system with a State's eligibility system. This has proven to be much more critical for States operating EBT systems than under the paper coupon system since the card, PIN and case information are necessary to provide benefit access.

It is also worthwhile considering changes to the State's eligibility system that would enable the State to better meet the needs of emergency issuance. For example, States that decide to issue pre-made cards with a partial benefit immediately available are likely to have to change their eligibility and/or EBT interfaces.

## **B. State program expectations**

Prior to negotiations with a contractor, State Program and EBT staff should determine as best they can what general features they would like in the overall design of the EBT disaster response system. As part of this preliminary design phase, a State should strive to delineate its expectations of how the State wants its EBT disaster system to operate. The State should address particular requirements such as card and benefit issuance, card handling and security, data entry and access, and disaster issuance reconciliation and reporting.

In finalizing contractual arrangements for an EBT disaster system, States and their contractors should address which party will be responsible for the specific activities. The key areas and related activities that follow should be addressed in the disaster system design.

## **C. Retail access points and equipment**

*Terminal availability.* Before disaster FSP benefits can be issued, the State must determine that there is an adequate number of authorized food retailers open to deliver food assistance. Once an adequate number of retailers are operational, State and/or contractor staff may be able to determine how many have working point-of-sale (POS) terminals and available telecommunications. For example, South Carolina relies on its contractor to determine which retailers have operating POS devices and telecommunication connections after a disaster strikes. Florida, on the other hand, starts its process before the disaster actually strikes. State staff, with contractor assistance, contact each retailer in the expected disaster area to determine what access to benefits may be available after the disaster strikes, e.g., back-up generators availability and satellite communications if telephone lines are interrupted. Once the disaster strikes, they follow up with this baseline information at hand to assess retailer accessibility. At the same time, FNS Field Offices in each State or other FNS Regional Office staff may be gathering information on retailer availability as well. Comparison of findings at the time would be useful and, at a minimum, should be coordinated.

*Manual vouchers.* If retailers are open but unable to communicate with the EBT host computer to process electronic transactions, the State may want to have in place an emergency manual voucher process. In defining this process, the State would need to consider establishing floor limits (i.e., a maximum per transaction amount guaranteed to the retailers without making an authorizing call), providing operating retailers with an ample supply of manual voucher forms, establishing a simplified redemption process, and determining liabilities. By definition, the manual voucher process is time consuming for all parties involved. To the degree possible, the State should strive to make a manual voucher process as easy to transact as it can. In addition, consideration will need to be given to potential resource demands a manual voucher system can bring with it, particularly on customer service centers, which will need suitable staffing and ability to accept larger than usual call volumes to accommodate the increased demand.

#### **D. Disaster EBT Cards and PINs**

Issuing EBT cards and PINs to eligible households is one of the key elements to be decided by States as they develop their EBT disaster response system. In designing the system, the State must address card production, storage, delivery and security; PIN issuance/selection and security; and account setup and access.

To date, States have varied in how they have addressed this area. In part, it has depended on how account setup and card issuance takes place in the ongoing EBT system. Are cards issued over-the-counter or are they mailed in the regular program? Are PINs assigned or do recipients select them? What linkages already exist between the State's eligibility system and the EBT system to facilitate account setup? In part, it has also depended on how severe a disaster the State expects to experience. Is it likely that there will be disasters that can overwhelm the selection of PINs in an over-the-counter situation or are the disasters more likely to be very localized in their impact, and, therefore, less likely to be overwhelming for over-the-counter PIN selection and card issuance?

*Pre-established disaster EBT cards.* One option that has been chosen by some States is to have pre-established disaster EBT cards with limited benefit amounts which are ready to go at the time eligibility is determined, with some variation across the States as to specifics. South Carolina and Florida are two States that employ similar, yet different, approaches. The idea common to these two States is that they wanted to be in a situation where little needed to be done to issue cards to an eligible household. Households would be required to make only one visit to the disaster benefit intake center at which time, if deemed eligible, the cards would be issued and ready to use. The concern held by these States is that, without such an approach, the demands of a large disaster would overwhelm the ability to print, deliver, and enable cards to be issued in an acceptable time-frame. The cards are pre-printed and PINs already assigned to each card. Because the actual amounts to be issued to the household may not be known at the time of this visit, the accounts are set up with a pre-determined dollar amount – e.g., \$50 or \$100 – that can be used immediately once they receive their card and PIN. Any additional benefits forthcoming would be added later.



South Carolina's pre-established cards and benefits are immediately accessible through specific disaster EBT cards after the cards are produced and system linkages made. Prior to the opening of the disaster intake sites, the State system sends account set-up and benefit files to its contractor for already-produced disaster cards. The account set-up and benefit files link the batch of cards produced for the disaster to the correct pre-funded accounts. Card and PIN are active from the time the card number, account set-up, and benefit are received by the EBT system, and before the cards are ever issued, thus enabling immediate access.

Florida also creates pre-established EBT accounts with a benefit amount set up for use once the account is activated. In Florida's case, the benefits are accessible as soon as State staff link the card to one of the pre-established EBT accounts, using an on-line administrative terminal that is connected to the EBT system. The State staff also enter a cross-reference to the eligibility case number to enable any other benefits to be added later if the family has been found to be eligible for a higher amount than initially made available. In most cases, the on-line entry is made at the point the disaster EBT card is issued to the recipient to eliminate any lag time between card issuance and benefit access.

*Card production.* As indicated in previous sections, decisions on card production are critical in terms of developing the solution for disaster responses. Basic choices include whether to produce cards in advance, to produce necessary quantities once a disaster strikes, or some combination of the two. Options abound in this area. States may want to have the capability to produce their own disaster cards locally or in-house rather than producing cards under their normally contracted off-site card production. If States choose to continue using their regular card production contractor, States should consider negotiating a separate, expedited process to produce emergency EBT cards in disaster situations.

North Carolina provides a good example of how demand can quickly exceed ability to produce a large volume of cards in a short time period if suitable advance arrangements are not in place. In their 1999 experience with Hurricane Floyd, North Carolina found that relying on the standard contractor provisions to produce and deliver disaster EBT cards and PINs to counties hit by the hurricane led to a series of problems. Over 70,000 new households were found eligible to receive disaster food stamp benefits. However, the card contractor was only able to produce 10,000 cards per run. While several production runs could be done in a single day, these runs had to be completed when transportation was scheduled to pick up the cards. To expedite delivery of the cards to over 30 counties devastated by Hurricane Floyd, the State chose to fly its own plane to Houston to pick up EBT cards. In the end, the production run schedule along with the transportation and local distribution timing meant expedited card delivery to everyone found eligible for disaster benefits could not be accomplished. [Note: North Carolina's current disaster plan provides for a supply of cards to be produced in advance and ready to be issued should a disaster strike.]

South Carolina was able to respond to Hurricane Floyd a little differently. The State, which had the capability to produce its own EBT cards, do card set-up, and provide PINs to those cards in advance of the hurricane arriving, was able to produce 50,000 disaster EBT cards prior to Floyd hitting the mainland. This was sufficient – they used approximately 10,000 cards -- given the smaller impact of Floyd on the State. A larger disaster may have required additional card production.

As with other areas of the disaster response system, the magnitude of the disaster clearly influences card production decisions. If Hurricane Floyd was not so significant in its impact, North Carolina's card producer may have been able to keep up with the demand as well. Card production has not proved to be an issue in the smaller-scale disasters experienced by South Dakota and Oklahoma.

Card storage and security. As with paper food coupons, States must have in place secure facilities to house disaster EBT cards and procedures in place for handling and reconciling card storage and distribution. If a state develops and warehouses a stock of pre-made, disaster EBT cards, the cards must be stored in a secure facility. The State of Florida stores disaster EBT cards in a secure facility outside Denver, Colorado. South Carolina stores blank card stock within the State because they produce their own EBT cards. South Carolina minimizes the risk associated with pre-loaded cards by delaying account set-up and PIN procedures until the day prior to delivery to the disaster site. The State also uses secure delivery procedures along with manifest reconciliation and control procedures. North Carolina's new disaster response system also stores pre-made cards at a facility in the State.

Even if the State is not warehousing pre-made disaster cards, during the process of disaster card issuance, the State will need to establish in-state card storage and security procedures for the temporary housing of EBT cards prior to issuance. This includes the handling of cards at local offices where they are distributed.

PIN Issuance. States can consider several alternatives with regards to having PINs assigned to each card during the disaster response. South Dakota has continued to provide for PIN selection during its disasters by having several Attalla PIN-select devices dispatched to each disaster issuance site. These devices require a telephone line to allow households to choose their PIN and to activate the card on the EBT system, which is a consideration in planning for a disaster. During Hurricane Floyd, both South Carolina and North Carolina chose to pre-PIN the States' disaster EBT cards using the last four digits of the Primary Account Number (PAN) as the PIN. The States decided to use the PAN digits for the PIN so the card would be active at the point of issuance without any further activity required on the part of the State or recipient, thereby reducing the burden on disaster victims and easing training requirements. However, having the PIN clearly available on the card face does raise benefit security issues if a card is lost or stolen. North Carolina has since indicated it would not use this approach again while South Carolina has indicated it did not have any losses as a result of this approach and would repeat the process in the future.

Alternatively, Florida's response system uses a different procedure to assign a PIN to each card. In advance, along with the production of cards, PINs are generated by the system for each card and printed in secured PIN-issuance envelopes. Then, at the point of issuance, each household receives the assigned PIN number in that separate envelope at the same time the card is received. However, in Florida's case, until the State issuance staff activates the disaster EBT account by entering the 16 digit card number, the card and PIN can not be used, thereby lessening the security concerns. Nevertheless, security remains very important with regards to maintaining the cards and PIN envelopes separately.

*Delivery capability.* In designing a disaster issuance system, designers must be aware that conventional card delivery systems, such as mail or overnight express, may not be able to reach disaster areas. The disaster plan should include alternative methods for delivering EBT cards to various issuance sites. With Hurricane Floyd, North Carolina was pressed to send the Governor's plane to Texas several times to pick up batches of produced cards at the card production plant. Several stops were then made throughout the State to drop off parts of those shipments to be transported by car to the various issuance sites. This procedure had to be timed carefully, and at each drop-off point, time was necessary to sort through the batches to select the cards designated for each site by the individuals' names on the cards and manifest. To the extent the State can, Florida intends to drop-ship its cards into a disaster area in advance of the disaster – i.e., expected hurricane – striking. Since their cards are not name-specific, there is no extra step required to sort by name and issuance site.

*Recipients living outside disaster area.* State designers should develop procedures for delivering EBT disaster cards to recipients who are temporarily housed outside the disaster area. These procedures should be coupled with eligibility application procedures for finding relocated disaster benefit recipients. During Hurricane Floyd, North Carolina found that numerous recipients had moved from their homes, because they were inaccessible, to housing outside the disaster area.

## **E. Telecommunication Needs**

In designing an EBT disaster issuance system, States, together with their EBT contractors, should consider potential telecommunication issues. This includes considering what telecommunication alternatives might exist if there are significant failures in regular telecommunications system in the disaster area. In most cases, telecommunications can be expected to be restored to a disaster area by the time a Disaster Program is approved. Experience shows that telecommunications are among the earliest services to be reactivated in a disaster area. However, if retailers are unable to communicate with the EBT host computer, States should consider having an alternative procedure available. This might be based on a manual EBT voucher process. One option might be to establish floor limits on those vouchers when calls cannot be made at the time of transaction. As part of their Y2K contingency plans, one State considered issuing paper vouchers with a prescribed dollar amount of \$25 to recipients prior to restoration of telecommunications. States should also consider telecommunication issues between disaster application and issuance sites and state eligibility, card production and distribution systems. States should build in alternative procedures for handling applications and card and benefit distribution when the state's eligibility and EBT systems cannot communicate with staff taking disaster applications and issuing EBT cards and benefits.

As technology evolves, new options for remote access to State and contractor systems become available. Laptop computers can now be set up with software that allows someone at a remote disaster site to connect with an EBT host system. User identification will be necessary (and kept current) and a sufficient number of dial-up ports will need to be made available. Florida, for example, has a designated set of user ID's set up exclusively for disaster on-line administration activity. One issue that arises is that dial-up capability is quite often limited to a few users. Will that suffice for a disaster of a large scale or will changes need to be made, potentially upon short notice? Are users trained to handle dial-up access that may be slower, does not display the same information, and may require some ability to troubleshoot modem problems or other problems? Weather and disaster site conditions also may have and impact on equipment and should be taken into consideration.

Other telecommunication options are emerging such as cellular and satellite communications. Adopting any such technology must be thoroughly tested to ensure sufficient accessibility, reliability, and speed of line prior to a disaster event.

## **F. Recipient and Retailer Training, and Customer Service**

*Recipient training.* When developing an EBT Disaster system, design staff needs to keep in mind that many of the applicants for disaster benefits are first time recipients. As a result, not only will many not be familiar with what constitutes eligible food stamp items for purchase, but many will not be familiar with the process for purchasing food stamp eligible items with an EBT card. The disaster system design will need to provide for EBT training, how and when it will be conducted, and what material will be distributed.

Unusual policies that were not in effect for the regular program will need to be explained to all parties as well. For example, if the State plans to expunge the disaster benefits from the EBT account after a more limited time frame than is done in the ongoing program, it is important that this information be clearly explained to the disaster benefit recipients in advance. States may want to consider ways to inform ongoing recipients of changes in the normal EBT system due to the disaster. Use of recorded messages on State hot lines or on the EBT audio response unit (ARU) may help in this regard. For example, such messages could convey information about the specific geographic area(s) impacted by the disaster or identify those areas not impacted.

*Retailer training.* Retailer training is also a critical consideration, given the fact that EBT operations and practices may differ with a disaster response, and given the fact that there will be many first time recipients new to EBT. Retailer training would need to ensure that any changes to floor limits or the need to obtain an approval code is understood.

Similarly, if disaster manual vouchers differ from those used during ongoing operations, retailers need to be made aware of these changes. Differences in card features (e.g., no recipient name, different color) may also need to be identified. As with recipient-targeted messages, States may want to consider ways to inform retailers of changes via ARU messages indicating the status of emergency processing due to the disaster circumstances. These messages can be placed at the beginning of any call placed to the retailer toll-free customer service number or the automated voucher approval toll-free number often printed on the back of client cards.

*Customer service.* During a disaster, and even prior to a disaster, States and their contractors should expect a significant spike in customer service calls. In the design of an EBT disaster system, designers should consider the impact of an unusually large influx of recipient callers with questions about their EBT accounts. Designers should also expect an increase in retailer calls, especially in areas where emergency manual voucher use is approved. The increase in calls from both recipients and retailers may be compounded by any decision to expedite or streamline recipient training. Consequently, the training approach must be taken into consideration when planning for customer service demands. The development of scripts for customer service personnel – some of whom will be new to the job -- would assist them in providing appropriate assistance during a possibly chaotic time. Provisions for updating the scripts should be examined to ensure callers will get the most current information, as it becomes available.

## **G. Data entry accessibility**

Data entry is another one of the critical considerations in an EBT disaster response system. In the food stamp coupon environment, getting the data into the State's eligibility system does not need to take place before benefits are issued. However, in many EBT disaster response designs, this data may need to be transmitted to the State's eligibility system and on to the EBT contractor before cards can be issued and/or the recipients can access benefits.

*On-site data entry.* In order to enter data on-line from the disaster application and issuance sites, the State will probably need to deploy computers, laptop or otherwise, to the site. These computers would need to have the necessary hardware features to achieve on-line communication as well as be able to handle the software necessary to communicate with the State's eligibility system. In making these decisions, States will need to consider the cost of portable equipment, available access to electrical lines and/or sufficient battery capability, equipment security and storage, and capability to communicate with the state's eligibility system and/or the state's EBT contractor processing system from a remote location. Data security would also need to be considered from the point of obtaining application information at the site, to completion of eligibility determination, and delivery of benefits under less than ideal conditions.

*Off-site data entry.* If state system designers decide to enter data off-site (i.e., away from the disaster application and issuance site), then attention must be given to several areas. Design features must focus on data collection document handling and security at disaster benefit issuance sites, data entry form delivery and drop-off points, access to data entry terminals and data entry staffing, cutoff times for non-disaster, benefit program data entry, and the overall time delay between entering applicant data and recipients' receipt of EBT cards and benefits. These areas involve major workload considerations that impact other areas such as card production and benefit access. Specifically, delays in data entry can lead to delays in benefit access and, minimally, complicate public announcements regarding the timing of benefit access.

*Data entry cut-off times.* Designers need to be aware of system data entry cut-off times for entering disaster related benefit eligibility and issuance information. Cut-off information may not only impact data entry options, but impact other design elements as well, such as card production and delivery and staff availability. For example, in North Carolina, nightly batch processing of the State's issuance data created benefit accounts resulting in card production the next day. For applications entered after the nightly data entry cut-off, cards were not produced the next day unless the EBT contractor and card vendor scheduled an extra batch run.

## **H. On-going caseload benefit & card delivery**

Card replacement for on-going caseload. Instances will arise whereby ongoing food stamp recipients lose their EBT cards in the disaster. Many instances of this occurred in North Carolina during Hurricane Floyd because residents often had to relocate quickly to avoid floodwaters. The EBT system disaster design should incorporate procedures and protocols for ongoing cases to receive replacement cards as soon as possible. The EBT system may need to recognize that these ongoing recipients need to get their card more quickly than is the ordinary replacement process and in a different manner. For example, if the normal EBT replacement process is to mail the replacement card to the recipient's home, and the disaster response requires that the card be delivered to a disaster issuance site or alternative address in a non-disaster area, there must be some means to override the regular EBT system. Another consideration would be allowing the contractor customer service to make address changes without requiring the household to contact their county or local office to prompt an address change from the State's eligibility system. If a State chooses this process, the system must also assure that such changes appear on the State's eligibility system and ensure that measures are taken to address any fraud risk. To ease the burden on current recipients, if possible, the card replacement process should not affect the recipients' current PIN.

Benefit allotment replacement vs. disaster allotment. Program policy makers should examine how ongoing households could receive replacement allotments or disaster benefit allotments if this option is approved by FNS. As part of this decision, planners should examine the procedures and logistics for delivering replacement benefits to ongoing cases by areas (e.g., by zip codes and/or counties) or to accept individual affidavits from each household in order to replace any lost benefits caused by a disaster. FNS will need to approve on a case-by-case basis any replacements done for geographic areas as part of the disaster program. The ability of EBT to effectively replace allotments in an automated fashion without substantial logistical and resource demands has been recognized as quite beneficial to States, particularly if a decision is later made to issue more than one month's worth of disaster benefits.

*Card replacement and benefit expungement.* Program policy makers and design staff should work together to determine whether or not lost disaster EBT cards will be replaced. Designers should be involved, at least at the advisory level, to provide decision-makers with the pros and cons of the options concerning card replacement policy. In addition, policy makers must determine if disaster EBT food stamp benefits will be expunged after a limited period of time, e.g. 60 or 90 days after benefit issuance. FNS must approve any expungement period less than the number of months available for non-disaster benefits. System designers would need to work with the EBT contractor to develop a process for expunging disaster benefits from the EBT system. To do this, the State system must be able to identify the disaster cases and benefits uniquely, something that would be required for FNS reporting as well.

## **I. Staffing**

*Staff Transfers.* In large scale disasters, States should be prepared to increase staffing at disaster intake and issuance sites. In previous disasters, county and state staff were transferred into disaster areas from parts of States unaffected by the disasters. States should remember that local staff may be as seriously affected by a disaster as other local residents, thereby adding to the stress levels of staff administering the disaster response program.

*Staff Training.* States should consider providing ongoing training on disaster eligibility, application, and issuance procedures with county and state staff. The simplified application and issuance process may overwhelm workers who are accustomed to a normal eligibility and issuance process if they are unaware and ill prepared.

*Staff for Key Entry of Data.* States should consider contingency processes that allow for relocating staff to key enter disaster data. In the event of widespread telecommunication disruption, application forms may need to be transferred to locations outside the disaster area in order to enter disaster benefit eligibility and issuance data in the State's eligibility and EBT systems. Other issues that may lead to off-site data entry might include equipment set-up problems or equipment failure. States should be prepared for a significant spike in workload demands and prepare for extra staff to help key enter disaster benefit data.



## **J. Reporting and Reconciliation**

Reporting and reconciliation is a critical piece of an EBT disaster relief system. FNS' basic reporting requirements remain the same – the State agency will need to report the following items about a Disaster Food Stamp Program:

- Number of new and ongoing households approved
- Number of persons (new & ongoing)
- Value of benefits approved (new & ongoing)
- Average benefit per household
- Number of households denied

Other reporting and reconciliation areas, unique to EBT systems, will need to be addressed as well. These areas include card delivery reconciliation, benefit authorization and posting reconciliation, benefit expungement, and notification to FNS of estimated benefits to ensure funding ceilings are adjusted. To the extent these reporting and reconciliation needs can be defined during initial system interface and reporting design, the State may be able to minimize costs for system modifications. Towards this end, each State should examine their existing EBT reporting and reconciliation systems to determine whether modifications are necessary.

*Card delivery and issuance.* Cards that may be shipped from a central location would need to be tracked until distributed locally to households. Each issuance site would need to maintain a beginning inventory, new cards received, total available, cards issued and ending inventory. Since some households may already have a card (active from a prior period of participation), this can mean they will receive a new benefit during the disaster but continue to use their existing card if available. Because of these existing cards, differences between the number of households approved for disaster benefits and the number of cards issued will arise and potentially create confusion.

The method of distribution for cards – whether drop shipped, pulled from blank card stock or mailed or delivered by some other means, will most likely dictate the specific needs for reporting and reconciliation. If PINs are also assigned, PIN mailers or envelopes will need to be accounted for to ensure adequate security. Several State agencies have worked with drop ship manifests and found the need to require these to be alphabetized and sorted out by location, either prior to delivery or at the delivery site. This need to facilitate reconciliation becomes another area for consideration in staffing and logistics for a disaster site operation. Another area of card reconciliation that needs to be addressed is between the on-line set-up of cards to EBT accounts with the number of cards issued. Any discrepancies would need to be researched and explained. For example, if a site that entered and activated 200 cards in a day showed 220 cards issued, an explanation would need to be obtained.

*Benefit authorization and posting reconciliation.* It is important that the daily reconciliation process track the disaster benefits as a separate item from ongoing benefit issuance. Several States (e.g., Florida and South Carolina) have defined distinct disaster food benefit codes to allow the States to track the disaster benefits on their contractor's system and to ease benefit reconciliation each day. The EBT contractor has added separate disaster benefit lines to administrative screens to enable the States to track disaster benefit drawdown distinctly from ongoing benefits. FNS reconciliation guidelines need to be followed so that benefits posted to accounts are compared to benefit issued by the State eligibility system.

*Benefit expungement.* To lessen the cost and ensure security is not compromised, several State agencies have sought to limit the duration of disaster benefits to 60 to 90 days. These EBT systems will then expunge any unspent benefits within the defined timeframe, sooner than the time period after which ongoing benefits are expunged. A corresponding report should be made available to the State agency to identify the value of disaster benefits expunged.

*FNS notification of disaster benefits issued.* Since funding is obligated once benefits are posted to the EBT system, the dollar amounts of benefits should be estimated and provided to the FNS Regional Office financial management staff to ensure that funding ceilings are not exceeded. This needs to occur several days in advance of the initial day of a disaster program beginning and updated periodically. One feature of the South Carolina EBT system enabled the State agency to report on benefit usage each day compared to the dollar amount of benefits issued. The tracking enabled an after-the-fact review of benefit usage until all benefits were either redeemed in food retailers or expunged.

## **K. System Testing**

Disaster response systems should be tested before a State has to utilize the system to respond to an actual disaster. Moreover, State agencies should consider conducting periodic testing of the EBT disaster system beyond the original tests. Factors that should be considered when deciding whether periodic testing is warranted include any modifications to software or equipment that may impact the disaster design, as well as new staff that may need to become acquainted with the disaster system.