

## **SNAP Online Glossary**

**SNAP** Supplemental Nutrition Assistance Program (formerly food stamps)

**USDA** United States Department of Agriculture - SNAP is a USDA program.

**FNS** Food & Nutrition Service - the specific division of USDA in charge of SNAP

**EBT** Electronic Benefits Transfer. EBT cards are the cards by which SNAP benefits (and other government benefits) are delivered to participants. EBT cards are used like debit cards, authorized by entry of a PIN (Personal Identification Number).

**SEMTAC** SNAP EBT Modernization Technical Assistance Center. a center set up to help retailers understand the application process for SNAP Online Purchasing and provide technical assistance with each step of the process as needed.

**POS** Point of Sale. POS generally refers to the equipment or terminals used in-store for in-person transactions. EBT cards and credit cards are swiped at the POS terminal to initiate a transaction.

**Ecommerce provider.** An ecommerce provider offers a web platform for online sales. More information about SNAP Online ecommerce providers is available through SEMTAC ([Get more information here](#)).

**TPP** Third Party Processor. TPPs enable acceptance of electronic payments, both credit card and EBT. TPPs are commercial entities contracted by merchants and/or ecommerce platforms to route transactions for approval by the card issuer. TPPs also manage settlement for electronic payments to retailers. For SNAP Online, the TPP also provides the EBT PIN-entry interface. More information about TPPs for SNAP Online is available through SEMTAC ([Get more information here](#)).

**EBT Processor.** EBT Processors are technology companies contracted by State governments to power their EBT systems. EBT Processors manage States' participant and benefit data, authorize transactions, and provide other related services such as EBT card distribution and call centers.

**LOI** Letter of Intent. This is a letter submitted to FNS indicating that a retailer would like to participate in SNAP Online. The letter must acknowledge that the retailer meets a set of basic criteria. Assistance with the LOI and a template are available through SEMTAC ([Get more information here](#)).

**BRD** Business Requirements Document. FNS requires that retailers, and their ecommerce platforms if applicable, submit a BRD describing the operation of their ecommerce solution and specifically how the site will meet all of the requirements for online SNAP. If a BRD has already been submitted to FNS by an ecommerce provider for a retailer now participating in SNAP online, a complete BRD does not need to be submitted, however any differences in functionality for the new retailer should be provided to FNS. More information and assistance with the BRD are available through SEMTAC ([Get more information here](#)).

**API** Application Programming Interface. In general terms, an API is the way the creator of a software application and the user of that software interact with each other. Related to ecommerce, an API allows for a retailer's system to integrate with an ecommerce platform, or an ecommerce system to integrate with a TPP. An example: the PIN solution providers for online SNAP have APIs that are used by retailers' ecommerce websites to allow customers to enter their EBT PINs during the checkout process. For SNAP Online, retailers are responsible for ensuring that API connections and keys are secure and protected from unauthorized access.

### Transaction Flow for SNAP EBT Online

- 1) **Retailer's ecommerce site - the customer selects items for their cart and enters their payment details to make a purchase.**
- 2) **TPP - the TPP accepts the transaction data, including the EBT PIN, and routes it to the correct EBT Processor for authorization (approval or denial of the purchase)**
- 3) **EBT Processor - the EBT Processor for the State in which the EBT card originates receives the transaction data and validates it against a number of factors, including that the PIN is correct, and the customer has enough balance on their account to cover the purchase. The EBT Processor approves or denies the transaction and sends a message back to the TPP.**
- 4) **TPP - the TPP receives the approval or denial response from the EBT Processor and passes it back to the retailer's ecommerce site.**
- 5) **Retailer's ecommerce site - If the transaction is approved, the customer is notified online via an on-screen order confirmation. If the transaction is declined, the customer is notified via an error message that provides the reason for the transaction decline (e.g., insufficient funds).**