

The Basics

What does **GusNIP** stand for?

The Gus Schumacher Nutrition Incentive Program (GusNIP) is a competitive grant program funded through the United States Department of Agriculture (USDA) National Institute of Food and Agriculture (NIFA) with support from USDA Food and Nutrition Service (FNS). The program aims to increase food and nutrition security while contributing to local economies and improving food systems in the United States.

What is an incentive?

In the context of GusNIP, an incentive is a financial encouragement to purchase more fruits and vegetables. In **nutrition incentive projects**, a SNAP/ NAP participant receives an incentive when they make a purchase at a food retail outlet. This incentive is often a discount or coupon for fruits and vegetables. In **produce prescription projects**, incentives are referred to as prescriptions for fruit and vegetables. Incentives are “prescribed” to participants by medical clinicians based on diet or chronic related health conditions, Participants can redeem their prescriptions at food retail outlets or clinics and do not need to purchase anything to receive the prescription.

Can grocers apply for a GusNIP grant?

No, unfortunately for-profit grocers and other food retailers cannot apply for the GusNIP grant. However, grocers should feel encouraged to reach out to non-profit organizations they are affiliated with that might have the capacity and interest in applying for a GusNIP grant. You can view how one retailer helped build a program from the ground up by viewing the webinar, [How Retailers can Help Build a GusNIP Nutrition Incentive Program](#).

The Details

Who is a typical GusNIP grantee?

GusNIP Nutrition Incentive Program grants are limited to governmental agencies and non-profit organizations. These organizations are typically mission-driven with the aim of reducing hunger and food insecurity, and improving health outcomes for communities. In the past, this has included institutions of higher education; local, county, tribal, territory or state government agencies; cooperative extension agencies; and various nonprofit organizations.

How much funding is available?

Congress set aside \$250 million to the GusNIP grant program in 2019. Each year, funding available for nutrition incentive and produce prescription projects varies. In 2023, nearly \$75 million was awarded to project proposals. For FY 2024, approximately \$36.3 million has been allotted for nutrition incentive programs and \$5.28 million for produce prescription programs.

Is there a GusNIP grantee in my area?

There are GusNIP projects in most all United States. The [GusNIP Site Map](#) allows you to identify active projects by state and incentive project type. Their partner food retail sites are also marked on the site map.

How do I contact a GusNIP grantee?

Contact the NGAF TA Center team at Incentives@nationalgrocers.org. We are happy to help make an introduction. If there isn't currently a grantee active in your area, we can help you think through ways to prepare for a grantee partnership down the road.

Do I need to have a certain kind of POS system?

The good news is that for most of the major grocery/supermarket POS manufacturers and dealers, there are solutions being used across the country. These solutions provide the capability to conduct automated GusNIP transactions that do not require cashiers to make product eligibility and incentive amount decisions. The NGAF is always here to help retailers and project funders determine the transaction processing best suited to the store.

How could it impact my business?

How do I get paid?

GusNIP funding organizations generally reimburse retailers on a monthly basis. Most automated POS transaction solutions also include capabilities to produce store reporting that includes certain information that retailers are required to provide. Retailers produce an invoice with supporting reporting after the last day of the month and submit the information to the funding organization. Reimbursement is generally provided 10-14 days later.

How might this affect my sales and business overall?

Grocers that participate in nutrition incentive programs have very positive reviews. After initial time investment to work out the details, grocers typically notice this following impact:

- Increased customer traffic: GusNIP incentives draw more SNAP/NAP participants to retailers, boosting traffic, especially for small stores and farmers markets in lower-income areas.
- Higher produce and overall sales: Retailers in GusNIP programs see increased fruit and vegetable sales, improving inventory turnover and overall business performance. It's hard to say exactly what increases you may see within your store, but in some cases, the program has increased produce sales by 10% or more.
- Increased customer loyalty: By participating in GusNIP, retailers expand their reach, particularly among underserved communities, fostering customer loyalty.
- Positive economic impact: The increased sales and traffic contribute to local economies, supporting farmers and the entire supply chain.

It seems like a lot of work -- is it worth it?

Although it may seem a bit daunting to get a program off the ground, we have yet to speak with a retailer who did not experience the positive impacts after launching a nutrition incentive program. Grocers find it to be a rewarding program that can increase customer base, increase produce and overall sales, and positively impact their community. The NGAF TA Center is available to troubleshoot along the way. Reach out today to get started at Incentives@nationalgrocers.org.

How quickly can I get a program started?

Many factors are in play when it comes to bringing a GusNIP program to your store. If there is a GusNIP grantee/program in your area actively looking for and onboarding retailers, it might be a matter of a few conversations and some testing at the POS level. If there are no GusNIP grantees in your area, it will take some creative strategizing with a nonprofit you are affiliated with to successfully apply for a program.

I'm worried about sharing proprietary information. What may I have to share?

First, rest assured that the information you share with your partner grantee organization is kept confidential and only used internally for reporting and evaluation purposes. It will not be shared with other retailers or competitors.

In the application phase with grantees, you may be asked for the following information:

- Monthly SNAP/ NAP sales
- Total produce sales
- Percentage of produce sales (in comparison to overall sales)
- And other information about the sourcing of produce (if your program focuses on local and/or regional produce)

Monthly report: It depends on the program, but generally your monthly report includes the following information:

- Produce department sales
- Local produce department sales
- Dollars distributed through the incentive program
- Dollars redeemed through the incentive program
- Transaction counts of the incentive program
- SNAP/ NAP tender amount
- SNAP/ NAP transaction count

You've got my attention. Where can I learn more?

Please reach out to the NGAF TA Center! We offer free assistance to grocers looking to learn more about nutrition incentive programs and how to launch. You'll also find several resources available on our Resources Page at <https://www.nationalgrocers.org/ngaftacenter/>.

on Nutrition Incentives

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