

Single Source Exemption C011111  
Term: 7/1/09 – 6/30/10  
Cost \$230,175

The Department received an exemption from the “Contract Reporter” requirements to enter into a single source agreement with the Farmers’ Market Federation of New York (the Federation to provide continued funding for a “New York State Wireless Electronic Benefits Transfer Program” (EBT).

## **Program Background**

Since 2002, the Department, in conjunction with the New York State Office of Temporary Disability Assistance, (OTDA), and with funding from USDA, has contracted with the Federation for the purchase of terminals and administration of the EBT program at farmers markets. In addition to deploying the point of sale terminals, training market managers and acting as a liaison with USDA, the Federation has developed and instituted a comprehensive public awareness campaign and media package designed to promote the use of Supplemental Nutrition Program (SNAP) benefits at farmers markets.

In 2009, OTDA and the Department developed a pilot project to expand the EBT program beyond farmers markets to farm stands, New York City Green Carts and mobile farmers markets. The pilot project would equip forty (40) “non-traditional” produce retailers with EBT terminals as such:

- (1) 20 terminals to farm stands in two or three rural counties with high SNAP enrollment and lack of convenient access to farmers markets equipped with EBT under the Farmers Market Wireless EBT Program;
- (2) 5 terminals to “Veggie Vans” (mobile produce vending vehicles) operated by non-profit organizations in large urban areas such as Buffalo, Rochester, Syracuse, Albany, and New York City; and
- (3) 15 terminals to “Green Carts” (mobile sidewalk street carts) vendors in the five NYC boroughs

To accomplish the goals of the pilot project, the work would include outreach to and selection of participating farm stands and other outlets, assistance in USDA FNS SNAP retailer authorization, procurement and deployment of wireless EBT equipment, training retailers in use of the EBT equipment, promoting SNAP participant awareness of the program, day-to-day administration, and program evaluation and reporting.

The Federation is the only organization in New York State with the experience both with EBT technology and farmers markets necessary to perform the proposed work and administer the statewide Farmers Market Wireless EBT Program.

## **Selection Rationale**

The Federation is specifically named in the MOU that provides funding to the Department for continuation of the project, and it has unique expertise in developing and operating wireless EBT programs at farmers markets. They worked closely with the Department in 2002 to develop the original program and have administered it since that time. In 2005, they worked with the Department to change the focus of the program to a single terminal/token system that expanded market participation. The Federation also began to be more deeply involved as a service provider, as well as a program administrator. They worked closely with the service provider to learn terminal programming, troubleshooting and technical assistance to provide our program participants the level of service that our service provider could not, since they did not have enough staff trained in the wireless technology to perform this task.

In 2008, the Federation sourced new services for the EBT program – securing a new service provider, upgrading equipment to the latest technology, creating marketing materials to promote the program to communities across the state, and developing an extensive training program to help markets operate the program more efficiently and successfully.

The Federation has been considered a leading authority on wireless technology and EBT at farmers markets across the country. New York State lead the nation in developing such a program and continues to be the only state that operates such a program on a state level, where all farmers markets have the opportunity to participate and receive support for their efforts. Over the last three years, many farmers markets and nonprofit organizations have sought advice and assistance from the Federation to start and operate their own EBT programs. These include markets and organizations in New Jersey, Kansas, Illinois, S. Carolina, Florida and Vermont, among others. In addition, USDA has recognized the work of the Federation, naming the Executive Director to an EBT Advisory Council to develop universal guidelines on develop EBT programs at farmers markets.

Attached is a listing of accomplishments/recognition/speaking engagements that document the Federation's reputation as a leader in EBT at farmers markets.

## **Justification of cost**

OTDA has agreed to fund the project budgeted at \$230,175 for the 2009-2010 season. This pilot project required modification to the existing Memorandum of Understanding (MOU) between agencies. We've compared the administrative costs to previous contracts (C010931, C010944) and found those costs to be reasonable. In addition, we looked at EBT equipment and service costs from 3 vendors (First Data, Total Merchant Services, and eFunds) to determine that the EBT costs were reasonable.