

authorized FNS retailer numbers. The Contractor shall verify the retailer identification number is that of an FNS-authorized retailer prior to completing its processing of a transaction.

The State will authorize the EBT Contractor to receive the EBT-IV report directly from FNS to use as a reconciliation tool.

2.8.4 GROUP HOME SUPPORT

In addition to the traditional retail merchants, SNAP Program merchants may include drug/alcohol treatment centers, blind/disabled group living facilities, battered women and children shelters, homeless meal providers, restaurants, elderly/disabled communal dining facilities, meal delivery services, and route providers.

Being designated a SNAP Program merchant may not necessarily require the installation of POS equipment. However, group homes which meet the monthly minimum SNAP redemption total and are authorized by the Food and Nutrition Service, United States Department of Agriculture, as retailers in the SNAP Program shall have the option to receive EBT-only POS devices. To support these facilities, the Contractor shall install POS devices in the facilities. This allows the benefits from the client's account to be deposited into the facility's bank account at its financial institution as is performed for any other authorized merchant.

2.8.5 FARMERS MARKETS

As part of the citizen nutrition improvement initiatives of the State, the EBT Contractor shall provide the State with a viable on-line solution, including wireless equipment, to enable as many Farmers Markets as possible to actively participate in the EBT system. The Contractor is expected to work with FNS, farmers groups, and the State to encourage retailer participation and recipient nutrition education.

Many of the State's Farmers Markets are managed by volunteers or volunteer organizations. The OFFEROR is to describe in its Proposal how it will address this environment to allow the increased participation in EBT by the State's Farmers Markets.

2.9 RETAILER TRAINING

The Contractor shall provide training and training material to retailers and providers participating in the EBT program. Training shall cover benefit information topics for SNAP.

2.9.1 PRINTED MATERIAL

Retailers will be trained by the Contractor in system operations prior to implementation. Such training shall include the provision of appropriate written and program specific materials. The OFFEROR shall propose training deliverables in order to meet appropriate federal requirements.

Training material should include:

- Merchant Help Desk toll-free number.
- Use of the ARU.
- Manual Voucher Processing Procedures.
- Information regarding key-entered transactions and the need for both the recipient and the card to be present if such a transaction is processed.
- Use and care of the POS device.
- Adjustment processing.
- Availability of the retailer web site.

2.10 THIRD PARTY PROCESSORS

To support retailers that deploy their own terminals, within thirty (30) days of the authorized notification of the contract start, the Contractor shall provide the State with interface specifications that would enable these retailers and third party terminal drivers to interface directly with the Contractor to perform EBT transactions. The Contractor shall provide these specifications to retailers and third party terminal drivers as well. The Contractor

shall not unduly withhold certification for retailers and third parties that enter into direct connect arrangements with the CONTRACTOR.

The Contractor must certify and assure that Third Party Processors (TPPs) connected to the EBT system comply with FNS regulations and other State requirements. Should the retailer wish for store and forward functionality, the TPP must test with the Contractor transaction activity to mimic the numbers that would occur should a store and forward take place. The TPP will not be certified for store and forward if it cannot demonstrate the ability to address large scale batches of transactions as well as have a functional plan in place to minimize possible errors. All TPP agreements between the EBT Contractor and TPPs or their retailers will be reviewed and approved by the State and FNS. At the State request, the EBT Contractor must enforce the agreements if problems are discovered in TPP activities.

Third Party Agreements should include the right of the State and Federal Government to inspect, review, investigate and audit all parts of the third party processors facilities engaged in performing EBT services, and in such capacity, the State, or its representatives, shall have access to facilities, records, reports, personnel and other appropriate aspects of the EBT system.

TPP requirements include, but are not limited to:

- Terminal IDs — TPPs must give each terminal a unique ID and include those terminal IDs as part of their transaction messages. The Contractor must include those IDs in the ALERT data submitted to FNS.
- Transactions — TPPs must be able to support to support the entire transaction set included in the FNS regulations. The Contractor must be able to process all of these transactions.
- Interoperability — TPPs must be able to process transactions for cards issued by all States for all point-of-sale equipment they support.
- Balance Information — TPPs must be able to display the remaining account balance on the printed receipt for all point-of-sale equipment they support.
- Serving only FNS-authorized retailers — TPPs must only route SNAP transactions for retailers authorized by FNS to redeem SNAP benefits.
- Adjustment Support — TPPs must be able to support timely adjustments per federal requirements to correct system errors, including errors caused by store and forward processes.

2.11 EBT-ONLY EQUIPMENT/PERIPHERAL SUPPLIES

The Contractor is to actively work to assist retailers in moving to an integrated solution in order to minimize the equipage deployment requirements of EBT in South Carolina.

For retailers who cannot move to an integrated solution, the Contractor will provide retailer equipment and supplies, including a phone line if required, sufficient to allow processing of SNAP redemptions. The POS equipment currently used in the State is owned by the current vendor. The equipment is to be replaced with a minimum of an Omni 3200 SE or equivalent. The OFFEROR will provide an Equipage Plan that outlines the equipment proposed, the equipment's performance and function capabilities, proposed equipment repair/replacement procedures and timeframes, and processes the OFFEROR has in place for addressing upgrades in software/hardware. The State expects the Contractor to provide equipment that is up-to-date with functionality and sufficient memory to handle the foreseeable needs of the EBT program, that is fully supported and warranted by its manufacturer, and that is replaced on a regular basis as upgrades are released.