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| Text  Description automatically generated  CENTRAL PURCHASING UNIT (CPU)  **Sole Source Filing Justification** | | PURCHASING COORDINATOR:  **Shannon L. McGuire** | | |
| PR NUMBER  **PR2509308** | | TODAY’S DATE  **4/4/2025** |
| SELECT SERVICE/PRODUCT DESCRIPTION / SUB-OBJECT CODE | | |
| **Vendor Information** | | | | |
| VENDOR’S LEGAL NAME  **Canopy Public Benefit LLC** | | | TAX IDENTIFICATION (TIN) OR UNIFORM BUSINESS IDENTIFICATION (UBI) NUMBER  **87-1669903** | |
| ADDRESS  **120 N. Juliette Ave, Manhattan, KS 66502** | | | | |
| **Purpose of Purchase** | | | | |
| **Canopy will provide access to and support for the Program Evaluation and Reporting System (PEARS), a web-based data management platform used for tracking, managing, evaluating, and reporting statewide Supplemental Nutrition Assistance Program-Education (SNAP-Ed) activities. Through the PEARS system, contracting and subcontracting agencies report activity information needed to meet annual reporting requirement for USDA Food and Nutrition Services. PEARS data imports directly into the SNAP-Ed federal reporting database N-PEARS. No sensitive information or client data is shared through PEARS.** | | | | |
| **Funding Source(s)** | | | | |
| FEDERAL FUNDING  **$78,200 ($39,100 annually for 2 years)** | STATE FUNDING  **$0** | | CONTRACT TOTAL  **$78,200 ($39,100 annually for 2 years)** | |
| **Proposed Purchase Dates \* Start Date must be more than 20 business days from date of request to CPU.** | | | | |
| \*START DATE  **09/27/2025** | | END DATE  **09/26/2027** | | |
| AMENDMENT OPTIONS  Renewal will take place “Every 12 months beginning on September 27th of 2027, unless cancelled per this Agreement. Renewals will be invoiced 1 month prior to renewal date and will include a 2.5% annual increase for ongoing system enhancements.” | | | | |
| **Sole Source Definition and Guidelines**  What is a sole source filing?  “Sole source” means a vendor providing goods or services of such a unique nature or sole availability at the location required that the contractor is clearly and justifiably the only practicable source to provide the goods or services.  (RCW 39.26.0101)  Unique qualifications or services are those which are highly specialized or one-of-a-kind.  Other factors which may be considered include past performance, cost-effectiveness (learning curve), and/or follow-up nature of the required goods and/or services. Past performance alone does not provide adequate justification for a sole source filing. Time constraints may be considered as a contributing factor in a sole source justification however will not be on its own sufficient justification.  Why is a sole source justification required?  The State of Washington, by law and policy, believes competition is the best strategy to obtain the best value for the goods and services it purchases, and to ensure that all interested vendors have a fair and transparent opportunity to sell goods and services to the state.  A sole source filing does not benefit from competition. Thus, the state, through RCW 39.26.010, has determined it is important to evaluate whether the conditions, costs and risks related to the proposal of a sole source filing truly outweigh the benefits of a competitive procurement. | | | | |
| **Sole Source Justification** | | | | |
| To expedite CPU and DES review of this sole source filing, please provide **clear and compelling** answers to the following justification questions. | | | | |
| 1. What is the business need or problem that requires this procurement?   **The DSHS administered SNAP-Ed program is required to submit an annual report to USDA Food and Nutrition Services (FNS), our federal funder, every year using a system called N-PEARS. This includes reporting very specific information about program activities, site locations, and participant reach. DSHS works with 8 contractors, 20 WSU Extension offices, 27 subcontractors, and 13 sub-sub contractors to carry out programming, which makes a streamlined data collection system necessary to meet programmatic requirements.** | | | | |
| 1. Describe the unique features, qualifications, abilities or expertise of the vendor proposed for this sole source filing.   **PEARS is the only tracking and reporting system that specifically supports SNAP-Ed reporting and can import directly into our required federal reporting system, N-PEARS. N-PEARS is designed to work with PEARS, though use of PEARS is not federally required.** | | | | |
| 1. What kind of market research did the agency conduct to conclude that alternative sources were inappropriate or unavailable? Provide a narrative description of the agency’s due diligence in determining the basis for the sole source filing, including methods used by the agency to conduct a review of available sources such as researching trade publications, industry newsletters and the internet; contacting similar service providers; and reviewing statewide pricing trends and/or agreements. Include a list of businesses contacted (if you state that no other businesses were contacted, explain why not), date of contact, method of contact (telephone, mail, e-mail, other), and documentation demonstrating an explanation of why those businesses could not or would not, under any circumstances, fulfill the procurement; or an explanation of why the agency has determined that no businesses other than the prospective vendor can provide or perform the goods and/or services needed.   **PEARS is owned and operated by the same company that oversees N-PEARS , the required SNAP-Ed federal reporting system. FNS has confirmed that PEARS is the only reporting system that directly imports into N-PEARS. Some SNAP-Ed programs in other states who have fewer contracts and subcontracts have created their own systems, however this process is neither feasible nor cost-effective for Washington, and the system would still be unable to import data directly into the federally required reporting system. PEARS is designed specifically for SNAP-Ed programs like Washington’s, with vast contracting networks, and N-PEARS was designed to make data uploads easier for states such as ours.** | | | | |
| 1. What considerations were given to unbundling the goods and/or services in this procurement, which would provide opportunities for Washington small, diverse, and/or veteran-owned businesses. Provide a summary of your agency’s unbundling analysis for this procurement.   **This is a single service/system purchase. There are no services to unbundle.** | | | | |
| 1. As part of the market research requirements, include a list of statewide contracts reviewed and/or businesses contacted, date of contact, method of contact (telephone, mail, e-mail, other), and documentation demonstrating an explanation of why those businesses could not or would not, under any circumstances, fulfill the procurement; or an explanation of why the agency has determined that no businesses other than the prospective vendor can perform or provide the goods and/or services needed.   **USDA FNS has confirmed that PEARS is the only system that is compatible with and imports directly into our federally required reporting system and is designed specifically for SNAP-Ed.** | | | | |
| 1. Per the Supplier Diversity Policy, DES-090-06 and A.P. 13.27: Was this procurement included in the agency’s forecasted needs report?   **No** | | | | |
| 1. Describe what targeted industry outreach was completed to locate small and/or veteran-owned business to meet the agency’s need?   **PEARS is the only reporting system is compatible with and imports directly into our federally required reporting system and is designed specifically for SNAP-Ed.** | | | | |
| 1. Provide a detailed and compelling description that includes qualification of the costs and risks mitigated by purchasing with this vendor (i.e., learning curve, follow-up natures).   **FNS, our federal funder, holds a contract with Canopy for the N-PEARS system. They are a known entity who we have worked with in the past, and there are no known risks.**  **PEARS is the only system that is compatible with and imports directly into N-PEARS, our federally required reporting system and is designed specifically for SNAP-Ed. We have been utilizing this system since 2016.**  **Between 2016 and 2021, the PO agreement was listed as sole source under DES Policy 140-00 Sole Source Contracts section 9. Exemptions (5) Contracts where the vendor is specifically required by a grant or legislation. For the following three years, FNS provided partial coverage for PEARS contracts in all participating states to help get the system off the ground, which brought the total purchase amount under $30,000 per year. However, FNS is no longer offsetting costs, which has led to an increase beyond the direct-buy threshold.**  **While we do not believe this to be a specifically required service by the grant, it is strongly encouraged by FNS, and there is no other pathway to meeting federal program requirements without it.** | | | | |
| 1. Is the agency proposing this sole source filing because of special circumstances such as confidential investigations, copyright restrictions, etc.? If so, please describe.   X **Not applicable.**  NA | | | | |
| 1. Is the agency proposing this sole source filing because of unavoidable, critical time delays or issues that prevented the agency from completing this acquisition using a competitive process? If so, please describe. For example, if time constraints are applicable, identify when the agency was on notice of the need for the goods and/or service, the entity that imposed the constraints, explain the authority of that entity to impose them, and provide the timelines which work must be accomplished.   X **Not applicable.**  NA | | | | |
| 1. What are the consequences of**not**having this sole source filing approved? Describe in detail the impact to the agency and to services it provides if this sole source filing is **not** approved.   **Inability to utilize PEARS would significantly inhibit our ability to accurately track SNAP-Ed activities, as required, across all 60+ sites implementing SNAP-Ed in Washington, making it impossible to meet federal reporting requirements, as written into the USDA’s SNAP-Ed Plan Guidance and CFR 272.2.** | | | | |
| 1. Since competition was not used as the means for procurement, how did the agency conclude that the costs, fees, or rates negotiated are fair and reasonable? Please make a comparison with comparable procurements, use the results or a market survey, or employ other appropriate means calculated to make such a determination.   **We have held an agreement to use PEARS for several years. Prior to this year, the system was owned and operated by Kansas State University, with FNS financial support to offset expenses for SNAP-Ed administering agencies. Previous base costs before FNS offset was $50,000 annually.**  **This year, the system has been transferred to Canopy, who previously worked with Kansas State University and co-managed the system. As FNS is no longer offsetting costs, the new fee is $39,000 annually-- less than what the cost would have been in previous agreements without the FNS offset.**  **Based on the historic cost of PEARS, the fact that the system now needs to be compatible with N-PEARS (new as of 2023), and the end of FNS cost offset, the additional cost is fair and reasonable. Further, no other system exists that could provide the same service.** | | | | |
| If filing is considered late, obtain your Division Director and Fiscal Approvals.  **If the filing is “late” (where the purchase start date is less than 20 business days from date sent to CPU for review, approval, and submission to DES), you must also complete and attach the Late Filing Justification form.** | | | | |

This purchase is exempt from Sole Source filing.

The following exemption applies: \_\_\_\_\_\_\_\_\_\_\_\_\_

This purchase does not need to be filed as a sole source.

Completed by: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Date: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_