
Questions referencing this RFP shall be submitted electronically to: tracy.konieczny@state.de.us and shall reference the pertinent RFP section(s) and page number(s). Written responses will be binding and included in the contract as an appendix. Bidders may not contact State staff with questions. Questions may be asked at the pre bid meeting however, the official responses to these and any other questions asked pertaining to this RFP will be those that are published in writing by the Q&A response date. After the Submission of Questions Due Date of September 1, 2015 ALL questions must be directed to Kieran.mohammed@state.de.us . Contact with Divisional staff or State staff other than those listed as contacts in this RFP may be grounds for immediate rejection of proposals.

. Department of Health and Social Services (DHSS) shall not respond to questions received after that time. A final list of written questions and responses will be posted as an RFP addendum on the Internet at bids.delaware.gov

REQUEST FOR PROPOSAL # **HSS-15-025**

Sealed proposals for Electronic Benefits Transfer
Services for the Division of Management Services,

will be received by:
Delaware Health and Social Services,
Herman M. Holloway Sr. Campus,
Procurement Branch, Main Administration Building,
Second Floor, Room #257,
1901 North DuPont Highway,
New Castle, Delaware 19720,

until **11:00 AM ET** local time, on October 14, 2015 ,

Public Notice

Public notice has been provided in accordance with 29 *Del. C.* § 6981

Obtaining Copies of the RFP

This RFP is available in electronic form [only] through the State of Delaware Procurement Website at <http://bids.delaware.gov>.

NOTE TO VENDORS: Your proposal must be signed and all information on the signature page completed.

If you do not intend to submit a bid and you wish to be kept on our mailing list you are required to return the face sheet with "NO BID" stated on the front with your company's name, address and signature.

IMPORTANT: ALL PROPOSALS MUST HAVE OUR HSS-15-025 NUMBER ON THE OUTSIDE ENVELOPE. IF THIS NUMBER IS OMITTED YOUR PROPOSAL WILL IMMEDIATELY BE REJECTED

FOR FURTHER BIDDING INFORMATION PLEASE CONTACT:

Procurement Administrator
DELAWARE HEALTH AND SOCIAL SERVICES
HERMAN M. HOLLOWAY SR. CAMPUS
PROCUREMENT BRANCH
MAIN BLD-2ND FLOOR – ROOM #257
1901 NORTH DUPONT HIGHWAY
NEW CASTLE, DELAWARE 19720
PHONE: (302) 255-9290
EMAIL: Kieran.mohammed@state.de.us

Recommended/PTR Business Case Number: _____1503553_____

The contract resulting from this RFP shall be valid for the period of time as stated in the contract. There will be a ninety (90) day period during which the agency may extend the contract period for renewal if needed.

If a bidder wishes to request a debriefing, they must submit a formal letter to the Procurement Administrator, Delaware Health and Social Services, Main Administration Building, Second Floor, (South Loop), 1901 North DuPont Highway, Herman M. Holloway Sr. Campus, New Castle, Delaware 19720, within ten (10) days after receipt of "Notice of Award". The letter must specify reasons for request.

. "All Bidders Who Wish To Bid On This Proposal Must Be Present, On Time, At The Mandatory Pre-Bid Meeting. No Proposals Will Be Accepted From Bidders Who Either Did Not Attend The Mandatory Pre-Bid Meeting Or Who Are More Than Fifteen (15) Minutes Late."

IMPORTANT: DELIVERY INSTRUCTIONS

IT IS THE RESPONSIBILITY OF THE BIDDER TO ENSURE THAT THEIR PROPOSAL HAS BEEN RECEIVED BY DELAWARE HEALTH AND SOCIAL SERVICES BY THE DEADLINE.

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1 Project Overview

1.1 Introduction

This is a Request for Proposal (RFP) for Electronic Benefit Transfer (EBT) issued by the Division of Management Services (DMS).

This RFP is to provide assistance and service necessary to the ongoing operations of the Delaware Electronic Benefits Transfer System.

1.2 Background and Purpose

The Department of Health and Social Services (DHSS) is requesting proposals from qualified and experienced vendors to provide expert assistance and services necessary to achieve the goals of this RFP. Vendors must complete a response to all mandatory requirements in order to be considered for selection. Each proposal must follow the order set forth below and in the Sections listed below.

As of February 6, 2015, Supplemental Nutrition Assistance Program (SNAP) is the new name for the Federal Food Stamp Program. The State of Delaware's new name is the Food Supplement Program (FSP). There are approximately 74,000 households containing 153,000 persons currently receiving \$225M annually in Food Benefits (FB) via EBT in Delaware. Delaware FSP is a state-administered and operated program. DMS is the State agency responsible for the overall administration of the EBT program, while Division of Social Services (DSS) operates FSP in accordance with the provisions of State and Federal laws, administrative rules, and regulations governing FSP.

DMS is responsible for the accounting and financial reporting functions for the Divisions and Institutions, which comprise DHSS. These functions include development and maintenance of all disbursement subsystems for paying provider groups, individual recipients, or local human services agencies. In addition, DMS interprets all accounting and reimbursement policies and procedures for the FSP EBT. DMS will manage the EBT contract.

Delaware currently operates an established EBT system with an EBT Contractor, J.P. Morgan. Delaware requires an EBT system that will provide substantial operational savings and/or improved services without negatively impacting retailers and EBT customers. Delaware plans to expand the EBT program to include other benefit programs in addition to FB. The proposed system should have an option to provide clients with a branded card that clients can use for all benefit types. This project should have minimum impact to the ASSIST WORKER WEB, which is the Delaware system that determines benefit eligibility and issues benefits such as Food Benefits, Temporary Assistance for Needy Families, General Assistance and Childcare.

The EBT Contractor shall propose an EBT system that meets the requirements of applicable Federal and State laws and regulations, as well as, the Quest Operating Rules. The Federal requirements for EBT processing shall be considered the minimum

standards for the EBT system. If specified in this RFP, the selected EBT Contractor may be required to exceed federal requirements to meet State or Quest requirements. As Federal and State regulations, and/or the Quest Operating Rules are changed, the EBT system must be modified to meet the new requirements.

1.2.1 System Overview

The current EBT system consists of two subsystems. The main subsystem is hosted and maintained by J.P. Morgan. The other subsystem resides on the DHSS mainframe.

The DHSS EBT subsystem performs the following functions:

- Gathers benefit issuance and client data (new, update, delete) and send that data to J.P. Morgan via different data exchange jobs.
- Send instructions for client deletion and expunging aged benefits.
- Receives and process transaction data, reports, and confirmation and error files sent by J.P. Morgan, including transaction history.

The J.P. Morgan subsystem is used to set up and administer client EBT accounts. The J.P. Morgan subsystem handles the issuance of EBT cards to clients and tracks transactions on the EBT accounts. The data exchange processes run daily. All data exchange processes use Connect Direct software to send and receive files. The EBT Contractor's system must interface with the DHSS EBT subsystem on the DHSS mainframe.

A client who applies for any service provided by a Division within DHSS is registered in the Department's Master Client Index (MCI) only one time. Common client information shared throughout the Divisions is in the MCI. Client information unique to a particular program is available only to the Division administering that program.

DCIS II is the current automated system that supports Delaware's TANF, General Assistance, Food Benefits, Medicaid and CHIP programs. The system, fully implemented on 12/14/98, operates statewide and supports approximately 1,000 users in 20 different locations. DCIS II will be sunsetted and Worker Web will be the replacement system and go live 11/2015.

DHSS requires that prospective EBT Contractors utilize its existing interface records and file formats currently in production to write its specifications.

1.3 Additional Programs

The Contractor must support the State in adding future functionality to the DHSS EBT system for provision of additional State and Federal program benefits including, but not limited to, TANF (Temporary Assistance for Needy Families), GA (General Assistance), Summer Meals Programs, health care applications, childcare, child support payments, unemployment insurance benefits, Supplemental Security Income, adoption subsidies, fuel, rent, utilities and foster care. The Contractor must agree to negotiate in good faith toward developing a contract amendment, subject to applicable state agency approval, to include pricing associated with any development costs.

2 DHSS Program and System Overview

2.1 Delaware Department of Health and Social Services (DHSS)

The mission of DHSS is to improve the quality of life for Delaware's citizens by promoting health and well-being, fostering self-sufficiency, and protecting vulnerable populations. DHSS is comprised of eleven divisions as follows:

- Division of Substance Abuse and Mental Health
- Division of Child Support Enforcement
- Division of Long Term Care Resident Protection
- Division of Management Services
- Division of Developmental Disabilities Services
- Division of Public Health
- Division of Services for Aging and Adults with Physical Disabilities
- Division of Social Services
- Division of Medicaid and Medical Assistance
- Division of State Service Centers
- Division for the Visually Impaired

2.2 The Division

The mission of the Division of Management Services (DMS) is to provide high-quality leadership and technical expertise in DHSS through efficient and cost-effective management of human, financial information, evaluative and facility resources, as well as the delivery of customer-driven services. DMS is responsible for providing support for various public assistance programs including the Food Supplement Program. DMS will appoint a Project Director.

2.3 Support/Technical Environment

The three groups responsible for the development and operation of the automated systems that support the Division are described below. These three groups will be responsible for review and approval of all project deliverables, invoices and milestone payments. IRM will serve as the liaison with DTI (see below). The selected contractor will coordinate efforts for this project with the Project Director, other project contractors, State participants, and stakeholders.

2.3.1 Information Resource Management (IRM)

IRM will appoint a Project Director with broad oversight authority for all project activities. Vendors on this project will report to the Project Director. The Project Director will report to the Director of Information Resource Management and have a dotted line to DTI's Director of Major Projects. The Project Director will oversee the project budget in coordination with DTI, OMB, and the division. The IRM unit is responsible for providing DHSS divisions with direct programming support of automated systems, as well as consulting support and management of automated systems software, vendors and development projects. IRM consists of an Applications Development, Technology Planning, Base Technology, Telecommunications, Security, and Help Desk support group all who participate in all phases of the project lifecycle as appropriate.

2.3.2 Department of Technology and Information (DTI)

DTI is a separate cabinet level agency responsible for running the State of Delaware's mainframe computer operations, wide area data network, and setting and enforcing statewide IT policy and standards. DTI as a separate state agency does not fall under the authority of DHSS. However, the IRM Project Director has a dotted line to DTI's Director of Major Projects and is required to work with DTI groups throughout all phases of the project lifecycle, review project deliverables, and oversee the project budget. DTI is responsible for supplying mainframe and Wide Area Network (WAN) systems support to DHSS as well as other state agencies. Additionally, DTI provides 24x7 data center operations support. DTI provides state agencies with technical consultant services.

2.3.3 Division Business Analyst Group

This group serves as the division liaison between IRM and vendor technical staff with program staff. They typically translate business needs into IT requirements and vice versa. This is a critical function that ensures that division business requirements are properly communicated to technical staff and that division program staff understand IT policies and standards as they relate to the project. This group works closely with IRM and vendor staff on all technical aspects of the project to ensure close communication with program staff on all phases of the project life cycle including RFP, business case process, vendor negotiations, deliverable review and signoff, through testing, implementation, and post-implementation support. For this project, a Project Functional Manager will be appointed. This position will report to the Project Director.

3 State Responsibilities

The following are State responsibilities under this RFP. Outlined in the following subsections are such areas as project staffing, project management, available resources, and system testing and implementation (if applicable).

3.1 Staffing Roles

As stated above, the Division will appoint a Project Director. The Project Director will serve to manage project staff including vendor staff during this project. All project deliverables will be approved by signature of the Project Director, Project IRM Manager and the Project IS Manager. The Project Director will serve as the overall project lead with input from the Project IRM Manager and the Project IS Manager

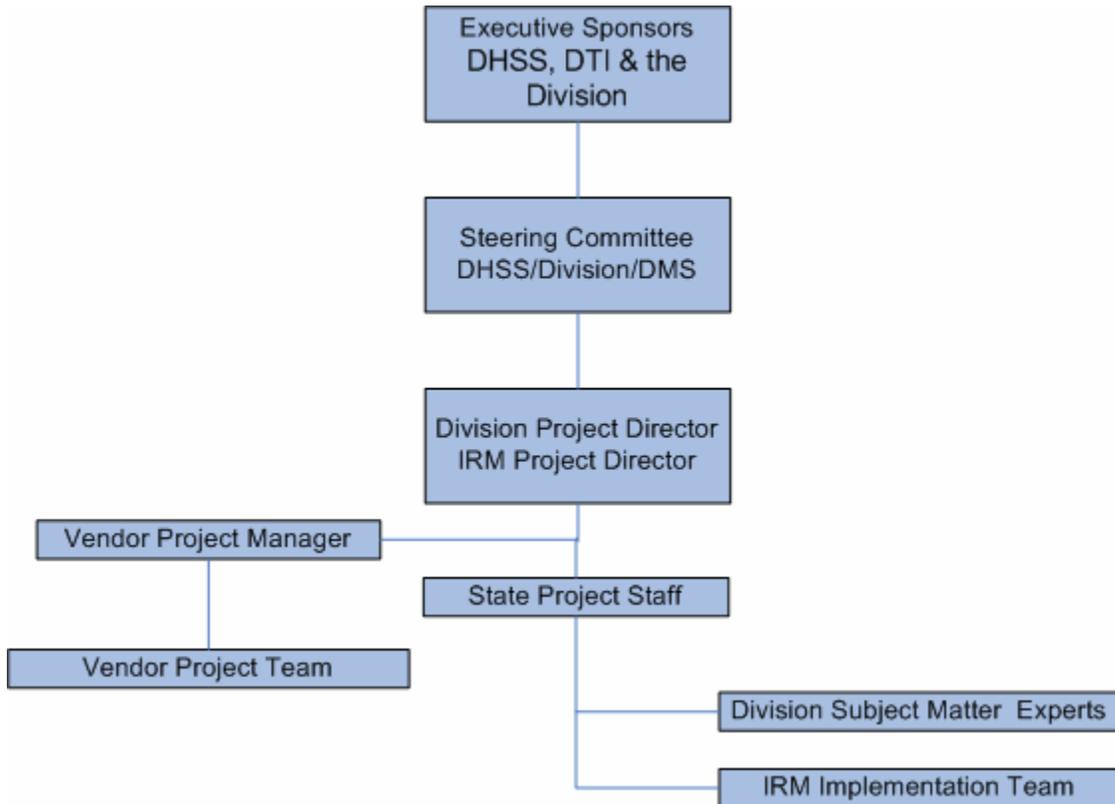
The Project Director will serve as primary coordinator to ensure that Joint Application Design (JAD) sessions take place with the appropriate subject matter experts (SME), that project documents and deliverables are thoroughly reviewed and that approval takes place within agreed upon timeframes. This individual is also responsible for scheduling and coordinating User Acceptance Testing (UAT), when appropriate. The Project Director will coordinate with other divisions and State agencies for their input as needed. These staff will serve primarily as subject matter experts on relevant Division applications and related systems, and will participate in meetings and deliverable review as necessary.

The Project IRM Manager and Project IS Manager will serve as primary technical liaisons to ensure that contractor and State technical staff work together effectively to identify current and future technology considerations and make key technology decisions. The Project IRM Manager will serve as the primary liaison with DTI staff to gather State level input as needed.

The Project Director will report to a Project Steering Committee made up of representative managers from the Division, IRM and DTI. This Committee will meet monthly to review project status, progress and issues. The Project Steering Committee will report to the Executive Sponsors. The Executive Sponsors will be made up of representatives from DHSS, DTI and the Division. They will meet at least bi-monthly to discuss overall project status, progress and issues, project management, funding, staffing, sponsor issues, stakeholder participation and tasks planned for the upcoming quarter.

3.1.1 Project Organization Chart

The following organization chart outlines the proposed management structure for this project.



3.2 State Staff Participation

The Project Director will be assigned to work on this project full time. Additional State staff participation is as assigned and is in addition to their primary responsibilities. State staff normally work 7.5 hour days from 8:00 AM – 4:30 PM, although some staff flex their schedules. No State staff will be available for data cleanup or meta-data definition. State staff will be available to consult with the vendor on the data needing to be cleaned up for conversion. However, divisional SME’s can serve to advise contractor on these topics. No State technical staff will be assigned to this project to assist in the coding of the system. State technical staff will attend JAD sessions as assigned. It is important to note that documentation on the existing systems may be missing, incomplete, out of date or in error. Division staff will be responsible for user acceptance testing. The Division will be responsible for assigning a primary and backup division liaison and knowledgeable subject matter experts for the duration of JAD sessions related to their areas of expertise. These assignments will be sent to the Project Director prior to the start of the

JAD sessions. Attendance at these sessions is mandatory for assigned staff. These same subject matter experts along with other staff will be assigned to participate during UAT for their areas of expertise. Adequate divisional staff participation is critical.

3.3 Resource Availability

During State business days, the Biggs mainframe production systems are normally available from 7:00 AM to 6:00 PM. On Saturday the hours are 8:00 AM to 4:30 PM. Production systems are taken down earlier on specific monthly dates to accommodate particularly heavy batch schedules. Test systems availability will be scheduled in concert with other development staff. DTI has mainframe systems support staff on site from 7:00 AM to 4:30 PM. DTI Operations staff are on site 24x7. IRM applications, telecommunications and HelpDesk staff are on site from 8:00 AM to 4:30 PM on State business days. The State network is very stable and unscheduled downtime is minimal. Given that the network is an essential state resource, any reported problems have a very high priority and are dealt with immediately. Biggs Data Center power is conditioned and outside supply fluctuations can trigger a switch to automatic local power generation capability. The State has audio and video-conferencing capabilities as well in specific on-site locations for remote meeting participation. Remote connectivity through SSL-VPN is available for offsite work for contracted staff that must access, update or maintain servers and/or applications in the DMZ. Please refer to Appendix D for more information on the DHSS IT environment.

3.4 Deliverable Review

It is the responsibility of the State (primarily IRM and the Division business analysts) to perform deliverable review including User Acceptance Testing on all functional aspects of the project. DTI may participate in the review process for certain deliverables. It is the responsibility of the State to review all project deliverables in the agreed upon timeframe. The State will notify the bidder of any changes to the review schedule. Milestone invoicing and payment is contingent upon formal State approval. Likewise, production implementation of each module is contingent upon formal State approval.

3.5 Implementation

Production implementation is normally an IRM responsibility. Depending on the solution selected, IRM may require participation of contractor staff. The state will be primarily responsible for post implementation administration if the system resides at the Biggs Data Center. If an Application Service Provider (ASP) solution is selected, the vendor has primary administration responsibilities.

3.6 DHSS Staff Responsibilities

The groups responsible for the operation of the automated systems that support DMS are described below. The Division of Social Services (DSS) and Information Resource Management (IRM) will manage transactions with information that support the EBT system. These groups will manage and monitor the progress and maintenance, along with DMS.

3.6.1 State Project Director and Project Managers

- Serve as the Contract Administrator.
- Ensure all Contract instruments are appropriately executed.
- Review and approve any Contract changes.

- Review and approve invoices, payments, and any adjustments.
- Provide validation of deliverable acceptance and performance measurements.
- Validate that Contract milestones, timelines, and deliverables are provided pursuant to the Contract performance measurements.
- Facilitate Contract review by DSS, DMS Procurement, IRM, and the DHSS Controller's Office.
- Monitor the project and Contract to ensure delivery of complete, on schedule, accepted deliverables.
- Review and approve estimates, priorities, timelines, formats, outlines and project deliverables.
- Ensure proper involvement from all project staff from DMS, DSS and IRM.
- Advise the Vendor Team on issues.
- Participate in EBT Steering Committee.

3.6.2 IRM EBT Project Staff:

- Participate in JAD sessions
- Review and provide input on draft documents.
- Collaborate with Vendor on technical issues, test plans, schedules, and specifications.
- Review deliverables and participate in code and test runs.
- Assist vendor in performing UAT.

3.6.3 DMS EBT & Division Business Analyst Group

- Participate in JAD sessions
- Participate in UAT
- Participate in User Training sessions.

3.6.4 DTI

- Participate in technical deliverable review
- Consults on and reviews proposed system architecture and interfaces design
- Reviews and approves business cases

4 Contractor Responsibilities/Project Requirements

The following are contractor responsibilities and project requirements under this RFP. The contractor is expected to provide most of the expertise and provide for the full range of services during the project. Bidders must discuss each of these subsection requirements in detail in their proposals to acknowledge their responsibilities under this RFP. The primary expectation is for the vendor to provide a turnkey EBT solution.

Bidders must have demonstrated experience and depth in the following areas:

- Documented experience in successfully performing work on projects of a similar size and scope as required by this RFP.
- A proven track record of successfully partnering with its clients to achieve the goals set forth in any contract.
- A clear, complete and comprehensive vision of the direction of the business.
- A successful track record of commitment to, and support of, the offered product.
- Evidence of a fiscal stability, including being able to demonstrate that this project will not have a material impact on the vendor's organization's financial status.
- Experience with analysis, design, construction and implementation of computer systems for electronic payment processing.
- Experience with mainframe processing.

This experience is critical in ensuring project success in terms of the future direction of the Division's information technology development, as well as maintaining an open partnership with project partners.

4.1 Staffing

Contractor will propose and supply resumes for the following key positions including:

- Project Director
- Project Manager
- Business Analysts
- Senior Developers
- Technical Analystes (i.e. DBA, SE, etc.)
- Documentation Specialists

The resumes will be for specific named individuals and will be in the format specified in Appendix E. Other positions may be proposed at the contractor's discretion. One person may be proposed to fill more than one role.

4.1.1 On-Site Staffing Requirement

The following key contractor staff are required to be on-site at the Biggs Data Center in New Castle, Delaware, as indicated below:

- Contractor Project Director (as required)
- Contractor Project Manager (at least 50% to fulfill duties)
- Other Contractor project staff (as required)

The State and the Contractor Project Manager will work very closely together on this project. This requires an on-site presence. The State will provide office space including furniture, phones and network connectivity for on-site project staff. Contractor will be responsible for all other office necessities including workstation and required software. It is vital for the Contractor Project Manager to play an active on-site role in the project and be visible and accessible.

4.1.2 Offsite Project Work

The State will permit project work to be done offsite, within the United States and Canada. For offsite work, the State requires strong management of the resources and assigned tasks; adequate, timely and accurate communications and completion of assigned work by specified deadlines. This is important to any offsite relationship. If the bidder organization is proposing offsite project work, the bidder must specifically address each of the bulleted items below in this section of the proposal. Otherwise, bidder will respond to this section as follows: **“No offsite project work proposed.”**

Note: For the purposes of this section, the bidder staff organization includes subsidiary contractors.

- Provide a detailed description of work to be completed offsite along with a breakdown of the type of work to be provided on-site. Quantify this by estimating for each of the deliverables identified in this Section, the percentage of work to be done offsite.
- Provide an organization chart with job titles of offsite staff and their relationship to the bidder.
- Provide a description of what tasks each job title is responsible for performing.
- Clearly identify if offsite work is to be performed by bidder staff or sub-contractors.
- For offsite subcontractor or bidder staff, please include the names and resumes of key staff, highlighting prior participation on similar projects. Also provide named or sample resumes for lower level staff.
- Provide a detailed plan for managing offsite work including communication strategy to accommodate time differences if any. Include contingency plan for completing work should offsite relationship be terminated.
- Propose a meeting schedule for project status discussions with offsite management staff.
- Identify the offsite single point of contact who will serve as the project manager of offsite resources. Describe how this project manager and the on-site project manager will interact. The State prefers that the offsite project manager be a bidder employee. Please refer to RFP Section 4.1 for normal bidder staffing requirements.
- Provide a contingency plan for substituting on-site staff if offsite relationship becomes problematic as determined by the State.
- Provide a description of prior bidder organization experience with use of offsite bidder staff or subcontractors and provide U.S. client references for that work.
- Provide a detailed description of proposed project manager's experience in directing offsite staff and/or subcontractors.
- Describe your understanding that the State will only provide management of this project and bidder resources through the on-site project manager. All management/relationships with offsite resources, whether bidder staff or subcontractors, will be handled by the respective bidding organization.

- Describe how the system components will be tested and staged during customization/development. For non-ASP solutions, the State requires that the all UAT, production and related environments be located at the Biggs Data Center. All system components of these environments including all system libraries and databases will be located in the data center as well. State staff must approve the results of system testing before systems components are migrated into UAT. It is critical that system components are proven to operate in the Biggs Data Center UAT environment prior to promoting the code to production. Remote developers and testing staff may access these environments through VPN. The UAT environment must be the technical equivalent of the production environment to minimize issues with promoted code and/or database changes in production. Bidders may propose additional environments as necessary or recommended for their solution.

4.1.3 Offshore Project Work

The State will not permit project work to be done offshore.

4.1.4 Project Director Requirement

The Vendor Project Director is the individual who has direct authority over the Vendor Project Manager and will be the responsible party if issues arise that cannot be resolved with the Vendor Project Manager. The Vendor Project Director does not need to be on-site except for designated meetings or as requested. It is critical that a named Vendor Project Director with appropriate experience be proposed.

4.1.5 Project Manager Requirement

The Vendor Project Manager manages the project from the contractor perspective and is the chief liaison for the State Project Director. The Project Manager has authority to make the day-to-day project decisions from the contractor firm perspective. This contractor project manager is expected to host meetings with Division Subject Matter Experts (SME) to review Division business organization and functions along with the organization, functions and data of existing information systems relevant to this project. The contractor project manager is expected to host other important meetings and to assign contractor staff to those meetings as appropriate and provide an agenda for each meeting. Weekly status meetings are required, as are monthly milestone meetings. Meeting minutes will be recorded by the contractor and distributed by noon two business days prior to the next meeting. Key decisions along with Closed, Active and Pending issues will be included in this document as well. In their proposals, bidders must include a confirmation that their project manager will schedule status review meetings as described above. It is critical that a named Vendor Project Manager with prior project management experience be proposed.

In their proposals, bidders must include a confirmation that their Project Manager will schedule status review meetings at least bi-weekly, and that their Project Manager will provide written minutes of these meetings to the State Project Director by noon the business day prior to the next meeting.

The Vendor Project Manager is responsible for but not limited to the following tasks:

- Serve as the Vendor Contract Administrator.

- Have authority to address matters concerning the Contract, including invoices, negotiating and approving change requests, and taking the necessary action to ensure Contract compliance and proper performance for all tasks within the milestones.
- Deliver Contract performance measurements, reporting and tracking documents and all other documentation as scheduled and/or required by the Contract.
- Serve as primary contact to interact with State Project Director, and Third Party Vendors, as it pertains to any Contract agreements.
- Notify State Project Director, in writing, when the Vendor Project Manager and/or Vendor Team discover any problem(s) that may jeopardize the successful or timely completion of the Vendor's Contract obligations.
- Ensure that the Vendor Team fulfills its duties and responsibilities under the Contract. Have the responsibility over the Vendor Team to ensure compliance with the contract and tasks with the approved work plan.
- Keep State Project Director informed of all interactions with State staff.
- Escalate issues to State Project Director.
- Develop and submit all deliverables as required by the Contract. Meet the Project schedule and milestones as defined by the Contract.
- Provide sufficient copies of materials for meetings. Attend, participate, facilitate, prepare materials for and document executive status briefings and other meetings, as needed and requested by DMS.
- Provide support for troubleshooting any known technical problems and issues, as reported by IRM. If a problem is known and reported by DHSS, the Vendor Project Manager will coordinate having the problem fixed/resolved, in accordance with the Contract.
- Provide maintenance and operations support, as outlined in the Contract.
- Assist Delaware in designing required reports.

4.1.6 Project Help Desk Staff Requirement

Vendor Help Desk expertise is critical to the success of the system. Staff proposed for this function does not need to be dedicated exclusively to this role. They may serve a primary role in addition to providing Help Desk coverage. Bidder must supply at least a primary and a backup Help Desk function from UAT through the operational period of the contract. These staff will provide second-level support during State business hours to callers with system issues. The department's Help Desk will provide first-level support. This generally includes resolution of issues such as network connectivity, application log in problems and general PC advice. The contractor will provide second level support. This will be more system-specific and require application expertise. Specific system issues may be referred to third-level divisional support for SME expertise.

4.2 Project Management

The contractor must be the prime contractor to develop all the deliverables required by this RFP. The contractor must recommend a core team to work with DHSS over the course of the project and must identify other resources needed. A high level project plan in MS Project must be created and included as part of this proposal.

The contractor is expected to employ a rapid application design methodology to speed customization/development. An iterative model of testing is required which will require early prototypes and subsequent demonstrations of working modules to ensure that the product meets user specifications in terms of user interface and functionality. It will be the contractor's responsibility to provide complete and accurate documentation for all entities in the system. The contractor is expected to release prototypes/drafts of project deliverables and components for early state consideration and comment in order to expedite the final review process.

4.3 Requirement to Comply With HIPAA Regulations and Standards

The selected vendor must certify compliance with Health Insurance Portability and Accountability Act (HIPAA) regulations and requirements as described in Department of Health and Human Services, Office of the Secretary, 45 CFR Parts 160, 162 and 164 along with the updated ARRA and HITECH act provisions, as well as all HIPAA requirements related to privacy, security, transaction code sets (where applicable) and medical provider enumeration.

The selected vendor is required to customize/develop the system in accordance with HIPAA requirements, implement the system in accordance with HIPAA requirements and, where the vendor will operate and maintain the system, operate and maintain the system in compliance with HIPAA requirements.

HIPAA requirements also apply to entities with which State data is shared. If this data is covered by HIPAA, then a Business Associates Agreement (BAA) must be signed by both parties to ensure that this data is adequately secured according to State and DHSS policies and standards (See Section 4.4 for more information on this requirement). This agreement/contract must be in force prior to testing or production implementation of this data exchange.

In the proposal, contractor will explain their understanding of the HIPAA regulations and their impact on this project especially in the area of security.

4.4 Requirement to Comply with State Policies and Standards

The proposed solution must be fully compatible with the Department of Health and Social Services' technical environment. Vendor solutions that are not fully compliant with State standards may be disallowed.

The Information Technology Publications web page in Appendix [D](#) <http://www.dhss.delaware.gov/dhss/dms/itpubs.html> has links to the DHSS and DTI policies and standards and other documentation. See the "Supportive Documentation for Bidding on Proposals" section.

- Please review the MCI and IAS documents referenced on this page. MCI is the Master Client Index which is required for all systems identifying DHSS clients. IAS is the Integrated Authorization System which is a department mechanism for tracking authorized systems users. Bidders will comply specifically with these requirements.

The DTI Systems Architecture Standard contains information confidential to the State and is not available from the internet. However, DTI has set up an email address which will automatically send a response with this document attached. The email address is sysarch@lists.state.de.us

The application will have at least 3 tiers with the tiers configured and secured as in the sample diagram included in the DHSS Information Technology Environment Standards. Please see State of Delaware Systems Architecture Standard (instructions above) and DHSS Information Technology Environment Standards http://www.dhss.delaware.gov/dhss/dms/irm/files/dhss_it_environment.pdf for more information.

All components of the proposed solution, including third party software and hardware, are required to adhere to the policies and standards described above, as modified from time to time during the term of the contract resulting from this RFP, including any links or documents found at the above referenced web sites. Any proposed exceptions must be addressed in the Transmittal Letter (Section A) of your Technical Proposal. See Section 6.2.1, item 7 for more information.

4.4.1 Authorizations

All contractor staff working on this project will be subject to a Criminal Background Check (CBC). The contractor will be solely responsible for the cost the CBC. DHSS will review the CBC results. DHSS at their sole discretion may request that a contractor staff member be replaced if their CBC result is unsatisfactory. See Appendix **Error! Reference source not found.** for instructions on this process.

Contractor staff will be required to fill out DTI's Acceptable Use Policy, Biggs Data Center User Authorization Form, and the Biggs Data Center Non-Disclosure Agreement for necessary authorizations before starting work. Staff working at a secured State site will be issued a security access card by DHSS as per the State Standard.

4.4.2 Architecture Requirements

Securing and protecting data is critical to the State. This protection is required for data whether hosted **onsite or offsite**. As such it is required that the vendor include in the response to this section a proposed architectural diagram(s) in Visio format demonstrating how State data is being secured.

System architecture diagrams are a key component of the proposed system in terms of meeting State architecture requirements. As part of contract negotiations, the selected vendor will work with IRM to produce a final State approved detailed diagram for each proposed environment. These will be included in the final contract. This will also be

made part of a project business case that must be in “Recommended” status prior to contract signature. The project business case is a State responsibility.

4.4.3 State Hosting Requirements

If the proposed solution will be hosted by the State, bidder is instructed to include in their response to this section the following statement, **“Proposing a State hosted solution. Therefore the Cloud/Remote Hosting Requirements from section 4.4.4 do not apply and are not addressed in this proposal”**.

4.4.3.1 Standard Practices

The contractor(s) shall be responsible for the professional quality, technical accuracy, timely completion, and coordination of all services furnished to the State. The contractor(s) shall follow practices consistent with generally accepted professional and technical policies and standards. The contractor(s) shall be responsible for ensuring that all services, products and deliverables furnished to the State are consistent with practices utilized by, or policies and standards promulgated by, the Department of Technology and Information (DTI) published at <http://dti.delaware.gov/information/standards-policies.shtml>. If any service, product or deliverable furnished by a contractor(s) does not conform to State policies, standards or general practices, the contractor(s) shall, at its expense and option either (1) replace it with a conforming equivalent or (2) modify it to conform to State policies, standards or practices.

4.4.3.2 Confidentiality and Data Integrity

The Department of Technology and Information is responsible for safeguarding the confidentiality and integrity of data in State computer files regardless of the source of those data or medium on which they are stored; e.g., electronic data, computer output microfilm (COM), tape, or disk. Computer programs developed to process State Agency data will not be modified without the knowledge and written authorization of the Department of Technology and Information. All data generated from the original source data, shall be the property of the State of Delaware. The control of the disclosure of those data shall be retained by the State of Delaware and the Department of Technology and Information.

4.4.3.3 Security Controls

As computer, network, and information security are of paramount concern, the State wants to ensure that computer/network hardware and software do not compromise the security of its IT infrastructure. Therefore, the Vendor is guaranteeing that any systems or software meets or exceeds the Top 20 Critical Security controls located at <http://www.sans.org/critical-security-controls/>.

4.4.3.4 Cyber Security Liability

It shall be the duty of the Vendor to assure that all products of its effort do not cause, directly or indirectly, any unauthorized acquisition of data that compromises the security, confidentiality, or integrity of information maintained by the State of Delaware. Vendor's agreement shall not limit or modify liability for information security breaches, and Vendor shall indemnify and hold harmless the State, its agents and employees, from any and all liability, suits, actions or claims, together with all reasonable costs and expenses (including attorneys' fees) arising out of such breaches. In addition to all rights and

remedies available to it in law or in equity, the State shall subtract from any payment made to Vendor all damages, costs and expenses caused by such information security breaches that have not been previously paid to Vendor.

4.4.3.5 Information Security

Multifunction peripherals must be hardened when used or connected to the network. They should be configured to harden the network protocols used, management services, processing services (print, copy, fax, and scan), logging, and physical security. Care shall be taken to ensure that any State non-public data is removed from memory before service calls and/or equipment disposal. Electronic information storage devices (hard drives, tapes, diskettes, compact disks, USB, multifunction peripherals, etc.) shall be disposed of in a manner corresponding to the classification of the stored information, up to and including physical destruction.

4.4.3.6 Mandatory Inclusions for State Hosting

4.4.3.6.1 Network Diagram

The contractor must include a network diagram of the solution including any interfaces between the solution and other solutions. The diagram needs to be clearly documented (ports, protocols, direction of communication).

4.4.3.6.2 List of Software

The contractor must include a list of software (operating system, web servers, databases, etc.) that the State needs to utilize the solution. For example, a certain web browser (IE) or web service technology for an interface. The contractor will include a list of browsers and versions that are officially supported for web applications. The software list will be formatted as follows:

| Product Name | Version | Vendor Name | Required for Development | Required for M&O |
|--------------|---------|-------------|--------------------------|------------------|
| | | | | |

4.4.3.6.3 3rd Party Authentication

The contractor must include a list of any 3rd party authentication solutions or protocols that they support.

4.4.3.6.4 Password Hashing

The contractor must describe the method used by the solution for hashing user passwords. Include items like hash algorithm, salt generation and storage and number of iterations.

4.4.3.6.5 Data Encryption

The contractor must describe the solution's ability to encrypt non-public State data at rest. Include encryption algorithm(s) and the approach to key management

4.4.3.6.6 Securing State Data

The contractor must describe how the State's data will be protected and secured.

4.4.4 Cloud/Remote Hosting Requirements

This section is mandatory for bidders proposing to host systems and/or non-public data outside of the State network. Bidders must respond as required for each subsection below. Failure to respond as instructed may be cause for rejection of the entire proposal. If your firm has questions about this section, please submit in writing as instructed in section 6.1.4.

If the proposed system and/or data will be hosted outside of the State network, bidder is instructed to include in their response to this section the following statement, **“Proposing a Cloud/Remote Hosting solution. Therefore the State Hosting Requirements from section 4.4.3 do not apply and are not addressed in this proposal”**.

4.4.4.1 Terms and Conditions Template Requirement

Bidder is instructed to review the following hosting template and sign and scan and include with your response

<http://dti.delaware.gov/pdfs/pp/CloudandOffsiteHostingTemplateNonPublic.pdf>

All template clauses are mandatory. Complete and sign the template and include with the required forms in section 6.2.2 of the RFP.

If the bidder can only accept a clause with conditions (Accept Conditionally) or does not agree with (Reject) a clause as written, then please fill out the following Template Exceptions table as part of your response to this section. Clauses that are rejected must include in the Comment the reason why the bidder cannot comply with the requirement as written and what controls are or can be put into place to provide for the same or similar level of protection.

Cloud and Offsite Hosting Template Exceptions (Example)

| Clause # | Response | Comment |
|----------|----------------------|---|
| 3 | Accept Conditionally | Our attorney will contact the State within 48 hours in this situation. |
| 8 | Reject | The State will not be permitted to perform this type of audit either directly or indirectly through a State-chosen third party with 30 days advance notice. We have a qualified independent IT audit firm under contract that can provide the required information upon 45 days advance written notice. |
| 9 | Accept Conditionally | We will disclose all subcontractor firms within 30 days of contract signature. Some of these relationships are in the process of being negotiated. |
| | | |

Any template exceptions listed above will be vetted by DTI prior to contract signature. Individual clauses may be negotiated and updated by the State in the template. In this case, DTI’s written approval of the final template version will be attached to the final contract.

If the bidder accepts all clauses as originally specified, bidder will respond to this subsection with “We accept all clauses in the Cloud and Offsite Hosting Template”. Do not include the Template Exceptions table in this situation.

Warning: Failure to complete and sign the Terms and Conditions Template or rejection of any clause may result in the rejection of the entire proposal at the sole discretion of the State.

4.4.4.2 Standard Practices

The contractor(s) shall be responsible for the professional quality, technical accuracy, timely completion, and coordination of all services furnished to the State. The contractor(s) shall follow practices consistent with generally accepted professional and technical policies and standards.

4.4.4.3 Mandatory Inclusions for Cloud/Remote Hosting

4.4.4.3.1 Network Diagram

The Service Provider must include a network diagram of the user’s interaction with the solution and any interfaces between the solution and the State needs to be clearly documented (ports, protocols, direction of communication). The network diagram does not need to contain the inner workings of the solution or proprietary information.

4.4.4.3.2 List of Software

The Service Provider must include a list of software that the State needs to utilize the solution. For example, a certain web browser (IE) or web service technology for an interface. The Service Provider will include a list of browsers and versions that are officially supported. The software list will be formatted as follows:

| Product Name | Version | Vendor Name |
|--------------|---------|-------------|
| | | |

4.4.5 DHSS-Specific Security Requirements

Sections 4.4.3 and 4.4.4 above are DTI-specific requirements. Following are DHSS-specific requirements that are more strict than the DTI requirements. The requirements in this section are mandatory.

Encryption of Data at Rest

Bidder will describe the method(s) for encrypting data at rest in their proposed solution.

Encryption of Data in Transit

All data in transit must be encrypted whether transmitted over a public or private network. Bidder will describe the encryption method(s) proposed.

Ownership of State Data

All State-owned data (Public or Non-Public) related to services provided under this contract will remain the sole property of the State. De-identified data is not exempted from this requirement. This provision shall survive the life of the contract. Except as otherwise required by law or authorized by the State in writing, no State-owned data

shall be retained by the vendor for more than 90 days following the date of contract termination. After the 90 day timeframe the following provisions will remain in effect: contractor will immediately delete or destroy this data in accordance with NIST standards and provide confirming evidence to the State; contractor is expressly prohibited from retaining, repurposing or reselling State-owned data except as otherwise authorized by the State in writing; contractor retains no ongoing rights to this data except as expressly authorized in the contract.

4.4.6 Other Technical Considerations

The State prefers to have a system with a web front-end for a common user interface. Web browser based applications are now considered the only acceptable platform for custom applications development. For proposed COTS (Commercial off the Shelf) solutions, the State prefers those that are web browser based and that:

- Use Microsoft Windows Server as their operating system
- Use Microsoft Internet Information Server (IIS) as their web and application server software
- Use either Microsoft SQL Server or the mainframe DB2 database for their data store (the Microsoft database platform is the preferred platform due to its higher availability and capacity)
- Have been developed using Microsoft C#.NET

Mainframe Considerations

The current mainframe supports a number of systems and available resources are limited. Syncing mainframe online and batch schedules further restricts system operating hours.

As applicable to this project, various mainframe software version upgrades are planned to keep this data center up-to-date with current software releases. The State will provide up-to-date mainframe, server, network and security testing and implementation schedules to the winning bidder. Bidders are expected to take this changing technical environment into consideration for their analysis and recommendations. The Biggs mainframe is being sunsetted in Dec. 2015.

4.5 Database Design

Vendor will need to take into consideration the design of existing table structures and whether they may carry forward into the solution being proposed or may have to be re-engineered. Quality of the current data needs to be reviewed. Consideration will need to be given to ETL (Extraction, Transformation and Loading) processes for conversion as well as archiving, backups and disaster recovery. The vendor will be required to provide a data model in Microsoft Visio format.

4.6 Reporting

To the extent possible, reporting should utilize an extracted or near real time copy of the production database so as not to adversely affect the performance and response time of the production application. This is critically important for systems that permit ad-hoc reporting or user-constructed queries. The State encourages the use of a separate reporting environment especially for complex systems or systems with a large concurrent use base. If a separate reporting environment is being proposed, bidders will include a corresponding system architecture diagram in their proposal.

4.7 Performance

Performance of the proposed solution within the DHSS and State technical environment is a critical consideration. The present data center environment in terms of infrastructure, hardware, power, etc. needs to be reviewed. Following contract signature, the Contractor will be expected to review this with IRM and DTI to ensure that it is sufficient. The current design and capacity of the network especially in terms of connectivity to the Division business sites must be reviewed along with service upgrade plans. Future capacity and response time needs must be evaluated and accepted.

4.8 Degree of Customization

In terms of costs, vendor will be expected to account for necessary customization of proposed solution in order to fit Division business needs.

In terms of degree of customization of COTS software to meet State needs, the State prefers that this not exceed 15%. There is no metric for this requirement; rather it represents the State's interest in cost containment by restricting the customization of a COTS product. If proposing a COTS solution, please include an estimate of the percentage of customization generally necessary for this type of project. The State will waive ownership rights of customization features if they are made part of the standard product, which in fact is the State's preference.

4.9 Backup and Recovery

DHSS requires that system data be backed up to appropriate media that can be restored as necessary. Following contract signature, the Contractor will be expected to review the current backup and recovery process and suggest scenarios where incremental backups, full backups or dataset reloads are appropriate.

4.10 Disaster Recovery

DHSS has contracted with Vital Records, Inc. as the offsite media storage contractor for client/server and mainframe backup media. Sungard Recovery Systems is contracted as the client/server and mainframe cold site contractor. Disaster recovery tests are conducted every six months for the Biggs Data Center Environment. Following contract signature, the Contractor will be expected to review this process with IRM and DTI to ensure that it is sufficient

Additionally, if the vendor has ongoing maintenance responsibilities for the system, they will be required to participate to the extent necessary in this testing. This requirement will be detailed in the maintenance contract and will also include expected turnaround time and recovery participation in the event of an actual disaster declaration.

4.11 Specific Project Tasks

Contractor will be expected to address the following requirements in their proposal in detail. The expectation is that the contractor express in detail their understanding of their responsibilities for each of these tasks. Contractor is expected to have primary responsibility for each of these project tasks. State versus contractor responsibilities must be delineated.

4.12 Project Work Plan

DHSS envisions the EBT project consisting of eight generally sequential (although there may be some overlap) phases.

- Requirements analysis
- Design
- Development
- Transition – Food Benefit Eligibility System History
- Operations
- System Testing
- Acceptance Testing
- Implementation

Respondents can organize project tasks in different phases than the ones listed above. In that case your proposal must have a section(s) describing in detail your project management methodology. The EBT Contractor is required to define the anticipated timeliness and estimated completion dates for the project deliverables within each phase in the preliminary Project Work Plan submitted with their proposal.

The EBT Contractor's Project Work Plan shall be based on the Respondent's proposal. The plan shall include, at a minimum, a schedule of all tasks and deliverables required throughout the project. This plan shall identify all critical path and dependency tasks and delineate the responsibilities of the EBT Contractor, the State and Federal agencies.

The project plan is a living document and must be updated at least bi-weekly throughout the project to reflect actual project status and timelines. The State must approve any change that results in the change of a milestone date.

4.12.1 Design Phase

The length of time and deliverables from the project design phase shall be based on tasks and deliverables identified within the Project Work Plan. The Design Phase shall commence with the signing of a contract and shall continue for the timeframe identified within the EBT Contractor's response and proposed work plan and mutually agreed upon by DHSS and the EBT Contractor. All deliverables identified within the project plan are subject to State review and approval. The EBT Contractor shall allow DHSS to review and comment upon each deliverable in a time period designated as appropriate by DHSS based on the State approval of the Project Work Plan.

- **Transition Plan:** The EBT Contractor shall be responsible for the transition of the Client and Retailer populations. The EBT Contractor shall prepare a transition plan that covers each activity in detail. This includes a transition plan from our current EBT system to phase into the new EBT system. The transition plan should include client EBT card re-issuance and any tasks that are needed to transition current EBT Contractors.
- **Functional Design Document:** This document should provide a functional overview and description of the proposed system, procedures, and workflow in the EBT system.
- **Detailed Design Document:** This document shall describe the total system configuration, including system hardware, functionality; file layouts, message and file flows, data elements, system interfaces, settlement and reconciliation functions, management reports, and the system security plan.

- **Life Cycle Testing Approach:** The EBT Contractor shall provide a System Life Cycle Testing Plan. The basic premise of the life cycle testing approach is that any changes made, whether it is the EBT Contractor's system or the DHSS' system, should be properly tested, prior to being introduced into a production environment.
- **Test Plan:** The EBT Contractor shall develop system test plans during the Design Phase. Test plans shall outline the test purpose, methodology, environment, and test problem resolution rating process. Test Plans shall be developed for the:
 - Functional Demonstration
 - System Acceptance Test
 - System and Network Capacity Test
 - Speech-enabled Interactive Voice Response (SIVR) Test
 - System Interface Test
 - Data Conversion
- **Back-up and Recovery Plan:** The EBT Contractor shall provide a description of the types of service interruptions that may impact the EBT system's operations and, therefore require the use of a backup and recovery process. For each potential interruption type, the EBT Contractor shall detail the steps to be taken to survive and recover from the interruption. The plan shall include provisions to ensure that benefits continue to be accessible to the cardholders. In addition, the EBT Contractor shall outline the resources committed to each proposed back-up and recovery plan (i.e. people, systems, telephone lines, and operation sites) and indicate whether the back-up and recovery plan has been tested under real or simulated conditions.
- **System Security Plan:** The EBT contractor shall prepare a security plan detailing the security provisions and proposed user profiles established within the EBT system.
- **Training Plan:** The EBT Contractor shall prepare and submit a Comprehensive Training Plan that identifies the proposed deadlines and supportive tasks for the planning, design, development, production and distribution of all training materials. The training plan should address the timeline for creation of the deliverables and the timeframe for training DHSS staff and retailers.
- **Retailer and TPP Agreements:** shall provide copies of the retailer and TPP agreements that will be utilized with DHSS EBT system for review and approval by the State and FNS.
- **Change Management Plan:** The EBT Contractor shall prepare a document describing the change control process. Further, it will describe the role of the Change Control Board (CCB) which will function to review, categorize and prioritize all change requests (CRs) submitted. Categorization will at a minimum assign the CRs as remedial, confirming or enhancing. The CCB will consist of State and vendor staff.

4.12.2 Development Phase

The Development Phase shall commence following the completion of the Design Phase. During this phase of the project, the EBT Contractor shall configure and test DHSS EBT system according to the system specifications defined and agreed upon during the Design Phase.

- **System Testing:** Upon completion and approval of the design documents, the EBT Contractor shall update the System Test Plan, as appropriate, and develop system test criteria and produce system test scripts. Test criteria shall describe the desired system outcomes and performance measures. Test scripts shall provide detailed, step-by-step instructions on the actual test and system functions to be demonstrated. The EBT Contractor shall establish and control test data.

System testing must be performed on all components and functional areas of the EBT application system before delivery of the system. The EBT Contractor shall develop and control test data.

Required system tests and demonstrations, which will be conducted by the EBT Contractor during the Development Phase, include the following tests:

- **Functional Demonstration:** The functional demonstration shall provide State and Federal representatives the opportunity to review and observe planned EBT system operations. The EBT Contractor shall prepare a report of the demonstration results including any system modifications that were identified.
- **Interface Testing:** A test shall be conducted between Delaware's EBT System and the Contractor's EBT system to ensure that all files sent between the two systems are properly received, accepted, and processed. Throughout the contract period, the EBT Contractor must utilize the "Connect/Direct" interface file transmission protocol (latest version utilized by the State) to exchange files between the State and the Contractor.
- **ASSIST WORKER WEB Test Data:** A test shall be conducted between the Contractor's system and the ASSIST WORKER WEB to ensure that all files sent between the two systems are properly received, accepted and processed.
- **System Acceptance Test:** The system acceptance test provides both State and Federal representatives the opportunity to test the EBT system functionality and ensure compliance with the system design requirements. This test shall consist minimally of functional requirements, security, recovery, system controls, and "what if" testing. FNS will grant approval, upon successful completion of this testing, for the project to continue.

In addition, as part of the system acceptance testing, the EBT Contractor must demonstrate the methods and processes for performing daily reconciliation between DHSS and the EBT Contractor interface and processing activities including financial settlement. During the formal test script portion of the acceptance test, test representatives will follow detailed test scripts developed by the EBT Contractor. The test scripts should cover all facets of the system's operations and test all of the system processing options and environmental conditions.

- **Performance Testing:** The purpose of this test is to ensure that there is sufficient capacity within the EBT system being provided to the State to handle the expected transaction volume. Test results from this test shall be used to formulate a system capacity model to determine the appropriate hardware and software requirements and configuration so that Delaware's EBT system can accommodate anticipated volume.
- **Speech-enabled Interactive Voice Response (SIVR) Testing:** The SIVR system shall be tested to ensure that the system properly accepts, processes, and transfers both retailer and customer calls, per the system requirements and within the specifications defined.
- **Transition Testing:** The EBT Contractor shall be required to demonstrate to the State the conversion process of the EBT system from the current Contractor to the proposed system. Testing shall validate the conversion results, and demonstrate the EBT Contractor's ability to perform testing transactions against the converted database. Test transactions performed against the converted database shall include both customer transactions and administrative functions.
- **Test Reports:** The EBT Contractor shall be required to provide reports describing the results of each test that is performed, as well as any additional re-testing that is required to satisfy the test objectives. The test reports shall also describe the intended scope and results from the test, and any system modifications that were identified as necessary to resolve system errors and deficiencies found during the testing.
- **Updates to Detail Design:** The EBT Contractor shall revise the Detailed System Design documents to reflect any system modifications identified and made as a result of the system testing. If revisions are required, the Contractor shall submit the updated Detailed System Design following the completion of the EBT system testing process.
- **Change Management:** A formal change management approach is critical to the State and the EBT Contractor. The State requires that the Contractor develop a Change Management Plan. The Change Management Plan must define roles and responsibilities and assure the State that no change to the EBT System will be undertaken without the State's prior knowledge and approval. This section contains the State's requirements for change management.

Subsequent to acceptance of the Detail Design Document and extending throughout the term of the Contract, all Contractor design changes, corrective actions, or system enhancements must be communicated to the State through a formal written process. The Contractor shall provide the State with timely pre-notification of such changes that have an impact on the State's system. The Contractor shall maintain a mechanism to track these types of changes or modifications by software version, source, and reason. The State reserves the right to formalize Contractor-initiated changes or enhancements in a Contract amendment, if necessary.

At the time a newly modified software version is delivered for testing by the State, the

Contractor must provide documentation to the State that the Contractor has modified the correct software version. This applies to all changes, regardless of type or whether initiated by the Contractor or the State.

- System Operations/Interface Procedures Manual: The EBT Contractor shall provide a manual on Systems Operations/Interface Procedures that shall include an introduction giving the purpose, audience, organization, related documents and feedback. This manual should include:
 - Batch files and the times of transmission.
 - Configuration of online administration system
 - File transmission problem resolution and escalation procedures.
 - Batch maintenance record formats.
- Reports Manual: A Reports manual shall be provided describing all standard reports to be generated by the EBT Contractor. The Reports manual shall also provide a brief description of the data files provided to DHSS for internal report generation, as well as, the method of transmitting the reports to DHSS. DHSS is requesting that the Contractor determine the appropriate timeframe for producing and delivering this deliverable within the project schedule.
- Reconciliation Manual: The EBT Contractor shall provide a Reconciliation manual that provides guidance and procedures to DHSS on performing a daily reconciliation of the Contractor's EBT system, within the FNS EBT Reconciliation Guidelines. The manual shall identify the specific EBT reports from the Contractor's system that are required for settlement and reconciliation of the EBT system.

4.12.3 Transition Phase

The transition phase will consist of the activities required to convert EBT processing for Delaware. It is anticipated that some of the transition phase activities, specifically the EBT-only retailer conversion, will begin prior to the end of the development phase. However, it is expected that none of the database conversion activities will occur until the development activities have been completed. Specifically, the Transaction Testing needs to be completed and a sign-off received from the State.

The Contractor shall ensure that the value of the FSP benefits transferred from the present EBT system is equal to the amount of funds that will be in the Delaware ASAP account. If it is not equal, the Contractor will work with the outgoing EBT Contractor to resolve any variance, and if the ASAP account is short, direct the State to make the ASAP account balance.

The activities within the transition phase consist of the following:

- EBT-Only Retailer Conversion
- Cardholder Database Conversion
- Transaction history – Food Benefit Eligibility System windows
- Customer card and demographic data
- Benefit data
- Transfer of the toll-free Customer Service telephone number for recipients

- Coordinating with FNS, the Treasury Department, and the Federal Reserve Bank on transferring the Delaware ASAP account balance to the new EBT Contractor
- Connectivity of online administration system
- Issuance of the new vendor's cards to the existing EBT population
- Modification and testing of DHSS EBT subsystem processes to interface with vendor's system

4.12.4 Operations Phase

The Operations Phase begins after the EBT System has been successfully transitioned from the previous vendor to the new EBT Contractor. During the Operations Phase the EBT Contractor shall maintain ongoing communication with DHSS on EBT operations and immediate notification to DHSS of any issues or system problems.

The ongoing communications required from the EBT Contractor includes a monthly status report containing all open and closed issues, monthly status meetings with the EBT Contractor, and other reports/meetings at DHSS' request. Advanced notification is important to DHSS for any scheduled downtime of the EBT system by the Contractor.

During the Operations Phase, the Contractor shall maintain and update the key design and operations manuals delivered during the Design and Development Phase. These include:

- Detailed Design Document
- Back-up and Recovery Plans
- System Security Plan
- System Operations/Interface Procedures Manual
- Reports Manual
- Reconciliation Manual
- Online Admin User's Manual
- Change Management Process

4.13 Governing Regulations

This section details the regulations governing EBT. The EBT Contractor shall describe how they will comply with the following rules and regulations that govern EBT systems and operations, including an explanation of how and where they are currently complying.

- **Quest Rules:** The EBT Contractor shall comply with the Quest Operating Rules, plus all revisions and amendments to these rules
- **FNS Regulations/Federal Regulations:** The EBT Contractor shall comply with USDA Supplemental Nutrition Assistance Program (SNAP) regarding the Food Supplement Program (FSP) and other Federal Regulations pertaining to EBT.
- **State Rules:** The EBT Contractor shall comply with all applicable state laws, rules, or policies relating to EBT, including state specific terms and conditions with the EBT contract; as agreed to by the EBT Contractor and DHSS. As required by the State EBT policy, [DSSM 9093 Electronic Benefit Transfer](#).

- The EBT Contractor must print on the card an abbreviated FNS nondiscrimination statement which reads as follows: “The USDA is an equal opportunity provider and employer. “ In lieu of printing the required information on the EBT card, the EBT Contractor may elect to provide each household a card jacket or sleeve containing the nondiscrimination statement. Please provide the cost for providing a sleeve with printed phrase.

4.14 Contractor Responsibilities and Liabilities

The EBT Contractor shall be responsible for the following:

- Disbursement or authorization of funds.
- Transaction Processing and Settlement. Federal funds may not be drawn for over-issuances or transactions in excess of the authorized recipient benefit allotment. The EBT Contractor shall bear all liability for any losses resulting from errors or omissions, including fraud and abuse on the part of the Contractor or its representatives or subcontractors. These liabilities shall include:
 - Any duplicate or erroneous postings to a customer account made by the EBT Contractor and its subcontractors.
 - Any losses from funds drawn from an account after the customer notified the EBT Contractor that the card had been lost or stolen.
 - Any losses from transactions performed with cards issued but not activated by the customer and/or contractor.
 - Any damages or losses suffered by a Federal or State Agency due to negligence on the part of the EBT Contractor.
 - Any loss of benefits caused by fraud or abuse by the EBT Contractor, representatives, or subcontractors.
 - Any fees or losses that occurred if an EBT account was overdrawn by the client. The EBT card branded or otherwise, should not allow clients to overdraw an account.

4.15 System Requirements

This section is intended to provide details on the specific functional and technical requirements to develop, test, implement, and operate EBT system in conformance with federal regulations, applicable national standards, and DHSS’ performance expectations. Within this section are the specifications and requirements for equipment, software functionality, telecommunications, EBT card production and issuance, reporting, training and on-going operational support.

DHSS intends for this EBT system to be an industry standard application, which primarily uses the existing commercial networks and the installed base of retailers’ POS devices.

4.15.1 Account Set-Up

The EBT Contractor shall receive and process Account Set-up data transmitted by DHSS. Account Set-up data includes client case data necessary for the establishment of an EBT Account. For all on-going cases other than expedited service cases, the Account Set-up data will be transmitted by DHSS prior to the issuance of a card. This Account Set-up data is to be made available through an Online Admin transaction for on-line entry of the Primary Account Number during over the counter Delaware EBT card

issuance, should the state decide to issue cards over-the-counter. In addition to Account Set-up information, DHSS will transmit records to modify account information or the account status. (Refer to the section on Administrative Transactions.) At a minimum, the Account Set-up data elements will include:

- Primary Account Number (included for EBT cards issued over the counter)
- Last Name
- First Name
- Middle Initial
- Date of Birth
- Social Security Number
- Client Case Identification Number
- Master Client Index Number
- Street Address
- Secondary Address
- City
- State
- Zip Code
- Transaction Type Identifier (set-up, change account data, or modify account status)
- Positive Card Issuance Indicator (instructs EBT Contractor to issue a card)
- (Optional) Positive PIN Issuance Indicator (instructs EBT Contractor to issue a PIN)
- Client Code(s) (to indicate if the cardholder is the payee or an authorized representative)
- Cardholder Access (to indicate which benefits the cardholder accesses)
- Eligibility Office Identifier
- Technician Identifier (for transactions that originate at an administrative terminal)

In addition, the EBT Contractor may also designate Account Set-up data elements necessary to support its EBT operations.

If indicated in the Account set-up record, the EBT Contractor will issue a card to the client. The card will be issued by the EBT Contractor as specified in the section on Card Issuance. Alternatively, the card may be issued over the counter in the certain State Service Centers. Over-the-counter card issuance will be initiated by a card issuance transaction at an administrative terminal. Within each eligibility office, benefit certification responsibilities will be separate from card issuance and account set-up responsibilities.

The EBT Contractor shall provide to the State a daily electronic report of EBT accounts established which includes, at a minimum, the following data elements:

- Primary Account Number
- Social Security Number
- Client Case Identification Number
- Master Client Index Number
- Client's Last Name
- First Name and Middle Initial
- Date and time account set-up information was received
- Date and time account was established
- Transmission Type (batch or on-line)
- Eligibility office identifier
- Technician number for all transactions that originate at an administrative terminal.

Additionally, the EBT Contractor shall notify DHSS of account set-up exceptions, including but not limited to rejected set-up requests and reason for rejection (i.e., duplicate case).

4.15.2 Account Maintenance

The EBT Contractor shall establish and maintain an account for each corresponding Food Supplement Program case/head of household.

4.15.3 Expungements

The Contractor must track aging at both the account and benefit level. Each benefit begins aging at the time it becomes available to the client by meeting both of the conditions defined in Benefit availability. The Supplemental Nutrition Assistance Program (SNAP) account begins aging at the point that the first benefit becomes available. Subsequently, each time that the client completes a transaction, the account aging clock is reset to start anew, even if one or more benefits have been expunged.

No benefits may be expunged until the account aging clock has reached 365 calendar days. Once the account has reached expungement age, only those benefits that have been available to the client for 365 or more calendar days shall be expunged. If one or more subsequent benefit authorizations for the same client account have been available to the client for less than 365 calendar days, they are not expunged. They must remain online until each has reached full expungement age. If an account that has had all benefits expunged is reactivated because the client has again become eligible, the account must be treated in the same manner as a new account in terms of benefit aging and expungement timeframes

The EBT Contractor shall expunge individual Food Supplement benefits authorizations after the respective benefit authorization has been in the EBT account for 365 consecutive days of inactivity. The EBT Contractor shall report all expungements to DHSS in a daily account activity file. For each benefit authorization expunged, the EBT Contractor shall report the name of the customer, the State Unique Identifier (SUI), the date of expungement, the benefit month of the expungement, and the remaining amount of the benefit authorization(s) being expunged. The EBT Contractor system shall not reinstate benefit authorizations that have been expunged. DHSS does not place benefits off-line (aging) prior to expunging benefits off the EBT system at 365 days of inactivity.

4.15.4 Account/Card Deletion

The EBT Contractor shall delete all EBT accounts and EBT cards off their system after the respective account or card has had 365 days of inactivity. Inactivity means the account or card has received no benefits or has had no transaction activity in 365 days. The deleted account information must be sent to DHSS in an account delete file each month, as designated by DHSS.

4.15.5 Repayments

Customers shall be given the option to repay recipient claims using EBT benefits. System design shall outline the actual methodology to be used for conducting these transactions and the subsequent accounting involved.

4.15.6 Creation of EBT Accounts

The State of Delaware currently has one eligibility determination and benefit issuance system whose benefit authorizations are distributed via EBT, the ASSIST WORKER WEB, which supports eligibility determination of Food Supplement and other benefits within Delaware. Once ASSIST WORKER WEB has issued the benefit, it sends files to the DHSS EBT subsystem which in turn transmits data to the EBT Contractor. All data exchanges occur during afterhours batch processing. Data exchanges run both during daily and monthly cycles.

The Contractor's EBT system should be set up to use the DHSS Master Client Index (MCI) number as accounts numbers. The EBT Contractor sets up new accounts and assigns an EBT account number that is tied to the MCI.

DHSS has defined formats established with the current EBT Contractor for the exchange of Case/Client records and Benefit authorization records. These records are contained in the Case/Client file and Benefit file sent to the current EBT Contractor daily and monthly. The new EBT Contractor shall utilize the existing record and file format for the exchange of this data. The Contractor must contact DHSS immediately when file transmission is not completed successfully.

- On-Going Cases: DHSS shall authorize benefits, at a minimum, once per month on a schedule specified by DHSS. The monthly Benefit file from DHSS shall be transmitted to the EBT Contractor on the evening of the last business day of each month.
- Daily Benefit Authorization: DHSS shall transmit daily account set up/account update files (Case/Client File) and benefit authorizations to authorize benefits to new accounts and to authorize supplemental benefits for existing accounts. The Benefit file shall be transmitted to the EBT Contractor by 1:00 am EST every State business day, Saturdays and designated Sundays.

4.15.7 Authorized Representatives

In some cases, an EBT client may have an authorized representative(s). The authorized representative is designated by the client to access the client's benefit account. In these instances, one or more cards may access a client's benefit account. The authorized representative card must have a unique PAN and PIN. Respondents must specify their approach for linking multiple cards to a single client account and for linking the authorized representative to the payee. Should DHSS exercise its right to add benefit programs, the EBT system must have the capability of limited Authorized Representative access to non-cash portions (e.g., SNAP, WIC) of the recipient's EBT account. The EBT system must also be able to prohibit designation of an *additional* Authorized Representative for an EBT account if the number of ARs permitted by DHSS for an account has been met.

4.15.8 Card Replacement Fee

The EBT Contractor's system must have functionality to deduct a card replacement fee from client accounts according to parameters established by the State. The EBT Contractor must provide a user-friendly method for States to reverse or cancel a card replacement fee assessed against a client's account. Card replacement fees must be included in the Card Fee Replacement Report. Replacement card fees collected by the EBT Contractor must be remitted to the State on a daily basis or applied as a credit

against monthly charges to the State for EBT services. The Card Replacement Fee parameters are as follows:

- Card Replacement Fee Amount = \$2.00
- Allow one (1) free replacement card per cardholder (CH), per year.
- If card reported DAMAGED, card replacement is always free.
- On yearly basis, count for the number of cards issued for each CH.
- Upon issuance of a CH's second (2nd) replacement card for the year (i.e. The 1 free replacement card has already been issued for the year) Check to see if the replacement reason is LOST or STOLEN. If yes, execute the fee logic.
 - a. If account balance has \$2.00 or more, Debit the fee.
 - b. If account balance is less than \$2.00, Pend \$2.00 fee for 30 days.
 - c. If cardholder receives a benefit deposit within the 30 days associated with the pending fee, JPM will debit the fee from CH account balance.
- Nobody can "waive" a replacement fee. Neither CSR nor CH.

4.15.9 Investigative Accounts

Investigative accounts are set-up in the current EBT Contractor's online administration system. The EBT Contractor shall support DHSS with the function of creating and maintaining EBT accounts for use in Food Supplement fraud investigations. Investigative accounts will only contain a primary cardholder and no authorized representatives. Benefit authorizations for the investigative accounts will only be added through the EBT Online Admin application. Consequently, the EBT Online Admin application will need to support the creation of investigative accounts, as well as the adding of benefits.

In order to assist in ongoing investigations, FNS must have access to the EBT Contractor's Online Admin application for DHSS for selected field office, regional office, and investigative staff. The Contractor must provide on-line inquiry-only Online Admin software, that is windows compatible or appropriate hardware and software, to the locations identified by FNS or provide access to the EBT Contractor's Online Admin application, through secured web-based Internet access. This includes a method to interface with the EBT host from multiple locations. This access enables FNS to inquire on specific card and/or retailer details.

The selected Vendor must advise, assist, and appropriately act to aid DHSS in detection and investigation of abuses by stores, recipients, or workers, including but not limited to, reporting unusual activity. This may entail cooperation with various authorities of the State and Federal agencies that are responsible for compliance with laws and regulations surrounding the programs. Stores authorized by FNS to accept Food Supplement Program benefits may become subject to monitoring and investigations by the State, SNAP Retailer Investigations Branch, USDA OIG, IRS, Secret Service, or local police departments. Recipients are subject to investigation by the State program authorities and occasionally others. Because the State must cooperate with Federal agencies in creating cases, providing cards, and providing information, it will also impact the Vendor. DHSS and the Vendor shall determine an orderly process for these responsibilities to be conveyed to the Vendor. Access to information concerning these

matters shall be restricted both by DHSS and the Vendor, so that the investigations are not compromised. It should be assumed that these needs must be addressed in the design phase, tested as necessary in acceptance testing and made available at implementation.

The following are required:

- Posting benefit amounts to the investigative cases, possibly on an irregular basis, as needed by the investigators. Request should come out of ASSIST WORKER WEB, by DSS Workers.
- State provided training, card issuance, and PIN selection for investigators using the cases.
- Providing reports on the investigative cases, showing the amounts funded to the cases and the transaction histories of the funds on a monthly basis.
- State provided information from the system, as needed, for evidentiary purposes within 24 hours.
- Providing extract files, starting at implementation, of store transaction history on a regular basis to FNS.
- Retention of all records by DHSS for a period of three (3) years or longer, if notified.
- Creation of cases and cards to be used by investigators.

4.15.10 Benefit Authorization

This function requires generating account set-up and benefit authorization records. Account set-up information will be provided by the local offices and transmitted to the EBT Contractor host via on-line, real-time processing or batch file transmissions. Benefit authorization data will be transmitted by DHSS to the vendor for credit/posting to the client accounts.

The EBT Contractor shall have the capability to accept Account Set-up and Benefit Authorization transactions from DHSS in either batch or on-line processing mode. In either case, the EBT Contractor shall always process Account Set-up data before Benefit Authorization data. The structure and format of the Account Set-up and Benefit Authorization records and file transmissions shall be standard and shall generally follow the ACH file formats. The specific file format, including data elements, field lengths, and number of fields, will be negotiated between DHSS and the designated EBT Contractor during design of DHSS system interface. Data elements that are expected to be included in account set-up, benefit authorization, and account update records are specified in the following account set-up and benefit authorization sections of this RFP. Vendors are expected to specify in their proposal, any additional or alternative data elements necessary to support account set-up, benefit authorization, account maintenance, and/or reporting, including reporting at the program and eligibility office levels. Vendor should include in their proposal a list of data exchange files needed for the proposed system and record layout information for each file.

Within a file, Account Set-up and Benefit Authorization records will be batched separately, and identified by a transaction type code. All benefit authorization records transmitted from DHSS to the EBT Contractor will be categorized according to benefit program.

In batch transmission mode, batch files will be indicated by the respective batch header and batch trailer records. To support batch processing, DHSS and the EBT Contractor shall agree to a specific time frame or window during which daily batch files will be transmitted. The EBT Contractor shall, however, be able to accept and process transmissions from Delaware 24 hours per day, 7 days per week. Within one (1) hour of receipt of a file, the EBT Contractor shall either confirm receipt of a complete and successfully transmitted file or contact DHSS and request the file be retransmitted. The EBT Contractor shall provide to DHSS a system report on all transmissions, with a record reject report for all unsuccessful transmissions. The EBT Contractor shall confirm receipt of a subsequent transmission(s) within thirty (30) minutes of receipt until successful transmission/receipt has been completed.

For Account Set-up and Benefit Authorization transactions sent in batch mode and received by 11:59 p.m. Eastern Time, the EBT Contractor shall process the transactions, perform all set-up and benefit posting processes, and make benefits available by 7:00 a.m. Eastern Time the following day. DHSS will establish procedures during the development of the design document, so that they know when (specific date) benefits are posted to client cards. DHSS plans to have issuance of monthly SNAP benefits staggered over 22 days cycle beginning March 2015 of the entire month.

To support on-line transmission of Account Set-up and Benefit Authorization transactions, the EBT Contractor shall accommodate: (1) on-line communications, host-to-host, between DHSS and the EBT Contractor host and (2) on-line communications between remote sites and the EBT host via the State telecommunications network. On-line communications will also originate from administrative terminals located in eligibility offices. Account Set-up and Benefit Authorization transactions received in on-line mode shall be processed immediately with account set-up and benefit posting occurring within 30 minutes of receipt.

4.15.11 Future Benefit Program Expansion

Delaware plans to expand the EBT program to include other benefits in addition to FB. Initially Delaware will use the proposed EBT system for Food Benefits. In the future Delaware plans to add other benefits to the EBT card. Delaware requires an EBT system that can be used to also provide benefit programs such as TANF, GA, Childcare, WIC and others. The proposed system must have an option to provide clients with a branded card that clients can use for all benefit types. This project should have minimum impact to our ASSIST WORKER WEB, which is the Delaware system that determines benefit eligibility and issues benefits such as FB, TANF, GA and Childcare.

4.16 General Audit Access

The State and Federal Government shall have the right to inspect, review and investigate, and audit all parts of the Contractor's or any subcontractor's (including third party processors) facilities engaged in performing EBT services, in such capacity, the State, or its representatives, shall have access to facilities, records, reports, personnel and other appropriate aspects of the EBT System.

4.17 SAS 70 (SOC1)

The contractor will obtain an annual Statement of Audit Standards No. 70 (SAS No. 70) Examination Requirements in accordance with Supplemental Nutrition Assistance Program regulations at [7 CFR 274.1](#) as amended February 29, 2000.

4.18 EBT Training

The EBT Contractor shall be responsible for providing training material on EBT to DHSS for training customers and DHSS workers. The EBT Contractor has the sole responsibility for the training of retailers. Training of DHSS staff and Training Materials should each be a deliverable in your project proposal.

4.19 Customer Training

All new EBT customers shall be provided with training materials in DHSS – Division of Social Services (DSS). The training materials must be written in easy to understand language – at a fifth grade reading level and in compliance with the Food Supplement Program Regulations [7 CFR 274.2 \(e\) Providing Benefits to Participants](#).

Printed training materials must be provided in pamphlet format. Training material must be prepared in both English and Spanish. At a minimum the training pamphlet shall include the following:

- Use of the Delaware EBT card at the point-of-sale, including benefit transactions that can be processed at the POS terminals
- Use and safeguarding of the card and PIN
- Card replacement and PIN selection methods and procedures
- Manual Food Supplement transaction procedures
- Guidance on reporting problems with the card or its use and on reporting a lost or stolen EBT card
- Use of the transaction receipt to track balances
- Use of the Speech-enabled Interactive Voice Response (SIVR)
- Customer service functions, including a prominent display of the toll-free Customer Service number.

In conjunction with the use of written training materials, the EBT Contractor shall also develop an EBT training video for the purpose of state agency training of customers. The EBT training video shall be distributed to DHSS and to every State Services Center. The training video should be no more than 15 minutes in length and must cover the same topics listed above for the written training materials. The training video should be directed to a fifth grade educational level, must be provided in both English and Spanish, with at least one open-captioned version of each. Initially, the Contractor shall provide 50 copies of the training video.

4.20 Retailer Training

The EBT Contractor shall provide training and training material to retailers participating in the EBT program. Such training shall include the provision of appropriate written materials. The Respondent shall propose training deliverables in order to meet FNS requirements [7 CFR 274.3 \(7\) Retailer Management](#).

Training material shall include:

- Merchant Help Desk toll-free number
- Use of the Speech-enabled Interactive Voice Response (SIVR)
- Manual Voucher Processing Procedures

4.21 State Training

The EBT Contractor will provide training materials (in a PowerPoint presentation w/Word back-up documentation) about the new EBT system to be used by DHSS workers. In addition, updates and revisions of the training materials shall be provided in a timely manner to DHSS, whenever the EBT Contractor modifies functionality of the EBT system.

Training material provided by the EBT Contractor shall cover all of the functionality supported by the EBT Online Admin application for DHSS. The material shall cover accessing the Online Admin functions, security features within the system, and detailed explanation of the screens and functions supported by the Online Admin application.

The EBT Contractor shall provide a training module describing the detail and use of the reports generated by the EBT system.

EBT Contractor will provide EBT-related training to State Program personnel. In addition to the fundamentals & elements of the system, training will also cover types/purposes of the report suite, settlement and reconciliation procedures, card and PIN management, and, to a limited extent, how EBT system interacts and can be accessed. Any changes to State Agency policies and procedures resulting from EBT will be incorporated into the training and addressed by the appropriate state personnel.

EBT Contractor will provide training on how the EBT system works, the various reports that are available, how cards/PINs can be issued and stused, etc. EBT Contractor will pay particular attention to card and PIN issuance procedures.

4.22 Technical Documentation

The vendor shall provide technical documentation for the proposed system. This may include process flow diagrams, data exchange file details, and report specifications. The vendor's proposal must list all technically documentation that will be provided to the State by the time the system is implemented.

4.23 EBT Settlement/Reconciliation

The EBT Contractor's system shall operate on a 24-hour processing cycle. At a designated cutoff time each day, the EBT Contractor shall close out the current processing day and commence the next processing day.

The EBT Contractor shall designate a standard daily cutoff time for EBT transaction processing. The 24-hour period between the cutoff time on Day 1 and Day 2 constitutes the EBT transaction day. The specified cutoff time must allow the EBT Contractor sufficient time to originate ACH payments for the next day settlement. It is also preferred that the EBT cutoff coincides, as closely as possible, with the cutoff time of the prevailing EBT transaction switch and/or regional POS networks, as appropriate to minimize the need for carry over or suspense accounting.

The Federal Reserve Bank (FRB) of Richmond serves as the Account Management Agent (AMA) for FNS Food Supplement EBT Benefit account. The AMA system interfaces with the Treasury Department's Automated Standard Application for Payment (ASAP), monitor's ASAP funding limits based on projected FSP activity established by

FNS for each State, and performs reconciliations required by FNS. Consequently, it shall be necessary for the Processor to interface with the AMA and provide data necessary for funds projection and FSP reconciliation.

The Contractor must provide summary information by availability/effective date on increases in benefit authorizations, on expungements and on other returned benefits. Clients must have access to the EBT within 4 days of benefit issuance. The transmission of issuance and returned benefit data elements shall be accomplished through automated batch processing in a file format specified by FRB. This method allows for the automated flow of Delaware's issuance data, through the Contractor's EBT System, to the AMA. Therefore, the Contractor must be able to accommodate batch processing. File specifications may be obtained by contacting the FSB of Richmond on (804) 697-8384. In addition, the Contractor must be responsive to requests from the State or FNS to research and resolve discrepancies discovered in reconciliations of State-reported issuance data and the data provided to AMA by the Contractor. Unsuccessfully transmitted files should be submitted in a system Daily Report, known as our Daily Exception/Error Report.

Upon implementation of batch processing, States and their Contractors must be certified by FNS to ensure the accuracy of data transmission. The on-line method of entering AMA issuance should serve as a back-up to batch processing; any manual data entry shall require State on-line certification before it will be allowed to update ASAP and requires special equipment and software provided by FRB.

The EBT Contractor shall maintain ledger accounts at the program and State levels. Subsequent to the daily settlement cutoff, the EBT system must be balanced and reconciled. The EBT Contractor shall compute the end-of-day net position or balance. An audit trail shall exist so that reconciliation can be performed at the individual EBT account level up through the program and State levels. For each level, the end of day net position is equal to:

- $\text{Opening balance} + \text{Credits} - \text{Debits} = \text{End of day balance}$

The Contractor shall specify procedures for maintaining audit trails throughout the settlement processes.

4.23.1 FNS Reconciliation Requirements

The EBT Contractor shall meet FSP reconciliation requirements and the FNS EBT Reconciliation Guidelines in [7 CFR 274.4 Reconciling and Reporting](#). EBT Contractors shall propose procedures for reconciling:

- Customer account daily beginning balance and net draws versus the ending balance.
- Customer net redemptions versus retailer settlement values.
- Total fund entering, exiting, and remaining in the system each day.
- Total net change in system-wide obligations outstanding to the sum of the net change in obligations outstanding for the FSP and for all Government agencies.
- The net settlement value of all transactions to the sum of the net settlement values for the FSP and for the State.

The Contractor must support the State's requirement to provide an annual certification confirming that the EBT system is in balance by performing annual overall reconciliation of all EBT funds entering into, exiting from, and remaining in the system. The annual overall reconciliation must be completed within three months after the end of the FNS fiscal year.

Federal Regulation 7 CFR 274.12(j) requires that the Contractor and any subcontractors have an independent auditor, on an annual basis, perform a Statement of Auditing Standards, No. 70, Service Organizations (SAS No. 70) on the issuance, redemption, and settlement of SNAP benefits. Auditors must follow EBT guidance in the Office of Management and Budget (OMB) Circular A-133 Compliance Supplement to the extent the guidelines refer to FSP benefits.

The SAS 70 report must address the operating effectiveness of controls for SNAP benefits. Annual SAS 70 audits are based on the Contractor's fiscal year and may be shared if the State EBT system is under the same control environment and on the same platform.

The Contractor must provide the State with the annual SAS 70 report filed by the independent auditor within 30 days of receiving the report. The completion date for the first report will be determined during detailed design.

4.23.2 State Processes and Responsibilities

Food Supplement and other benefits are authorized in ASSIST WORKER WEB. Delaware reports are generated daily and monthly that provide the details of the Food Supplement benefits being authorized by ASSIST WORKER WEB. IRM transmits batch benefit files to the EBT Contractor. Benefits to Investigative accounts posted through the Online Admin are verified through the EBT System.

DHSS has the responsibility for ensuring that benefits authorized by ASSIST WORKER WEB are posted and reconciled by availability date to the Contractor's EBT System or otherwise accounted for. DHSS will ensure that Food Supplement benefits posted to the Contractor's EBT system are correctly reported to AMA by the Contractor. DHSS will verify the liability remaining in the Contractor's EBT system, at the end of the processing day for Food Supplement benefits. This will be reconciled against the outstanding liability on the FRB's ASAP system. Unsuccessful file transmissions will be corrected by DHSS and retransmitted to the EBT Contractor in time for benefit posting by 6am ET.

4.23.3 Contractor Responsibilities

The EBT Contractor is responsible for the daily settlement of funds to retailers, either directly or through financial intermediaries, such as third party processors (TPPs). The EBT Contractor shall own and reconcile the clearing bank account used for the daily settlement.

The EBT Contractor is responsible for handling both credit and debit adjustments to the customer's EBT account in the manner and timeframe dictated by Federal Regulations and Quest Operating Rules [7 CFR 274.2 g\(2\)\(i\)\(ii\) Providing Benefits to Clients](#).

The EBT Contractor is responsible for performing the draw down from the appropriate federal system for Food Supplement benefits utilized by customers. The EBT Contractor

shall ensure that Federal funds are not drawn down for over-issuances or transactions in excess of an authorized recipient benefit allotment.

The Contractor is responsible for providing detailed and accurate reports that allow DHSS to reconcile benefit postings to the EBT system, settlement of benefits utilized by customers, and the outstanding liability remaining on the EBT system at the end of the processing day.

4.23.4 Retailer/TPP Responsibilities

Settlement to retailers and TPPs shall be through the existing commercial banking ACH infrastructure. The EBT Contractor shall have an originating and receiving relationship with the Automated Clearing House (ACH), either directly or through one of its subcontractors. For transaction processing and settlement purposes, the Contractor shall, also, be capable of settling POS transactions through the appropriate regional networks.

For retail merchants, third parties, or other benefit providers that are directly connected to the EBT Contractor's system, the EBT Contractor shall originate an ACH credit for the total balance due for EBT benefits provided during the just closed EBT processing day. The benefit provider credits shall be entered into the ACH for settlement on the next banking day.

Credits due EBT benefit providers who are connected to the Contractor through a transaction switch or TPP will settle utilizing the Quest Operating Rules. ACH settlement, rejected due to inaccurate account information or closed accounts, must be researched by the Contractor and, when possible, corrected and re-sent to the retailer or Third Party Processor account. The Contractor must return to the State any funds that could not be settled to the retailer within 30 calendar days of the initial ACH. If the responsibility for EBT-only acquiring is subcontracted, the subcontractor must also return any rejected settlement funds to the State within 30 days.

The Contractor must provide the following information for each unsettled payment returned to the State of Delaware: transfer type, total amount, SNAP amount, cash amount, settlement date, attempted transfer date(s) and time(s), retailer/TPP name, FNS retailer number if SNAP involved, and bank account number.

4.23.5 Store and Forward Transactions

At its option, a retailer that uses a Third Party Processor (TPP) may electronically store a SNAP transaction, and forward it for authorization at a future time, provided the retailer's equipment is capable of storing a cardholder's encrypted PIN. SNAP store and forward transactions are processed at the retailer's risk. If insufficient funds are available at the time the transaction is forwarded, the transaction will be denied.

However, retailers may opt to use the one-step process described at 7 CFR 274.12(m) to collect the remaining balance. If the retailer and/or TPP have been authorized to use the process and the store and forward transaction is properly identified as such, the Contractor must process the transaction and return the available balance, if any, using the single transaction method described in the X9.58-2007 standards and subsequent corrections.

4.24 EBT Customer Service

The EBT Contractor is required to support a customer service help desk for retailers accepting Delaware's EBT card and a Speech-enabled Interactive Voice Response (SIVR) for EBT recipients. The Contractor shall supply Customer Service Representatives (CSRs) for English and Spanish speaking recipients through its own EBT CSRs, in which provides 24 hours a day/7 days per week. The purpose is to provide current EBT account and benefit access information via a toll-free number.

The EBT Contractor shall provide a customer help desk that meets or exceeds the following service requirements/standards:

- Performance standards regarding the number of rings prior to answer and the average time on hold shall be consistent with call center industry standards. In its proposal, the EBT Contractor shall propose standards for customer access to customer services including, number of rings and average time on hold. However, the EBT Contractor is obligated to meet minimum standards, Performance Standards for the help desk.
- TTY (teletypewriter) capability must be supported by the EBT Contractor through their existing telephone carrier for customers with hearing disabilities.
- CSR access and support must be provided to customers using rotary phones.

For reporting purposes, the EBT Contractor shall provide SIVR and Customer Service activity data (refer to EBT Reporting).

The EBT Contractor shall also maintain a State Help Desk to provide online administration system support for State workers.

4.24.1 SIVR Requirements

The SIVR will support the following functions:

- Lost/Stolen Cards
- Current Balance Inquiry – will provide “real-time” account balance information
- Transaction History – will provide last ten (10) financial transactions
- Report Unauthorized Card Use
- Benefit Availability Date
- Customer Service Representative (CSR)

DHSS reserves the right to review and approve the transaction flow and content of all SIVR messages, prompts, and customer service scripts, prior to their implementation. The EBT Contractor shall not change SIVR messages or menu functions without prior approval from DHSS.

The Contractor is encouraged to recommend for consideration any other transactions and/or uses of the SIVR which would represent an effective and economical application of this technology. The Contractor is required to describe the access control to assure security of customers' account information.

4.24.2 Retailer Help Desk

The EBT Contractor shall provide Retailer/Merchant Customer Service EBT support and program information via a toll-free number, 24-hours a day, 7-days per week.

The EBT Contractor shall ensure through technical design, resource allocation, and staffing that each retailer call is answered in accordance with the same Performance Standards outlined in Section 4.24 EBT Customer Service.

For reporting purposes, the EBT Contractor shall provide SIVR and Retailer Customer Service Center activity data. Additionally, TTY capability must be supported for retailers/merchants with hearing disabilities.

The EBT Contractor shall provide a retailer customer service Help Desk that is:

- Toll-free and without charge or fee to the retailers
- Accessible to all Quest retailers
- Used exclusively for retailer support
- Operated and staffed in an industry standard manner

The EBT Contractor is encouraged to recommend for consideration any other transactions and/or uses of the SIVR/Help Desk which would represent an effective and economical application of this technology. The Contractor is also requested to describe the access control to assure security of both retailers' and customers' account information. The EBT Contractor shall support the following functions at the retailer help desk:

- Support and problem resolution on EBT-only POS equipment
- Settlement information and reconciliation procedures
- Support on system adjustments and resolution of out-of-balance conditions
- General information regarding EBT policies and procedures
- Vouchers for offline transactions
- Resolution of any issues with the online administration system.
- The helpdesk will also need to provide support for any technical problems. When a problem with a batch process occurs, DHSS technical staff will need to contact the vendor's technical staff via the vendor helpdesk.

4.25 EBT Transaction Processing

The EBT Contractor shall be responsible for the authorization of customer initiated Food Supplement transactions. The EBT Contractor shall have the capability to receive and process customer transactions from POS devices. The EBT Contractor shall ensure that customers access their Food Supplement benefits only at POS terminals in FNS authorized food retailer locations.

Transaction authorization will require:

- Accepting transactions coming from an authorized transaction acquirer
- Authorizing or denying transaction
- Sending response messages back to the transaction acquirer authorizing or rejecting customer transactions
 - Logging the authorized/denied transactions for subsequent settlement and reconciliation processing, transaction reporting, and for viewing through transaction history.

The EBT system will go through a series of checks and processes to determine whether a transaction being initiated by a customer should be approved. These checks should include determining whether:

- The merchant has a valid FNS authorization number
- The card number (PAN) is verified and the card is active
- The number of consecutive failed PIN tries has not been exceeded
- The PIN is verified as being entered correctly
- The account is active
- The EBT account holds a sufficient balance in order to satisfy the transaction request

If any one of the above conditions is not met, the EBT Contractor must deny the transaction. The Contractor shall ensure that customer benefit accounts are not overdrawn and shall assume all liability if an account overdraft does occur. The system must return a message to the retailer/provider indicating the reason for denial.

4.25.1 FNS Standards

The EBT Contractor shall comply with the software and automated data processing equipment ownership rights proscribed in federal regulations and as further clarified or negotiated with the State and Federal government. The EBT Contractor is responsible for ensuring that the EBT system meets the processing requirements and criteria established by FNS [7 CFR 274.1 Issuance System Approval Standards](#); [274.8 Functional and Technical EBT System Requirements](#); [274.4 Reconciling and Reporting](#); [274.5 Record Retention and Forms Security](#); [274.6 Replacement Issuances and Cards to Households](#).

It is the responsibility of the EBT Contractor to ensure that the EBT system meets performance and technical standards and regulations in the areas of:

- System processing speeds
- Transaction processing accuracy
- Availability and reliability
- Security
- Ease-of-use
- Minimum card requirements
- Minimum transaction set
- Interoperability

In order of precedence, the EBT Contractor will use:

- Federal Regulations
- Quest EBT Operating Rules
- Prevailing Industry Performance Standards

If there is a conflict within the governing regulations and guidelines regarding a specific standard, DHSS shall determine the appropriate standard to which the EBT Contractor must adhere. In determining the appropriate standard, DHSS shall allow consultation and input from the EBT Contractor. However, the final decision shall remain with DHSS.

The EBT Contractor shall comply with all relevant processing speed requirements. The EBT host system shall process and respond to all online transaction requests within 2 seconds. The EBT Contractor shall provide back-up purchase procedures for FNS

authorized retailers, when the EBT system is unavailable, for both unscheduled and planned outages. Responses shall define both the back-up procedures to be used by the EBT Contractor, and the method by which retailers shall be notified that the back-up procedures are being utilized.

The EBT system central computer shall be available 99.9% of scheduled uptime, 24 hours a day, 7 days a week. Scheduled uptime shall mean the time the database is available and accessible for transaction processing, and excludes scheduled downtime for routine maintenance.

The total system, including the system's central computer, any network or intermediate processing facilities under the control of the EBT Contractor (either service provider or subcontract to the Contractor), shall be available 98% of scheduled uptime, 24 hours per day, 7 days per week.

Scheduled downtime for routine maintenance shall occur during off-peak transaction periods. The EBT Contractor must provide DHSS with any scheduled downtime outside of that time required for routine maintenance. Such downtime must be arranged and approved by DHSS.

As defined in the federal regulations, the EBT system's central computer shall permit no more than 2 inaccurate EBT transactions for every 10,000 EBT transactions processed.

The transactions to be included in measuring system accuracy shall include:

- All Food Supplement transactions at POS terminals and processed through the host computer.
- Credits to customer accounts.

The EBT Contractor shall resolve all errors in a prompt manner.

4.25.2 Interoperability

The EBT Contractor is required to provide interoperability in accordance with federal law and regulation. The EBT Contractor must describe how this requirement will be met. The Interoperability Funding Grant Agreement (FNS-529) must be submitted only once each Federal Fiscal Year (FFY). Upon review and acceptance, the FNS-529 must be signed by a duly authorized official. The term "interoperability" means the EBT system must enable a coupon issued in the form of an EBT card to be redeemed in any State. The term "portability" means the EBT system must enable a coupon issued in the form of an EBT card to be used in any State by a household to purchase food at a retail food store or a wholesale food concern approved under the Food and Nutrition Act of 2008.

4.25.3 POS Transaction Sets

The EBT system must be able to accept EBT transactions from POS devices for Food Supplement benefits. The EBT Contractor must be able to process the following Food Supplement transaction types:

- FS Purchase
- FS Merchandise Return
- Balance Inquiry
- Voids or Cancellations
- Reversals

- Adjustments

4.25.4 Voids or Cancellations

A transaction may be voided/cancelled by a retailer at a POS device. The void/cancellation message shall include the trace number, the exact dollar amount, and other identifying information from the original transaction. The EBT Contractor shall have the capability to accurately process the void or cancellation transaction and have the effect of the void/cancellation transaction immediately and appropriately reflected in the customer's EBT account.

4.25.5 Reversals

A POS transaction may be reversed if for some reason the completion of the transaction cannot take place at the originating POS device (i.e. communication failure with the device or a device malfunction, or a late response from the EBT Contractor). The entity, specifically the TPP, authorized retailer, or the POS device, within the response chain where the transaction error is recognized, shall generate a reversal message back to the EBT Contractor. As defined within the EBT ISO message specifications, the reversal message shall include the trace number, the exact dollar amount, and other identifying information from the original transaction.

The EBT Contractor shall have the capacity to accurately process the reversal transaction and have the results reflected immediately and appropriately in the customer's account.

4.25.6 Adjustment Processing

The EBT Contractor or retailer/TPP can initiate an adjustment to resolve errors and out-of-balances related to system problems. The EBT Contractor, on behalf of a customer complaint can also initiate an adjustment to resolve a transaction error. The EBT Contractor may make no debit adjustment to a customer's account without prior approval from DHSS.

The adjustment shall reference an original settled transaction which is partially or completely erroneous. The EBT Contractor shall have the capability to process the adjustment and have this reflected in the customer's account.

Adjustments made by the EBT Contractor will cause money to be moved either to or from the customer's EBT account, and will impact the daily settlement.

Adjustments made by the Contractor must be in compliance with FNS Regulations [7 CFR 274.2 g\(2\)\(i\)\(ii\) Providing Benefits to Clients](#). Notification must be provided to the State of pending debit adjustments so that notification can be provided to the client.

4.25.7 Key-entered Transactions

The EBT Contractor shall accept and process EBT transactions where the card number (PAN) has been manually entered (key-entered) into the POS device. Transactions may be key-entered at times when a card presented by a customer is damaged or the POS device is unable to accurately read the magnetic stripe. The validation of the customer's PIN is still required on key-entered transactions. If a PIN pad is defective or for other reasons a PIN does not accompany the transaction to the EBT host for processing, then the Contractor shall deny the transaction.

The EBT Contractor shall develop other security measures to prevent customer and retailer abuse/misuse of the key-entered feature. The EBT Contractor shall ensure that the PAN printed on the transaction receipt is truncated. The Contractor must be able to selectively disable or deny the capability of an EBT-only POS device from completely key-entered transactions. Finally, the EBT Contractor shall track key-entered transactions by card number and by retailer site. The EBT Contractor shall propose procedures for responding to customer reports of malfunctioning or defective equipment at retailer sites, including both EBT-only POS devices and retailers owned devices.

4.25.8 Transaction Fees

FNS regulations prohibit the charging of a fee for any Food Supplement transactions as per [7 CFR 274.7 c Benefit Redemption by Eligible Households](#).

4.25.9 Merchant Validation

For all Food Supplement transactions, the EBT Contractor must validate that the transactions originated at an FNS authorized retail location. The EBT Contractor shall maintain a database of authorized numbers for all FNS authorized retailers in accordance with the Retailer Validation Requirements specified in [7 CFR 274.8 Functional and Technical EBT System Requirements](#).

The EBT Contractor must access the FNS Retailer Electronic Data Exchange (REDE), see Attachments, system daily to obtain updates of the national and State REDE files used to validate authorized FNS retailer numbers. The EBT Contractor shall verify the retailer identification number is that of a FNS-authorized retailer prior to completing its processing of a transaction.

For the Supplemental Nutrition Assistance Program, FNS Anti-fraud Locator of EBT Retailer Transactions (ALERT), see Attachments, Subsystem utilizes data provided by the State's contracted EBT processors. The ALERT file must be submitted daily to FNS. The file should contain all of the retailer SNAP transactions for the day. The Contractor must be able to accommodate standard FNS Anti-fraud Locator of EBT Retailer Transactions (ALERT) Subsystem file formats and supply ALERT files per the FNS schedule.

The Contractor must be able to accommodate standard FNS Retailer EBT Data Exchange (REDE) file formats and apply REDE files per the FNS schedule. REDE processing includes standard (regularly scheduled) nightly and monthly operations and ad hoc operations. Both types of REDE operations are performed at the Benefit Redemption Systems Branch (BRSB) in Minneapolis, MN. The standard nightly operations are performed Monday through Friday, and create the State and national retailer data update files. The standard monthly operations are performed on the first Saturday of the calendar month and create the full State and national retailer data files.

The State retailer data update files are used to update the Retailer EBT Data Exchange (REDE) database. Ad hoc operations are performed as requested when a State Agency and/or EBT processor requests a start-up copy of a State or national retailer update file. The EBT Contractor is responsible for ensuring that only authorized SNAP retailers redeem SNAP benefits. At least once per week, the Contractor shall transmit information on retailer SNAP redemptions to the FNS Benefit Redemption System Branch (BRSB).

The database shall ensure accurate EBT transaction detail data pertaining to each retailer is captured and must contain up-to-date information about retailer bank accounts and store cutover times for ACH purposes.

The EBT Contractor must cooperate with the State or Federal personnel conducting investigations or audits and provide requested information within a mutually agreed upon time period not to exceed 30 calendar days.

The EBT Contractor must provide detailed daily Food Supplement redemption data by retailer identification number to Store Tracking and Redemption Subsystem (STARS), see Attachments, the FNS Food Supplement redemption database, through the Benefit Redemption Systems Branch (BRSB) in Minneapolis. The data format and requirements of this file are specified by FNS.

The EBT Contractor must provide transaction data, starting at implementation, of store transaction history on a daily basis to FNS through the ALERT File.

4.26 EBT Retailer Management

The EBT Contractor shall be responsible for managing retailer participation in Delaware's EBT Program.

The EBT Contractor's primary roles and responsibilities include:

- All authorized retailers must be afforded the opportunity to participate in the EBT system. An authorized food retailer shall not be required to participate in an EBT system.
- Ensure that Delaware's EBT system is interoperable with other States' EBT systems, as defined in [7 CFR 274.8\(i\) Functional and technical EBT system requirements](#)
- Assuring that a sufficient number of retailers has agreed to participate in the system, to allow customer's adequate access to Food Supplement benefits.
- Assure that the participating retailers understand their responsibilities, in regards to the policy, operating rules, and the operations of the EBT system.
- Maximizing the use of the existing commercial POS terminals.
- Installing, maintaining, and otherwise supporting Contractor provided EBT-only POS equipment, as necessary, in accordance with FNS policy for retailer participation as defined in 7 CFR 274.12.
- Providing help desk support to retailers for resolving issues/problems on EBT Contractor supplied EBT-only POS equipment and to help resolve settlement and dispute questions and issues.

4.26.1 Retail Service Requirements

Federal regulations at [7 CFR 274.3](#) require that newly authorized retailers shall have access to the EBT system within 2 weeks of the contractor receiving a completed contract.

Whenever a retailer chooses to employ a TPP to drive its terminals, or elects to drive its own terminals, then access to the system shall be accomplished within a 30 day period or a mutually agreed upon time, to enable the TPP interface specifications and any required functional certification to be performed by the EBT Contractor.

Federal regulations in 7 CFR 274.8, require that for leased line systems, 98 percent of EBT transactions shall be processed within 10 seconds or less and all EBT transactions shall be processed within 15 seconds. Leased line systems rent telecommunications carriers specifically to connect to the central authorizing computer. For dial-up systems, 95 percent of the EBT transactions shall be processed within 15 seconds or less and all EBT transactions shall be processed within 20 seconds or less. Dial-up systems utilize existing telecommunications lines to dial up and connect to the central computer at the time of the transaction. Processing response time shall be measured at the POS terminal from the time the 'enter' or 'send' key is pressed to the receipt and display of authorization or disapproval information.

4.26.2 EBT-Only Retailers

According to Federal Regulations at [7 CFR 274.3 Retailer Management \(b\)\(1\)\(2\)\(3\)](#), [Farm Bill Section 4002 Retailer](#), POS terminals shall be deployed as follows in EBT systems requiring Food Supplement households to participate:

- For an authorized food retail store with Food Supplement benefit redemption amounting to 15 percent or more of total food sales, all checkout lanes shall be equipped.
- For an authorized food retail store with Food Supplement benefit redemption representing less than 15 percent of total food sales, supermarkets shall receive one terminal for every \$11,000 in monthly redemption activity, up to the number of lanes, per store. All other food retailers shall receive one terminal for every \$8,000 in monthly redemption activity, up to the number of lanes, per store.
- For newly authorized food retailers, the EBT Contractor and the food retailer shall negotiate a mutually agreed level of terminal deployment, up to the number of lanes, per store. If the Contractor and the food retailer are unable to reach a mutual agreement, DHSS shall make the decision.

4.26.3 Retailers Utilizing TPP

To support retailers that deploy their own terminals, within 30 days of the start of the contract, the EBT Contractor shall provide DHSS with interface specifications that would enable these retailers and third party terminal drivers to interface directly with the Contractor to perform Food Supplement EBT transactions. The EBT Contractor shall provide these specifications to retailers and third party terminal drivers, as well. The EBT Contractor shall not unduly withhold certification for retailers and third parties that enter into direct connect arrangements with the Contractor.

EBT Contractors must certify and assure that TPP connected to the EBT system comply with FNS regulations under [7 CFR 274.3 Retailer Management](#) and other State requirements. All TPP agreements between DHSS' EBT Contractor and TPP's or their retailers shall be reviewed and approved by DHSS and FNS. At DHSS request, the EBT Contractor must attempt to enforce the agreements, if problems are discovered in TPP activities.

Requirements include:

- Terminal ID: TPP's must give each terminal a unique ID, per terminal/per store, and include those terminal IDs as part of their transaction messages. The Contractor must include those IDs in the ALERT, see Attachments, data submitted to FNS.
- Transactions: TPP's must be able to support the entire transaction set included in the FNS regulations. The Contractor must be able to process all of these transactions.

- Interoperability: TPP's must be able to process transactions for cards issued by all States for all POS equipment they support.
- Balance Information: TPP's must be able to display remaining balance on the printed receipt for all POS equipment they support.
- Serving only FNS-authorized retailers: TPP's must only route Food Supplement transactions for retailers authorized by FNS to redeem Food Supplement benefits.

4.27 EBT Reporting

The EBT Contractor shall accommodate the informational needs of Delaware and FNS in its reporting package. The EBT Reports package must conform to EBT reporting requirements, as specified in [7 CFR 274.4 Reconciling and Reporting](#). The information shall be provided electronically, either electronic files transmitted to DHSS or by web-based Internet access, or through other media that are mutually agreed upon.

The Contractor shall provide the capability for most reports to be available on-line. The Contractor may recommend alternative methods for access.

The Contractor shall be responsible for distributing appropriate daily and monthly reports to DHSS and FNS. The distribution of the reports shall be in an electronic format, but the method of distribution of the reports will be finalized during system design/development activities. The Contractor, in its response to this RFP, shall state its preferred method for distributing reports. The Contractor shall be able to support the retransmission of previously produced reports to DHSS, as requested. The Contractor shall support requests for two previous generations for monthly and daily reports.

Reports provided to DHSS in a file transmission shall use standard ANSI carriage control for controlling the formatting of reports being printed.

The Contractor shall provide report training and report manuals for DHSS and staff prior to EBT operations.

The reporting system shall produce information for the program and local office summary levels. Settlement and reconciliation reports shall be consolidated at the State Level.

The Contractor shall provide to DHSS a daily account activity file, transaction history, of all transactions impacting benefit authorizations for reconciliation, audit, and investigative purposes.

The EBT Contractor must provide an EBT Reports package with a brief description of the frequency and intended purpose of each report. The EBT Reports package should include the following reporting information:

- Financial reports for accounting, reconciling, balancing and auditing the EBT system processing and operations.
- Statistical reports for assisting with the management of the EBT System.
- Support reports to control and account for activity taking place on the EBT system, such as card issuance.
- Management reports to DHSS on the current status of the EBT Project. The following reports shall be provided to DHSS on a weekly and/or monthly basis:

- Project Design/Development Report. This weekly report is a summary by task of major completed activities during the reporting period. The report shall include problem identification, required corrective action, timeframe for resolution and the problem owner. The report shall include tasks required by Federal and State agencies. As well as reports of delayed tasks, the reason and revised completion date(s), and the scheduled activities for the next reporting period.
- Project Implementation/Conversion Report. This weekly report is a summary of major tasks and scheduled activities completed during the reporting period for the conversion activities. The report shall include the status of:
 - POS device deployment and installation
 - Training (DHSS and retailers)
 - Retailer Agreements
- Project Status Report. This monthly report is a summary of significant events and accomplishments during the month, status of outstanding issues and problems, and the status of pending enhancement requests and system change orders. Following the conversion to the Contractor's EBT system, the Contractor shall include in the Project Status Report, the detail data that documents the performance of the EBT system over the last month. The Project Status Report will also include problems reported, result and still outstanding. Risks will be tracked in a similar fashion. Specifically the Project Status Report shall detail the performance of the system, [7 CFR 274.4 Reconciling and Reporting](#), as against the following processing requirements:
 - EBT central computer shall be available 99.9% of scheduled up time.
 - EBT transaction switch shall be available 99.8% of scheduled time.
 - The total system under the Contractor's control, either directly or contractually – including central computer, any network, intermediate facilities or processor, shall be available 98% of scheduled up time.
 - The host computer shall permit no more than 2 inaccurate transactions per 10,000 transactions processed.
 - Benefit Authorizations to EBT accounts and ACH settlement shall occur accurately and on schedule 99% of the time.
- Customer Service Statistics Reports will report monthly on the statistics and effectiveness of the customer service functions for both the customer service and retailer help lines. Statistics for both the SIVR and Customer Service Representatives (CSR) for Spanish speaking recipients shall be reported.
- Monthly Client Help Desk Statistics Report. This report shall provide a monthly summary of the number of calls received on the customer hotline by reason, for both SIVR and CSR. Daily statistics regarding the help desk performance shall be collected and reported.
- Monthly Retailer Help Desk Statistics Report. This report shall provide a summary of the number of calls received on the retailer hotline by reason, for both SIVR and CSR. Statistics regarding retailer help desk tickets, including number of tickets opened, tickets closed, and reason for ticket. Daily statistics regarding the help desk performance and language selected for both SIVR and CSR, shall be provided.

- **Billing Reports.** Shall be provided to DHSS in an electronic format detail reports substantiating the monthly billing for EBT services. The billing reports shall include detail information to allow DHSS to validate the bill for EBT services, as well as pass-through expenses being charged to DHSS.
- **Ad-Hoc Reports.** The Contractor shall support these requests for ad-hoc reports on a quarterly basis. The reports will be paid by DHSS on an hourly rate. The Contractor shall provide, in their response, the process to be used to request ad-hoc reports and the expected timeframe in which the requests will be satisfied.

4.28 FNS Data File Requirements

The EBT Contractor is required to support the data requirements of the federal government, specifically FNS, for the Food Supplement EBT program. The 3 data files described below shall be provided to the federal government on a periodic basis as defined by FNS.

- **AMA File:** On a business day basis, the EBT Contractor must provide data necessary to support increases/decreases to the EBT Project's Automated Standard Application for Payments (ASAP) account balance to the Federal Reserve Bank of Richmond. The Federal Reserve Bank shall serve as the Account Management Agent (AMA) for the FNS Food Supplement Program EBT benefit account. The AMA interface with the Treasury Department's ASAP, and shall establish ASAP account funding limits for DHSS for Food Supplement EBT activity. It will be necessary for the EBT Contractor to interface with the AMA and provide the necessary data.
- **Food Supplement Redemption Reporting:** The EBT Contractor shall provide detailed daily Food Supplement redemption data by retailer identification number to STARS, see Attachments, the FNS Food Supplement redemption database, through the Benefit Redemption Systems Branch (BRSB) in Minneapolis. The data format and requirements of this file are specified by FNS.
- **ALERT File:** The USDA FNS' Anti-fraud Locator of EBT Retailer Transactions (ALERT) Subsystem utilizes a file of retailer EBT transactions provided by the states' contracted EBT processors. The EBT Contractor shall provide this transaction data, starting at implementation, on a monthly basis to FNS. This file should be submitted once a month to FNS, so that it is received by the 15th day of the calendar month, by secure delivery. The monthly file should contain all of the retailer Food Supplement Program EBT transactions for the prior calendar month.

4.29 EBT Transition Plan

Transition from the current EBT Contractor to the new EBT Contractor shall consist of 2 phases. This section includes the conversion to the new EBT Contractor, following the conclusion of the contract awarded through this procurement.

- **EBT-Only POS Terminals:** During the conversion of EBT-only equipment, it is critical that customers not be negatively impacted in their ability to redeem their benefits, due to conversion. Business operations of stores using EBT-only terminals should not be negatively impacted, due to the conversion to new terminals and terminal drivers. Therefore, 95% of all existing EBT-only terminals shall be converted prior to the database conversion.

- EBT Database: Database Conversion (conversion from existing database to new database) shall take place overnight on a weekend. The EBT Contractor shall analyze monthly transaction volumes and select a weekend when the least number of retailer and customers would be impacted. The entire conversion shall be completed in 10 hours or less.

During conversion, the EBT Contractor shall allow for certain processing of Food Supplement purchases, up to \$40 per cardholder per retailer for which the Contractor shall be liable for insufficient funds. The cost of such certain processing shall be included in the standard cost per case month (CPCM) charges. Please provide the process for converting EBT cards from the current over-the-counter process to a centralized mailing process. This total card replacement will need to include the use of high coersivity cards for all. Mailing Cards will be the responsibility of the EBT Contractor.

The EBT Contractor shall:

- Perform significant testing of the conversion process, including performing test transactions against the converted database in the Test System. Testing shall validate that PINs have been converted successfully.
- Accept 3 years of transaction history to be transferred from the current EBT Contractor.
- Provide for conversion of 90 days of online transaction history, onto the new system.
- Provide a transition plan for dispute resolution that would maintain a 180 day transaction history for client-initiated disputes and a 15 day transaction history for acquirer-initiated disputes.
- Have checkpoints and reconciliation procedures built into the conversion process, to ensure that no benefits or records are dropped.
- Have a contingency fallback plan, in case the conversion cannot be completed in a timely manner, due to problems.
- Test all data exchange process with DHSS systems.

4.30 Disaster Preparation and Continuation Plan

Disaster preparation and continuation planning, includes 3 different areas. The 1st is the Contractor's system; the 2nd is Delaware's eligibility systems; and the 3rd is disasters impacting a large number of Delaware's population.

- Contractor Systems: The Contractor shall provide an alternative means of authorization of EBT transactions during short-term outages, when switching over to the back-up site is not considered appropriate. The response to this requirement shall include how the Contractor will notify both DHSS and the retailer community that an outage is occurring, and alternate means of authorizations are currently in place.

The EBT Contractor must allow for certain processing of Food Supplement purchases, up to \$40 per cardholder, per retailer, per outage, for which the Contractor shall be liable for insufficient funds. The Respondents shall define, in their proposal, under what circumstances they would consider their EBT system unavailable. Responses to this requirement should specify the process, by which retailers would be notified that certain processing is currently in effect, as well as the processing and settlement of these transactions. When using an EBT Administrative Terminal to

issue Disaster Food Benefits, the Eligibility System must be checked for duplicate participation at the time of issuance.

However, in the event of a disaster impacting the availability of the Contractor's primary data processing site, the Contractor shall have available a back-up site for host processing and telecommunications network services. The Contractor shall have the EBT available back-up site begin processing transactions within 1 hour of a disaster declaration.

The Contractor's disaster recovery plan shall include a State notification process, as well as a declaration criteria and timeframes that are acceptable to DHSS. The Contractor shall notify DHSS immediately upon the Contractor's decision to move to a disaster back-up site, to provide EBT services. If the Contractor is providing EBT services to multiple States, the disaster recovery plan should address the timing and order of recovery of DHSS, as compared to the other agencies being processed. The recovery for the State of Delaware's EBT system shall not be delayed due to the Contractor recovering other States' EBT systems.

The disaster back-up site shall be tested annually, and the Contractor shall provide DHSS with copies of such tests results, within 30 days of receipt of such test results.

DHSS conducts disaster recovery testing of DHSS systems twice a year. During this testing the contractor may be required to send and receive files from the DHSS EBT subsystem, in order to confirm that the DHSS disaster back-up site has connectivity with the contractor's system.

- **State Systems:** The Contractor shall support the recovery of DHSS' eligibility and the EBT interface systems at a back-up site, in the event of a disaster at Delaware's data center which supports the Food Supplement Program. This support shall consist of providing connectivity to DHSS' back-up site to support the transmission of data files and reports between DHSS and the EBT Contractor. The connectivity during the initial days of a disaster may consist of passing tape cartridges between the Contractor and DHSS. In any case, the Contractor shall provide support to DHSS in ensuring that benefits are still being provided to customers through the EBT system, during the recovery of DHSS' data processing systems. Following the declaration of a disaster by Delaware and movement to a back-up data center, the Contractor shall work with DHSS technical staff to provide EBT support.
- **Disasters within Delaware:** In the event of a disaster in Delaware, the EBT Contractor must support DHSS in implementing a Disaster Food Supplement Program in which EBT cards and benefits are delivered in an emergency. The EBT Contractor must address this issue in their Continuation Plan. The basic assumption, in this scenario, is that there is sufficient infrastructure available within the retailer community, to support EBT as a means for benefit payments. This section provides the requirements to the EBT Contractor, for providing these benefits.

In the event of a disaster in Delaware, the EBT Contractor must support DHSS in implementing a Disaster Food Supplement Program, in which EBT cards and benefits

are delivered in an emergency. The EBT Contractor must address this issue in their Continuation Plan. This will become a part of DE's D-SNAP Plan.

4.31 Post Award Project Deliverables

During the transition period, the Contractor must produce, as part of the weekly status report, project tracking reports that indicate tasks and time frames, which have been agreed upon by the Contractor and DHSS. Status reports shall be prepared and reviewed, at regularly scheduled status meetings, expected to occur weekly throughout the duration of the Contract or as determined by DHSS. The Vendor shall be responsible for providing the following documentations at each meeting in the formats approved by DHSS. These documents shall include:

- A status report which details status of major milestones and project deliverables completed, in process, planned, delayed, or added.
- Risk Matrix, Issues Log, and Project Work Plan with initial version provided at the 1st meeting and updated versions at subsequent meetings.
- Enterprise Technology Strategies status reporting, as required.
- Support State and Federal Review(s) – The Vendor shall support Delaware personnel for any State and Federal reviews, as needed. This includes consultation and documentation.
- Additionally the Vendor shall be required to attend, participate, facilitate, prepare materials and documents for various executive status briefings and DHSS meetings.
- The Vendor shall be required to assist DHSS in obtaining documentation for the DTI approval process.
- The Vendor shall follow DTI and IRM standards and comply with IEEE standards for SDLC.

The following shall be delivered within timeframes that have been established in the Milestone Schedule:

- Project Work Plan detailing tasks, timeline and resource assignments adhering to Contractual timelines as part of milestone #1. The Work Plan must be detailed to show all tasks necessary to complete the project. The Work Plan must detail a former review, approval, and sign-off by State personnel prior to the start of the next major activity/task within the plan. Any and all deviations from the Work Plan will follow the accepted Change Management Plan.
- Communications Plan documenting what project information is received by various stakeholders and the frequency and method of information distribution as part of milestone #2. Information includes project performance reporting such as project status and progress. Meetings are included in the communications plan.
- Organization Plan detailing organizational structure, resource requirements, and roles and responsibilities of both Vendor and State as part of milestone #2.
- Change Management Plan describing how changes in scope shall be handled for this project as part of milestone #2. Included in the plan are the identification, tracking, and classification of changes and how changes shall be incorporated into the project or deferred.
- Issues and Risk Management Plan describing how issues and risks shall be identified tracked, monitored, and resolved or mitigated as part of milestone #2. A Risk Matrix and Issues Log are required as regularly updated project control deliverables during the project.

- Transition-Out Plan to describe how duties will smoothly transition in the event that a new EBT vendor is selected.

4.32 Deliverables

In Phase 1, all deliverable documentation will be initially introduced in an “Outline and Sample Contents” template submitted by the contractor. State staff will approve each template. These templates may also be subject to federal review as well. Each deliverable will follow their respective approved template design.

Each document deliverable must be delivered in ten (10) paper copies, along with electronic copies sent to the State Project Director. The project plan must include sufficient time for serial deliverable review. The contractor must include at least ten (10) business days, per deliverable, in the project plan for State staff to complete a review and to document their findings. Based on the review findings, DHSS may grant approval, reject portions of or reject the complete document, request contractor revisions be made, or may state the inability to respond to the deliverable until a future specified date. Upon each rejection, the contractor will have five (5) business day periods to revise the document. Additional three (3) business day periods shall be required by the State for subsequent reviews whenever revisions are requested or a deliverable is disapproved.

For solutions hosted at the Biggs Data Center, each application module deliverable, the source code (or executable, in the case of COTS products) will initially be delivered to the IRM Manager of Application Support responsible for the Division (or designee) at the time of UAT. The vendor is responsible for installation in the DHSS test environment with IRM staff present. The vendor must remain on-site to address any errors until the application is successfully installed.

The project plan deliverable must include sufficient time for:

- Training for the UAT group
- UAT
- Correction of issues uncovered during UAT

The vendor is responsible for developing a test plan and providing UAT test scripts along with each application module.

Both document and application module deliverables will be reviewed by DHSS and will require formal approval from DHSS, including the State Project Director, Project IRM Manager and Project IS Manager prior to milestone approval and payment. Formal approval of a deliverable is State approval of the final version. Bidder will include reasonable federal timeframes in the project plan for those deliverables requiring federal review, comment and approval. Also, both types of deliverables will be accompanied by a Deliverable Acceptance Request (DAR) – see Appendix M. The target in deliverable review is to complete the review in two cycles. However, review will need to continue beyond the second cycle if a deliverable still has major defects.

1. In the case of any discrepancy between any deliverable and the Contract, the controlling document shall be the Contract.
2. In the case of any contradiction between deliverables, the contradiction shall be resolved at the sole discretion of DHSS.

NOTE: Deliverables will be reviewed by the State in a sequential manner. A deliverable will not be accepted for review until the preceding deliverable has been approved. This provision does not prohibit a vendor from working on multiple deliverables at the same time.

Deliverables are listed as follows. Milestones are indicated with the Mn designation.

| | Project Deliverables & Milestones (M1-5) |
|----------------|--|
| Phase 1 | Deliverable 1: Detailed Project Plan |
| | Deliverable 2: Deliverable Document Templates |
| | Approval of Phase 1 (M1) |
| Phase 2 | Deliverable 3: System Requirement Specifications Document |
| | Deliverable 4: Detailed Functional Design Document |
| | Deliverable 5: Detailed Technical Specifications Document |
| | Approval of Phase 2 (M2) |
| Phase 3 | Deliverable 6: System Integration Test Report |
| | Deliverable 7: User Acceptance Test Report |
| | Approval of Phase 3 (M3) |
| Phase 4 | Deliverable 8: Training Materials |
| | Deliverable 9: User Training |
| | Approval of Phase 4 (M4) |
| Phase 5 | Deliverable 10: Acceptance in Production of All Delivered Modules |
| | Deliverable 11: Ninety (90) Day Warranty Period |
| | Approval of Phase 5 (M5) |

Except for the initial and final project phases above, vendors may propose a different sequence of phases and deliverables. Schedule F1 of Appendix F (Project Cost Forms) must reflect this different sequence. Deliverables 3 & 4 may be numbered differently and be listed in different phases.

Deliverables shown in **bold** above are mandatory.

4.32.1 Phase 1

This phase is the kickoff of the project where the overall project planning, project management and schedule are agreed to and the ground rules and expectations are set.

The deliverables in this phase are:

Deliverable 1: Detailed Project Plan

This mandatory deliverable is the first update of the project plan submitted with the proposal of the selected vendor. See Section 6.2.4 for a description of this deliverable.

The project plan is a living document and must be updated at the same interval as the status reports throughout the project to reflect actual project status and timelines. The State must approve any change that results in the change of a milestone date.

Deliverable 2: Deliverable Document Templates

This is a mandatory deliverable. Vendor must work with State staff to design templates for each subsequent document deliverable including but not limited to requirement documents, detailed design documents, training plans, testing plans, status reports, issues tracking, executive meeting summaries and other project documents. These template designs are critical to ensuring that the deliverables and other project documents are in a format agreed to by all parties. Each template must be separately approved by the State. Each deliverable document will be submitted in the agreed upon template format.

With formal State approval of all deliverables in this phase, the milestone payment (M1) minus 10% holdback may be invoiced.

4.32.2 Phase 2

Deliverable 3: Functional Requirements Document (FRD)

This is a mandatory deliverable. This document consolidates the business requirements agreed upon from a series of requirements gathering sessions hosted by the vendor. These are English-language requirements that serve as the basis for a traceability matrix (as applicable) and may include as-is, to-be and gap analysis as part of a business re-engineering task. This is an important consideration especially with a COTS or system transfer where the business process will be updated to reflect the process flows within the new system. Each requirement must be numbered for mapping back to in a traceability matrix. This document will also include a logical data model and process flow diagrams which are requirements of the business case. This document may also include high level screen designs.

Deliverable 4: Design Specifications Document (DSD)

This is a mandatory deliverable. This document is based on the approved FRD and specifies a detailed system design which may include screen designs, system flow diagrams, database design, physical data model, ERD (as applicable), code table values, database scripts, rules engine scripts (as applicable), coding design templates (as applicable), hardware and software specification lists including procurement and out-year costs, architecture diagram(s) and other system specifications as agreed upon. The physical data model and architecture diagram are requirements of the business case.

With formal State approval of all deliverables in this phase, the milestone payment (M2) minus 10% holdback may be invoiced.

Deliverable 5: Detailed Technical Specifications Document

The Detailed Technical Specifications deliverable will be used to document the technical design specifications for processes in the DHSS EBT system. This document should contain file layouts and details of data exchange processes. This document will serve as a tool for DHSS IT staff when they develop processes to interface with the vendor's system. This document should contain data flow diagrams, field names and data types

for all batch data exchanges and details regarding any web services available in the vendor's proposed system.

With formal State approval of all deliverables in this phase, the milestone payment (M2) minus 10% holdback may be invoiced.

4.32.3 Phase 3

The deliverable(s) are as follows:

Deliverable 6: System Integration Test Report

The System Integration Test Report should list issues that were found and fixed during system testing by the vendor. This deliverable will serve as a memorandum for the completion of system integration testing.

Deliverable 7: User Acceptance Test Report

The User Acceptance Test Report should list issues that were found and fixed during user acceptance testing. This deliverable will serve as a memorandum for the completion of acceptance testing and the sign-off to move forward with production implementation.

With formal State approval of all deliverables in this phase, the milestone payment (M3) minus 10% holdback may be invoiced.

4.32.4 Phase 4

The deliverable(s) are as follows:

Deliverable 8: Training Materials

The vendor must provide training materials for DHSS user, clients, and EBT Retailers. Printed training materials must be provided in pamphlet format. Training material must be prepared in both English and Spanish. At a minimum the training pamphlet shall include the following:

- Use of the Delaware EBT card at the point-of-sale, including benefit transactions that can be processed at the POS terminals
- Use and safeguarding of the card and PIN
- Card replacement and PIN selection methods and procedures
- Manual Food Supplement transaction procedures
- Guidance on reporting problems with the card or its use and on reporting a lost or stolen EBT card
- Use of the transaction receipt to track balances
- Use of the Speech-enabled Interactive Voice Response (SIVR)
- Customer service functions, including a prominent display of the toll-free Customer Service Help Desk number.

In conjunction with the use of written training materials, the EBT Contractor shall, also, develop an EBT training video for the purposes of state agency training of customers.

Deliverable 9: User Training

Training material provided by the EBT Contractor shall cover all of the functionality supported by the EBT Online Admin application for DHSS. The material shall cover accessing the Online Admin functions, security features within the system, and detailed explanation of the screens and functions supported by the Online Admin application.

The EBT Contractor shall provide a training module describing the detail and use of the reports generated by the EBT system.

With formal State approval of all deliverables in this phase, the milestone payment (M4) minus 10% holdback may be invoiced.

4.32.5 Phase 5

The deliverable(s) are as follows:

Deliverable 10: Acceptance in Production of All Delivered Modules

This deliverable consists of final State approval of all delivered modules and their implementation into production.

Deliverable 11: Ninety (90) Day Warranty Period

Vendor will supply 90 calendar days of warranty support after the final production implementation of all modules. The warranty period provides for issue resolution, bug fixes and system functionality problems with the new system. This support is included in the startup price.

With formal State approval of all deliverables in this phase, the milestone payment (M5) may be invoiced. The total **M5** payment is the sum total of the holdbacks from milestone payments **M1 thru M4**. See subsection **Error! Reference source not found.** for details on project payments.

4.33 Project Expectations

Contractor will be expected to address the following requirements in detail. The expectation is that the contractor express in detail their understanding of their responsibilities in the areas of Customization/Development, Implementation, Warranty, Training, and Deliverables.

4.33.1 System Integration Testing

This is a developer-controlled region where developers directly test functional areas of the application comprising one or modules. Developers will create test scripts. Users will not have access to this environment. This environment should be backed up. If this environment is locally hosted, IRM should be consulted for large scale batch runs that could affect other systems. A systems downtime schedule is published weekly by IRM.

4.33.2 User Acceptance Testing (UAT)

This is a developer-maintained region where users directly test functional areas of the application as a precursor to production migration. Developers will only have as-needed

access to this region to resolve issues. Testing will be scripted. This environment must be backed up and be fully recoverable. The environment will typically be architected and sized as a production copy. Converted production data will typically be used to populate the database. If this environment is locally hosted, IRM may or may not be involved in its maintenance.

Each system module will undergo UAT by the State prior to production implementation. The vendor is responsible for developing UAT test scenarios, but the State is not limited to these scenarios and will test all aspects of deliverables. The locations for UAT State staff will be at the State's discretion. Upon formal State approval of a module's UAT, it will be scheduled for migration into the production environment. For a locally hosted UAT environment, IRM will be involved as necessary in these migrations.

4.33.3 Production Implementation

Prior to implementation, the vendor will produce an implementation plan document to be reviewed by the State at a meeting prior to implementation. This document will contain a schedule listing pre through post implementation tasks, start & end dates/times, and responsible parties. The plan must address backup and recovery strategies along with periodic checkpoints to hasten recovery and restarts if needed. The document will list all primary participants along with backups, their email addresses and at least two phone numbers for each. Escalation procedures must be addressed as well. Actual implementation may take place following State approval of this document.

4.33.4 Conversion

An integral part of the project will be to integrate into the new system, historical data from the following existing DHSS system(s):

- Food Benefit Eligibility System Transaction Windows
- Food Benefit Eligibility System Hardship Windows
- Food Benefit Eligibility System FSP Authorized Representatives Windows

Conversion controls, especially the monitoring and proof of initial conversion results, are very important to ensure that the transactional source data converted into the system is accurate prior to implementation. Initial and ongoing conversion controls and balancing procedures must be described. Bidders must describe their approach to data conversion and describe in detail how they will convert existing data. Data conversion must be addressed in the proposed project plan.

4.33.5 Training

Contractor will be responsible for training users in all aspects of the new system. Training will be outlined in a training plan discussing expectations and schedules. A training planning session must be held to review the training plan prior to the first actual training session. This will enable State and Contractor staff to better communicate during these sessions. Contractor will detail in their proposal a training plan outline and schedule for users of each component of the system. There are approximately 120 state users who would currently need training.

4.33.6 Support Services

Bidders must include a description of the ongoing support they are proposing which will start after the warranty phase. Support includes licenses, help desk support, bug fixes, updates, ASP charges (if applicable) and new releases. Costs for such services will be shown in the Business Proposal, together with a statement that such services will be available for five years following the warranty period. This five year operational phase is mandatory. Support cost inflation is discussed on the cost forms.

Bidder must guarantee that their proposed solution will comply with all mandatory requirements, including HIPAA (if applicable), throughout the entire support phase. Bidder will also specify expected deadline dates for completion of such modifications after the provision of detailed, written notice of impending changes from the Division.

Bidders must also address the following in their proposal:

- Identify the average of your response and resolution times. Provide examples of current measurements and metrics.
- Describe your process for providing application fixes and enhancements.
- Identify your average turnaround time for fixes and enhancements.
- Confirm whether or not clients have the opportunity to provide input into the prioritization of new features and enhancements.
- Identify your anticipated schedule for new releases and updates.
- Confirm whether you have User Conferences and/or Advisory Boards.

It is critical that the proposed solution include ongoing support services and assurance that all regulatory requirements will be met for the Division. Other details and specific requirements are included in various sections throughout this RFP.

4.33.7 Maintenance and Operations Services

Bidders must also provide:

- (If the product is a COTS customizable solution), an estimate of the number of hours required to apply the DHSS customization features to new releases.
- A single fully loaded hourly rate which will apply to this work, as well as to future customization.

This information will need to be shown in the Business Proposal. Support cost inflation is discussed on the cost forms.

Bidder must guarantee that their proposed solution will comply with all mandatory requirements throughout the entire support phase. Bidder will also specify expected deadline dates for completion of such modifications after the provision of detailed, written notice of impending changes from DHSS.

Vendor Maintained Applications for Biggs Data Center Hosted Applications

For vendor maintained solutions housed at the Biggs Data Center, the vendor will be responsible for version implementation in the test and production environments. Production implementations will be coordinated with the IRM Base Technology group

Separation of Duties For Code Promotion

For new versions of the application, it is imperative that for vendor-maintained solutions, even if hosted at the Biggs Data Center, that development staff with a direct interest in the modified modules, not be involved in the Promotion of code from the User Acceptance Test (UAT) environment into the Production environment of these modules. Bidders will address their M&O implementation strategy in this section so that it satisfies this requirement.

4.33.8 Documentation

The vendor is responsible for providing documentation of the new system. At a minimum, this includes user manuals and/or on-line help. For non-COTS systems and for the customized components of COTS systems, the vendor is also responsible for providing sufficient technical system documentation to permit DHSS to maintain the application.

4.33.9 Software Escrow

For COTS solutions or where the code will not become the property of the State, the State requires proof of a software escrow agreement. Bidders will acknowledge in their proposal that they have or will have an escrow agreement in force for the solution proposed at the time of contract signature. If this requirement is not applicable for the solution proposed, bidder will explain why.

4.33.10 Miscellaneous Requirements

For internet-facing web applications, there must be a Spanish language option at the logon screen for users to choose in order to display a Spanish language version of the application. Vendor will be responsible for any translation services necessary and must include an estimated cost for this in their proposal. Web applications must also demonstrate substantial W3C compliance for accessibility and standardization purposes. Finally, the application must demonstrate the capability to be read by screen reading software such as JAWS® or ZoomText®.

5 Proposal Evaluation/Contractor Selection

5.1 Process

DHSS will conduct a three tiered review process for this project. In the first tier, each Technical Proposal will be evaluated to determine if it meets the Mandatory Submission Requirements described in Appendix G – Mandatory (Pass/Fail) Submission Requirements Checklist. **Any proposal failing to meet those requirements is subject to immediate disqualification without further review.** All proposals meeting the mandatory submission requirements will be given to the DHSS Evaluation Team.

In the second tier, the Evaluation Team will perform Technical and Business Proposal Reviews. The individual scores of each evaluator will be averaged to determine a final technical score and a final business score. Technical and Business scores will be combined to determine each bidder's total score.

After the Evaluation Team completes its initial review, staff from the Department of Technology and Information (DTI) will review the top two (2) to five (5) proposals and provide comments and recommendations to the Evaluation Team which will be used in selecting the vendors to demonstrate their proposed solution.

Vendors may be required to demonstrate their proposed solutions. The demonstrations will be used in the Evaluation Team's final deliberations.

In the third tier, the Evaluation Team findings will be presented to an Executive Selection Committee. The Executive Selection Committee will review Evaluation Team findings. A potential contractor will be recommended to the Secretary, Department of Health & Social Services. Final selection is at the discretion of the Secretary or his designee.

5.2 Proposal Evaluation and Scoring

The Technical and Business proposals of each bidder will be evaluated and assigned points. A maximum of 100 total points is possible.

5.2.1 Mandatory Requirements

The Division Director or designee will perform this portion of the evaluation. Each proposal will be reviewed for responsiveness to the mandatory requirements set forth in the RFP. This will be a yes/no evaluation and proposals that fail to satisfy **all** of the criteria of this category may not be considered further for the award of a Contract. Specific criteria for this category are as follows: Vendor is required to address Section 4 "Contractor Responsibilities/Project Requirements" in detail by subsection and bullet. Vendor is required to follow Section 6 "Bidder Instructions" explicitly and complete all required forms as instructed.

Failure to adequately meet any one (1) mandatory requirement may cause the entire proposal to be deemed non-responsive and be rejected from further consideration. However, the State reserves the right to waive minor irregularities and minor instances of non-compliance.

5.2.2 Technical Proposal Scoring

Only those bidders submitting Technical Proposals which meet the Mandatory Submission Requirements provision will have their Technical Proposals scored.

| Category | Maximum Assigned Points |
|--|--------------------------------|
| Meets Mandatory RFP Requirements | Pass/Fail |
| Appropriateness of Proposed Solution in Terms of Business & Technical Requirements | 30 |
| Organization, Staff Qualifications and Experience With Similar Projects | 30 |
| Understanding Scope of the Project | 10 |
| Project Management Methodology | 10 |
| Total Maximum Technical Score | 80 |

5.2.3 Business Proposal Scoring

Total business score will be based on the costs submitted as part of the cost worksheet and on the documented stability and resources of the vendor. Strong consideration will be given to how well the costs in the Project Cost Forms compare to the level of effort for this and other proposals along with the accuracy of the submitted figures. The State of Delaware reserves the right to reject, as technically unqualified, proposals that are unrealistically low if, in the judgment of the evaluation team, a lack of sufficient budgeted resources would jeopardize project success.

| | |
|-------------------------------------|-----------|
| Total Maximum Business Score | 20 |
|-------------------------------------|-----------|

5.2.4 Total Points Awarded

(Total Technical Score + Total Business Score) = Total Evaluation Score

| | |
|---------------------------------------|------------|
| Total Maximum Evaluation Score | 100 |
|---------------------------------------|------------|

6 Bidder Instructions

6.1 Submission Information

The proposal must be submitted as follows:

Two (2) original CDs (Each Labeled as “Original”) and six (6) CD copies (Each labeled as “Copy”). In addition, any required confidential financial or audit information relating to the company and not specifically to the proposal may be copied separately to one set of up to three (3) CDs (Each labeled “Corporate Confidential Information”).

Each CD will contain the following files at a minimum:

- CD Directory.doc (Microsoft Word 2000 or higher)
- RFP Technical Proposal.doc
- RFP Business Proposal.doc
- RFP Technical Proposal.pdf
- RFP Business Proposal.pdf
- RFP Project Plan.mpp

Each proposal file in PDF format must be a printable copy of each original CD submitted. Other files may be submitted separately. The CD Directory.doc file must contain a Word table listing each file contained on the CD along with a short description of each.

It is the responsibility of the bidder to ensure all submitted CDs are machine readable, virus free and are otherwise error-free. CDs (or their component files) not in this condition may be cause for the vendor to be disqualified from bidding.

Bidders are no longer required to make hard copies. Except that forms requiring original signatures must be provided in both hardcopy and PDF formats. These forms include the Transmittal Letter, Mandatory Submission Requirements Checklist, Bidders Signature Form, Certification and Statement of Compliance, the Office of Minority and Women Business Enterprise Self-Certification Tracking Form and the Bidder Contact Information form.

The CD copies must be labeled on the outside as follows:

| |
|--|
| <p>State of Delaware Department of Health and Social Services RFP</p> <p>Electronic Benefit Transfer Technical and Business Proposals</p> <p>DHSS RFP #HSS-15-025 (Name of Bidder)</p> <p><i>Error! Reference source not found.</i></p> |
|--|

6.1.1 Proposal Delivery

Proposals must be delivered to:

Wendy Brown, Procurement Administrator
DE Department of Health & Social Services
Division of Management Services
Procurement Branch, DHSS Campus
Administration Building- 2nd Floor Main Bldg., Room 259
1901 N. DuPont Highway

6.1.2 New Castle, DE 19720 Closing Date

All responses must be received no later than *Error! Reference source not found..*
September 8th 2015 @ 11am local time by the Procurement Unit located at :

Herman Holloway Campus
Main Administration Building
Room 257
Attn: HSS-15-025

6.1.3 Notification of Award

Proposed date the Notification of Award will be mailed to all bidders: *Error! Reference source not found..*

6.1.4 Bidder Questions

All questions shall reference the pertinent RFP section(s) and page number(s). Written responses from DHSS will be binding. Verbal responses given at a pre-bid meeting (if held) will be informational only and non-binding. Other than at the bidders' meeting, bidders may not contact any State staff except by sending correspondence **electronically** to:

Tracy Konieczny
DMS
Tracy.Konieczny@state.de.us

by *Error! Reference source not found.* Only those questions received in this manner by this date and time will be considered, and it is the vendor's responsibility to ensure that questions are received by the above named person by the date and time shown above. DHSS will not respond to questions received after that time. A final list of written questions and responses will be posted as an RFP addendum on the Internet at <http://bids.delaware.gov>.

6.1.5 Anticipated Schedule

The proposed timeline is based on the expiration date of the current EBT contract. Depending on the circumstances, DHSS may be able to negotiate an extension to this date, if necessary. However, an extension to the due date is not guaranteed. Vendors are to respond as to how reasonable they perceive the proposed timeline to be, and how the risks to a timely implementation could be mitigated.

| Activity | Schedule |
|--|--|
| State Publishes RFP | <i>July 16, 2015</i> |
| Mandatory Bidder's Meeting | <i>August 18, 2015</i> |
| Submission of Questions | <i>September 1, 2015</i> |
| Response to Questions | <i>September 14, 2015</i> |
| Receipt of Proposals Deadline | <i>October 14, 2015 @ 11:00am local time</i> |
| Selected Vendors' Demonstrations | <i>November 3, 2015</i> |
| Notification of Award | <i>November 17, 2015</i> |
| Contract Signature/Project Start | <i>December 1, 2015</i> |
| Production Implementation & Start of 90 Day Warranty Period | <i>July 11, 2016</i> |
| Start of Operations Phase | <i>October 4, 2016</i> |

6.1.6 Proposal Becomes State Property

All proposals become the property of the State of Delaware and will not be returned to bidders. DHSS will not divulge specific content of proposals to the extent that the bidder identifies contents as privileged or confidential. Any information not so designated will be considered public information.

6.1.7 RFP and Final Contract

The contents of the RFP will be incorporated into the final contract and will become binding upon the successful bidder.

6.1.8 Proposal and Final Contract

The bidder's proposal will be incorporated into the final contract and be considered binding upon the successful bidder.

6.1.9 Modifications to Proposals

Modifications to proposals will not be accepted after the submission deadline. At any time, DHSS reserves the right to request clarification and/or further technical information from any contractor submitting a proposal.

6.1.10 Alternative Solutions

The proposal must contain a single solution, including hardware and software. This is critical in ensuring project success and that project costs are expected, administered and contained. Bidders may propose alternative solutions but only as fully separate proposals that will be evaluated separately. Single proposals containing alternative/multiple solutions will be failed.

6.1.11 Cost of Proposal Preparation

All costs of proposal preparation will be borne by the bidder.

6.1.12 Mandatory Pre-Bid Meeting

The Division will hold a mandatory pre-bid meeting to address questions regarding solicitation procedures only. Attendance is **mandatory** for those firms submitting a bid. Interested bidders are **required** to complete and submit Appendix N "Bidder Contact Information" at this meeting. The pre-bid meeting will take place on:

Error! Reference source not found.

DHSS Campus
Administration Building
Room 301
1901 N. DuPont Highway
New Castle, DE 19720

6.2 Technical Proposal Contents

The Technical Proposal shall consist of and be labeled with the following sections:

- A. Transmittal Letter**
- B. Required Forms**
- C. Executive Summary**
- D. Project Management Plan**
- E. Contractor Responsibilities/Project Requirements**
- F. Staff Qualifications and Experience**
- G. Firm Past Performance and Qualifications**

The format and contents for the material to be included under each of these headings is described below. Each subsection within the Technical Proposal must include all items listed under a heading because evaluation of the proposals shall be done on a section-by-section or functional area basis. **No reference to, or inclusion of, cost information shall appear in the Technical Proposal or Transmittal Letter.**

6.2.1 Transmittal Letter (Section A)

The Transmittal Letter shall be written on the bidder's official business letterhead stationery. The letter is to transmit the proposal and shall identify all materials and enclosures being forwarded collectively in response to this RFP. The Transmittal Letter must be signed by an individual authorized to commit the company to the scope of work proposed. It must include the following in the order given:

1. An itemization of all materials and enclosures being forwarded in response to the RFP
2. A statement certifying that the proposal CD's have been scanned and are free from viruses and other malicious software.
3. A reference to all RFP amendments received by the bidder (by amendment issue date), to warrant that the bidder is aware of all such amendments in the event that there are any; if none have been received by the bidder, a statement to that effect must be included
4. A statement that all proposal conditions are valid for 180 days from the deadline date for proposal submission
5. A statement that price and cost data are not contained in any part of the bid other than in the Business Proposal
6. A statement that certifies pricing was arrived at without any collusion or conflict of interest.
7. An itemized list of any exceptions to the RFP. The exceptions listed must be specific and include a justification of why each exception is necessary and the impact on the project if the exception is not granted. Exceptions may be rejected or granted in whole or in part at the sole discretion of the State.

The original of the Transmittal Letter shall be submitted in a separate, sealed envelope inside the package containing proposal CDs. PDF versions of the Transmittal Letter must be included in the Technical proposal.

6.2.2 Required Forms (Section B)

This section of the proposal will include the following completed forms:

Certification and Statement of Compliance

Appendix B: These are forms in which the bidder must certify certain required compliance provisions.

Key Position Resume

Appendix E: This is the standard format for submitting resumes of key project staff.

Mandatory Submission Requirements Checklist

Appendix G: This is the mandatory submission requirements checklist. Agreement to or acknowledgement of a requirement is shown by a Y (Yes) or N (No) next to the requirement and a signature at the bottom of the checklist. **Failure to adequately meet**

any one (1) mandatory requirement may cause the entire proposal to be deemed non-responsive and be rejected from further consideration. However, the State reserves the right to waive minor irregularities and minor instances of non-compliance.

State of Delaware Contracts Disclosure

Appendix H: On this form, bidder shall list all contracts awarded to it or its predecessor firm(s) by the State of Delaware that have been active during the last three (3) years. Failure to list any contract as required by this paragraph may be grounds for immediate rejection of the bid.

Crosswalk of RFP Section 4

Appendix I: Vendor is to fill this out in detail for the entire Section 4 of the RFP to assist the State in reviewing the proposals. Please make sure to update the section numbers listed in this form to match the RFP.

Bidders Signature Form

Appendix J: This is a standard bidder information form.

Office of Minority and Women Business Enterprise Self-Certification Tracking Form

Appendix O: This is a required self-certification form.

Bidder Project Experience

Appendix K: This provides a standard form to document bidder's work on similar projects.

Bidder Contact Information

Appendix M: This form must be completed and signed by prospective bidders prior to proposal submission.

>>> Include the following signed form only if the proposed solution and/or data will be hosted outside of the State network

State of Delaware Cloud and/or Offsite Hosting Specific Terms and Conditions

The document link is located in section 4.4.4.1. This form must be completed and signed by prospective bidders and included in the proposal submission.

6.2.3 Executive Summary (Section C)

Bidder shall present a high-level project description to give the evaluation team and others a broad understanding of the technical proposal and the bidder's approach to this project. This should summarize project purpose, key project tasks, a timeline, deliverables and key milestones, qualifications of key personnel, along with subcontractor usage and their scope of work. A summary of the bidder's corporate resources, including previous relevant experience, staff, and financial stability must be included. The Executive Summary is limited to a maximum of ten (10) pages.

6.2.4 Project Management Plan (Section D)

Bidder shall describe the overall plan and required activities in order to implement the project within the budget and described schedule. This should include descriptions of

management controls, processes and reporting requirements that will be put into place to ensure a smooth administration of this project.

Project Plan (Section D.1)

As part of the proposal, bidder must create a project plan with the following information:

- Tasks, subtasks, dependencies, key dates including proposed dates for deliverable submission, State deliverable approval, Federal deliverable approval (if required) and proposed payment milestones
- Staffing structure, with a breakdown by activity, task and subtask within the entire project
- A separate organization chart with staff names & functional titles
- Description at the subtask level including duration and required staff resources (contractor vs. State) and hours
- Resource staffing matrix by subtask, summarized by total hours by person, per month.

The project plan must be in Microsoft Project (mpp) format. Bidder must also discuss procedures for project plan maintenance, status reporting, deliverable walkthroughs, subcontractor management, issue tracking and resolution, interfacing with State staff and contract management.

See Project Plan Template in Information Technology Publications link in Appendix D for a sample project plan in mpp format.

This provides the general format that vendors must follow when constructing their project plan. Vendor plans must reflect each deliverable and milestone in the specified format. Review periods as specified in the RFP must be built into the project schedule. Serial deliverable review periods must be shown - the best way to do this is to link the "State Review of Deliverable" task with the prior deliverable's review task. The project plan is a critical deliverable and must reflect all dependencies, dates and review periods. If the plan has issues, the state will not approve the initial milestone payment.

A detailed, updated project plan will be created after contract signature and will serve as the initial deliverable and baseline project schedule. This is a critical milestone task and all subsequent work will be dependent on the formal State approval of the initial milestone. **Until formal State approval of this milestone, no other billable work on this project should take place. Unless otherwise extended by the State, an approved baselined project plan must be approved by the State within one month of the project start date. If there is no approved project plan by this date, the State at its sole option may choose to take remedial action up to and including termination of the contract.** Therefore it is critical that this task be completed and approved as soon as possible. This project plan must include each phase of the project, clearly identifying the resources necessary to meet project goals. It will be the contractor's responsibility to provide complete and accurate backup documentation as required for all document deliverables. **The project plan is a living document and it must be updated and presented as part of the periodic status report to accurately reflect current project timelines and task progress. This is mandatory. The updated project plan must include the baseline start and end dates as columns alongside the current task start and end dates. If there are modifications to the project scope, there is a formal departmental change request process for review**

and approval of these requests. Approved change requests must result in the addition of a re-baselined project plan as a project deliverable due within one month of signature of the contract amendment.

Status reports and project plans will be archived as part of the project artifacts in a central controlled Microsoft SharePoint environment.

Vendor staff expertise in MS Project is critical for proper construction and maintenance of this plan.

NOTE: All of the application deliverables are described at a module level. The project plan must be detailed and include items such as:

- Project Kickoff Meeting
- Technical Briefing with IRM Staff
- Status meetings
- Functional Requirements JAD sessions
- Functional Requirements Deliverable (FRD) *
- Detailed System Design (DSD) JAD sessions
- DSD deliverable *
- User manual or on-line help *
- Systems documentation, as required *
- Training plan including test scripts *
- User Acceptance Testing *
- Production implementation *
- Warranty period *

For the items shown with an asterisk above, the plan needs to provide time for DHSS review and approval.

6.2.5 Project Requirements (Section E)

Bidder must describe their understanding and approach to meet the expectations and mandatory requirements specified in Section 4. Please address each numbered subsection in this section separately in sequence as “RFP Section 4.x.x”. Address bulleted and titled requirement paragraphs within subsections as “Bullet n” and “Paragraph Title” respectively. Please address State staffing considerations in subsections where staffing is mentioned. The Crosswalk of RFP Section 4 in Appendix I must be completed in full and included in the beginning of this section of the bidder’s proposal.

6.2.6 Staff Qualifications and Experience (Section F)

Bidders shall submit a staff skills matrix in their own format to summarize relevant experience of the proposed staff, including any subcontractor staff in the areas of:

- Technical project management
- Planning
- Requirements Analysis
- Technical analysis
- Development
- Subject Matter Expert

- Documentation
- Planning
- Training

Additionally, bidders shall provide a narrative description of experience each key staff member has in the areas relevant to this project. Bidder and subcontractor staff shall be separately identified. Contractor staff requirements will be addressed as outlined in subsection 4.1. Resumes will be formatted as outlined in Appendix E and included in this section of the proposal. Bidder must also provide an organization chart of all proposed staff.

If subcontractors are being proposed, then include the name and address of each subcontractor entity along with an organization chart indicating staffing breakdown by job title and staff numbers on this project. This organization chart must show how the individual subcontractor entity will be managed by your firm as the primary contractor. Any sub or co-contractor entity(s) proposed will need prior approval by the State before the contract is signed. If proposing no sub-contractors, please state in this proposal section **“No subcontractors are being proposed as part of this contract.”** Please refer to RFP Appendix A for subcontractor standards.

6.2.7 Firm Past Performance and Qualifications (Section G)

The bidder shall describe their corporate experience within the last five (5) years directly related to the proposed contract. Also include experience in:

- Other government projects of a similar scale
- EBT Projects
- Development of Accounting of payment processing systems.
- Experience in EFT systems/projects

Experience of proposed subcontractors shall be presented separately.

Provide a summary description of each of these projects including the contract cost and the scheduled and actual completion dates of each project. For each project, provide name, address and phone number for an administrative or managerial customer reference familiar with the bidder's performance. Use the form provided in Appendix L.

Provide an example of an actual client implementation plan, similar in magnitude to the Delaware Electronic Benefit Transfer (EBT) project, including staff, dates, milestones, deliverables, and resources.

6.3 Business Proposal Contents

The business proposal will contain all project costs along with evidence of the bidder's financial stability.

6.3.1 Project Cost Information (Section A)

The bidder shall provide costs for the project as outlined in Appendix F.

In completing the cost schedules, rounding should not be used. A total must equal the sum of its details/subtotals; a subtotal must equal the sum of its details.

See Deliverable Cost Schedule Template in Information Technology Publications link in Appendix D for a sample file in .xls format.

Cost information must only be included in the Business Proposal. No cost information should be listed in the Technical Proposal Volume.

6.3.2 Software and Hardware Information (Section B)

On a separate page of the Business Proposal entitled “Software Licensing Structure” list each module and each third party software application listed in either Schedule F1 or Schedule F5. Describe what required (or optional) functions from section 4 that the particular module or application includes. Discuss the licensing structure (per seat, concurrent user, site, etc.) for each.

On a separate page of the Business Proposal entitled “Hardware Description” list each hardware item listed in either Schedule F1 or Schedule F6. Provide a description of its function and a detailed component list.

All licenses must be in the name of the State and at a minimum must provide for separate development, test and production environments.

Procurement Instructions

Implementation vendor will work with a state approved hardware/software vendor(s) to develop and verify the specifications for project hardware and software. The State approved vendor will send the implementation vendor a product specifications list, without cost information, for confirmation. The implementation vendor will submit the confirmed list to the State and the State will request a quote from the vendor(s). The State approved vendor will develop the quote using these specifications and send this to the State. The Division will process the purchase (order) as normal, using project funds. This will ensure the products are in the State’s name and are added to our current agreements.

6.3.3 Vendor Stability and Resources (Section C)

The bidder shall describe its corporate stability and resources that will allow it to complete a project of this scale and meet all of the requirements contained in this RFP. The bidder’s demonstration of its financial solvency and sufficiency of corporate resources is dependent upon whether the bidder’s organization is publicly held or not:

- If the bidder is a publicly held corporation, enclose a copy of the corporation's most recent three years of audited financial reports and financial statements, a recent Dun and Bradstreet credit report, and the name, address, and telephone number of a responsible representative of the bidder's principle financial or banking organization; include this information with copy of the Technical Proposal and reference the enclosure as the response to this subsection; or
- If the bidder is not a publicly held corporation, the bidder may either comply with the preceding paragraph or describe the bidding organization, including size, longevity, client base, areas of specialization and expertise, a recent Dun and Bradstreet credit report, and any other pertinent information in such a manner that the proposal

evaluator may reasonably formulate a determination about the stability and financial strength of the bidding organization; also to be provided is a bank reference and a credit rating (with the name of the rating service); and

- Disclosure of any and all judgments, pending or expected litigation, or other real or potential financial reversals, which might materially affect the viability or stability of the bidding organization; or warrant that no such condition is known to exist.

This level of detail must also be provided for any subcontractor(s) who are proposed to complete at least ten (10) percent of the proposed scope of work.

7 Terms and Conditions

The following provisions constitute the terms and conditions of the contractual agreement between the State of Delaware, Department of Health and Social Services (DHSS) and its contractor. This section contains terms and conditions specific to this RFP. The general terms and conditions are contained in Appendix A. The standard departmental contract is contained in Appendix C.

7.1 Contract Composition

The terms and conditions contained in this section constitute the basis for any contract resulting from this RFP. The State will be solely responsible for rendering all decisions on matters involving interpretation of terms and conditions. All contracts shall be in conformity with, and shall be governed by, the applicable laws of the federal government and the State of Delaware. The following verbiage will replace in its entirety Section B. 16 of the Standard Department Contract.

The term "Contract Documents" shall mean the documents listed in this Section 16. Each of the Contract Documents is an essential part of the agreement between the Parties, and a requirement occurring in one is as binding as though occurring in all. The Contract Documents are intended to be complementary and to describe and provide for a complete agreement. In the event of any conflict among the Contract Documents, the order of precedence shall be as set forth below:

- A. Standard Department Contract
- B. Contract Amendment(s)
- C. RFP Amendment(s)
- D. Published RFP
- E. Amendment(s) to Vendor Proposal
- F. Vendor Proposal
- G. Other Informational Documents

7.2 Payment for Services Rendered

Services will be bound by a firm fixed price contract. The firm fixed price will be the Total Project Cost shown in Schedule F1 (Appendix F). Payments will be made based upon the contractor's satisfactory completion and State approval of the identified scheduled milestones. For the operational phase, the State will withhold periodic payment upon notification to the vendor of a documented performance deficiency until such time as the vendor has cured the deficiency to the State's satisfaction.

7.2 Contract Term

The term of the contract will be from contract signature through the end of the five year operational phase. The State shall have the right to extend the contract period for up to 5 additional one-year periods or portions thereof. The terms and conditions of any such contract extension shall remain the same as the original contract.

7.3 Contractor Personnel

At any time and at its sole discretion, DHSS shall have the right to require the Contractor to remove any individual (either Contractor or subcontractor) from his/her assignment to this contract if, in the opinion of DHSS, such employee is uncooperative, inept, incompetent or otherwise unacceptable. DHSS will notify the Contractor of this issue in writing and Contractor will immediately comply. The State shall not be invoiced for any further work by this individual after this notification. If the Contractor must make a staff substitution for whatever reason, a staff person with equivalent or better qualifications and experience will be proposed to the State as soon as possible. This proposed candidate will be subject to the same qualifying procedures as the original candidate. The State Project Director and Project IRM Manager must approve this substitution before their term on the project begins. In the event that a staff position becomes temporarily or permanently vacant for any reason, including the contractor's choice to reassign a staff member, DHSS may reduce payments to the Contractor in the amount equal to the vacated positions pay rate for the time period the position is vacant. DHSS may choose to waive its right to reduce payments if the proposed replacement staff member can be approved and can assume the vacated position immediately upon its vacancy.

7.4 DTI Requirements

STANDARD PRACTICES:

The contractor(s) shall be responsible for the professional quality, technical accuracy, timely completion, and coordination of all services furnished to the State. The contractor(s) shall follow practices consistent with generally accepted professional and technical policies and standards. The contractor(s) shall be responsible for ensuring that all services, products and deliverables furnished to the State are consistent with practices utilized by, or policies and standards promulgated by, the Department of Technology and Information (DTI) published at <http://dti.delaware.gov/information/standards-policies.shtml>. If any service, product or deliverable furnished by a contractor(s) does not conform to State policies, standards or general practices, the contractor(s) shall, at its expense and option either (1) replace it with a conforming equivalent or (2) modify it to conform to State policies, standards or practices.

CONFIDENTIALITY AND DATA INTEGRITY:

The Department of Technology and Information is responsible for safeguarding the confidentiality and integrity of data in State computer files regardless of the source of those data or medium on which they are stored; e.g., electronic data, computer output microfilm (COM), tape, or disk. Computer programs developed to process State Agency data will not be modified without the knowledge and written authorization of the Department of Technology and Information. All data generated from the original source data, shall be the property of the State of Delaware. The control of the disclosure of those data shall be retained by the State of Delaware and the Department of Technology and Information.

The Contractor is required to agree to the requirements in the CONFIDENTIALITY AND INTEGRITY OF DATA STATEMENT, attached, and made a part of this RFP. Contractor employees, individually, may be required to sign the statement prior to beginning any work.

SECURITY CONTROLS:

As computer, network, and information security are of paramount concern, the State wants to ensure that computer/network hardware and software do not compromise the security of its IT infrastructure. Therefore, the Vendor is guaranteeing that any system or software meets or exceeds the Top 20 Critical Security controls located at: <http://www.sans.org/critical-security-controls/>.

CYBER SECURITY LIABILITY:

It shall be the duty of the Vendor to assure that all products of its effort do not cause, directly or indirectly, any unauthorized acquisition of data that compromises the security, confidentiality, or integrity of information maintained by the State of Delaware. Vendor's agreement shall not limit or modify liability for information security breaches, and Vendor shall indemnify and hold harmless the State, its agents and employees, from any and all liability, suits, actions or claims, together with all reasonable costs and expenses (including attorneys' fees) arising out of such breaches. In addition to all rights and remedies available to it in law or in equity, the State shall subtract from any payment made to Vendor all damages, costs and expenses caused by such information security breaches that have not been previously paid to Vendor.

INFORMATION SECURITY:

Multifunction peripherals must be hardened when used or connected to the network. They should be configured to harden the network protocols used, management services, processing services (print, copy, fax, and scan), logging, and physical security. Care shall be taken to ensure that any State non-public data is removed from memory before service calls and/or equipment disposal.

Electronic information storage devices (hard drives, tapes, diskettes, compact disks, USB, multifunction peripherals, etc.) shall be disposed of in a manner corresponding to the classification of the stored information, up to and including physical destruction.

CLOUD AND EXTERNAL HOSTING:

All vendors shall be responsible for complying with the Terms and Conditions for Cloud Providers and External Hosting listed in Attachment 1. Vendors must initial T&C's 1 through 12 and submit the completed Attachment 1 with in their response.

7.5 Funding

This contract is dependent upon the appropriation of the necessary funding.

DHSS reserves the right to reject or accept any bid or portion thereof, as may be necessary to meet its funding limitations and processing constraints.

7.6 Confidentiality

The contractor shall safeguard any client information and other confidential information that may be obtained during the course of the project and will not use the information for any purpose other than the Contract may require.

7.7 Method of Payment:

The agencies or school districts involved will authorize and process for payment each invoice within thirty (30) days after the date of receipt. The contractor or vendor must accept full payment by procurement (credit) card and or conventional check and/or other electronic means at the State's option, without imposing any additional fees, costs or conditions.

7.8 Contract Transition

In the event the Department awards the contract to another Contractor, through contract expiration or termination of this contract, the Contractor will develop a plan to facilitate a smooth transition of contracted functions either back to the Department or to another Contractor designated by the State. This close out plan must be approved by the Department.

7.9 Tardiness Sanction

All bidders who wish to bid on this proposal must be present on time at the mandatory pre-bid meeting. No proposals will be accepted from bidders who either did not attend the Mandatory Pre-Bid Meeting or who are MORE than 15 minutes late.

8 Appendices

Appendices referenced in this RFP are included in this section. The following are included for the bidder's use in submitting a proposal.

- A. General Terms and Conditions**
- B. Certification Sheet and Statement of Compliance**
- C. Standard Departmental Contract**
- D. Website Links**
- E. Key Position Resume**
- F. Project Cost Forms**
- G. Mandatory Submission Requirements Checklist**
- H. State of Delaware Contracts Disclosure**
- I. Crosswalk of RFP Section 4**
- J. Bidders Signature Form**
- O. Office of Supplier Diversity**
- K. Bidder Project Experience**
- M. Deliverable Acceptance Request (DAR)**
- N. Bidder Contact Information**
- O. Criminal Background Check Instructions**

The following Appendices must be completed by all bidders and included as part of the specified proposal:

- Technical Proposal - Appendices B, E, G, H, I, J, O (as applicable), K
- **Note:** Appendix M is to be submitted prior to proposal submission. Do not include as part of your proposal submission. See Section 6.1.12 for further instructions.
- Business Proposal – Appendix F

Appendix A

A. General Terms and Conditions

Appendix A

General Terms and Conditions

The following provisions are applicable to all DHSS RFP's

1) Proposal Becomes State Property

All proposals become the property of the State of Delaware and will not be returned to contractors.

2) RFP and Final Contract

The contents of this RFP will be incorporated into the final contract and will become binding upon the successful bidder. If bidders are unwilling to comply with certain RFP requirements, terms and conditions, objections must be clearly stated in the proposal and will be subject to negotiation at the discretion of the Department.

3) Proposal and Final Contract

The bidder's proposal will be incorporated into the final contract and be considered binding upon the successful bidder.

4) Amendments to Proposals

Amendments to proposals will not be accepted after the submission deadline. DHSS reserves the right to request clarification and/or further technical information from any contractor submitting a proposal at any time.

5) Cost of Proposal Preparation

All costs of proposal preparation will be borne by the bidder.

6) Investigation of Contractor's Qualifications

The State of Delaware may make such investigation as it deems necessary to determine ability of potential contractors to furnish required services, and contractors shall furnish the State with data requested for this purpose. The State reserves the right to reject any offer if evidence submitted or investigation of such contractor fails to satisfy the State that the contractor is properly qualified to deliver services.

Bidder shall list all contracts awarded to it or its predecessor firm(s) by the State of Delaware during the last three years, by State Department, Division, Contact Person (with address/phone number), period of performance and amount. The Evaluation/Selection Review Committee will consider these as additional references and may contact these sources. Information regarding bidder performance gathered from these sources may be included in the Committee's deliberations and may be factored into the final scoring of the bid. Failure to list any contract as required by this paragraph may be grounds for immediate rejection of the bid.

7) Certifications, Representations, Acknowledgments

Using Appendix B, bidding contractors must certify that:

- They are a regular dealer in the services being procured.
- They have the ability to fulfill all requirements specified for development with this RFP.
- They have independently determined their prices.
- They are accurately representing their type of business and affiliations.
- They have acknowledged any contingency fees paid to obtain award of this contract.
- They have included in their quotation all costs necessary for or incidental to their total performance under the contract.
- They will secure a Delaware Business License.
- They will secure the appropriate type and amounts of insurance coverage required by the State. Proof of such coverage will be a requirement of the contract.

8) Ownership Rights

The State will retain ownership rights to all materials including software, designs, drawings, specifications, notes, electronically or magnetically recorded material, and other work in whatever form, developed during the performance of this contract. A fundamental obligation herein imposed on the Contractor is the assignment by the Contractor to DHSS of all ownership rights in the completed project. This obligation on the part of the Contractor to assign all ownership rights is not subject to limitation in any respect, whether by characterization of any part of the deliverables as proprietary or by failure to claim for the cost thereof. The provisions of this article shall be incorporated into any subcontract.

9) Federal/State Access Rights

Appropriate Federal and/or State representatives will have access to work in progress and to pertinent cost records of the contractor and its subcontractors at such intervals as any representative shall deem necessary.

10) Reserved Rights of the Department of Health & Social Services

The Department reserves the right to:

- Reject any and all proposals received in response to this RFP
- Select for contract or for negotiations a proposal other than that with the lowest cost
- Waive any irregularities or inconsistencies in proposals received
- Negotiate as to any aspect of the proposal with any proposer and negotiate with more than one proposer at the same time
- If negotiations fail to result in an agreement within two weeks, terminate negotiations and select the next most responsive proposer, prepare and release a new RFP, or take such other action as the Department may deem appropriate.

11) Standard for Subcontractors

The contract with the prime contractor will bind subcontractors to the prime contractor by the terms, specifications and standards of this statement of work and any subsequent proposals and contracts. All such terms, specifications, and standards shall preserve and protect the rights of the State with respect to the services to be performed by the subcontractor, so that the subcontractor will not prejudice such rights. The use of subcontractors on this project must have the prior approval of the State. Nothing in the

RFP shall create any contractual relation between any sub or co-contractor and the State.

12) Irrevocable License

The State of Delaware reserves a royalty-free, exclusive, and irrevocable license to reproduce, publish, or otherwise use the copyright of any deliverables developed under the resulting contract.

Royalty-Free Rights to Use Software or Documentation Developed

The federal government reserves a royalty-free, non-exclusive, and irrevocable license to reproduce, publish, or otherwise use, and to authorize others to use, for federal government purposes, the copyright in any work developed under a grant, sub-grant, or contract under a grant or sub-grant or any rights of copyright to which a contractor purchases ownership.

13) Non-Discrimination

The selected provider will be required to sign a contract containing a clause that prohibits the provider from discriminating against employees on the basis of their race, color, sex, religion, age and national origin.

14) Right to a Debriefing

To request a debriefing on a bidder selection, the bidder must submit a letter requesting a debriefing to the Procurement Administrator, DHSS, within ten days of the announced selection. In the letter, the bidder must specifically state the reason(s) for the debriefing. Debriefing requests must be based on pertinent issues relating to the selection process. Debriefing requests based on specifications in the RFP will not be accepted. All debriefing requests will be evaluated in accordance with these conditions. Debriefing requests that meet these conditions will be reviewed and respectively answered by the Procurement Administrator and/or Debriefing Committee.

15) Hiring Provision

Staff contracted to provide the services requested in this RFP are not precluded from seeking employment with the State of Delaware. The contractor firm selected as a result of this RFP shall not prohibit their employees or subcontractor staff from seeking employment with the State of Delaware.

16) Anti-Lobbying

The selected contractor must certify that no Federal funds will be used to lobby or influence a Federal officer or a Member of Congress and that the contractor will file required Federal lobbying reports.

17) Anti Kick-back

The selected contractor will be expected to comply with other federal statutes including the Copeland "Anti-Kickback Act" (18 U.S.C.874), Section 306 of the Clean Air Act, Section 508 of the Clean Water Act , and the Debarment Act.

18) Delaware Contract Language

Appendix C contains a copy of the standard Departmental contract, which will be used for the agreement between the State and the winning bidder. The State will not entertain any modifications to the language of the standard Departmental contract. By submitting a proposal to this RFP, the bidder agrees to be bound by the terms and conditions in that contract document.

19) Project Cost

The Department reserves the right to award this project to a bidder other than the one with the lowest cost or to decide not to fund this project at all. Cost will be balanced against the score received by each bidder in the rating process. The State of Delaware reserves the right to reject, as technically unqualified, proposals that are unrealistically low if, in judgment of the Selection Committee, a lack of sufficient budgeted resources would jeopardize the successful completion of the project.

20) Public Record

The Department will not divulge specific content of proposals to the extent that the contractor identifies contents as privileged or confidential providing such information resides solely on the one set of CDs labeled as Confidential. Any information not so designated will be considered public information.

21) Minority/Women/Disadvantaged Business Certification

Appendix 0 provides proposers who are certified M/W/D business enterprises to communicate such certification as part of their proposal. Further information, guidelines and forms for such certifications can be found at: <http://gss.omb.delaware.gov/omwbe/index.shtml>

22) Consultants and Legal Counsel

The State of Delaware may retain consultants or legal counsel to assist in the review and evaluation of this RFP and the vendors' responses. Bidders shall not contact consultant or legal counsel on any matter related to the RFP.

23) Contact with State Employees

Direct contact with State of Delaware employees other than the State of Delaware Designated Contact regarding this RFP is expressly prohibited without prior consent. Vendors directly contacting State of Delaware employees risk elimination of their proposal from further consideration. Exceptions exist only for organizations currently doing business in the State who require contact in the normal course of doing that business.

24) Organizations Ineligible to Bid

Any individual, business, organization, corporation, consortium, partnership, joint venture, or any other entity including subcontractors currently debarred or suspended is ineligible to bid. Any entity ineligible to conduct business in the State of Delaware for any reason is ineligible to respond to the RFP.

25) Acknowledgement of Understanding of Terms

By submitting a bid, each vendor shall be deemed to acknowledge that it has carefully read all sections of this RFP, including all forms, schedules and exhibits hereto, and has fully informed itself as to all existing conditions and limitations.

26) Proposal Opening

The State of Delaware will receive proposals until the date and time shown in this RFP. Proposals will be opened only in the presence of the State of Delaware personnel. Any unopened proposals will be returned to Vendor.

There will be no public opening of proposals but a public log will be kept of the names of all vendor organizations that submitted proposals. The contents of any proposal shall not be disclosed to competing vendors prior to contract award.

27) Non-Conforming Proposals

Non-conforming proposals will not be considered. Non-conforming proposals are defined as those that do not meet the requirements of this RFP. The determination of whether an RFP requirement is substantive or a mere formality shall reside solely within the State of Delaware.

28) Realistic Proposals

It is the expectation of the State of Delaware that vendors can fully satisfy the obligations of the proposal in the manner and timeframe defined within the proposal. Proposals must be realistic and must represent the best estimate of time, materials and other costs including the impact of inflation and any economic or other factors that are reasonably predictable.

The State of Delaware shall bear no responsibility or increase obligation for a vendor's failure to accurately estimate the costs or resources required to meet the obligations defined in the proposal.

29) Proposal Expiration Date

Prices quoted in the proposal shall remain fixed and binding on the bidder for 180 days from the date of the proposal. The State of Delaware reserves the right to ask for an extension of time if needed.

30) Exclusions

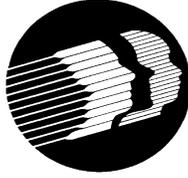
The Proposal Evaluation Team reserves the right to refuse to consider any proposal from a vendor who:

- Has been convicted for commission of a criminal offense as an incident to obtaining or attempting to obtain a public or private contract or subcontract, or in the performance of the contract or subcontract;
- Has been convicted under State or Federal statutes of embezzlement, theft, forgery, bribery, falsification or destruction of records, receiving stolen property, or other offense indicating a lack of business integrity or business honesty that currently and seriously affects responsibility as a State contractor;
- Has been convicted or has had a civil judgment entered for a violation under State or Federal antitrust statutes;

- Has violated contract provisions such as:
 - Knowing failure without good cause to perform in accordance with the specifications or within the time limit provided in the contract; or
 - Failure to perform or unsatisfactory performance in accordance with terms of one or more contracts;
 - Has violated ethical standards set out in law or regulation; and
 - Any other cause listed in regulations of the State of Delaware determined to be serious and compelling as to affect responsibility as a State contractor, including suspension or debarment by another governmental entity for a cause listed in the regulations.

Appendix B

B. Certification Sheet and Statement of Compliance



DELAWARE HEALTH AND SOCIAL SERVICES
REQUEST FOR PROPOSAL

CERTIFICATION SHEET

As the official representative for the bidder, I certify on behalf of the agency that:

- a. They are a regular dealer in the services being procured.
- b. They have the ability to fulfill all requirements specified for development within this RFP.
- c. They have independently determined their prices.
- d. They are accurately representing their type of business and affiliations.
- e. They will secure a Delaware Business License.
- f. They have acknowledged that no contingency fees have been paid to obtain award of this contract.
- g. The Prices in this offer have been arrived at independently, without consultation, communication, or agreement, for the purpose of restricting competition, as to any matter relating to such prices with any other contractor or with any competitor;
- h. Unless otherwise required by Law, the prices which have been quoted in this offer have not been knowingly disclosed by the contractor and prior to the award in the case of a negotiated procurement, directly or indirectly to any other contractor or to any competitor; and
- i. No attempt has been made or will be made by the contractor in part to other persons or firm to submit or not to submit an offer for the purpose of restricting competition.
- j. They have not employed or retained any company or person (other than a full-time bona fide employee working solely for the contractor) to solicit or secure this contract, and they have not paid or agreed to pay any company or person (other than a full-time bona fide employee working solely for the contractor) any fee, commission percentage or brokerage fee contingent upon or resulting from the award of this contract.
- k. They (check one) operate ___an individual; ___a Partnership ___a non-profit (501 C-3) organization; ___a not-for-profit organization; or ___for Profit Corporation, incorporated under the laws of the State of _____.
- l. The referenced bidder has neither directly or indirectly entered into any agreement, participated in any collusion or otherwise taken any action in restraint of free competitive bidding in connection with this bid submitted this date to Delaware Health and Social Services
- m. The referenced bidder agrees that the signed delivery of this bid represents the bidder's acceptance of the terms and conditions of this invitation to bid including all specifications and special provisions.

- n. They (check one): _____ are; _____ are not owned or controlled by a parent company. If owned or controlled by a parent company, enter name and address of parent company:

Violations and Penalties:

Each contract entered into by an agency for professional services shall contain a prohibition against contingency fees as follows:

1. The firm offering professional services swears that it has not employed or retained any company or person working primarily for the firm offering professional services, to solicit or secure this agreement by improperly influencing the agency or any of its employees in the professional service procurement process.
2. The firm offering the professional services has not paid or agreed to pay any person, company, corporation, individual or firm other than a bona fide employee working primarily for the firm offering professional services, any fee, commission, percentage, gift, or any other consideration contingent upon or resulting from the award or making of this agreement; and
3. For the violation of this provision, the agency shall have the right to terminate the agreement without liability and at its discretion, to deduct from the contract price, or otherwise recover the full amount of such fee, commission, percentage, gift or consideration.

The following conditions are understood and agreed to:

- a. No charges, other than those specified in the cost proposal, are to be levied upon the State as a result of a contract.
- b. The State will have exclusive ownership of all products of this contract unless mutually agreed to in writing at the time a binding contract is executed.

Date

Signature & Title of Official Representative

Type Name of Official Representative

PROCUREMENT

STATEMENT OF COMPLIANCE

As the official representative for the contractor, I
Certify that on behalf of the agency that _____
(Company name) will comply with all Federal and State of Delaware laws, rules, and
regulations, pertaining to equal employment opportunity and affirmative action laws. In
addition, compliance will be assured in regard to Federal and State of Delaware laws
and Regulations relating to confidentiality and individual and family privacy in the
collection and reporting of data.

Authorized Signature: _____

Title: _____

Date: _____

Appendix C

C. Standard Departmental Contract

(DHSS Standard Contract Boilerplate Approved: 04/15/2014)

CONTRACT

A) Introduction

1. This contract is entered into between the Delaware Department of Health and Social Services (the Department), and _____ (the Contractor).
2. The Contract shall commence on _____ and terminate on _____ unless specifically extended by an amendment, signed by all parties to the Contract. Time is of the essence.

B) Administrative Requirements

1. Contractor recognizes that it is operating as an independent Contractor and that it is liable for any and all losses, penalties, damages, expenses, attorney's fees, judgments, and/or settlements incurred by reason of injury to or death of any and all persons, or injury to any and all property, of any nature, arising out of the Contractor's negligent performance under this Contract, and particularly without limiting the foregoing, caused by, resulting from, or arising out of any act of omission on the part of the Contractor in their negligent performance under this Contract.
2. The Contractor shall maintain such insurance as will protect against claims under Worker's Compensation Act and from any other claims for damages for personal injury, including death, which may arise from operations under this Contract. The Contractor is an independent contractor and is not an employee of the State.
3. During the term of this Contract, the Contractor shall, at its own expense, carry insurance with minimum coverage limits as follows:

- | | | |
|-----|------------------------------------|-------------------------|
| and | a) Comprehensive General Liability | \$1,000,000 |
| | b) Medical/Professional Liability | \$1,000,000/\$3,000,000 |
| or | c) Misc. Errors and Omissions | \$1,000,000/\$3,000,000 |
| or | d) Product Liability | \$1,000,000/\$3,000,000 |

All contractors must carry (a) and at least one of (b), (c), or (d), depending on the type of service or product being delivered.

If the contractual service requires the transportation of Departmental clients or staff, the contractor shall, in addition to the above coverage, secure at its own expense the following coverage:

- | | |
|---|---------------------|
| e) Automotive Liability (Bodily Injury) | \$100,000/\$300,000 |
| f) Automotive Property Damage (to others) | \$25,000 |

Contractor shall be responsible for providing liability insurance for its personnel.

4. The policies required under Paragraph B3 must be written to include Comprehensive General Liability coverage, including Bodily Injury and Property damage insurance to protect against claims arising from the performance of the Contractor and the contractor's subcontractors under this Contract and Medical/Professional Liability coverage when applicable.
5. The Contractor shall provide a Certificate of Insurance as proof that the Contractor has the required insurance. The certificate shall identify the Department and the Division as the "Certificate Holder" and shall be valid for the contract's period of performance as detailed in Paragraph A 2.
6. Contractor shall indemnify and hold harmless the State, its agents and employees, from any and all liability, suits, actions or claims, together with all reasonable costs and expenses (including attorneys' fees) directly arising out of:
 - a. The negligence or other wrongful conduct of the Contractor, its agents or employees, or
 - b. Contractor's breach of any material provision of this Agreement not cured after due notice and opportunity to cure, provided that
 - i. Contractor shall have been notified promptly in writing by Delaware of any notice of such claim; and
 - ii. Contractor shall have the sole control of the defense of any action on such claim and all negotiations for its settlement or compromise.

If Delaware promptly notifies Contractor in writing of a third party claim against Delaware that any Deliverable infringes a copyright or a trade secret of any third party, Contractor will defend such claim at its expense and will pay any costs or damages that may be finally awarded against Delaware. Contractor will not indemnify Delaware, however, if the claim of infringement is caused by:

- a. Delaware's misuse or modification of the Deliverable;
- b. Delaware's failure to use corrections or enhancements made available by Contractor;
- c. Delaware's use of the Deliverable in combination with any product or information not owned or developed by Contractor;
- d. Delaware's distribution, marketing or use for the benefit of third parties of the Deliverable or
- e. Information, direction, specification, or materials provided by Client or any third party. If any Deliverable is, or in Contractor's opinion is likely to be, held to be infringing, Contractor shall at its expense and option either

- i. Procure the right for Delaware to continue using it,
 - ii. Replace it with a non-infringing equivalent,
 - iii. Modify it to make it non-infringing.
7. The Contractor acknowledges and accepts full responsibility for securing and maintaining all licenses and permits, including the Delaware business license, as applicable and required by law, to engage in business and provide the goods and/or services to be acquired under the terms of this Contract. The Contractor acknowledges and is aware that Delaware law provides for significant penalties associated with the conduct of business without the appropriate license.
8. The Contractor agrees to comply with all State and Federal licensing standards and all other applicable standards as required to provide service(s) under this Contract, to assure the quality of services provided under this Contract. The Contractor shall immediately notify the Department in writing of any change in the status of any accreditations, licenses, or certifications in any jurisdiction in which they provide Service(s) or conduct business. If this change in status regards the fact that its accreditation, licensure, or certification is suspended, revoked, or otherwise impaired in any jurisdiction, the Contractor understands that such action may be grounds for termination of the Contract.

If a contractor is under the regulation of any Department entity and has been assessed Civil Money Penalties (CMPs), or a court has entered a civil judgment against a Contractor or vendor in a case in which DHSS or its agencies was a party, the Contractor or vendor is excluded from other DHSS contractual opportunities or is at risk of contract termination in whole, or in part, until penalties are paid in full or the entity is participating in a corrective action plan approved by the Department.

A corrective action plan must be submitted in writing and must respond to findings of non-compliance with Federal, State, and Department requirements. Corrective action plans must include timeframes for correcting deficiencies and must be approved, in writing, by the Department.

The Contractor will be afforded a thirty (30) day period to cure non-compliance. If, in the sole judgment of the Department, the Contractor has not made satisfactory progress in curing the infraction(s) within the aforementioned thirty (30) days, then the Department may immediately terminate any and/or all active contracts.

9. Contractor, including its parent company and its subsidiaries, and any subcontractor, including its parent company and subsidiaries, agree to comply with all terms, requirements and provisions of the Civil Rights Act of 1964, the Rehabilitation Act of 1973 and any other federal, state, or local, law, statute, regulation or applicable policy along with all amendments and revision of these laws, in the performance of this Contract and will not discriminate against any applicant or employee or service recipient because of race, creed, religion, age,

sex, color, national or ethnic origin, disability, status as a person in a marriage versus a person in a civil union, veteran's status or any unlawful discriminatory basis or criteria. Contractor agrees to honor the conflict of interest provisions of the Delaware Code of Ethics, 29 *Del. C.* Ch. 58.

10. Contractor has or will retain such employees, as it may need to perform the services required by this Agreement. Such employees shall not be employed by Delaware or any other political subdivision of Delaware.
11. Contractor will not use Delaware's name, either express or implied, in any of its advertising or sales materials without Delaware's express written consent.
12. Contractor warrants that its services will be performed in a good and workmanlike manner. Contractor agrees to re-perform any work not in compliance with this warranty brought to its attention within a reasonable time after that work is performed.

Third-party products within the scope of this Agreement are warranted solely under the terms and conditions of the licenses or other agreements by which such products are governed. With respect to all third-party products and services purchased by Contractor for Delaware in connection with the provision of the Services, Contractor shall pass through or assign to Delaware the rights Contractor obtains from the manufacturers and/or vendors of such products and services (including warranty and indemnification rights), all to the extent that such rights are assignable.

13. This Contract may be terminated in whole or in part by the Department upon five (5) calendar days written notice for cause or documented unsatisfactory performance, provided that, in its sole discretion, the Department may impose sanctions in lieu of termination as set forth in Appendix A attached to and incorporated into this Contract.

This Contract may be terminated in whole or in part by either party in the event of substantial failure of the other party to fulfill its obligations under this Contract through no fault of the terminating party; but only after the other party is given:

- a. Not less than 30 calendar days written notice of intent to terminate; and
- b. An opportunity for consultation with the terminating party prior to termination.

This Contract may be terminated in whole or in part by the Department for its convenience, but only after Contractor is given:

- a. Not less than 30 calendar days written notice of intent to terminate; and
- b. An opportunity for consultation with The Department prior to termination.

If termination for default is effected by the Department, the Department will pay Contractor that portion of the compensation which has been earned as of the effective date of termination but:

- a. No amount shall be allowed for anticipated profit on performed or unperformed services or other work, and b. Any payment due to Contractor at the time of termination may be adjusted to the extent of any additional costs occasioned to the Department by reason of Contractor's default.
- b. Upon termination for default, the Department may take over the work and prosecute the same to completion by agreement with another party or otherwise. In the event Contractor shall cease conducting business, the Department shall have the right to make an unsolicited offer of employment to any employees of Contractor assigned to the performance of the Contract, notwithstanding any provisions in this document to the contrary.

If after termination for failure of Contractor to fulfill contractual obligations it is determined that Contractor has not so failed, the termination shall be deemed to have been effected for the convenience of the Department.

The rights and remedies of the Department and Contractor provided in this section are in addition to any other rights and remedies provided by law or under this Contract.

In the event of termination, all finished or unfinished documents, data, studies, surveys, drawings, models, maps, photographs, and reports or other material prepared by Contractor under this contract shall, at the option of the Department, become the property of the Department.

In the event of termination, the Contractor, upon receiving the termination notice, shall immediately cease work and refrain from purchasing contract related items unless otherwise instructed by the Department.

The Contractor shall be entitled to receive reasonable compensation as determined by the Department in its sole discretion for any satisfactory work completed on such documents and other materials that are usable to the Department. Whether such work is satisfactory and usable is determined by the Department in its sole discretion.

Should the Contractor cease conducting business, become insolvent, make a general assignment for the benefit of creditors, suffer or permit the appointment of a receiver for its business or assets, or shall avail itself of, or become subject to any proceeding under the Federal Bankruptcy Act or any other statute of any state relating to insolvency or protection of the rights of creditors, then at the option of the Department, this Contract shall terminate and be of no further force and effect. Contractor shall notify the Department immediately of such events.

14. The Department may suspend performance by Contractor under this Contract for such period of time as the Department, at its sole discretion, may prescribe by

providing written notice to Contractor at least 30 working days prior to the date on which the Department wishes to suspend. Upon such suspension, the Department shall pay Contractor its compensation, based on the percentage of the project completed and earned until the effective date of suspension, less all previous payments. Contractor shall not perform further work under this Contract after the effective date of suspension. Contractor shall not perform further work under this Contract after the effective date of suspension until receipt of written notice from the Department to resume performance.

In the event the Department suspends performance by Contractor for any cause other than the error or omission of the Contractor, for an aggregate period in excess of 30 days, Contractor shall be entitled to an equitable adjustment of the compensation payable to Contractor under this Contract to reimburse for additional costs occasioned as a result of such suspension of performance by the Department based on appropriated funds and approval by the Department.

Any notice required or permitted under this Contract shall be effective upon receipt and may be hand delivered with receipt requested or by registered or certified mail with return receipt requested to the addresses listed below. Either Party may change its address for notices and official formal correspondence upon five (5) days written notice to the other.

To the Department at:

To the Contractor at:

15. In the event of amendments to current Federal or State laws which nullify any term(s) or provision(s) of this Contract, the remainder of the Contract will remain unaffected.

If any term or provision of this Contract is found by a court of competent jurisdiction to be invalid, illegal or otherwise unenforceable, the same shall not affect the other terms or provisions hereof or the whole of this Contract, but such term or provision shall be deemed modified to the extent necessary in the court's opinion to render such term or provision enforceable, and the rights and obligations of the parties shall be construed and enforced accordingly, preserving to the fullest permissible extent the intent and agreements of the parties herein set forth.

16. This Contract shall not be altered, changed, modified, or amended except by written consent of all Parties to the Contract.
17. The Contractor shall not enter into any subcontract for any portion of the services covered by this Contract without obtaining prior written approval of the Department. Approval by Delaware of Contractor's request to subcontract or

acceptance of or payment for subcontracted work by Delaware shall not in any way relieve Contractor of responsibility for the professional and technical accuracy and adequacy of the work. All subcontractors shall adhere to all applicable provisions of this Agreement.

Any such subcontract shall be subject to all the conditions and provisions of this Contract. The approval requirements of this paragraph do not extend to the purchase of articles, supplies, equipment, rentals, leases and other day-to-day operational expenses in support of staff or facilities providing the services covered by this Contract.

18. This entire Contract between the Contractor and the Department is composed of these several pages and the attached:
- A. Standard Department Contract
 - B. Contract Amendment(s)
 - C. RFP Amendment(s)
 - D. Published RFP
 - E. Amendment(s) to Vendor Proposal
 - F. Vendor Proposal
 - G. Other Informational Documents

This contract and its Appendices shall constitute the entire agreement between The Department and Contractor with respect to the subject matter of this Contract and shall not be modified or changed without the express written consent of the parties. The provisions of this contract supersede all prior oral and written quotations, communications, agreements, and understandings of the parties with respect to the subject matter of this Contract.

Should a conflict arise in the language found among the above-named documents, the documents shall govern in the following order:

- A. Standard Department Contract
- B. Contract Amendment(s)
- C. RFP Amendment(s)
- D. Published RFP
- E. Amendment(s) to Vendor Proposal
- F. Vendor Proposal
- G. Other Informational Documents

If the scope of any provision of this Contract is too broad in any respect whatsoever to permit enforcement to its full extent, then such provision shall be enforced to the maximum extent permitted by law, and the parties hereto consent and agree that such scope may be judicially modified accordingly and that the whole of such provisions of the Contract shall not thereby fail, but the scope of such provision shall be curtailed only to the extent necessary to conform to the law.

Contractor may not order any product requiring a purchase order prior to The Department's issuance of such order. Each Appendix, except as its terms otherwise expressly provide, shall be a complete statement of its subject matter

and shall supplement and modify the terms and conditions of this Contract for the purposes of that engagement only. No other agreements, representations, warranties or other matters, whether oral or written, shall be deemed to bind the parties hereto with respect to the subject matter hereof.

19. This Contract shall be governed by and construed in accordance with the laws of the State of Delaware, except where Federal Law has precedence. Contractor consents to jurisdiction and venue in the State of Delaware.

Except as may be otherwise provided in this contract, all claims, counterclaims, disputes and other matters in question between the Department and Contractor arising out of or relating to this Contract or the breach thereof will be decided by arbitration if the parties hereto mutually agree, or in a court of competent jurisdiction within the State of Delaware.

20. In the event Contractor is successful in an action under the antitrust laws of the United States and/or the State of Delaware against a vendor, supplier, subcontractor, or other party who provides particular goods or services to the Contractor that impact the budget for this Contract, Contractor agrees to reimburse the State of Delaware, Department of Health and Social Services for the pro-rata portion of the damages awarded that are attributable to the goods or services used by the Contractor to fulfill the requirements of this Contract. In the event Contractor refuses or neglects after reasonable written notice by the Department to bring such antitrust action, Contractor shall be deemed to have assigned such action to the Department.
21. Contractor covenants that it presently has no interest and shall not acquire any interests, direct or indirect, that would conflict in any manner or degree with the performance of this Contract. Contractor further covenants that in the performance of this contract, it shall not employ any person having such interest.
22. Contractor covenants that it has not employed or retained any company or person who is working primarily for the Contractor, to solicit or secure this Contract, by improperly influencing the Department or any of its employees in any professional procurement process; and, the Contractor has not paid or agreed to pay any person, company, corporation, individual or firm, other than a bona fide employee working primarily for the Contractor, any fee, commission, percentage, gift or any other consideration contingent upon or resulting from the award or making of this agreement. For the violation of this provision, the Department shall have the right to terminate the Contract without liability and, at its discretion, to deduct from the contract price, or otherwise recover, the full amount of such fee, commission, percentage, gift, or consideration.
23. The Department shall have the unrestricted authority to publish, disclose, distribute and otherwise use, in whole or in part, any reports, data, or other materials prepared under this Contract. Contractor shall have no right to copyright any material produced in whole or in part under this Contract. Upon the request of the Department, the Contractor shall execute additional documents as are required to assure the transfer of such copyrights to the Department.

Contractor retains all title and interest to the data it furnished and/or generated pursuant to this Agreement. Retention of such title and interest does not conflict with Delaware's rights to the materials, information, and documents developed in performing the project. Upon final payment, Delaware shall have a perpetual, nontransferable, non-exclusive paid-up right and license to use, copy, modify, and prepare derivative works of all materials in which Contractor retains title, whether individually by Contractor or jointly with Delaware. Any and all source code developed in connection with the services provided will be provided to Delaware, and the aforementioned right and license shall apply to source code. The parties will cooperate with each other and execute such other documents as may be reasonably deemed necessary to achieve the objectives of this Section.

If the use of any services or deliverables is prohibited by court action based on a U.S. patent or copyright infringement claim, Contractor shall, at its own expense, buy for the Department the right to continue using the services or deliverables or modify or replace the product with no material loss in use, at the option of the Department.

24. Contractor agrees that no information obtained pursuant to this Contract may be released in any form except in compliance with applicable laws and policies on the confidentiality of information and except as necessary for the proper discharge of the Contractor's obligations under this Contract.
25. Waiver of any default shall not be deemed to be a waiver of any subsequent default. Waiver or breach of any provision of this Contract shall not be deemed to be a waiver of any other or subsequent breach and shall not be construed to be a modification of the terms of the Contract unless stated to be such in writing, signed by authorized representatives of all parties and attached to the original Contract.
26. If the amount of this contract listed in Paragraph C2 is over \$25,000, the Contractor, by their signature in Section E, is representing that the Firm and/or its Principals, along with its subcontractors and assignees under this Contract, are not currently subject to either suspension or debarment from Procurement and Non-Procurement activities by the Federal Government.

C) Financial Requirements

1. The rights and obligations of each Party to this Contract are not effective and no Party is bound by the terms of this contract unless, and until, a validly executed Purchase Order is approved by the Secretary of Finance and received by Contractor, *if required by the State of Delaware Budget and Accounting Manual*, and all policies and procedures of the Department of Finance have been met. The obligations of the Department under this Contract are expressly limited to the amount of any approved Purchase Order. The State will not be liable for expenditures made or services delivered prior to Contractor's receipt of the Purchase Order.

2. Total payments under this Contract shall not exceed \$ _____ in accordance with the budget presented in Appendix C. Payment will be made upon receipt of an itemized invoice from the Contractor in accordance with the payment schedule, if any. The contractor or vendor must accept full payment by procurement (credit) card and or conventional check and/or other electronic means at the State's option, without imposing any additional fees, costs, or conditions. Contractor is responsible for costs incurred in excess of the total cost of this Contract and the Department is not responsible for such costs.

Contractor shall submit monthly invoices to Delaware in sufficient detail to support the services provided during the previous month. Delaware agrees to pay those invoices within thirty (30) days of receipt. In the event Delaware disputes a portion of an invoice, Delaware agrees to pay the undisputed portion of the invoice within thirty (30) days of receipt and to provide Contractor a detailed statement of Delaware's position on the disputed portion of the invoice within thirty (30) days of receipt.

3. Validity and enforcement of this Contract is subject to appropriations by the General Assembly of the specific funds necessary for contract performance. Should such funds not be so appropriated the Department may immediately terminate this Contract, and absent such action this Contract shall be terminated as to any obligation of the State requiring the expenditure of money for which no specific appropriation is available, at the end of the last fiscal year for which no appropriation is available or upon the exhaustion of funds.

Notwithstanding any other provisions of this Contract, this Contract shall terminate and the Department's obligations under it shall be extinguished at the end of the fiscal year in which the state of Delaware fails to appropriate monies for the ensuing fiscal year sufficient for the payment of all amounts, which will then become due.

4. Delaware is a sovereign entity, and shall not be liable for the payment of federal, state and local sales, use and excise taxes, including any interest and penalties from any related deficiency, which may become due and payable as a consequence of this Agreement.
5. The Contractor is solely responsible for the payment of all amounts due to all subcontractors and suppliers of goods, materials, or services, which may have been acquired by or provided to the Contractor in the performance of this contract. The Department is not responsible for the payment of such subcontractors or suppliers.

Unless provided otherwise in an Appendix, all expenses incurred in the performance of the services are to be paid by Contractor. If an Appendix specifically provides for expense reimbursement, Contractor shall be reimbursed only for reasonable expenses incurred by Contractor in the performance of the services, including, but not necessarily limited to, travel and lodging expenses, communications charges, and computer time and supplies.

6. The Contractor shall not assign the Contract or any portion thereof without prior written approval of the Department and subject to such conditions and revisions

as the Department may deem necessary. No such approval by the Department of any assignment shall be deemed to provide for the incurrence of any obligations of the Department in addition to the total agreed upon price of the Contract.

7. Contractor shall maintain books, records, documents and other evidence directly pertinent to performance under this Contract in accordance with generally accepted accounting principles and practices. Contractor shall also maintain the financial information and data used by Contractor in the preparation of support of its bid or proposal. Contractor shall retain this information for a period of five (5) years from the date services were rendered by the Contractor. Records involving matters in litigation shall be retained for one (1) year following the termination of such litigation. The Department shall have access to such books, records, documents, and other evidence for the purpose of inspection, auditing, and copying during normal business hours of the Contractor after giving reasonable notice. Contractor will provide facilities for such access and inspection.
8. The Contractor agrees that any submission by or on behalf of the Contractor of any claim for payment by the Department shall constitute certification by the Contractor that the services or items for which payment is claimed were actually rendered by the Contractor or its agents, and that all information submitted in support of the claims is true, accurate, and complete.

All invoices, reports, documents provided in response to an audit, and any documentation provided to the Department pursuant to any contractual obligation as set forth herein, including any chart or compilation of data, report, or other document produced by the Contractor for presentment to the Department shall contain, in a prominently displayed location, the following written certification:

"I hereby certify that the information reported herein is true, accurate, and complete. I understand that these reports are made in support of claims for government funds."

Any certification related to information and documents produced to the Department shall be certified only by the Contractor's Contract Manager

9. The cost of any Contract audit disallowances resulting from the examination of the Contractor's financial records will be borne by the Contractor. Reimbursement to the Department for disallowances shall be drawn from the Contractor's own resources and not charged to Contract costs or cost pools indirectly charging Contract costs.
10. When the Department desires any addition or deletion to the deliverables or a change in the services to be provided under this Contract, it shall so notify the Contractor. The Department will develop a Contract Amendment authorizing said change. The Amendment shall state whether the change shall cause an alteration in the price or time required by the Contractor for any aspect of its performance under the Contract. Pricing of changes shall be consistent with those prices or costs established within this Contract. Such amendment shall not be effective until executed by all Parties.

D) Miscellaneous Requirements

1. All Department campuses are tobacco-free. Contractors, their employees, and sub-contractors are prohibited from using any tobacco products while on Department property. This prohibition extends to personal vehicles parked in Department parking lots.

2. **Applicable Law**

The laws of the State of Delaware shall apply, except where Federal Law has precedence. The successful vendor consents to jurisdiction and venue in the State of Delaware.

In submitting a proposal, Vendors certify that they comply with all federal, state and local laws applicable to its activities and obligations including:

1. the laws of the State of Delaware;
2. the applicable portion of the Federal Civil Rights Act of 1964;
3. the Equal Employment Opportunity Act and the regulations issued there under by the federal government;
4. a condition that the proposal submitted was independently arrived at, without collusion, under penalty of perjury; and
5. that programs, services, and activities provided to the general public under resulting contract conform with the Americans with Disabilities Act of 1990, and the regulations issued there under by the federal government.

If any vendor fails to comply with (1) through (5) of this paragraph, the State of Delaware reserves the right to disregard the proposal, terminate the contract, or consider the vendor in default.

The selected vendor shall keep itself fully informed of and shall observe and comply with all applicable existing Federal and State laws, and County and local ordinances, regulations and codes, and those laws, ordinances, regulations, and codes adopted during its performance of the work.

E) Authorized Signatures:

IN WITNESS THEREOF, the Parties hereto have caused this Contract to be duly executed as of the date and year first above written.

For the Contractor:

Name

Title

Date

For the Department:

Rita M. Landgraf
Secretary

Date

For the Division:

Director

Date

APPENDIX A

DIVISIONAL REQUIREMENTS

Sanctions

- 1) In the event that Contractor fails to complete the project or any phase thereof within the time specified in the Contract, or with such additional time as may be granted in writing by Delaware, or fails to prosecute the work, or any separable part thereof, with such diligence as will insure its completion within the time specified in this Agreement or any extensions thereof, Delaware may suspend the scheduled payments.
- 2) The Division reserves the right to reduce the number of people a Contractor currently serves, restrict the number of referrals a Contractor may receive, or rescind authorization to operate one or more service sites (e.g., neighborhood home, apartment) or any combination of such measures as sanctions for documented unsatisfactory contract performance as determined by the Division. The Division may impose such sanctions for a period of between 30 to 365 days, with the right to renew the sanctions at the Division's sole discretion.

Vendor Responsibilities

- 1) Contractor shall be responsible for the professional quality, technical accuracy, timely completion, and coordination of all services furnished by Contractor, its subcontractors, and its and their principals, officers, employees and agents under this Agreement. In performing the specified services, Contractor shall follow practices consistent with generally accepted professional and technical standards. Contractor shall be responsible for ensuring that all services, products and deliverables furnished pursuant to this Agreement comply with the applicable standards promulgated by the Department of Technology and Information ("DTI") published at <http://dti.delaware.gov/>, and as modified from time to time by DTI during the term of this Agreement. If any service, product or deliverable furnished pursuant to this Agreement does not conform to DTI standards, Contractor shall, at its expense and option either (1) replace it with a conforming equivalent or (2) modify it to conform to DTI standards. Contractor shall be and remain liable in accordance with the terms of this Agreement and applicable law for all damages to Delaware caused by Contractor's failure to ensure compliance with DTI standards.
 - a. It shall be the duty of the Contractor to assure that all products of its effort are technically sound and in conformance with all pertinent Federal, State and Local statutes, codes, ordinances, resolutions and other regulations. Contractor will not produce a work product that violates or infringes on any copyright or patent rights. Contractor shall, without additional compensation, correct or revise any errors or omissions in its work products.
 - b. Permitted or required approval by Delaware of any products or services furnished by Contractor shall not in any way relieve Contractor of responsibility for the professional and technical accuracy and adequacy of

its work. Delaware's review, approval, acceptance, or payment for any of Contractor's services herein shall not be construed to operate as a waiver of any rights under this Agreement or of any cause of action arising out of the performance of this Agreement, and Contractor shall be and remain liable in accordance with the terms of this Agreement and applicable law for all damages to Delaware caused by Contractor's performance or failure to perform under this Agreement.

- c. Contractor shall appoint a Project Manager who will manage the performance of services. All of the services specified by this Agreement shall be performed by the Project Manager, or by Contractor's associates and employees under the personal supervision of the Project Manager. The positions anticipated include:

Project Name:
Team Title:
% of Project Involvement:

Designation of persons for each position is subject to review and approval by Delaware. Should the staff need to be diverted off the project for what are now unforeseeable circumstances, Contractor will notify Delaware immediately and work out a transition plan that is acceptable to both parties, as well as agree to an acceptable replacement plan to fill or complete the work assigned to this project staff position. Replacement staff persons are subject to review and approval by Delaware. If Contractor fails to make a required replacement within 30 days, Delaware may terminate this Agreement for default. Upon receipt of written notice from Delaware that an employee of Contractor is unsuitable to Delaware for good cause, Contractor shall remove such employee from the performance of services and substitute in his/her place a suitable employee.

Appendix D

D. Website Links

- Information Technology Publications
<http://www.dhss.delaware.gov/dhss/DMS/itpubs.html>
See section entitled “Supportive Documentation for Bidding on Proposals”

E. Appendix EKey Position Resume

Key Position Resume

Name: _____ Proposed Project Position: _____

Number of years experience in the proposed position: _____

Number of years experience in this field of work: _____

Detail Training/Education

(Repeat the format below for as many degrees/certificates as are relevant to this proposal. Dates between training/education may overlap.)

| Degree/Certificate | Dates of Training/Education |
|--------------------|-----------------------------|
| _____ | _____ |
| _____ | _____ |
| _____ | _____ |
| _____ | _____ |
| _____ | _____ |

Detail Experience

(Repeat the format below for as many jobs/projects as are relevant to this proposal. Dates between jobs/projects may overlap.)

Job/Project: _____ Position: _____

From Date: _____ To Date: _____

Description of the tasks this person performed in this job/project. Detail any state or government planning projects and specify the role of the person on each project

Appendix

F. Project Cost Forms

F1. Project Costs by Deliverables & Milestones

Electronic Benefits Transfer Project Deliverable & Milestone Cost Schedule

| Phase | Project Deliverables & Milestones | Deliverable Cost | Phase Cost | Holdback | Vendor Invoice Amount | Projected Date | Actual Date Approved |
|---------------------------|---|------------------|------------|----------|-----------------------|----------------|----------------------|
| 1 | Deliverable 1: Detailed Project Plan | | | | | | |
| | Deliverable 2: Deliverable Document Templates | | | | | | |
| | State Approval of Phase 1 (M1) | | | | | | |
| 2 | Deliverable 3: System Requirement Specifications | | | | | | |
| | Deliverable 4: Detailed Functional Design Document | | | | | | |
| | Deliverable 5: Detailed Technical Specifications Document | | | | | | |
| | State Approval of Phase 2 (M2) | | | | | | |
| 3 | Deliverable 6: System Integration Test Report | | | | | | |
| | Deliverable 7: User Acceptance Test Report | | | | | | |
| | State Approval of Phase 3 (M3) | | | | | | |
| 4 | Deliverable 8: Training Materials | | | | | | |
| | Deliverable 9: User Training | | | | | | |
| | State Approval of Phase 3 (M4) | | | | | | |
| 5 | Deliverable 10: Acceptance in Production of All Delivered Modules | | | | | | |
| | Deliverable 11: Ninety (90) Day Warranty Period | | | | | | |
| | State Approval of Phase 5 and Entire Project, Including Holdback From Prior Phases (M5) | | | | | | |
| Total Startup Cost | | | | | | | |

| | |
|------------------|-----|
| Holdback Percent | 10% |
|------------------|-----|

The Total Startup Cost shown in Schedule F1 must include all startup costs that the selected vendor will be paid by DHSS. If specialized hardware or software will be provided by the vendor, it must be included as a deliverable in the above

schedule. Deliverable costs will sum to the Total Startup Cost which is a firm fixed price. Warranty is associated with the developed application. No application break/fix or maintenance/support charges will be paid during the warranty period.

Deliverables and milestones in the project cost schedule above will be identified in the Detailed Project Plan deliverable along with the project date of State approval.

The modules listed above are those described in the RFP. If a vendor's proposed solution provides the same functionality as described in the RFP, but organizes this functionality in a different combination of modules, the vendor should show its own organization of modules in the above schedule and in Schedules F3 and F4.

Vendors must complete the **Projected Date** column for each milestone and the dates must correspond to the dates provided in the Microsoft Project plan.

Milestone Cost Breakdown

- M1 = Total Cost for Phase 1 deliverables – 10% holdback
- M2 = Total Cost for Phase 2 deliverables – 10% holdback
- M3 = Total Cost for Phase 3 deliverables – 10% holdback
- M4 = M1 + M2 + M3 holdbacks

Costs for each task/deliverable listed must be specified along with the total cost of all tasks/deliverables in each specified phase. Please check all figures for accuracy.

Contractor may invoice for **milestone payments** upon formal approval by the Division and IRM.

F3. Software Licensing Schedule

| Module Name | Number of Licenses | Percent Customization |
|--------------------|---------------------------|------------------------------|
| Deliverable 3: | | |
| Deliverable 4: | | |
| Deliverable 5: | | |

F4. CPCM and Other Costs

The Contractor shall submit itemized invoices for each calendar month billed by the 10th of the month following the month services were rendered. The invoices shall be for the full calendar month and shall be accompanied by supporting documentation for each line item on the invoice. At a minimum, the monthly bill should contain the following:

1. Billing period (month and year);
2. Previous amount due and payments received;
3. Number of cases billed;
4. Applicable CPCM;
5. Total CPCM amount;
6. Line items for each fee for service charge; and
7. Total amount due.

Discrepancies in the number of cases billed between the Contractor's files and DHSS files shall be resolved prior to payment. Payment will be made within thirty (30) days of the date a valid invoice is received by DHSS.

RESPONSE REQUIREMENTS

1. Responses shall include prices for services in the following categories of EBT-related functions and activities as specified in the RFP:
 - a. CPCM pricing for SNAP and DSNAP cases;
 - b. System enhancement costs;
 - c. Optional services pricing; and
 - d. Fee-for-service pricing.
2. Pricing tables for each section must be filled out completely. Offerors should include a narrative explaining the costs included within each component. Price quotations for the core EBT services shall be expressed in terms of CPCM. CPCM represents the fixed cost to deliver the mandatory category of services to a single case for one month. Price quotations provided on the mandatory component shall include all costs associated with operation of the EBT system for the core services. Pricing will be volume based ("tiered") dependent upon the total actual number of deposits to unique cases on the EBT system; and
3. Offerors should use the following assumptions in developing their pricing tables:
 - a. The start-up costs shall be fixed based upon the requirements within the RFP;
 - b. The CPCM pricing provided by the Contractor shall be fixed for the life of the initial period of contract;
 - c. Contractors should use the tiers within the CPCM pricing schedule to cover fluctuations in the case volumes;

- d. The CPCM rates shall be applied to “deposit cases” each month there is a benefit posted to the account and made available (benefit authorization) during the billing month. CPCM rates will not apply to an account that has had no benefit authorization activity (deposit) posted and made available during the billing month. Monthly benefits posted before the end of the month shall not constitute a billable case until the benefit has been made available to the client (i.e., availability date of the benefit has been reached).

CPCM PRICING SCHEDULE

Deposit case counts shall be the total unduplicated case count on the Contractor’s EBT system for the billing month. If, during the life of the contract, the total unduplicated case counts fall outside of the range provided within the pricing table, CPCM pricing shall be provided at the price contained within the first or last respective tier within the table (e.g., CPCM pricing for case counts below 150,001 cases shall be provided at the “< 150,001” tier). All on-going costs not identified separately shall be included in the CPCM.

| Deposit Cases for Billing Month | CPCM |
|--|-------------|
| <150,001 | |
| 150,001-175,000 | |
| 175,001-200,000 | |
| 201,001-225,000 | |
| 225,001-250,000 | |
| 250,001-275,000 | |
| 275,001-300,000 | |
| 300,001-325,000 | |
| 325,001-350,000 | |
| 350,001-375,000 | |
| 375,001-400,000 | |
| 400,001-425,000 | |
| 425,001-450,000 | |
| 450,001-475,000 | |
| 475,001-500,000 | |
| 500,001-525,000 | |
| 525,001-550,000 | |
| 550,001-575,000 | |

| Deposit Cases for Billing Month | CPCM |
|--|-------------|
| 575,001-600,000 | |
| 600,001-625,000 | |
| 625,001-650,000 | |
| >650,000 | |

F5.State Purchased Third Party Software Schedule

List all third party software that the State is responsible for purchasing for use after implementation. This includes State developer licenses as well as user licenses. The State is not responsible for purchasing vendor developer licenses. Only new software or additional licenses for existing software being proposed for this project will be listed here. If the proposed software solution comprises multiple separately-costed modules, please list them separately in the following Schedule.

| Software Description/Name | Required Version | Number of Licenses |
|---------------------------|------------------|--------------------|
| | | |
| | | |
| | | |
| | | |
| | | |

Total Estimated State Purchased Third Party Software Cost _____

The State will purchase the above items from a third party, not the selected vendor. The cost should not be included in Schedule F1.

F6. State Purchased Hardware Schedule

This is a hardware summary cost schedule. Only new hardware or upgrades to existing hardware being proposed for this project will be listed here.

| Hardware Description/Name | Quantity |
|---------------------------|----------|
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |

Total Estimated State Purchased Hardware Cost _____

The State will purchase the above items from a third party, not the selected vendor. The cost should not be included in Schedule F1.

Appendix

G. Mandatory Submission Requirements Checklist

Mandatory Submission Requirements Checklist

| Mandatory Submission Requirement | RFP Section | Compliance Y or N |
|---|---|-------------------|
| The bid is submitted no later than the closing date and time | 6.1.2 | |
| The bid is submitted in the correct number of CD copies containing the Technical and Business proposals | 6.1 | |
| Each proposal CD is labeled correctly | 6.1 | |
| Proposal conditions are valid for 180 days from the deadline date for proposal submission | 6.2.1 | |
| The proposal contains a single solution in terms of this project | 6.1.10 | |
| Bidder/Proposed Subcontractor has appropriate project experience | 6.2.7 | |
| Transmittal Letter submitted on official business letterhead and signed by an authorized representative | 6.2.1 | |
| Proposal CD's have been scanned and are free from viruses and other malicious software. | 6.2.1 | |
| Bidder Agrees to Comply with the provisions specified in the General Terms and Conditions | Appendix A | |
| Technical proposal is submitted with a duly signed and dated copy of the Certification/Statement of Compliance | Appendix B | |
| Completed Project Cost Forms | Appendix F | |
| Firm fixed price contract proposed | Error! Reference source not found. | |
| Proposal includes required resumes | 6.2.6 & Appendix E | |
| Technical proposal is submitted with a completed, duly signed and dated copy of the Mandatory Submission Requirements Checklist | 6.2.2 & Appendix G | |
| Completed State of Delaware Contracts Disclosure | Appendix H | |
| Completed Crosswalk of RFP Section 4 | 6.2.5 & Appendix I | |
| Completed Bidders Signature Form | Appendix J | |
| Completed Office of Minority and Women Business Enterprise Self-Certification Tracking Form (as applicable) | Appendix K | |
| Completed Bidder Project Experience Form | Appendix L | |
| Completed Bidder Contact Information Form | Appendix N | |
| Project timeline does not exceed specified project length | 7.2 | |
| Compliance with HIPAA Regulations & Standards | 4.3 | |

| | | |
|---|---------------|--|
| DHSS-Specific Security Requirements | 4.4.5 | |
| The Project Plan, Templates, BRD, DSD, Acceptance in Prod & 90 Day Warranty are listed as project deliverables | 4.12 | |
| Bidder acknowledges that they have included a completed and signed State of Delaware Cloud and Offsite Hosting Specific Terms and Conditions in this proposal | 4.4.4 & 6.2.2 | |

Signature of Authorized Representative

Title / Company

Date

Appendix

H. State of Delaware Contracts Disclosure

State of Delaware Contracts Disclosure

| Vendor/Predecessor Firm Name | State Department and Division | Contact Name, Address and Phone Number | Period of Performance | Contract Number | Amount |
|-------------------------------------|--------------------------------------|---|------------------------------|------------------------|---------------|
| Sample Vendor Firm Name | DHSS \ DMS | Contact Name 1901 N DuPont Highway New Castle, DE 19720 302.999.9999 | 01/01/2002 – 12/31/2002 | HSS-99-999 | \$100,000 |
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |

Bidder shall list all contracts awarded to it or its predecessor firm(s) by the State of Delaware during the last three (3) years, by State Department, Division, Contact Person (with address/phone number), period of performance, contract number and amount. The Evaluation/Selection Review Committee will consider these additional references and may contact each of these sources. Information regarding bidder performance gathered from these sources may be included in the Committee's deliberations and factored in the final scoring of the bid. Failure to list any contract as required by this paragraph may be grounds for immediate rejection of the bid.

List contracts in the format specified. Include those contracts whose period of performance has been within the past three (3) years in addition to those awarded within this timeframe. Contracts with amendments only have to be listed once. If a vendor has had no contracts within this timeframe, enter “**No contracts to specify**” under Vendor/Predecessor Firm Name in the first row of the table.

Appendix

I. Crosswalk of RFP Section 4

Crosswalk of RFP Section 4

| RFP Section | Proposal Section Number | Proposal Page Number |
|--|-------------------------|----------------------|
| 4 Contractor Responsibilities/Project Requirements | 4 | 9 |
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| 4.1.1 On-Site Staffing Requirement | 4.1.1 | 9 |
| 4.1.2 Offsite Project Work | 4.1.2 | 10 |
| 4.1.3 Offshore Project Work | 4.1.3 | 11 |
| 4.1.4 Project Director Requirement | 4.1.4 | 11 |
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| 4.3 Requirement to Comply With HIPAA Regulations and Standards | 4.3 | 13 |
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| 4.4.3 State Hosting Requirements | 4.4.3 | 15 |
| 4.4.3.1 Standard Practices | 4.4.3.1 | 15 |
| 4.4.3.2 Confidentiality and Data Integrity | 4.4.3.2 | 15 |
| 4.4.3.3 Security Controls | 4.4.3.3 | 15 |
| 4.4.3.4 Cyber Security Liability | 4.4.3.4 | 15 |
| 4.4.3.5 Information Security | 4.4.3.5 | 16 |
| 4.4.3.6 Mandatory Inclusions for State Hosting | 4.4.3.6 | 16 |
| 4.4.3.6.1 Network Diagram | 4.4.3.6.1 | 16 |
| 4.4.3.6.2 List of Software | 4.4.3.6.2 | 16 |

| | | |
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| 4.4.3.6.5 Data Encryption | 4.4.3.6.5 | 16 |
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| 4.4.4 Cloud/Remote Hosting Requirements | 4.4.4 | 17 |
| 4.4.4.1 Terms and Conditions Template Requirement | 4.4.4.1 | 17 |
| 4.4.4.2 Standard Practices | 4.4.4.2 | 18 |
| 4.4.4.3 Mandatory Inclusions for Cloud/Remote Hosting | 4.4.4.3 | 18 |
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| 4.8 Degree of Customization | 4.8 | 20 |
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| 4.13 Governing Regulations | 4.13 | 26 |

| | | |
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| 4.15.10 Benefit Authorization | 4.15.10 | 32 |
| Error! Reference source not found.Error! Reference source not found. | Error! Reference source not found. | Error! Bookmark not defined. |
| 4.15.11 Future Benefit Program Expansion | 4.15.11 | 33 |
| 4.16 General Audit Access | 4.16 | 33 |
| 4.17 SAS 70 (SOC1) | 4.17 | 33 |
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| 4.20 Retailer Training | 4.20 | 34 |
| 4.21 State Training | 4.21 | 35 |
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| 4.23 EBT Settlement/Reconciliation | 4.23 | 35 |
| 4.23.1 FNS Reconciliation Requirements | 4.23.1 | 36 |
| 4.23.2 State Processes and Responsibilities | 4.23.2 | 37 |
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| | | |
|---|--------|----|
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| 4.23.5 Store and Forward Transactions | 4.23.5 | 38 |
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| 4.24.1 SIVR Requirements | 4.24.1 | 39 |
| 4.24.2 Retailer Help Desk | 4.24.2 | 39 |
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| 4.25.1 FNS Standards | 4.25.1 | 41 |
| 4.25.2 Interoperability | 4.25.2 | 42 |
| 4.25.3 POS Transaction Sets | 4.25.3 | 42 |
| 4.25.4 Voids or Cancellations | 4.25.4 | 43 |
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| 4.25.8 Transaction Fees | 4.25.8 | 44 |
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This is a template for the crosswalk of Section 4 in the RFP. It links the numbered RFP sections to the sections and page numbers of the bidder's proposal. Bidders are required to fill out this crosswalk completely for each numbered section in Section 4.

Appendix

J. Bidders Signature Form



**DELAWARE HEALTH AND SOCIAL SERVICES
REQUEST FOR PROPOSAL**

BIDDERS SIGNATURE FORM

NAME OF BIDDER: _____
SIGNATURE OF AUTHORIZED PERSON: _____
TYPE IN NAME OF AUTHORIZED PERSON: _____
TITLE OF AUTHORIZED PERSON: _____
STREET NAME AND NUMBER: _____
CITY, STATE, & ZIP CODE: _____
CONTACT PERSON: _____
TELEPHONE NUMBER: _____
FAX NUMBER: _____
DATE: _____
BIDDER'S FEDERAL EMPLOYERS IDENTIFICATION NUMBER: _____
DELIVERY DAYS/COMPLETION TIME: _____
F.O.B.: _____
TERMS: _____

THE FOLLOWING MUST BE COMPLETED BY THE VENDOR:

AS CONSIDERATION FOR THE AWARD AND EXECUTION BY THE DEPARTMENT OF HEALTH AND SOCIAL SERVICES OF THIS CONTRACT, THE (COMPANY NAME) _____
 HEREBY GRANTS, CONVEYS, SELLS, ASSIGNS, AND TRANSFERS TO THE STATE OF DELAWARE ALL OF ITS RIGHTS, TITLE AND INTEREST IN AND TO ALL KNOWN OR UNKNOWN CAUSES OF ACTION IT PRESENTLY HAS OR MAY NOW HEREAFTER ACQUIRE UNDER THE ANTITRUST LAWS OF THE UNITED STATES AND THE STATE OF DELAWARE, RELATING THE PARTICULAR GOODS OR SERVICES PURCHASED OR ACQUIRED BY THE DELAWARE HEALTH AND SOCIAL SERVICES DEPARTMENT, PURSUANT TO THIS CONTRACT.

Appendix K

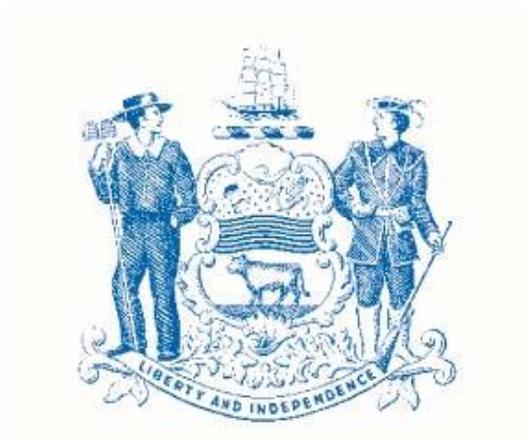
Office of Supplier Diversity Certification Application

The most recent application can be downloaded from the following site:

<http://gss.omb.delaware.gov/osd/certify.shtml>

Submission of a completed Office of Supplier Diversity (OSD) application is optional and does not influence the outcome of any award decision.

The minimum criteria for certification require the entity must be at least 51% owned and actively managed by a person or persons who are eligible: minorities, women, veterans, and/or service disabled veterans. Any one or all of these categories may apply to a 51% owner.



Complete application and mail, email or fax to:

Office of Supplier Diversity (OSD)
100 Enterprise Place, Suite 4
Dover, DE 19904-8202
Telephone: (302) 857-4554 Fax: (302) 677-7086
Email: osd@state.de.us
Web site: <http://gss.omb.delaware.gov/osd/index.shtml>

**THE OSD ADDRESS IS FOR OSD APPLICATIONS ONLY.
NO BID RESPONSE PACKAGES WILL BE ACCEPTED BY THE OSD.**

AGENCIES MAY ELECT TO UTILIZE THIS FORM TO ENSURE PROPOSAL CONSISTENCY BETWEEN VENDORS. THIS FORM IS NOT A REQUIREMENT.

APPENDIX A MINIMUM MANDATORY SUBMISSION REQUIREMENTS

Each vendor solicitation response should contain at a minimum the following information:

1. Transmittal Letter as specified on page 1 of the Request for Proposal including an Applicant's experience, if any, providing similar services.
2. The remaining vendor proposal package shall identify how the vendor proposes meeting the contract requirements and shall include pricing. Vendors are encouraged to review the Evaluation criteria identified to see how the proposals will be scored and verify that the response has sufficient documentation to support each criteria listed.
3. Pricing as identified in the solicitation
4. One (1) complete, signed and notarized copy of the non-collusion agreement (See Attachment 2). Bid marked "ORIGINAL", **MUST HAVE ORIGINAL SIGNATURES AND NOTARY MARK**. All other copies may have reproduced or copied signatures – Form must be included.
5. One (1) completed RFP Exception form (See Attachment 3) – please check box if no information – Form must be included.
6. One (1) completed Confidentiality Form (See Attachment 4) – please check if no information is deemed confidential – Form must be included.
7. One (1) completed Business Reference form (See Attachment 5) – please provide references other than State of Delaware contacts – Form must be included.
8. One (1) complete and signed copy of the Subcontractor Information Form (See Attachment 6) for each subcontractor – only provide if applicable.
9. One (1) complete Employing Delawareans Report (See Attachment 9)
10. One (1) complete OSD application (See link on Attachment 10) – only provide if applicable

The items listed above provide the basis for evaluating each vendor's proposal. **Failure to provide all appropriate information may deem the submitting vendor as "non-responsive" and exclude the vendor from further consideration.** If an item listed above is not applicable to your company or proposal, please make note in your submission package.

Vendors shall provide proposal packages in the following formats:

1. Enter number of copies (i.e. Six (6)) paper copies of the vendor proposal paperwork. **One (1) paper copy must be an original copy, marked "ORIGINAL" on the cover, and contain original signatures.**
2. Enter number of copies (i.e. Six (6)) electronic copy of the vendor proposal saved to CD or DVD media disk, or USB memory stick. Copy of electronic price file shall be a separate file from all other files on the electronic copy. (If Agency has requested multiple electronic copies, each electronic copy must be on a separate computer disk or media).

Appendix

K. Bidder Project Experience



Delaware Health and Social Services
Bidder Project Experience

| | |
|--|--|
| Client | |
| Contact Name | |
| Telephone No. | |
| Location Street Address/City State/ZIP | |
| Location City/State | |
| Type of Facility | |
| Comparable Project Experience | |
| Current Status (WIP/Complete) | |
| Original Budget | |
| Completed Budget | |
| Original Schedule | |
| Completed Schedule | |
| Comments: | |
| <p>Use one page per client. All clients will be used as references and all projects must be completed or work in progress. For projects in progress, state the estimated final budget and schedule dates based on current status. The Contact must be an administrative or managerial customer reference familiar with the bidder's performance.</p> | |

Appendix

L. Deliverable Acceptance Request (DAR)

Appendix

M. Bidder Contact Information



Delaware Health and Social Services Request for Proposal

Bidder Contact Information

The following information must be filled out for firms interested in bidding on this RFP. This letter has a strict submission deadline date prior to the submission of a proposal. Proposals submitted without prior submission of this form will not be opened. Multiple bidder contacts may be specified.

Bidder Contact(s)

| | |
|----------------------|--|
| Contact Name | |
| Email Address | |

Authorized Vendor Representative

| | |
|---------------------|--|
| Printed Name | |
| Signature | |
| Phone Number | |

Appendix

N. Criminal Background Check Instructions

Criminal Background Check Instructions

Contractor staff are required to request their own criminal history. For privacy reasons, the SBI and FBI will not mail the results to anyone except the requestor, so the results must be delivered to the DHSS Security Manager at the Biggs Data Center in a sealed envelope. Costs will be borne by the contractor.

1. Visit one of the State Police locations listed on the next page. **Note:** For the New Castle and Sussex locations, appointments may take up to six weeks to schedule.
2. Complete a SBI Personal Criminal History authorization form.
3. Present valid government-issued photo identification, such as a driver's license.
4. The State fee is \$45 and the Federal check fee is \$10, payable by cash or debit/credit card. (No personal checks).
5. The State Police will require you to fill out an FBI fingerprint card, which they will return to you after you have completed the fingerprint process.
6. Complete and sign the FBI Applicant Information Form to request the national record check. The form can be found on-line at <http://www.fbi.gov/about-us/cjis/background-checks/applicant-information-form>
7. Mail the Cover Letter and fingerprint card, along with an \$18 processing fee, payable by money order, certified check, or credit card. The FBI turnaround time is 3-6 weeks.
8. When you receive your reports at your home address, **DO NOT OPEN THE ENVELOPES**. If you break the seal on the envelopes, you will be responsible to go through the process again at your own expense.
9. Either hand-deliver or mail the **SEALED** FBI and SBI envelopes to:

DHSS Security Manager
1901 N DuPont Highway
Biggs Data Center
New Castle, DE 19720

Mark envelopes as **CONFIDENTIAL**.

The results of the criminal background check will be reviewed and kept completely confidential. The total cost is \$73.

| New Castle County | Kent County (Primary Facility) | Sussex County |
|---|---|---|
| <p>State Police Troop 2</p> <p>100 LaGrange Ave Newark, DE 19702 (Between Rtes. 72 and 896 on Rt. 40)</p> <p>** By appointment only To schedule an appointment: Phone: 302-739-2528 or Toll Free 1-800-464-4357</p> | <p>State Bureau of Identification</p> <p>655 Bay Road Blue Hen Mall and Corporate Center Suite 1B Dover, DE 19903 Customer Service: 302-739-5871</p> <p>** Walk-ins accepted Hours of Operation Monday 9AM – 7PM Tuesday – Friday 9AM – 3PM</p> | <p>State Police Troop 4</p> <p>S DuPont Hwy & Shortly Rd Georgetown, DE 19947 (Across from DeIDOT & State Service Center)</p> <p>** By appointment only (every other Wednesday) To schedule an appointment: Phone: 302-739-2528 or Toll Free 1-800-464-4357</p> |

9 Attachments

UNITED STATES DEPARTMENT OF AGRICULTURE (USDA)

EBT Detail Transactions File

Specifications

Prepared for:



USDA Food and Nutrition Service

3101 Park Center Drive
Alexandria, Virginia 22302

Dated: May 31, 2007

ALERT

Compressed Files containing submission files

1. File format: ZIP
2. ASCII Encoded
3. File Naming Standards:

<Processor Site Name>_<YYYY><MM><Submission Sequence Number>[Optional Replacement Indicator].ZIP

<Processor Site Name> Processor Site sending submissions with spaces replaced by hyphens (i.e., XYZ-Corp)

NOTE: <Processor Site Name> used here should match Header/Trailer value

| | |
|--|---|
| <YYYY> | Four digit year |
| <MM> | Two Digit Month with leading zeroes (01 – 12) |
| <Submission Sequence Number> [Optional Replacement Indicator] | See next section for values. “Rn” when included indicates file is a replacement and includes a replacement sequence number (starting at one (1)) for the submission file already provided. |

Examples:

XYZ-Corp_20060901.ZIP
 ABC-Corp-GA_20060900.ZIP
 XYZ-Corp_20060901R1.ZIP Example replacement compressed file

NOTE: "Replacement" Compressed Files contain only those submission files being replaced. When submissions are provided daily, each "day" of replacement compressed files must be provided separately.

Example:

XYZ-Corp_20060901R1.ZIP – would contain all submissions for 9/1/2006 being replaced.
 XYZ-Corp_20060902R2.ZIP – would contain all submissions for 9/2/2006 being replaced.

File contents will be all submissions for the recipient state managed by site.

Example: ABC-Corp-GA_20060901.ZIP would contain the following:

DC20060901.DAT
 MD20060901.DAT
 VA20060901.DAT

G.1. Submission Files Enclosed in Compressed File

1. File Format: Fixed Record Length; Fixed Column width; records Delimited by Carriage Return (Hex "0D") Linefeed (Hex "0A") characters
2. ASCII Encoded
3. File Naming Standards:

<Recipient State><YYYY><MM><Submission Sequence Number>[Optional Replacement Indicator].DAT

| | |
|--|--|
| <Recipient State> District of Columbia | State Abbreviation of State, Territory, or District of Columbia |
| <YYYY> | Four digit year |
| <MM> | Two digit month with leading zeroes (01 – 12) |
| <Submission Sequence Number> [Optional Replacement Indicator] | See next section for values "Rn" when included indicates file is a replacement and includes a replacement sequence number (starting at one (1)) for the submission file already provided. |

Examples:

| | |
|------------------|-------------------------------------|
| MD20060901.DAT | |
| GU20060900.DAT | |
| VA20060901R1.DAT | Example replacement submission file |

Sequence Number

| | |
|---------|---------------------|
| 00 | Monthly Submissions |
| 01 – 31 | Daily Submissions |

Submission File Record Sequence

| |
|-----------------------------|
| Header Record |
| Detail Transaction Record 1 |
| Detail Transaction Record 2 |
| Detail Transaction Record 3 |
| : |
| : |
| : |
| Detail Transaction Record n |
| Trailer Record |

Table G-1 - EBT Submission Header and Trailer Record Specification

| Description | Starting Position | Length | Type | Comments | Update Status |
|--------------------------------------|-------------------|--------|--------------|---|-------------------------|
| Recipient State | 1 | 2 | Alpha | Alphabetic Abbreviation (i.e., VA) of state providing benefits to enclosed recipients | No Change |
| Redemption Year | 3 | 4 | Numeric | Four digit year (i.e., 2006) representing year in which enclosed transactions were conducted | Increased from 2 digits |
| Redemption Month | 7 | 2 | Numeric | Two digit month Values: 01 – 12 representing the month in which enclosed transactions were conducted | No Change |
| Sequence Number | 9 | 2 | Numeric | Two digit sequence number (See Table 1) of submission | New |
| Number of transactions included | 11 | 9 | Numeric | Number of transaction records included (does not include header/trailer records in count). "Header Record" may contain a value of zero, but Trailer Record MUST contain valid count | No Change |
| EBT Vendor Site Name | 20 | 30 | Alphanumeric | Name of submitting vendor site with spaces replaced by hyphens (not State Agency) [i.e., JP-Morgan_Site-1, eFunds-Site-2, etc.] | No Change |
| File generation date | 50 | 8 | Date | Date file generated in CCYYMMDD format | No Change |
| Period Start Date | 58 | 8 | Date | Starting date for enclosed transactions in CCYYMMDD format | No Change |
| Period Start Time | 66 | 6 | Time | Starting time for enclosed transactions in HHMMSS 24 hour format (GMT) | New |
| Period End Date | 72 | 8 | Date | Ending Date for enclosed transactions in CCYYMMDD format | No Change |
| Period End Time | 80 | 6 | Time | Ending time for enclosed transactions in HHMMSS 24 hour format (GMT) | New |
| Site Time Zone Offset | 86 | 2 | Numeric | Number of hours that processing site is offset from GMT (i.e., EST value is 05) | New |
| Site Daylight Savings Time Indicator | 88 | 1 | Numeric | 0 – Operating on Standard Time 1 – Operating on Daylight Savings time | New |
| Record Delimiter | 89 | 2 | CrLf | Carriage Return ASCII Hex Value 0D Linefeed ASCII Hex Value 0A | No Change |

Sequence Numbers

- 00 Monthly Submissions
- 01 – 31 Day of Submission (i.e., 15 for 15th of month)

G.2. Header/Trailer Record Contextual Requirements

1. Header Record must be first record in submission file.
2. Trailer Record must be last record in submission file.
3. Trailer Record must have the number of transactions enclosed in submission file (count does not include number of Header/Trailer Records).
4. Period Ending Date and Time must be later than Period Starting Date and Time and all transactions included in submission must have Date and Time values that fall between the start and end values provided on Header/Trailer record.
5. On Daily Submissions, Time between Period Start Date and Time and Period Ending Date and Time must constitute no more than 24 hours.
6. While the specific value of “Name of Submitting Vendor” column is not critical it must allow specific Point of Contact to be identified so that automated notifications can be implemented.

Examples:

- a. For vendors with single host site, a single value must be used for all submission files submitted by that vendor. (i.e., “XYZ-Corp”).
- b. For vendors with multiple host sites or with points of contact responsible for a subset of states serviced by vendor company, a unique designator must be used.

| ABC Corp Site | State(s) Responsible for | Example Value for column |
|---------------|--------------------------|--------------------------|
| Atlanta, GA | DC, MD, VA | ABC-Corp-GA |
| Boston, MA | NY, NH, MA, ME | ABC-Corp-MA |

Example (Daily Submission Header):

```
-----1-----2-----3-----4-----5-----6-----7-----8-----9
DC2006020400000000XYZ-Corp                200602052006020400000020060204235959051□□
```

| Description | Value |
|---------------------------------|-----------|
| Recipient State | DC |
| Redemption Year | 2006 |
| Redemption Month | 02 |
| Sequence Number | 04 |
| Number of transactions included | 000000000 |
| Site Name of EBT Vendor | XYZ Corp |

| | |
|----------------------|------------|
| File generation date | 2006 02 05 |
| Period Start Date | 2006 02 04 |
| Period Start Time | 00 00 00 |

| Description | Value |
|----------------------------|------------|
| Period End Date | 2006 02 04 |
| Period End Time | 23 59 59 |
| Site Time Zone Offset | 05 (ET) |
| Site Daylight Savings Time | 1 |
| Record Delimiter | Hex 0D0A |

NOTE: The symbol “□” is used as a representation for the non-printable carriage return and linefeed characters used to delimit each record.

Example (Monthly Submission Header):

```
-----1-----2-----3-----4-----5-----6-----7-----8-----9
DC2006020000000000XYZ-Corp                200603012006020100000020060228235959051□□
```

| Description | Value |
|---------------------------------|------------|
| Recipient State | DC |
| Redemption Year | 2006 |
| Redemption Month | 02 |
| Sequence Number | 00 |
| Number of transactions included | 000000000 |
| Site Name of EBT Vendor | XYZ Corp |
| File generation date | 2006 03 01 |
| Period Start Date | 2006 02 01 |
| Period Start Time | 00 00 00 |
| Period End Date | 2006 02 28 |
| Period End Time | 23 59 59 |
| Site Time Zone Offset | 05 (ET) |
| Site Daylight Savings Time | 1 |
| Record Delimiter | Hex 0D0A |

Table G-2 - EBT Transaction Record Specification

| Description | Starting Position | Length | Type | Comments | Update Status |
|-------------------------|-------------------|--------|--------------|---|---------------|
| FNS Retailer ID Number | 1 | 7 | Numeric | Valid FNS Number identifying retailer | No Change |
| Retailer State Location | 8 | 2 | Alpha | State Abbreviation for retailer location | No Change |
| POS Terminal Id | 10 | 8 | Alphanumeric | ID (unique within retailer) of POS Terminal with trailing blanks | No Change |
| House Account Number | 18 | 14 | Alphanumeric | Account number that identifies household of card bearing recipient with trailing blanks | No Change |

| | | | | | |
|--|----|----|--------------|---|--------------------------------|
| Card Account Number | 32 | 19 | Alphanumeric | Account Number on card stock used in transaction with trailing blanks | No Change |
| Transaction Date | 51 | 8 | Date | Date Transaction Completed in CCYYMMDD format (based on GMT) | Changed to GMT |
| Transaction Time | 59 | 6 | Time | Time in HHMMSS 24 hour format (in GMT) | Changed to GMT |
| Transaction Amount | 65 | 6 | Numeric | Transaction Amount in 9999V99 (assumed 2 decimal places) [i.e., 123456 to represent \$1234.56] | No Change |
| Transaction Sign | 71 | 1 | + or - | + to designate credit to recipient - to designate debit to recipient Ignored for Balance Inquiry type transactions | No Change |
| EBT Program | 72 | 2 | Numeric | 00 – SNAP Program | No Change |
| Transaction Type | 74 | 2 | Numeric | 10 – Purchase 20 – Refund/Return 30 – Void last transaction 40 – Balance Inquiry | No Change |
| Transaction Method | 76 | 1 | Numeric | 0 – Electronic Swipe 1 – Manual/Key Entered 2 – Paper Voucher (Settled) 3 – RFID/Pay by Touch 4 – Paper Voucher (Authorization) | Method Changes |
| Store & Forward Indicator | 77 | 1 | Numeric | 0 – Not a store & forward 1 – Denied 2 – Partially Approved 3 – Fully Approved | New |
| Response Code | 78 | 3 | Alphanumeric | Indicator for accepted or rejected transactions (see Table 2 for valid entries) | Enhanced for ANSI X9.58 - 2002 |
| Available Balance prior to transaction | 81 | 6 | Numeric | Balance Amount in 9999V99 (assumed 2 decimal places) [i.e., 123456 to represent \$1234.56] | No Change |

| Description | Starting Position | Length | Type | Comments | Update Status |
|------------------|-------------------|--------|------|---|----------------|
| Filler | 87 | 2 | N/A | Contents Ignored | Filler Reduced |
| Record Delimiter | 89 | 2 | CrLf | Carriage Return ASCII Value 0D Linefeed ASCII Value 0A | No Change |

Table G-3 - Valid Response Code Combinations

| New Response Code | ANSI Code ¹ (bit 039) | Response Description | Old Response Code Value |
|-------------------|-------------------------------------|--|-------------------------|
| 000 | 00 | Accepted/Approved | 000 |
| 151 | 51 | Insufficient funds | 110 |
| 161 | 61 | Return exceeds benefit authorization | |
| 155 | 55 | Invalid PIN/PIN not selected | 120 |
| 175 | 75 | PIN Tries Exceeded | 121 |
| 102 | 02 | Bad FNS Status for Merchant | 130 |
| 103 | 03 | Invalid Merchant | |
| 141 | 41 | Lost Card | 140 |
| 143 | 43 | Lost/Stolen Card | |
| 141 | 42 | No Account | 141 |
| 152 | 52 | No Account on File | |
| 154 | 54 | Expired Card | 142 |
| 156 | 56 | Card Number not found | 150 |
| 159 | 59 | Fraud (Return Card) | 151 |
| 162 | 62 | Restricted Card | 152 |
| 105 | 05 | General Denial | 160 |
| 1A1 | A1 | Invalid Voucher ID/Invalid Authorization Number | 180 |
| 1A2 | A2 | Approval Code does not match voice approval code | |
| 1A3 | A3 | Amount is greater than voice approval code | |
| 1A4 | A4 | Original voice authorization not found for card holder | |
| 1A5 | A5 | FNS number does not match original voice authorization | |
| 1A6 | A6 | Item already cleared | |
| 106 | 06 | Invalid Transaction | |
| 112 | 12 | Invalid Transaction Type | |
| 113 | 13 | Invalid Amount Field | |
| 114 | 14 | Invalid Card Number | |
| 119 | 19 | Re-enter Transaction | 180 |
| 123 | 23 | Unacceptable Transaction Fee | |
| 130 | 30 | Format Error | |
| 131 | 31 | Card has Invalid ISO Prefix | |
| 140 | 40 | Function Not Available | |
| 157 | 57 | Transaction not permitted to cardholder | |
| 158 | 58 | Invalid Transaction | |
| 176 | 76 | Key Synchronization Error | |
| 180 | 80 | Voucher Expired | |
| 186 | 86 | Invalid Security Code | |

¹ From the “ANSI X9.58-2002 Financial transaction messages – Electronic Benefit Transfer (EBT) – SNAP”

| New Response Code | ANSI Code ¹ (bit 039) | Response Description | Old Response Code Value |
|-------------------|-------------------------------------|---|-------------------------|
| 192 | 92 | Transaction destination cannot be found for routing | |
| 190 | 90 | Processor not logged on | 190 |
| 191 | 91 | Authorizer Not Available | 190 |
| 196 | 96 | System malfunction | |
| 1S5 | S5 | Pin not selected | |

G.3. Transaction Record Contextual Requirements

1. FNS Number and Retailer State Location must match FNS STARS system provided values.
2. Transaction Date and Time must be between Header/Trailer Record Period Start Date and Time and Period Ending Date and Time.
3. "Accepted/Approved" (Response Code = "000") Purchase (Transaction Type = "10") transactions must have Amount value no more than Available Prior Balance value.
4. "Accepted/Approved" (Response Code = "000") Balance Inquiry (Transaction Type = "40") must have Available Prior Balance Value and Amount must be zero (\$0.00).
5. Store & Forward transactions with "Denied" Indicator ("1") must have appropriate Response Code (i.e., "151" [Insufficient Funds]).
6. Store & Forward transactions with "Partially Approved" Indicator ("2") must have the amount approved in the Amount field.
7. "Accepted/Approved" (Response Code = "000") Void Last Transaction (Transaction Type = "30") must immediately follow "Accepted/Approved" (Response Code = "000") Purchase (Transaction Type = "10") or Refund (Transaction Type = "20") being reversed and the following encoding must be followed:
 - a. FNS Number values must match.
 - b. Household Account values must match.
 - c. Card Number values must match.
 - d. POS Terminal ID values must match.
 - e. Absolute value of Amount values must match.
 - f. Balance Prior to Transaction must be consistent with card holder's activity.

Example Purchase reversed by Void Last:

```

-----1-----2-----3-----4-----5-----6-----7-----8-----9
:
1234567VA34263601YYYYYYYYYYYY XXXXXXXXXXXXX1069 20060206181415010280-001000000028142 □□
1234567VA34263601YYYYYYYYYYYY XXXXXXXXXXXXX1069 20060206183751010280+003000000017862 □□
:
    
```

Table G-4 - Transaction Record Values

| Description | Record 1 Value | Record 2 Value |
|--|---------------------------|---------------------------|
| FNS Retailer ID Number | 1234567 | 1234567 |
| Retailer State Location | VA | VA |
| POS Terminal Id | 34263601 | 34263601 |
| House Account Number | YYYYYYYYYYYYYY | YYYYYYYYYYYYYY |
| Card Account Number | XXXXXXXXXXXX1069 | XXXXXXXXXXXX1069 |
| Transaction Date | 20060206 (2006-02-06) | 20060206 (2006-02-06) |
| Transaction Time | 181415 (18:14:15) | 183751 (18:37:51) |
| Transaction Amount | 010280 (\$102.80) | 010280 (\$102.80) |
| Transaction Sign | - | + |
| EBT Program | 00 | 00 |
| Transaction Type | 10 (Purchase) | 30 (Void Last) |
| Transaction Method | 0 (Electronic) | 0 (Electronic) |
| Store and Forward Indicator | 0 (Not store and Forward) | 0 (Not store and Forward) |
| Response Code | 000 (Accepted) | 000 (Accepted) |
| Available Balance prior to transaction | 028142 (\$281.42) | 017862 (\$178.62) |
| Filler | blank | blank |
| Record Delimiter | 0D0A | 0D0A |

- 8. “Rejected” (Response Code between “102” and “1S5”) where all authentication credentials have been met (authorized retailer, valid card number and PIN, etc.) must have Transaction Amount and Available Balance Prior to Transaction values encoded.

Example (Rejected due to Insufficient Funds):

```

-----1-----2-----3-----4-----5-----6-----7-----8-----9
:
1234567VA34263601YYYYYYYYYYYY XXXXXXXXXXXXX1069 20060206181415028242-001000151028142 □□
:
    
```

Table G-5 – Rejected Record Values

| Description | Value |
|-----------------------------|---------------------------|
| FNS Retailer ID Number | 1234567 |
| Retailer State Location | VA |
| POS Terminal Id | 34263601 |
| House Account Number | YYYYYYYYYYYYYY |
| Card Account Number | XXXXXXXXXXXX1069 |
| Transaction Date | 20060206 (2006-02-06) |
| Transaction Time | 181415 (18:14:15) |
| Transaction Amount | 028242 (\$282.42) |
| Transaction Sign | - |
| EBT Program | 00 |
| Transaction Type | 10 (Purchase) |
| Transaction Method | 0 (Electronic) |
| Store and Forward Indicator | 0 (Not store and Forward) |

| Description | Value |
|--|----------------------|
| Response Code | 151 (Rejected – NSF) |
| Available Balance prior to transaction | 028142 (\$281.42) |
| Filler | blank |
| Record Delimiter | 0D0A |

USDA Food & Nutrition Service
EBT Subsystems

ALTA Systems Inc.
Task No.: 43-3198-4-0114

G.3.1 Sample Submission Contents

| Record Type | Record Number |
|-------------|--|
| | -----1-----2-----3-----4-----5-----6-----7-----8-----9 |

| | | | | |
|---------|-----|---|-------------------|----------------------|
| Header | 1 | DC2006020400000000XYZ-Corp | | |
| | | 200602052006020400000020060204235959051□□ | | |
| Detail | 2 | 1234567VA34263601YYYYYYYYYYY | XXXXXXXXXXXXX1069 | 20060204181415010280 |
| Detail | 3 | 1234567VA34263601YYYYYYYYYYY | XXXXXXXXXXXXX1069 | 20060204183751010280 |
| | : | | | |
| | : | | | |
| Detail | 785 | 1234568DC34263601zzzzzzzzzzzz | XXXXXXXXXXXXX1092 | 20060204181415028242 |
| Trailer | 786 | DC20060204000000784XYZ-Corp | | 20060205200602040000 |

AMA File Formats

AMA – Record Format for Batch Issuance File from Processor

File Formats (INCOMING)

Each batch issuance file received by Account Management Agent (AMA) must be in the format specified below in order for data to be successfully processed.

Issuance Files

Processors may send batch files that contain issuance data. Each file is required to have a File Header Record and a File Trailer Record. If the file contains only a File Header Record and File Trailer Record, then the file trailer's File-Record-Count must be 000002 and the file will be treated as an "empty" file.

If the file is not "empty" it must contain at least one project header record, at least one effective date detail record for each project header record, one to five unique detail transaction records for each effective date record, and a project trailer record for each project header. The records should be sequenced in the following manner:

- Project Header Records should appear in ascending order based on the combination of Agency-Location-Code, Region-Code, Recipient-Organization-ID, Program-Year-Code, and Letter-Of-Credit-Code.
- Detail Effective Date Records should appear in ascending order within each project based on Effective-Date.
- Detail Transaction Code Records should appear in ascending order within each effective date based on Transaction-Code.

The following depicts the format of this file:

- File is fixed block
- Record size is 80 characters

File Header Record

| Field | Length/Type | Value/Description |
|--------------------|-------------|---|
| Record Type | PIC X(02) | 'FH' |
| Processor ID | PIC 9(08) | Number which uniquely identifies a processor; FRB Operations will provide this number to each processor before the processor begins transmitting issuance files |
| File Number | PIC 9(06) | Begins at 000001 and incremented by 1 for each new file ** |
| File Creation Date | PIC 9(08) | 'CCYYMMDD' format |
| File Creation Time | PIC 9(06) | 'HHMMSS' format |
| Filler | PIC X(50) | SPACES |

** If a processor handles more than one state, the beginning file number may vary.

Project Header Record

| Field | Length/Type | Value/Description |
|---------------------------|-------------|---|
| Record Type | PIC X(02) | 'PH' |
| Agency Location Code | PIC X(08) | '12350001' |
| Region Code | PIC X(02) | '09' |
| Recipient Organization ID | PIC 9(07) | Recipient Organization ID for the project |
| Program Year Code | PIC X(04) | '0080' |
| Letter of Credit Code | PIC X(04) | Letter of Credit Code for the project |
| Index Code | PIC X(12) | '9S6008' |
| Filler | PIC X(41) | SPACES |

Detail Record – Effective Date

| Field | Length/Type | Value/Description |
|----------------|-------------|-------------------|
| Record Type | PIC X(02) | 'PD' |
| Detail Type | PIC X(02) | 'ED' |
| Effective Date | PIC 9(08) | 'CCYYMMDD' |
| Filler | PIC X(68) | SPACES |

Detail Record – Transaction Code

| Field | Length/Type | Value/Description |
|--------------------|-----------------|--|
| Record Type | PIC X(02) | 'PD' |
| Detail Type | PIC X(02) | 'PB' |
| Transaction Code | PIC X(02) | 'IO' (issuance other) 'IS' (issuance) 'RC' (return coupon) 'RE' (return expungement) 'RO' (return other) |
| Transaction Amount | PIC 9(12 V(02)) | |
| Filler | PIC X(60) | SPACES |

Project Trailer Record

| Field | Length/Type | Value/Description |
|-----------------------------|-----------------|--|
| Record Type | PIC X(02) | 'PT' |
| Agency Location Code | PIC X(08) | '12350001' |
| Region Code | PIC X(02) | '09' |
| Recipient Organization Code | PIC 9(07) | Must match the Project Header Record |
| Program Year Code | PIC X(04) | '0080' |
| Letter of Credit Code | PIC X(04) | Must match the Project Header Record |
| Index Code | PIC X(12) | '9S6008' |
| Filler | PIC X(06) | SPACES |
| Project Total Amount | PIC 9(12) V(02) | Sum of all transaction amounts for current project (will be positive number since each transaction amount is positive) |
| Project Record Count | PIC 9(06) | Count of all records for current project including Project Header and Project Trailer records |
| Filler | PIC X(15) | SPACES |

File Trailer Record

| Field | Length/Type | Value/Description |
|--------------------|-------------|---|
| Record Type | PIC X(02) | 'FT' |
| Processor ID | PIC 9(08) | Must match File Header Record |
| File Number | PIC 9(06) | Must match File Header Record |
| File Creation Date | PIC 9(08) | Must match File Header Record |
| File Creation Time | PIC 9(06) | Must match File Header Record |
| File Record Count | PIC 9(06) | Count of all records in file including File Header and File Trailer records |
| Filler | PIC X(44) | SPACES |

Sample File

*****Top of Data*****

```

FHXXXXXXXX00000010000229003710
PH1235000109NNNNNNN0080YYYY9S6008
PDED20000228
PDPBIS00000000255055
PDED20000229
PDPBIS000000003006507
PT1235000109NNNNNNN0080YYYY9S6008 000000032156200006
FTXXXXXXXX00000010000229003710000008
    
```

*****Bottom of Data*****

```

XXXXXXXX - Processor ID
NNNNNNN - Recipient Organization (RO)-ID
YYYY - Letter of Credit Code for the Project
    
```

REDE INFORAMTION

In support of Electronic Benefit Transfer (EBT) implementation, the Food and Nutrition Service (FNS) determined that an automated process was required to notify the EBT Processors, contracted by each state (and possibly by each county), of any changes to the data for the Supplemental Nutrition Assistance Program (SNAP) retailers to which they provide service.

FNS has established requirements that the automated process will:

- A. **Provide Detailed State Retailer Data for State EBT Processors.** FNS will provide a file of data for each retailer within a state to EBT processors. An EBT processor may request a file for multiple states. Changes to this retailer file, which contains additions and deletions of retailers, as well as changes to the basic information, will be provided on a daily basis, Monday through Friday. A full file of the retailer data for each state will be provided on a monthly basis. This full file will allow the EBT processor to verify that no retailer changes have been missed.
- B. **Provide National Retailer Data for Interoperability Between States.** FNS will initially provide, to each EBT processor, a file of limited data for each authorized retailer in the SNAP. This file will be used to allow for the inter-operability between states and EBT processors for the EBT redemption process. Changes to this file (additions and deletions of retailers) will be provided on a daily basis, Monday through Friday. A complete file of the limited retailer data for the entire SNAP will be provided on a monthly basis. The complete file will allow the EBT processor to verify that no retailer changes have been missed.

The Retailer Electronic Data Exchange (REDE) interface was developed to facilitate the exchange of retailer data between FNS and the EBT processors. REDE replaced the manual process which required a field office to fax the changes for a store to the EBT processor. It has helped to reduce the EBT processors' submission of incorrect authorization numbers with redemption data which must then be manually researched by FNS staff at the Benefit Redemption Systems Branch (BRSB), and at FNS regional offices and field offices. It can also be made available to Third Party Processors to limit input errors.

The most critical exchange is FNS' notification of EBT processors concerning newly authorized EBT retailers and EBT retailers who have been withdrawn or disqualified as participants in the SNAP. The EBT processor is responsible for promptly setting up a newly authorized EBT retailer to participate in the EBT redemption process, generally within 2 weeks of this notification. The EBT processor is also responsible for removing a withdrawn or disqualified retailer from the EBT redemption process within 2 days of notification from FNS.

The REDE Subsystem supports interoperability, which allows a SNAP recipient from one state's program to make EBT purchases in another state. Interoperability is supported through the notification of all EBT processors concerning changes in any SNAP retailer's authorization status. The REDE Subsystem provides this data not only to the state and/or county EBT processors, but also to organizations that may provide Gateway services to

multiple EBT processors and/or to any other FNS-approved organizations. The data provided on each store authorized to accept SNAP EBT transactions is limited to only that data which allows the basic identification of the store as an authorized retailer.

Operations

REDE processing includes standard (regularly scheduled) nightly and monthly operations and ad hoc operations. Both types of REDE operations are performed at the Benefit Redemption Systems Branch (BRSB) in Minneapolis, MN. The standard nightly operations are performed nightly, Monday through Friday, and create the state and national retailer data update files. The standard monthly operations are performed monthly (on the first Saturday of the calendar month) and create the full state and national retailer data files. The state retailer data update files are used to update the Retailer EBT Data Exchange (REDE) database. Ad hoc operations are performed as requested when a State Agency and/or EBT processor requests a start-up copy of a state or national retailer update file.

The REDE Subsystem will create state retailer data update files and a national retailer data update file on a nightly basis, Monday through Friday. The exceptions to this are federal holidays that fall on a weekday. A full state retailer data file and national data file, which contain authorized stores, will be created on a monthly basis during the first full weekend of a calendar month. These files will be readied for transmission to authorized recipients of each state's file and the national file who will be given the choice of accessing these files using either a Connect Direct process through the USDA Computer Center in Kansas City or a VPN internet solution.

Creating State Retailer Data Update Files

Each night, the REDE Subsystem will utilize the current and prior night's Retailer Extract File to create the state retailer data update files for those states that the State Agencies and/or EBT processors have included in a file of requested states. The state retailer data update files contain the retailer data update transactions for each state's retailers. These transactions identify when a retailer has been added to, removed from, or re-activated into the Supplemental Nutrition Assistance Program and identify if certain key retailer data has changed. If a state incurs no changes to its retailers' data, a file will still be created for that state and will contain a header record and trailer record which identify that no detail records were included in the file. The creation of a file for each of the requested states will improve security and integrity as the authorized data files recipients from each state will always get a file, even when it does not contain any updates.

Creating National Retailer Data Update Files

The national retailer data update files are also created by REDE on a nightly basis and will be readied for access in the same manner as the state retailer data update files. Each file will identify if a retailer has been removed from, or added to, the set of retailers authorized to perform EBT processing for the SNAP. While additions and deletions are the primary types of transactions, there is also a modify transaction that identifies whether the first ten

characters of the retailer name have changed, or whether the state within which the retailer resides, has been changed or whether the business type has been changed. Ideally, the state change should occur only if someone miskeys the information into the primary retailer database and then later corrects it.

The national retailer update file may be sent to entities other than the state EBT processors; for example, it may also be provided to some independent processors that support a national EBT retailer database for the state EBT processors. As with the state file, if there are no changes to any retailers in the nation, a file containing a header record and a trailer record will be created which identify that no detail records were included in the file. This will ensure that all authorized recipients are aware that there were no changes to the nation's retailers for that period.

Creating Full State and National Retailer Data Files

On a monthly basis, the REDE Subsystem will create a full file of all of the state retailer data files and the national retailer data file using the most current Retailer Extract File. These files will be readied for access in the same manner as the update files. The primary purpose of these files is to ensure that updates have not been missed and that all updates were received by the authorized recipients of each file.

Creation of Start-up State and National Retailer Data Files

When requested by a newly implemented EBT state or that state's EBT processor, the REDE Subsystem will create a set of start-up files consisting of a full state retailer data file and/or full national retailer data file. The files will be created using the most current Retailer Extract File and will be readied for access in the same manner as the standard monthly files. These start-up files are provided for a state and an EBT processor to use when the state's EBT implementation does not coincide with the creation and transmission of the standard monthly Full State Retailer Data Files and National Retailer Data File.

EXPANDED REDE STATE RETAILER FILE FORMAT**Header Record**

| FIELD DESCRIPTION | FIELD TYPE | FIELD WIDTH | FIELD POSITION | COMMENTS |
|--------------------------|-------------------|--------------------|-----------------------|--|
| Transaction Type Code | Char | 1 | 1 | Blank |
| State Code | Char | 2 | 2 - 3 | Alphabetic state code where stores are located |
| Date Range | | | | Date range for effective dates of retailer update transactions |
| Beginning Date | Char | 8 | 4 - 11 | For the daily update file, the beginning date of date range in CCYYMMDD format. For the monthly file, the date the file is produced. |
| Ending Date | Char | 8 | 12 - 19 | For the daily file, the ending date of date range in CCYYMMDD format. For the monthly file, the date the file is produced |
| Transaction Count | Num | 7 | 20 - 26 | Count of detail records in the file |
| Filler | Char | 395 | 27 - 421 | Blanks (mainframe files only) |

Trailer Record

| FIELD DESCRIPTION | FIELD TYPE | FIELD WIDTH | FIELD POSITION | COMMENTS |
|--------------------------------------|------------|-------------|----------------|--|
| Transaction Type Code | Char | 1 | 1 | 'T' - Trailer record |
| State Code | Char | 2 | 2 - 3 | Alphabetic state code where stores are located |
| Date Range | | | | Date range for effective dates of retailer update transactions |
| Beginning Date | Char | 8 | 4 - 11 | For the daily update file, the beginning date of date range in CCYYMMDD format. For the monthly file, the date the file is produced. |
| Ending Date | Char | 8 | 12 - 19 | For the daily file, the ending date of date range in CCYYMMDD format. For the monthly file, the date the file is produced. |
| Transaction Count | Num | 7 | 20 - 26 | Count of detail records in the file |
| Add Transaction Record Count | Num | 7 | 27 - 33 | Count of "add" transaction records in the file |
| Delete Transaction Record Count | Num | 7 | 34 - 40 | Count of "delete" transaction records in the file |
| Modify Transaction Record Count | Num | 7 | 41 - 47 | Count of "modify" transaction records in the file |
| Re-activate Transaction Record Count | Num | 7 | 48 - 54 | Count of "re-activate" transaction records in the file |
| Hash Count | Num | 8 | 55 - 62 | Numeric hash count for backwards compatibility |
| Filler | Char | 359 | 63 - 421 | Blanks (mainframe files only) |

Detail Records

| FIELD DESCRIPTION | FIELD TYPE | FIELD WIDTH | FIELD POSITION | COMMENTS |
|----------------------------|------------|-------------|----------------|---|
| Transaction Type Code | Char | 1 | 1 | 'A' if a new store was added; 'R' if a previously authorized store was reinstated (Auth status 01, Reason Code 02); 'M' if an existing store was modified; 'D' if an existing store was removed from the program. |
| State Abbreviation | Char | 2 | 2-3 | Alphabetic State Code |
| Store Number | Num | 7 | 4-10 | STARS Authorization Number |
| Store Name | Char | 50 | 11-60 | Full name of store |
| Primary Telephone Number | Num | 10 | 61-70 | Full telephone number with area code |
| Alternate Telephone Number | Num | 10 | 71-80 | Telephone number to use in case Primary Telephone Number is unavailable. |
| Open 24 Hours Indicator | Char | 1 | 81 | 'Y' if open 24 hours; otherwise 'N' |
| Registers Count | Num | 5 | 82-86 | Total number of check-out registers in store |
| County Code | Char | 3 | 87-89 | Code indicating county within state where store resides |
| Business Type Code | Char | 2 | 90-91 | Code indicating type of store - see Figure 1 |
| Address Number | Char | 8 | 92-99 | Address number on street where store is located |
| Street Name | Char | 40 | 100-139 | Full name of street where store is located |
| Additional Address Info | Char | 40 | 140-179 | Supplemental address information that is not contained in the street name (e.g. Suite Number) |
| City Name | Char | 30 | 180-209 | Full name of city where store is |

| FIELD DESCRIPTION | FIELD TYPE | FIELD WIDTH | FIELD POSITION | COMMENTS |
|--------------------------------------|------------|-------------|----------------|---|
| | | | | located |
| State Code | Char | 2 | 210-211 | Alphabetic state code where store is located. |
| Zip Code | Num | 5 | 212-216 | 5 digit zip code where store is located. |
| Zip 4 Code | Num | 4 | 217-220 | 4 digit zip code suffix where store is located |
| Authorization Status Code | Char | 2 | 221-222 | Code indicating current authorization status of store - see Figure 2. |
| Authorization Status Date | Num | 8 | 223-230 | Effective date of current authorization status in CCYYMMDD format. |
| Authorization Withdrawal Reason Code | Char | 2 | 231-232 | Reason for authorization or withdrawal - see Figure 3 |
| Re-certification Status Date | Num | 8 | 233-240 | Date in CCYYMMDD format the store was re-certified (re-authorized) as authorized under FNS regulations based on updated data supplied by the retailer. |
| Ownership Type Code | Char | 1 | 241 | '1' if sole proprietorship or '2' if partnership or '3' if privately-held corporation or '4' if publicly owned corporation or '5' if cooperative or '6' if government or '7' if limited liability company or '8' if limited liability partnership |
| Owner's Name Format | Char | 1 | 242 | '1' if a person's name or '2' if an organization's name (corporation, company, government, etc.) |
| Owner's Name | Char | 50 | 243-292 | Organization or primary person that owns the retailer (if person's name, the first 15 characters contain the first name, the second 15 characters the middle name or initial, and the last 20 characters contain the last |

| FIELD DESCRIPTION | FIELD TYPE | FIELD WIDTH | FIELD POSITION | COMMENTS |
|---------------------------------|------------|-------------|----------------|---|
| | | | | name) |
| Mailing Address Number | Char | 8 | 293-300 | Address number on street on store mailing address. |
| Mailing Street Name | Char | 40 | 301-340 | Full name of street on store mailing address. |
| Mailing Additional Address Info | Char | 40 | 341-380 | Supplemental mailing address information that is not contained in the street name (e.g. Suite Number) |
| Mailing City Name | Char | 30 | 381-410 | Full name of city on store mailing address. |
| Mailing State Code | Char | 2 | 411-412 | Alphabetic state code on store mailing address. |
| Mailing Zip Code | Num | 5 | 413-417 | 5 digit zip code on store mailing address. |
| Mailing Zip 4 Code | Num | 4 | 418-421 | 4 digit zip code extension on store mailing address. |

NATIONAL RETAILER FILE**Header Record**

| FIELD DESCRIPTION | FIELD TYPE | FIELD WIDTH | FIELD POSITION | COMMENTS |
|--------------------------|-------------------|--------------------|-----------------------|---|
| Transaction Type Code | Char | 1 | 1 | Blank |
| Creation Date | Char | 8 | 2 - 9 | Date this file was created in CCYYMMDD format. |
| File Type | Char | 1 | 10 - 10 | File type indicator where 'D' = daily change file, 'F' = full replacement file. |
| Transaction Count | Num | 7 | 11 - 17 | Count of detail records in the file |
| Filler | Char | 18 | 18 - 35 | Blanks |

Trailer Record

| FIELD DESCRIPTION | FIELD TYPE | FIELD WIDTH | FIELD POSITION | COMMENTS |
|--------------------------|-------------------|--------------------|-----------------------|---|
| Transaction Type Code | Char | 1 | 1 | 'T' - Trailer record |
| Creation Date | Char | 8 | 2 - 9 | Date this file was created in CCYYMMDD format. |
| File Type | Char | 1 | 10 - 10 | File type indicator where 'D' = daily change file, 'F' = full replacement file. |
| Add Transaction Count | Num | 7 | 11 - 17 | Count of "add" detail records in the file |
| Delete Transaction Count | Num | 7 | 18 - 24 | Count of "delete" detail records in the file |
| Modify Transaction Count | Num | 7 | 25 - 31 | Count of "modify" detail records in the file |
| Filler | Char | 4 | 32 - 35 | Blanks |

Detail Record

| FIELD DESCRIPTION | FIELD TYPE | FIELD WIDTH | FIELD POSITION | COMMENTS |
|-----------------------|------------|-------------|----------------|---|
| Transaction Type Code | Char | 1 | 1 | 'A' if store was added or 'D' if store was deleted or 'M' if state code, first ten characters of store name or business type code were modified |
| Store Identification | Num | 7 | 2 - 8 | STARS Authorization Number |
| State Code | Char | 2 | 9 - 10 | Alphabetic state code where store is located |
| Store Name | Char | 10 | 11 - 20 | First ten characters of the store name |
| Business Type Code | Char | 2 | 21 - 22 | Code indicating type of store |
| Filler | Char | 13 | 23 - 35 | Blanks |

Code Definitions for Business Type, Authorization Status and State Code/Abbreviation

The values for the Business Type; Authorization Status; Status Reason and State Abbreviation codes used in the record layouts are listed in the Figures 1, 2, 3 and 4 below:

| Business Type Code | Description | Store or Meal Service |
|---------------------------|--|------------------------------|
| AD | Drug and/or Alcohol Treatment Program | Meal Service |
| BB | Bakery Specialty | Store |
| BC | Non-profit Food Buying Co-op | Store |
| BW | Shelter for Battered Women and Children | Meal Service |
| CA | Community Supported Agriculture Organization | Store |
| CD | Communal Dining Facility | Meal Service |
| CO | Combination Grocery/Other | Store |
| CS | Convenience Store | Store |
| DR | Delivery Route | Store |
| DF | Direct Marketing Farmer | Store |
| FM | Farmers' Market | Store |
| FV | Fruits/Vegetable Specialty | Store |

| | | |
|----|--|--------------|
| GL | Group Living Arrangement | Meal Service |
| HP | Homeless Meal Provider | Meal Service |
| IR | Internet Retailer | Store |
| LG | Large Grocery Store | Store |
| MC | Military Commissary | Store |
| MD | Meal Delivery Service | Meal Service |
| ME | Meat/Poultry Specialty | Store |
| MG | Medium Grocery Store | Store |
| RE | Private Restaurant/Meal Delivery | Meal Service |
| SC | Senior Citizens' Center/Residential Building | Meal Service |
| SE | Seafood Specialty | Store |
| SG | Small Grocery Store | Store |
| SM | Supermarket | Store |
| SS | Super Store | Store |
| WH | Wholesaler | Store |

**Figure 1
Business Type Code List**

| Authorization Status Codes | |
|-----------------------------------|----------------------------|
| Code | Status |
| 01 | Authorized |
| 03 | Withdrawn |
| 04 | Disqualified |
| 07 | Permanent Disqualification |
| 10 | Permanently Withdrawn |

**Figure 2
Authorization Status Codes**

| Status Reason Codes | | |
|-----------------------------|-------------|--|
| Status (Status Code) | Code | Reason |
| Authorized (01) | 01 | Initial Authorization |
| Authorized (01) | 02 | Reinstated |
| | | |
| Withdrawn (03) | 01 | Voluntary Withdrawal |
| Withdrawn (03) | 02 | Involuntary – Other |
| Withdrawn (03) | 03 | Involuntary - Withdrawn |
| Withdrawn (03) | 04 | Involuntary – Does not meet Criteria A or Criteria B |
| Withdrawn (03) | 05 | Involuntary – Not a Retail Food Store |
| Withdrawn (03) | 06 | Involuntary – Failure to Cooperate |
| Withdrawn (03) | 07 | Involuntary – Failure to Pay |
| Withdrawn (03) | 08 | Involuntary – Business Integrity |

| | | |
|-------------------------------|-----|---|
| Withdrawn (03) | 09 | Involuntary – Non-Redeemer |
| Withdrawn (03) | 10* | Involuntary – No State Contract* |
| Withdrawn (03) | 11 | Involuntary – Failure to Cooperate with Reauthorization Process |
| | | |
| Disqualified (04) | 01 | SNAP Violation |
| Disqualified (04) | 02 | WIC Program Violation |
| Disqualified (04) | 03 | Failure to Pay |
| | | |
| Permanently Disqualified (07) | 01 | SNAP Violation |
| Permanently Disqualified (07) | 02 | WIC Program Violation |
| Permanently Disqualified (07) | 03 | Failure to Pay |
| | | |
| Permanently Withdrawn (10) | 01 | Business Integrity |

*This code only applies to authorized meal services that are withdrawn from the Program for failure to maintain or renew state certification

**Figure 3
Status Reason Codes**

| State Abbreviation Codes | |
|---------------------------------|-------------|
| State/Possession | Code |
| ALABAMA | AL |
| ALASKA | AK |
| AMERICAN SAMOA | AS |
| ARIZONA | AZ |
| ARKANSAS | AR |
| CALIFORNIA | CA |
| COLORADO | CO |
| CONNECTICUT | CT |
| DELEWARE | DE |
| DISTRICT OF COLUMBIA | DC |
| FEDERATED STATES OF MICRONESIA | FM |
| FLORIDA | FL |
| GEORGIA | GA |
| GUAM | GU |
| HAWAII | HI |
| IDAHO | ID |
| ILLINOIS | IL |
| INDIANA | IN |
| IOWA | IA |
| KANSAS | KS |
| KENTUCKY | KY |
| LOUISIANA | LA |
| MAINE | ME |

| | |
|--------------------------|-------------|
| MARSHALL ISLANDS | MH |
| MARYLAND | MD |
| MASSACHUSETTS | MA |
| MICHIGAN | MI |
| MINNESOTA | MN |
| MISSISSIPPI | MS |
| MISSOURI | MO |
| MONTANA | MT |
| NEBRASKA | NE |
| NEVADA | NV |
| NEW HAMPSHIRE | NH |
| NEW JERSEY | NJ |
| NEW MEXICO | NM |
| NEW YORK | NY |
| NORTH CAROLINA | NC |
| NORTH DAKOTA | ND |
| NORTHERN MARIANA ISLANDS | MP |
| OHIO | OH |
| OKLAHOMA | OK |
| OREGON | OR |
| PALAU | PW |
| PENNSYLVANIA | PA |
| State/Possession | Code |
| PUERTO RICO | PR |
| RHODE ISLAND | RI |
| SOUTH CAROLINA | SC |
| SOUTH DAKOTA | SD |
| TENNESSEE | TN |
| TEXAS | TX |
| UTAH | UT |
| VERMONT | VT |
| VIRGIN ISLANDS | VI |
| VIRGINIA | VA |
| WASHINGTON | WA |
| WEST VIRGINIA | WV |
| WISCONSIN | WI |
| WYOMING | WY |

Figure 4
State Abbreviation Codes

Additional Information

1. A modify transaction will contain all of the current data for a retailer. It does not **just** identify the elements that have changed.

2. The Zip 4 Code field will contain zeroes if the zip code is unknown.
3. If the retailer's mailing address is the same as the location address, the mailing address's character type fields will contain spaces and its numeric type fields will contain zeros. There are some retailers in the file, however, where the same information is reflected in both fields.
4. The monthly file will contain one add transaction for each authorized retailer within the state that is in the STARS database, see Attachments. An authorized retailer will have an authorization status code of '01' (Authorized). It does not contain de-authorized retailers that have an authorization status code of '03' (Withdrawn) or '04' (Disqualified) or '07' (Permanently Disqualified) or '10' (Permanently Withdrawn).
5. There are a few retailers that do not have a street address. This is a valid situation in certain cases. For instance, it is possible that the store is not on a street. Such as on an Indian Reservation.
6. Retailers that are involuntarily removed from SNAP will be given a five day grace period after the effective date until the removal is reflected in the REDE files. This grace period potentially allows for any appeals of the removal. The exception to this grace period is for the permanent disqualification (Authorization code of '07') where there is no suspension of the disqualification pending the outcome of an appeal.
7. Retailers that have been added to STARS as a new retailer, with an open date in the future, **will be** sent in the daily State Update File as soon as they are entered into STARS, see Attachments. This differs from the National Update File where future dated stores **will not be** included in the daily National Update File **until 3 days prior to the effective date.**

File Format for STARS System

Header Record

| | | |
|---------------------|-----------|----------------------------------|
| Record identifier | PIC X | Value '1' |
| Filler | PIC X | Value space |
| Processor R/T # | PIC X(9) | Bank R/T number |
| Processor Suffix # | PIC X(7) | Bank Suffix number or zeros |
| State Code | PIC XX | Alpha state code |
| Filler | PIC X(3) | Value zeros. |
| Date file generated | PIC X(6) | YYMMDD |
| Time file generated | PIC X(4) | HHMM |
| LOC number | PIC X(4) | Letter of Credit number or state |
| Filler | PIC X(43) | Value spaces. |

Retailer Transaction Record

| | | |
|---------------------------------------|-----------|---|
| Record identifier | PIC X | Value space |
| Credit date | PIC X(6) | YYMMDD |
| Filler | PIC X(12) | Value spaces |
| 'Sign' for dollar amount (next field) | PIC X | + or - |
| • Dollar amount | | PIC 9(7)V99 Daily total amount for retailer for credit date |
| Retailer FNS number | PIC X(7) | |
| Filler | PIC X(44) | Value spaces |

Daily Total Record

| | | |
|---------------------------------------|----------|---|
| Record identifier | PIC X | Value 'C' |
| Credit date | PIC X(6) | YYMMDD |
| Total count | PIC 9(6) | Total number of transaction records for credit date |
| Filler | PIC X(6) | Value spaces |
| 'Sign' for dollar amount (next field) | PIC X | + or - |
| • Total amount | | PIC 9(9)V99 Total dollar amount of all transactions for credit date |
| FillerPIC X(49) | | Value spaces |

Trailer Record

| | | |
|---------------------------------------|-------------|--|
| Record identifier | PIC X | Value 'T' |
| Filler | PIC X(6) | Value spaces |
| Total record count | PIC 9(6) | Total number of transaction records in this transmission |
| Filler | PIC X(6) | Value spaces |
| 'Sign' for dollar amount (next field) | PIC X | + or - |
| Total dollar amount | PIC 9(9)V99 | Total dollar amount for all transaction records in this transmission |
| Filler | PIC X(49) | Value spaces |

Revision History

Version 20150115 –

Appendix C – corrected boilerplate version reference to 04/15/2014
Section 6.2.6 – deleted unnecessary skills matrix examples

Version 20141002 –

Section 4.4.4.1 – Updated instructions around the cloud and offsite hosting template table exceptions.

Version 20140923 –

Section 4.4.6 – Rewrote the offending phrase “preference will be given ...” per advice from CM&P in an email dated 09/23/2014.

Version 20140915 –

Section 2.1 - There are now 11 divisions with the elimination of OCME
Section 4.4.3.5 – New section entitled “**Information Security**” per 09/15/2014 email from Elayne Starkey.
Section 4.4.4.1 – Guidance around newly published Public & Non-Public T&Cs.
Sections 4.4.4.3.3 – 4.4.4.3.8 – Stricken per 09/11/2014 email from Tony Collins.
Section 4.4.5 – New section entitled “**DHSS-Specific Security Requirements**”. This includes stricter guidance than provided in the new T&Cs.
Section 4.13.1 – Stricken section entitled “**Customization/Development**”
Section 6.2.2 – Updated T&C instructions in this section
Appendix G – Section 4.4.5 was added to the Mandatory Requirements Checklist
Appendices – modified so superfluous descriptions would not be displayed in the TOC

Version 20140429 –

Section 4.4.4 – Guidance around RTO for clause 20 of T&Cs template included.

Version 20140416 –

Replaced Appendix C in its entirety with 2014/04/15 version of the boilerplate

Version 20140228 –

Section 4.4.4 – Guidance around RTO for clause 20 of T&Cs template included.

Version 20140225 –

Section 4.4.3.3 – Section previously entitled “Security” has been replaced in its entirety with a paragraph entitled “Security Controls” per DTI.

Version 20140131 –

Section 4.4.4.2.8 – DTI changed requirement be Tier 2 or greater.

Version 20140114 –

Section 4.4.4 – Updated T&C verbiage to include a requirement that any T&C clause with an explanation must be vetted and approved by DTI prior to contract signature. In this case, DTI’s approval of this must be attached to the final contract.

Version 20131017 –

Section 4.12.3 - 3rd milestone was incorrectly designated as M2.

Section F1 – Updated verbiage and spreadsheet labels to clarify requirements.

Version 20131007 –

Cover Page – Added revision date (SAVEDATE) to footer

Version 20130906 –

Section 4.4.4 – Updated T&C template link

Version 20130612 –

Completed subsections in section 4.4 to flesh out new DTI ARB deliverable requirements for state & non-state hosted solutions.

Version 20130606 –

Revised Section 4.4 around the new T&Cs. Added subsections for better clarity.

Revised Appendix A.18 to underline the requirement around the standard department contract.

Version 20120502 –

Section 4.3 - Added “along with the updated ARRA and HITECH act provisions”. Deleted the following sentence “*These security standards will be made available to the winning bidder.*”

Section 4.4.1 – Added Cloud Computing policy with provision to take exception to some of the requirements.

Section 4.12 – Added FRD and DSD as mandatory deliverables 3 & 4 respectively in deliverables and milestones table.

Section 4.12.2 – Added FRD and DSD descriptions

Appendix F Section 1 – Added BRD & DSD titles to cost schedule

Appendix G – Added mandatory deliverables as a submission requirement.

Version 20120810 –

Section 4.4.1 – changed Cloud Computing to be a mandatory requirement for remotely hosted systems or data. No exceptions permitted per DTI.

Section 4.13.6 – Added Production Implementation section specifying that an Implementation Plan be produced.

Section 4.13.9 – Added Separation of Duties paragraph in M&O section.

Version 20121005 –

Section 4.13.2 – Removed the following sentences, “Bidders should note though that ASP/COM applications that use MTS/Component Services present security difficulties in the DHSS IT Environment and will generally not be allowed.” and “Direct modem dial-up access is not allowed.” Also various other minor verbiage changes per Andy Shields. Added the following under the third party software paragraph, “**Note:** Because of potential liability and support issues, open source products may only be proposed for this project if they are fully supported and insured by the vendor. If proposing open source software, vendor will also propose alternate fully supported software serving the same/similar function(s).”