



DELAWARE HEALTH
AND SOCIAL SERVICES

Division of Management Services
1901 N. DuPont Highway
New Castle, DE 19720

State of Delaware

WIC-EBT (eWIC) PROCESSING SERVICES

Request for Proposal HSS 20 008
For
Division of Public Health

April 1, 2020

- *Deadline to Respond* -
June 2, 2020
11:00 AM (Local Time)

STATE OF DELAWARE
Delaware Health and Social Services, Division of Public Health

**REQUEST FOR PROPOSALS FOR PROFESSIONAL SERVICES
FOR
WIC-EBT (eWIC) PROCESSING SERVICES
HSS 20 008**

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I. Overview

The State of Delaware Department of Department of Health and Social Services, Division of Public Health, seeks professional services for WIC-EBT (eWIC) Processing Services. This request for proposals ("RFP") is issued pursuant to 29 *Del. C.* §§ [6981 and 6982](#).

The proposed schedule of events subject to the RFP is outlined below:

Public Notice	Date: April 1, 2020
Deadline for Questions	Date: April 15, 2020
Pre-bid Meeting	None
Response to Questions Posted by:	Date: April 29, 2020
Deadline for Receipt of Proposals	Date: June 2, 2020
Estimated Notification of Award	Date: July 2, 2020
Estimated Project Begin Date	Date: November 1, 2020

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Each proposal must be accompanied by a transmittal letter which briefly summarizes the proposing firm's interest in providing the required professional services. The transmittal letter must also clearly state and justify any exceptions to the requirements of the RFP which the applicant may have taken in presenting the proposal. (Applicant exceptions must also be recorded on Attachment 3).

Furthermore, the transmittal letter must attest to the fact, at a minimum, that the Vendor shall not store or transfer non-public State of Delaware data outside of the United States. For technology related solicitations, Vendors may refer to the Delaware Department of Technology and Information identified terms and conditions included in this solicitation.

The State of Delaware reserves the right to deny any and all exceptions taken to the RFP requirements.

PRE-BID MEETING

There **will be no pre-bid meeting**. Questions may be sent to Carolyn Sudler at Carolyn.sudler@delaware.gov no later than April 15, 2020. The complete list of questions and their answers will be posted on the Internet at <http://bids.delaware.gov> by April 29, 2020.

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II. Scope of Services

A. Background

The mission of the Division of Public Health is to protect and enhance the health of the people of Delaware. The Division accomplishes its mission by:

- working together with others;
- addressing issues that affect the health of Delawareans;
- keeping track of the State's health;
- promoting positive lifestyles;
- responding to critical health issues and disasters;
- promoting the availability of health services.

The accomplishment of this mission will facilitate the Division in realizing its vision of creating an environment in which people in Delaware can reach their full potential for a healthy life.

Within the Division, the Delaware Department of Health and Social Services WIC Program provides nutritious foods, nutrition education, breastfeeding education and support, and referrals to health and other social services to eligible participants throughout the state. The Program currently supports approximately 19000 participants across all three (3) counties, who access their WIC benefits at seventy-nine (79) authorized food vendors.

DHSS has been issuing benefits for the Women Infants and Children (WIC) program (Program) via EBT since October 2016 via a contract with Computer Data Processing (CDP) Inc. The Program utilizes an on-line EBT system, whereby benefits are added to participant accounts maintained by the EBT processor and accessed by participants using a magnetic-stripe card at POS devices at authorized vendors. The processor remits payments to the vendors, and issues appropriate reports to the State. The State's current contract for EBT processing services expires on May 31, 2020; this RFP is being issued to solicit proposals for a replacement contract.

In an effort to contain the cost of WIC's authorized food products, Delaware has adopted what it calls a Competitive Vendor Bid System. This requires food retailers in Delaware who wish to participate in WIC as authorized food vendors to bid the prices they would charge WIC for products in each of their stores for the various food categories. Vendors who have the best bid and meet all other program requirements are offered agreements to be authorized WIC vendors. To accommodate the Vendor Bid process, the EBT processor will need to support multiple APL's.

B. Project Goals

The objective of this RFP is to secure the services of a processor to provide on-line turnkey EBT processing services. These services will include, but not necessarily be limited to the following, as defined in Appendix B, Scope of Work:

- Participant account set-up;
- Receipt and maintenance of WIC benefits;
- Receiving and processing WIC purchase transactions;

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- Providing bulk replacement card supplies to the State Agency;
- Card and PIN maintenance
- Vendor readiness;
- Providing state, clinic, participant and vendor customer service;
- Reporting.

C. Scope of Work

The Scope of Work (SOW) for WIC-EBT (eWIC) Processing Services is included in Appendix B, Detailed Scope of Work, of this RFP.

III. Required Information

The following information shall be provided in each proposal in the order listed below. Failure to respond to any request for information within this proposal may result in rejection of the proposal at the sole discretion of the State.

A. Minimum Requirements

1. Provide Delaware license(s) and/or certification(s) necessary to perform services as identified in the scope of work.

Prior to the execution of an award document, the successful Vendor shall either furnish the Agency with proof of State of Delaware Business Licensure or initiate the process of application where required.

2. Vendor shall provide responses to the Request for Proposal (RFP) scope of work and clearly identify capabilities as presented in the General Evaluation Requirements below.
3. Complete all appropriate attachments and forms as identified within the RFP.
4. Proof of insurance and amount of insurance shall be furnished to the Agency prior to the start of the contract period and shall be no less than as identified in the bid solicitation, Section V, Item 8, subsection g (insurance).

B. General Evaluation Requirements

1. Experience and Reputation
2. Expertise (for this particular project)
3. Capacity to meet requirements (size, financial condition, etc.)
4. Location (geographical)
5. Demonstrated ability
6. Familiarity with this type of work and its requirements

IV. Professional Services RFP Administrative Information

A. RFP Issuance

1. Public Notice

Public notice has been provided in accordance with 29 *Del. C.* [§6981](#).

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2. Obtaining Copies of the RFP

This RFP is available in electronic form through the State of Delaware Procurement website at www.bids.delaware.gov. Paper copies of this RFP will not be available.

3. Assistance to Vendors with a Disability

Vendors with a disability may receive accommodation regarding the means of communicating this RFP or participating in the procurement process. For more information, contact the Designated Contact no later than ten days prior to the deadline for receipt of proposals.

4. RFP Designated Contact

All requests, questions, or other communications about this RFP shall be made in writing to the State of Delaware. Address all communications to the person listed below; communications made to other State of Delaware personnel or attempting to ask questions by phone or in person will not be allowed or recognized as valid and may disqualify the vendor. Vendors should rely only on written statements issued by the RFP designated contact.

Carolyn Sudler
Management Analyst III
Delaware WIC Program
Carolyn.sudler@delaware.gov
(302) 741-2900
(302) 741-2901(f)

To ensure that written requests are received and answered in a timely manner, electronic mail (e-mail) correspondence is acceptable, but other forms of delivery, such as postal and courier services can also be used.

5. 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 the State's consultant or legal counsel on any matter related to the RFP.

6. 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.

7. 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.

8. Exclusions

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

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- a. 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:
- b. 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:
- c. Has been convicted or has had a civil judgment entered for a violation under State or Federal antitrust statutes:
- d. Has violated contract provisions such as;
 - 1) Known failure without good cause to perform in accordance with the specifications or within the time limit provided in the contract; or
 - 2) Failure to perform or unsatisfactory performance in accordance with terms of one or more contracts;
- e. Has violated ethical standards set out in law or regulation; and
- f. 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.

B. RFP Submissions

1. 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.

2. Proposals

To be considered, all proposals must be submitted in writing and respond to the items outlined in this RFP. The State reserves the right to reject any non-responsive or non-conforming proposals. **Each proposal must be submitted with 2 paper copies and 6 electronic copies on CD or DVD media disk.**

HARD COPIES

Each required copy must contain the following sections:

- 1. Technical Proposal
- 2. Business Proposal/Budget – Budget must not be included in or attached to the Technical Proposal.

ELECTRONIC COPIES

Each required CD or DVD must contain a minimum of two files as follows:

- 1. Technical Proposal – One document in PDF or Word Format
- 2. Business Proposal – In Excel or Word

All properly sealed and marked proposals are to be sent to the State of Delaware and received no later than **11:00 AM (Local Time) on June 2, 2020**. The

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Proposals may be delivered by Express Delivery (e.g., FedEx, UPS, etc.), US Mail, or by hand to:

Kimberly Jones
Purchasing Services Administrator
Department of Health and Social Services
Procurement Branch
Main Admin Bldg., Sullivan Street
2nd floor –room #257
1901 N. DuPont Hwy
Herman Holloway Campus
New Castle, DE 19720
dhss_dms_dmsprocure@delaware.gov

Bidders are directed to clearly **print “BID ENCLOSED” and the RFP number “HSS 20 008”** on the outside of the bid submission package.

Bidder name should also be clearly visible on the outside of the package.

Any proposal submitted by US Mail shall be sent either certified or registered mail. Proposal must be received at the above address no later than **11:00 AM (Local Time) on June 2, 2020.**

Any proposal received after the Deadline for Receipt of Proposals date shall not be considered and shall be returned unopened. The proposing vendor bears the risk of delays in delivery and any costs for returned proposals. The contents of any proposal shall not be disclosed as to be made available to competing entities during the negotiation process.

Upon receipt of vendor proposals, each vendor shall be presumed to be thoroughly familiar with all specifications and requirements of this RFP. The failure or omission to examine any form, instrument or document shall in no way relieve vendors from any obligation in respect to this RFP.

3. Proposal Modifications

Any changes, amendments or modifications to a proposal must be made in writing, submitted in the same manner as the original response and conspicuously labeled as a change, amendment or modification to a previously submitted proposal. Changes, amendments or modifications to proposals shall not be accepted or considered after the hour and date specified as the deadline for submission of proposals.

4. Proposal Costs and Expenses

The State of Delaware will not pay any costs incurred by any Vendor associated with any aspect of responding to this solicitation, including proposal preparation, printing or delivery, attendance at vendor’s conference, system demonstrations or negotiation process.

5. Proposal Expiration Date

Prices quoted in the proposal shall remain fixed and binding on the bidder at least through June 1, 2021. The State of Delaware reserves the right to ask for an extension of time if needed.

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6. Late Proposals

Proposals received after the specified date and time will not be accepted or considered. To guard against premature opening, sealed proposals shall be submitted, plainly marked with the proposal title, vendor name, and time and date of the proposal opening. Evaluation of the proposals is expected to begin shortly after the proposal due date. To document compliance with the deadline, the proposal will be date and time stamped upon receipt.

7. Proposal Opening

The State of Delaware will receive proposals until the date and time shown in this RFP. Proposals will be opened in the presence of State of Delaware personnel. Any unopened proposals will be returned to the submitting 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 in accordance with [Executive Order # 31](#) and Title 29, Delaware Code, [Chapter 100](#).

8. 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.

9. Concise Proposals

The State of Delaware discourages overly lengthy and costly proposals. It is the desire that proposals be prepared in a straightforward and concise manner. Unnecessarily elaborate brochures or other promotional materials beyond those sufficient to present a complete and effective proposal are not desired. The State of Delaware's interest is in the quality and responsiveness of the proposal.

10. 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.

11. Confidentiality of Documents

Subject to applicable law or the order of a court of competent jurisdiction to the contrary, all documents submitted as part of the vendor's proposal will be treated as confidential during the evaluation process. As such, vendor proposals will not be available for review by anyone other than the State of Delaware/Proposal Evaluation Team or its designated agents. There shall be no disclosure of any vendor's information to a competing vendor prior to award of the contract unless such disclosure is required by law or by order of a court of competent jurisdiction.

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The State of Delaware and its constituent agencies are required to comply with the State of Delaware Freedom of Information Act, [29 Del. C. § 10001, et seq. \("FOIA"\)](#). FOIA requires that the State of Delaware's records are public records (unless otherwise declared by FOIA or other law to be exempt from disclosure) and are subject to inspection and copying by any person upon a written request. Once a proposal is received by the State of Delaware and a decision on contract award is made, the content of selected and non-selected vendor proposals will likely become subject to FOIA's public disclosure obligations.

The State of Delaware wishes to create a business-friendly environment and procurement process. As such, the State respects the vendor community's desire to protect its intellectual property, trade secrets, and confidential business information (collectively referred to herein as "confidential business information"). Proposals must contain sufficient information to be evaluated. If a vendor feels that they cannot submit their proposal without including confidential business information, they must adhere to the following procedure or their proposal may be deemed unresponsive, may not be recommended for selection, and any applicable protection for the vendor's confidential business information may be lost.

In order to allow the State to assess its ability to protect a vendor's confidential business information, vendors will be permitted to designate appropriate portions of their proposal as confidential business information.

Vendor(s) may submit portions of a proposal considered to be confidential business information in a separate, sealed envelope labeled "Confidential Business Information" and include the specific RFP number. The envelope must contain a letter from the Vendor's legal counsel describing the documents in the envelope, representing in good faith that the information in each document is not "public record" as defined by 29 Del. C. § 10002, and briefly stating the reasons that each document meets the said definitions.

Upon receipt of a proposal accompanied by such a separate, sealed envelope, the State of Delaware will open the envelope to determine whether the procedure described above has been followed. A vendor's allegation as to its confidential business information shall not be binding on the State. The State shall independently determine the validity of any vendor designation as set forth in this section. Any vendor submitting a proposal or using the procedures discussed herein expressly accepts the State's absolute right and duty to independently assess the legal and factual validity of any information designated as confidential business information. Accordingly, Vendor(s) assume the risk that confidential business information included within a proposal may enter the public domain.

12. Price Not Confidential

Vendors shall be advised that as a publically bid contract, no Vendor shall retain the right to declare their pricing confidential.

13. Multi-Vendor Solutions (Joint Ventures)

Multi-vendor solutions (joint ventures) will be allowed only if one of the venture partners is designated as the "**prime contractor**". The "**prime contractor**" must be the joint venture's contact point for the State of Delaware and be responsible for the joint venture's performance under the contract, including all project

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management, legal and financial responsibility for the implementation of all vendor systems. If a joint venture is proposed, a copy of the joint venture agreement clearly describing the responsibilities of the partners must be submitted with the proposal. Services specified in the proposal shall not be subcontracted without prior written approval by the State of Delaware, and approval of a request to subcontract shall not in any way relieve Vendor of responsibility for the professional and technical accuracy and adequacy of the work. Further, vendor shall be and remain liable for all damages to the State of Delaware caused by negligent performance or non-performance of work by its subcontractor or its sub-subcontractor.

Multi-vendor proposals must be a consolidated response with all cost included in the cost summary. Where necessary, RFP response pages are to be duplicated for each vendor.

a. Primary Vendor

The State of Delaware expects to negotiate and contract with only one “prime vendor”. The State of Delaware will not accept any proposals that reflect an equal teaming arrangement or from vendors who are co-bidding on this RFP.

The prime vendor will be responsible for the management of all subcontractors.

Any contract that may result from this RFP shall specify that the prime vendor is solely responsible for fulfillment of any contract with the State as a result of this procurement. The State will make contract payments only to the awarded vendor. Payments to any-subcontractors are the sole responsibility of the prime vendor (awarded vendor).

Nothing in this section shall prohibit the State of Delaware from the full exercise of its options under Section IV.B.18 regarding multiple source contracting.

b. Sub-contracting

The vendor selected shall be solely responsible for contractual performance. This contract allows subcontracting assignments; however, vendors assume all responsibility for work quality, delivery, installation, maintenance, and any supporting services required by a subcontractor.

Use of subcontractors must be clearly explained in the proposal, and major subcontractors must be identified by name. **The prime vendor shall be wholly responsible for the entire contract performance whether or not subcontractors are used.** Any sub-contractors must be approved by State of Delaware.

c. Multiple Proposals

A primary vendor may not participate in more than one proposal in any form. Sub-contracting vendors may participate in multiple joint venture proposals.

14. Sub-Contracting

The vendor selected shall be solely responsible for contractual performance. This contract allows subcontracting assignments; however, vendors assume all

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responsibility for work quality, delivery, installation, maintenance, and any
supporting services required by a subcontractor.

Use of subcontractors must be clearly explained in the proposal, and major
subcontractors must be identified by name. **The prime vendor shall be wholly
responsible for the entire contract performance whether or not
subcontractors are used.** Any sub-contractors must be approved by State of
Delaware.

15. Discrepancies and Omissions

Vendor is fully responsible for the completeness and accuracy of their proposal,
and for examining this RFP and all addenda. Failure to do so will be at the sole
risk of vendor. Should vendor find discrepancies, omissions, unclear or
ambiguous intent or meaning, or should any questions arise concerning this RFP,
vendor shall notify the State of Delaware’s Designated Contact, in writing, of such
findings at least ten (10) days before the proposal opening. This will allow
issuance of any necessary addenda. It will also help prevent the opening of a
defective proposal and exposure of vendor’s proposal upon which award could
not be made. All unresolved issues should be addressed in the proposal.

Protests based on any omission or error, or on the content of the solicitation, will
be disallowed if these faults have not been brought to the attention of the
Designated Contact, in writing, at least ten (10) calendar days prior to the time set
for opening of the proposals.

a. RFP Question and Answer Process

The State of Delaware will allow written requests for clarification of the RFP.
All questions shall be received no later than April 15, 2020. All questions will
be consolidated into a single set of responses and posted on the State’s
website at www.bids.delaware.gov by the date of April 29, 2020. Vendor
names will be removed from questions in the responses released. Questions
should be submitted in the following format. Deviations from this format will
not be accepted.

Section number

Paragraph number

Page number

Text of passage being questioned

Questions are to be submitted electronically (by email) to the contact person
for this RFP, Carolyn Sudler at Carolyn.sudler@delaware.gov.

16. State’s Right to Reject Proposals

The State of Delaware reserves the right to accept or reject any or all proposals or
any part of any proposal, to waive defects, technicalities or any specifications
(whether they be in the State of Delaware’s specifications or vendor’s response),
to sit and act as sole judge of the merit and qualifications of each product offered,
or to solicit new proposals on the same project or on a modified project which may
include portions of the originally proposed project as the State of Delaware may
deem necessary in the best interest of the State of Delaware.

17. State's Right to Cancel Solicitation

The State of Delaware reserves the right to cancel this solicitation at any time during the procurement process, for any reason or for no reason. The State of Delaware makes no commitments expressed or implied, that this process will result in a business transaction with any vendor.

This RFP does not constitute an offer by the State of Delaware. Vendor's participation in this process may result in the State of Delaware selecting your organization to engage in further discussions and negotiations toward execution of a contract. The commencement of such negotiations does not, however, signify a commitment by the State of Delaware to execute a contract nor to continue negotiations. The State of Delaware may terminate negotiations at any time and for any reason, or for no reason.

18. State's Right to Award Multiple Source Contracting

Pursuant to 29 *Del. C.* [§ 6986](#), the State of Delaware may award a contract for a particular professional service to two or more vendors if the agency head makes a determination that such an award is in the best interest of the State of Delaware.

19. Potential Contract Overlap

Vendors shall be advised that the State, at its sole discretion, shall retain the right to solicit for goods and/or services as required by its agencies and as it serves the best interest of the State. As needs are identified, there may exist instances where contract deliverables, and/or goods or services to be solicited and subsequently awarded, overlap previous awards. The State reserves the right to reject any or all bids in whole or in part, to make partial awards, to award to multiple vendors during the same period, to award by types, on a zone-by-zone basis or on an item-by-item or lump sum basis item by item, or lump sum total, whichever may be most advantageous to the State of Delaware.

20. Supplemental Solicitation

The State reserves the right to advertise a supplemental solicitation during the term of the Agreement if deemed in the best interest of the State.

21. Notification of Withdrawal of Proposal

Vendor may modify or withdraw its proposal by written request, provided that both proposal and request is received by the State of Delaware prior to the proposal due date. Proposals may be re-submitted in accordance with the proposal due date in order to be considered further.

Proposals become the property of the State of Delaware at the proposal submission deadline. All proposals received are considered firm offers at that time.

22. Revisions to the RFP

If it becomes necessary to revise any part of the RFP, an addendum will be posted on the State of Delaware's website at www.bids.delaware.gov. The State of Delaware is not bound by any statement related to this RFP made by any State of Delaware employee, contractor or its agents.

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23. Exceptions to the RFP

Any exceptions to the RFP, or the State of Delaware's terms and conditions, must be recorded on Attachment 3. Acceptance of exceptions is within the sole discretion of the evaluation committee.

24. Business References

Provide at least three (3) business references consisting of current or previous customers of similar scope and value using Attachment 5. Include business name, mailing address, contact name and phone number, number of years doing business with, and type of work performed. Personal references cannot be considered.

25. Award of Contract

The final award of a contract is subject to approval by the State of Delaware. The State of Delaware has the sole right to select the successful vendor(s) for award, to reject any proposal as unsatisfactory or non-responsive, to award a contract to other than the lowest priced proposal, to award multiple contracts, or not to award a contract, as a result of this RFP.

Notice in writing to a vendor of the acceptance of its proposal by the State of Delaware and the subsequent full execution of a written contract will constitute a contract, and no vendor will acquire any legal or equitable rights or privileges until the occurrence of both such events.

a. RFP Award Notifications

After reviews of the evaluation committee report and its recommendation, and once the contract terms and conditions have been finalized, the State of Delaware will award the contract.

The contract shall be awarded to the vendor whose proposal is most advantageous, taking into consideration the evaluation factors set forth in the RFP.

It should be explicitly noted that the State of Delaware is not obligated to award the contract to the vendor who submits the lowest bid or the vendor who receives the highest total point score, rather the contract will be awarded to the vendor whose proposal is the most advantageous to the State of Delaware. The award is subject to the appropriate State of Delaware approvals.

After a final selection is made, the winning vendor will be invited to negotiate a contract with the State of Delaware; remaining vendors will be notified in writing of their selection status.

26. Cooperatives

Vendors, who have been awarded similar contracts through a competitive bidding process with a cooperative, are welcome to submit the cooperative pricing for this solicitation. **State of Delaware terms will take precedence. Any contract resulting from this cooperative arrangement must be compliant with all WIC regulations, the eWIC Operating Rules and all technical requirements specified in this RFP.**

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C. RFP Evaluation Process

An evaluation team composed of representatives of the State of Delaware will evaluate proposals on a variety of quantitative criteria. Neither the lowest price nor highest scoring proposal will necessarily be selected.

The State of Delaware reserves full discretion to determine the competence and responsibility, professionally and/or financially, of vendors. Vendors are to provide in a timely manner any and all information that the State of Delaware may deem necessary to make a decision.

1. Proposal Evaluation Team

The Proposal Evaluation Team shall be comprised of representatives of the State of Delaware. The Team shall determine which vendors meet the minimum requirements pursuant to selection criteria of the RFP and procedures established in 29 *Del. C.* §§ [6981 and 6982](#). Professional services for this solicitation are considered under 29 *Del. C.* §6982(b). The Team may negotiate with one or more vendors during the same period and may, at its discretion, terminate negotiations with any or all vendors. The Team shall make a recommendation regarding the award to the Director of the Division of Public Health, who shall have final authority, subject to the provisions of this RFP and 29 *Del. C.* § [6982\(b\)](#), to award a contract to the successful vendor in the best interests of the State of Delaware.

2. Proposal Selection Criteria

The Proposal Evaluation Team shall assign up to the maximum number of points for each Evaluation Item to each of the proposing vendor's proposals. All assignments of points shall be at the sole discretion of the Proposal Evaluation Team.

The proposals shall contain the essential information on which the award decision shall be made. The information required to be submitted in response to this RFP has been determined by the State of Delaware to be essential for use by the Team in the bid evaluation and award process. Therefore, all instructions contained in this RFP shall be met in order to qualify as a responsive and responsible contractor and participate in the Proposal Evaluation Team's consideration for award. Proposals which do not meet or comply with the instructions of this RFP may be considered non-conforming and deemed non-responsive and subject to disqualification at the sole discretion of the Team.

The Team reserves the right to:

- Select for contract or for negotiations a proposal other than that with lowest costs.
- Reject any and all proposals or portions of proposals received in response to this RFP or to make no award or issue a new RFP.
- Waive or modify any information, irregularity, or inconsistency in proposals received.
- Request modification to proposals from any or all vendors during the contract review and negotiation.
- Negotiate any aspect of the proposal with any vendor and negotiate with more than one vendor at the same time.
- Select more than one vendor pursuant to 29 *Del. C.* §[6986](#).

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Criteria Weight

All proposals shall be evaluated using the same criteria and scoring process. The following criteria shall be used by the Evaluation Team to evaluate proposals:

Criteria	Weight
Qualifications of vendor a) Administrative Oversight b) Past experience in successfully operating quality programs of a similar type and with a similar population c) Quality Assurance Program details d) Available resources	25
Methodology and Work Plan a) Services proposed fit needs as expressed in RFP b) Proposed activities follow a logical sequence c) Adequacy of work plan & timeline schedules d) Builds on existing work of the Division's planning efforts	25
Responses to Scope of Services, Section II.	20
The degree to which the bidder demonstrates the potential ability to recruit, hire, schedule, and train qualified applicants.	15
Evaluation of the proposed costs as they relate to the proposed service delivery and ongoing implementation.	12
Inclusion of ACA Safe Harbor Additional Fees	3
Total	100
Bidders must circle Yes or No to the following questions and include the answers in their response.	
1) Does the bidder have a Supplier Diversity plan currently in place?	Yes/No
2) Does the bidder have any diverse sub- contractors as outlined in Attachment 8 Tier II Sub-contractors?	Yes/No
3) Does the bidder have a written inclusion policy in place? If yes, attach a clearly identifiable copy of the inclusion plan to your proposal.	Yes/No
Answers to these 3 questions are mandatory and do not affect the weighted evaluation of this proposal. However, an affirmative answer to question 2 may directly impact quarterly sub-contracting reporting as illustrated in Attachment 8 in those instances where an awarded contract includes subcontracting activity.	

Vendors are encouraged to review the evaluation criteria and to provide a response that addresses each of the scored items. Evaluators will not be able to make assumptions about a vendor's capabilities so the responding vendor should be detailed in their proposal responses.

3. Proposal Clarification

The Evaluation Team may contact any vendor in order to clarify uncertainties or eliminate confusion concerning the contents of a proposal. Proposals may not be modified as a result of any such clarification request.

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4. References

The Evaluation Team may contact any customer of the vendor, whether or not included in the vendor's reference list, and use such information in the evaluation process. Additionally, the State of Delaware may choose to visit existing installations of comparable systems, which may or may not include vendor personnel. If the vendor is involved in such site visits, the State of Delaware will pay travel costs only for State of Delaware personnel for these visits.

5. Oral Presentations

After initial scoring and a determination that vendor(s) are qualified to perform the required services, selected vendors may be invited to make oral presentations to the Evaluation Team. All vendor(s) selected will be given an opportunity to present to the Evaluation Team.

If the vendor(s) are invited to make oral presentations, the evaluation team members will base their final scores on both the written proposal and the oral presentation.

The selected vendors will have their presentations scored or ranked based on their ability to successfully meet the needs of the contract requirements, successfully demonstrate their product and/or service, and respond to questions about the solution capabilities.

The vendor representative(s) attending the oral presentation shall be technically qualified to respond to questions related to the proposed system and its components.

All of the vendor's costs associated with participation in oral discussions and system demonstrations conducted for the State of Delaware are the vendor's responsibility.

V. Contract Terms and Conditions

1. Contract Use by Other Agencies

REF: Title 29, Chapter [6904\(e\)](#) Delaware Code. If no state contract exists for a certain good or service, covered agencies may procure that certain good or service under another agency's contract so long as the arrangement is agreeable to all parties. Agencies, other than covered agencies, may also procure such goods or services under another agency's contract when the arrangement is agreeable to all parties.

2. Cooperative Use of Award

As a publicly competed contract awarded in compliance with 29 DE Code Chapter 69, this contract is available for use by other states and/or governmental entities through a participating addendum. Interested parties should contact the State Contract Procurement Officer identified in the contract for instruction. Final approval for permitting participation in this contract resides with the Director of Government Support Services and in no way places any obligation upon the awarded vendor(s).

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3. As a Service Subscription

As a Service subscription license costs shall be incurred at the individual license level only as the individual license is utilized within a fully functioning solution. Subscription costs will not be applicable during periods of implementation and solution development prior to the State's full acceptance of a working solution. Additional subscription license requests above actual utilization may not exceed 5% of the total and are subject to Delaware budget and technical review.

4. General Information

- a. The term of the contract between the successful bidder and the State shall be for one (1) year with six (6) optional extensions for a period of one (1) year for each extension.
- b. The selected vendor will be required to enter into a written agreement with the State of Delaware. The State of Delaware reserves the right to incorporate standard State contractual provisions into any contract negotiated as a result of a proposal submitted in response to this RFP. Any proposed modifications to the terms and conditions of the standard contract are subject to review and approval by the State of Delaware. Vendors will be required to sign the contract for all services, and may be required to sign additional agreements.
- c. The selected vendor or vendors will be expected to enter negotiations with the State of Delaware, which will result in a formal contract between parties. Procurement will be in accordance with subsequent contracted agreement. This RFP and the selected vendor's response to this RFP will be incorporated as part of any formal contract.
- d. The State of Delaware's standard contract will most likely be supplemented with the vendor's software license, support/maintenance, source code escrow agreements, and any other applicable agreements. The terms and conditions of these agreements will be negotiated with the finalist during actual contract negotiations.
- e. The successful vendor shall promptly execute a contract incorporating the terms of this RFP within twenty (20) days after award of the contract. No vendor is to begin any service prior to receipt of a State of Delaware purchase order signed by two authorized representatives of the agency requesting service, properly processed through the State of Delaware Accounting Office and the Department of Finance. The purchase order shall serve as the authorization to proceed in accordance with the bid specifications and the special instructions, once it is received by the successful vendor.
- f. If the vendor to whom the award is made fails to enter into the agreement as herein provided, the award will be annulled, and an award may be made to another vendor. Such vendor shall fulfill every stipulation embraced herein as if they were the party to whom the first award was made.
- g. The State reserves the right to extend this contract on a month-to-month basis for a period of up to three months after the term of the full contract has been completed.
- h. Vendors are not restricted from offering lower pricing at any time during the contract term.

5. Collusion or Fraud

Any evidence of agreement or collusion among vendor(s) and prospective vendor(s) acting to illegally restrain freedom from competition by agreement to offer a fixed price, or otherwise, will render the offers of such vendor(s) void.

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By responding, the vendor shall be deemed to have represented and warranted that its proposal is not made in connection with any competing vendor submitting a separate response to this RFP, and is in all respects fair and without collusion or fraud; that the vendor did not participate in the RFP development process and had no knowledge of the specific contents of the RFP prior to its issuance; and that no employee or official of the State of Delaware participated directly or indirectly in the vendor's proposal preparation.

Advance knowledge of information which gives any particular vendor advantages over any other interested vendor(s), in advance of the opening of proposals, whether in response to advertising or an employee or representative thereof, will potentially void that particular proposal.

6. Lobbying and Gratuities

Lobbying or providing gratuities shall be strictly prohibited. Vendors found to be lobbying, providing gratuities to, or in any way attempting to influence a State of Delaware employee or agent of the State of Delaware concerning this RFP or the award of a contract resulting from this RFP shall have their proposal immediately rejected and shall be barred from further participation in this RFP.

The selected vendor will warrant that no person or selling agency has been employed or retained to solicit or secure a contract resulting from this RFP upon agreement or understanding for a commission, or a percentage, brokerage or contingent fee. For breach or violation of this warranty, the State of Delaware shall have the right to annul any contract resulting from this RFP without liability or at its discretion deduct from the contract price or otherwise recover the full amount of such commission, percentage, brokerage or contingent fee.

All contact with State of Delaware employees, contractors or agents of the State of Delaware concerning this RFP shall be conducted in strict accordance with the manner, forum and conditions set forth in this RFP.

7. Solicitation of State Employees

Until contract award, vendors shall not, directly or indirectly, solicit any employee of the State of Delaware to leave the State of Delaware's employ in order to accept employment with the vendor, its affiliates, actual or prospective contractors, or any person acting in concert with vendor, without prior written approval of the State of Delaware's contracting officer. Solicitation of State of Delaware employees by a vendor may result in rejection of the vendor's proposal.

This paragraph does not prevent the employment by a vendor of a State of Delaware employee who has initiated contact with the vendor. However, State of Delaware employees may be legally prohibited from accepting employment with the contractor or subcontractor under certain circumstances. Vendors may not knowingly employ a person who cannot legally accept employment under state or federal law. If a vendor discovers that they have done so, they must terminate that employment immediately.

8. General Contract Terms

a. Independent Contractors

The parties to the contract shall be independent contractors to one another, and nothing herein shall be deemed to cause this agreement to create an

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Delaware Health and Social Services, Division of Public Health agency, partnership, joint venture or employment relationship between parties. Each party shall be responsible for compliance with all applicable workers compensation, unemployment, disability insurance, social security withholding and all other similar matters. Neither party shall be liable for any debts, accounts, obligations or other liability whatsoever of the other party or any other obligation of the other party to pay on the behalf of its employees or to withhold from any compensation paid to such employees any social benefits, workers compensation insurance premiums or any income or other similar taxes.

It may be at the State of Delaware's discretion as to the location of work for the contractual support personnel during the project period. The State of Delaware may provide working space and sufficient supplies and material to augment the Contractor's services.

b. Temporary Personnel are Not State Employees Unless and Until They are Hired

Vendor agrees that any individual or group of temporary staff person(s) provided to the State of Delaware pursuant to this Solicitation shall remain the employee(s) of Vendor for all purposes including any required compliance with the Affordable Care Act by the Vendor. Vendor agrees that it shall not allege, argue, or take any position that individual temporary staff person(s) provided to the State pursuant to this Solicitation must be provided any benefits, including any healthcare benefits by the State of Delaware and Vendor agrees to assume the total and complete responsibility for the provision of any healthcare benefits required by the Affordable Care Act to aforesaid individual temporary staff person(s). In the event that the Internal Revenue Service, or any other third party governmental entity determines that the State of Delaware is a dual employer or the sole employer of any individual temporary staff person(s) provided to the State of Delaware pursuant to this Solicitation, Vendor agrees to hold harmless, indemnify, and defend the State to the maximum extent of any liability to the State arising out of such determinations.

Notwithstanding the content of the preceding paragraph, should the State of Delaware subsequently directly hire any individual temporary staff employee(s) provided pursuant to this Solicitation, the aforementioned obligations to hold harmless, indemnify, and defend the State of Delaware shall cease and terminate for the period following the date of hire. Nothing herein shall be deemed to terminate the Vendor's obligation to hold harmless, indemnify, and defend the State of Delaware for any liability that arises out of compliance with the ACA prior to the date of hire by the State of Delaware. Vendor will waive any separation fee provided an employee works for both the vendor and hiring agency, continuously, for a three (3) month period and is provided thirty (30) days written notice of intent to hire from the agency. Notice can be issued at second month if it is the State's intention to hire.

c. ACA Safe Harbor

The State and its utilizing agencies are not the employer of temporary or contracted staff. However, the State is concerned that it could be determined to be a Common-law Employer as defined by the Affordable Care Act ("ACA"). Therefore, the State seeks to utilize the "Common-law Employer Safe Harbor Exception" under the ACA to transfer health benefit insurance requirements to the staffing company. The Common-law Employer Safe Harbor Exception can

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be attained when the State and/or its agencies are charged and pay for an “Additional Fee” with respect to the employees electing to obtain health coverage from the Vendor.

The Common-law Employer Safe Harbor Exception under the ACA requires that an Additional Fee must be charged to those employees who obtain health coverage from the Vendor, but does not state the required amount of the fee. The State requires that all Vendors shall identify the Additional Fee to obtain health coverage from the Vendor and delineate the Additional Fee from all other charges and fees. The Vendor shall identify both the Additional Fee to be charged and the basis of how the fee is applied (i.e. per employee, per invoice, etc.). The State will consider the Additional Fee and prior to award reserves the right to negotiate any fees offered by the Vendor. Further, the Additional Fee shall be separately scored in the proposal to ensure that neither prices charged, nor the Additional Fee charged will have a detrimental effect when selecting vendor(s) for award.

d. Licenses and Permits

In performance of the contract, the vendor will be required to comply with all applicable federal, state and local laws, ordinances, codes, and regulations. The cost of permits and other relevant costs required in the performance of the contract shall be borne by the successful vendor. The vendor shall be properly licensed and authorized to transact business in the State of Delaware as provided in 30 *Del. C.* § [2502](#).

Prior to receiving an award, the successful vendor shall either furnish the State of Delaware with proof of State of Delaware Business Licensure or initiate the process of application where required. An application may be requested in writing to: Division of Revenue, Carvel State Building, P.O. Box 8750, 820 N. French Street, Wilmington, DE 19899 or by telephone to one of the following numbers: (302) 577-8200—Public Service, (302) 577-8205—Licensing Department.

Information regarding the award of the contract will be given to the Division of Revenue. Failure to comply with the State of Delaware licensing requirements may subject vendor to applicable fines and/or interest penalties.

e. Notice

Any notice to the State of Delaware required under the contract shall be sent by registered mail to:

Carolyn Sudler
Management Analyst III
Delaware WIC Program
Carolyn.sudler@delaware.gov
(302) 741-2900
(302) 741-2901(f)

f. Indemnification

1. General Indemnification

By submitting a proposal, the proposing vendor agrees that in the event it is awarded a contract, it will indemnify and otherwise hold harmless the

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State of Delaware, its agents and employees from any and all liability, suits, actions, or claims, together with all costs, expenses for attorney's fees, arising out of the vendor's, its agents and employees' performance work or services in connection with the contract.

2. Proprietary Rights Indemnification

Vendor shall warrant that all elements of its solution, including all equipment, software, documentation, services and deliverables, do not and will not infringe upon or violate any patent, copyright, trade secret or other proprietary rights of any third party. In the event of any claim, suit or action by any third party against the State of Delaware, the State of Delaware shall promptly notify the vendor in writing and vendor shall defend such claim, suit or action at vendor's expense, and vendor shall indemnify the State of Delaware against any loss, cost, damage, expense or liability arising out of such claim, suit or action (including, without limitation, litigation costs, lost employee time, and counsel fees) whether or not such claim, suit or action is successful.

If any equipment, software, services (including methods) products or other intellectual property used or furnished by the vendor (collectively "Products") is or in vendor's reasonable judgment is likely to be, held to constitute an infringing product, vendor shall at its expense and option either:

- a. Procure the right for the State of Delaware to continue using the Product(s);
- b. Replace the product with a non-infringing equivalent that satisfies all the requirements of the contract; or
- c. Modify the Product(s) to make it or them non-infringing, provided that the modification does not materially alter the functionality or efficacy of the product or cause the Product(s) or any part of the work to fail to conform to the requirements of the Contract, or only alters the Product(s) to a degree that the State of Delaware agrees to and accepts in writing.

g. Insurance

1. Vendor 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 vendor'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 vendor in their negligent performance under this contract.
2. The vendor 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 vendor is an independent contractor and is not an employee of the State of Delaware.
3. As a part of the contract requirements, the contractor must obtain at its own cost and expense and keep in force and effect during the term of this contract, including all extensions, the minimum coverage limits specified

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below with a carrier satisfactory to the State. All contractors must carry the following coverage depending on the type of service or product being delivered.

- a. Worker's Compensation and Employer's Liability Insurance in accordance with applicable law.
- b. Commercial General Liability - \$1,000,000 per occurrence/\$3,000,000 per aggregate.
- c. Automotive Liability Insurance covering all automotive units used in the work (including all units leased from and/or provided by the State to Vendor pursuant to this Agreement as well as all units used by Vendor, regardless of the identity of the registered owner, used by Vendor for completing the Work required by this Agreement to include but not limited to transporting Delaware clients or staff), providing coverage on a primary non-contributory basis with limits of not less than:
 1. \$1,000,000 combined single limit each accident, for bodily injury;
 2. \$250,000 for property damage to others;
 3. \$25,000 per person per accident Uninsured/Underinsured Motorists coverage;
 4. \$25,000 per person, \$300,000 per accident Personal Injury Protection (PIP) benefits as provided for in 21 Del. C. §2118; and
 5. Comprehensive coverage for all leased vehicles, which shall cover the replacement cost of the vehicle in the event of collision, damage or other loss.

The successful vendor must carry at least one of the following depending on the scope of work being performed.

- a. Medical/Professional Liability - \$1,000,000 per occurrence/\$3,000,000 per aggregate
- b. Miscellaneous Errors and Omissions - \$1,000,000 per occurrence/\$3,000,000 per aggregate
- c. Product Liability - \$1,000,000 per occurrence/\$3,000,000 aggregate

Should any of the above described policies be cancelled before expiration date thereof, notice will be delivered in accordance with the policy provisions.

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Before any work is done pursuant to this Agreement, the Certificate of Insurance and/or copies of the insurance policies, referencing the contract number stated herein, shall be filed with the State. The certificate holder is as follows:

**Delaware Department of Health and Social Services
Division of Public Health
417 Federal Street
Dover, DE 19901**

Nothing contained herein shall restrict or limit the Vendor's right to procure insurance coverage in amounts higher than those required by this Agreement. To the extent that the Vendor procures insurance coverage in amounts higher than the amounts required by this Agreement, all said additionally procured coverages will be applicable to any loss or claim and shall replace the insurance obligations contained herein.

To the extent that Vendor has complied with the terms of this Agreement and has procured insurance coverage for all vehicles Leased and/or operated by Vendor as part of this Agreement, the State of Delaware's self-insured insurance program shall not provide any coverage whether coverage is sought as primary, co-primary, excess or umbrella insurer or coverage for any loss of any nature.

In no event shall the State of Delaware be named as an additional insured on any policy required under this agreement.

4. The vendor shall provide a Certificate of Insurance (COI) as proof that the vendor has the required insurance. The COI shall be provided to agency contact prior to any work being completed by the awarded vendor(s).
5. The State of Delaware shall not be named as an additional insured.
6. Should any of the above described policies be cancelled before expiration date thereof, notice will be delivered in accordance with the policy provisions.

h. Performance Requirements

The selected Vendor will warrant that it possesses, or has arranged through subcontractors, all capital and other equipment, labor, materials, and licenses necessary to carry out and complete the work hereunder in compliance with any and all Federal and State laws, and County and local ordinances, regulations and codes.

i. BID BOND

There is no Bid Bond Requirement.

j. PERFORMANCE BOND

There is no Performance Bond requirement.

k. Vendor Emergency Response Point of Contact

The awarded vendor(s) shall provide the name(s), telephone, or cell phone number(s) of those individuals who can be contacted twenty four (24) hours a day, seven (7) days a week where there is a critical need for commodities or services when the Governor of the State of Delaware declares a state of emergency under the Delaware Emergency Operations Plan or in the event of a local emergency or disaster where a state governmental entity requires the services of the vendor. Failure to provide this information could render the proposal as non-responsive.

In the event of a serious emergency, pandemic or disaster outside the control of the State, the State may negotiate, as may be authorized by law, emergency performance from the Contractor to address the immediate needs of the State, even if not contemplated under the original Contract or procurement. Payments are subject to appropriation and other payment terms.

l. Warranty

The Vendor will provide a warranty that the deliverables provided pursuant to the contract will function as designed for a period of no less than one (1) year from the date of system acceptance. The warranty shall require the Vendor correct, at its own expense, the setup, configuration, customizations or modifications so that it functions according to the State's requirements.

m. Costs and Payment Schedules

All contract costs must be as detailed specifically in the Vendor's cost proposal. No charges other than as specified in the proposal shall be allowed without written consent of the State of Delaware. The proposal costs shall include full compensation for all taxes that the selected vendor is required to pay.

The State of Delaware will require a payment schedule based on defined and measurable milestones. Payments for services will not be made in advance of work performed. The State of Delaware may require holdback of contract monies until acceptable performance is demonstrated (as much as 25%).

n. Liquidated Damages

The State of Delaware may include in the final contract liquidated damages provisions for non-performance.

o. Dispute Resolution

At the option of the parties, they shall attempt in good faith to resolve any dispute arising out of or relating to this Agreement promptly by negotiation between executives who have authority to settle the controversy and who are at a higher level of management than the persons with direct responsibility for administration of this Agreement. All offers, promises, conduct and statements, whether oral or written, made in the course of the negotiation by any of the parties, their agents, employees, experts and attorneys are confidential, privileged and inadmissible for any purpose, including impeachment, in arbitration or other proceeding involving the parties, provided evidence that is otherwise admissible or discoverable shall not be rendered inadmissible.

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If the matter is not resolved by negotiation, as outlined above, or, alternatively, DHSS elects to proceed directly to mediation, then the matter will proceed to mediation as set forth below. Any disputes, claims or controversies arising out of or relating to this Agreement shall be submitted to mediation by a mediator selected by the parties. If the matter is not resolved through mediation, it may be submitted for arbitration or litigation. DHSS reserves the right to proceed directly to arbitration or litigation without negotiation or mediation. Any such proceedings held pursuant to this provision shall be governed by Delaware law and venue shall be in Delaware. Each party shall bear its own costs of mediation, arbitration or litigation, including attorneys' fees.

p. Remedies

Except as otherwise provided in this solicitation, including but not limited to Section 8.0 above, all claims, counterclaims, disputes, and other matters in question between the State of Delaware and the Contractor arising out of, or relating to, this solicitation, or a breach of it may be decided by arbitration if the parties mutually agree, or in a court of competent jurisdiction within the State of Delaware.

q. Termination of Contract

The contract resulting from this RFP may be terminated as follows by the Division of Public Health.

1. Termination for Cause

If, for any reasons, or through any cause, the Vendor fails to fulfill in timely and proper manner its obligations under this Contract, or if the Vendor violates any of the covenants, agreements, or stipulations of this Contract, the State shall thereupon have the right to terminate this contract by giving written notice to the Vendor of such termination and specifying the effective date thereof, at least twenty (20) days before the effective date of such termination. In that event, all finished or unfinished documents, data, studies, surveys, drawings, maps, models, photographs, and reports or other material prepared by the Vendor under this Contract shall, at the option of the State, become its property, and the Vendor shall be entitled to receive just and equitable compensation for any satisfactory work completed on such documents and other materials which is usable to the State.

On receipt of the contract cancellation notice from the State, the Vendor shall have no less than five (5) days to provide a written response and may identify a method(s) to resolve the violation(s). A vendor response shall not affect or prevent the contract cancellation unless the State provides a written acceptance of the vendor response. If the State does accept the Vendor's method and/or action plan to correct the identified deficiencies, the State will define the time by which the Vendor must fulfill its corrective obligations. Final retraction of the State's termination for cause will only occur after the Vendor successfully rectifies the original violation(s). At its discretion the State may reject in writing the Vendor's proposed action plan and proceed with the original contract cancellation timeline.

2. Termination for Convenience

The State may terminate this Contract at any time by giving written notice of such termination and specifying the effective date thereof, at least twenty

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(20) days before the effective date of such termination. In that event, all finished or unfinished documents, data, studies, surveys, drawings, models, photographs, reports, supplies, and other materials shall, at the option of the State, become its property and the Vendor shall be entitled to receive compensation for any satisfactory work completed on such documents and other materials, and which is usable to the State.

3. Termination for Non-Appropriations

In the event the General Assembly fails to appropriate the specific funds necessary to enter into or continue the contractual agreement, in whole or part, the agreement 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. This is not a termination for convenience and will not be converted to such.

r. Non-discrimination

In performing the services subject to this RFP the vendor, as set forth in Title 19 Delaware Code Chapter 7 section [711](#), will agree that it will not discriminate against any employee or applicant with respect to compensation, terms, conditions or privileges of employment because of such individual's race, marital status, genetic information, color, age, religion, sex, sexual orientation, gender identity, or national origin. The successful vendor shall comply with all federal and state laws, regulations and policies pertaining to the prevention of discriminatory employment practice. Failure to perform under this provision constitutes a material breach of contract.

s. Covenant against Contingent Fees

The successful vendor will warrant that no person or selling agency has been employed or retained to solicit or secure this contract upon an agreement of understanding for a commission or percentage, brokerage or contingent fee excepting bona-fide employees, bona-fide established commercial or selling agencies maintained by the Vendor for the purpose of securing business. For breach or violation of this warranty the State of Delaware shall have the right to annul the contract without liability or at its discretion to deduct from the contract price or otherwise recover the full amount of such commission, percentage, brokerage or contingent fee.

t. Vendor Activity

No activity is to be executed in an off-shore facility, either by a subcontracted firm or a foreign office or division of the vendor. The vendor must attest to the fact that no activity will take place outside of the United States in its transmittal letter. Failure to adhere to this requirement is cause for elimination from future consideration.

u. Vendor Responsibility

The State will enter into a contract with the successful Vendor(s). The successful Vendor(s) shall be responsible for all products and services as required by this RFP whether or not the Vendor or its subcontractor provided final fulfillment of the order. Subcontractors, if any, shall be clearly identified in the Vendor's proposal by completing Attachment 6, and are subject the approval and acceptance of Division of Public Health.

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v. Personnel, Equipment and Services

1. The Vendor represents that it has, or will secure at its own expense, all personnel required to perform the services required under this contract.
2. All of the equipment and services required hereunder shall be provided by or performed by the Vendor or under its direct supervision, and all personnel, including subcontractors, engaged in the work shall be fully qualified and shall be authorized under State and local law to perform such services.
3. None of the equipment and/or services covered by this contract shall be subcontracted without the prior written approval of the State. Only those subcontractors identified in Attachment 6 are considered approved upon award. Changes to those subcontractor(s) listed in Attachment 6 must be approved in writing by the State.

w. Fair Background Check Practices

Pursuant to 29 Del. C. [§6909B](#), the State does not consider the criminal record, criminal history, credit history or credit score of an applicant for state employment during the initial application process unless otherwise required by state and/or federal law. Vendors doing business with the State are encouraged to adopt fair background check practices. Vendors can refer to 19 Del. C. [§711\(g\)](#) for applicable established provisions.

x. Vendor Background Check Requirements

Vendor(s) selected for an award that access state property or come in contact with vulnerable populations, including children and youth, shall be required to complete background checks on employees serving the State's on premises contracts. Unless otherwise directed, at a minimum, this shall include a check of the following registry:

- Delaware Sex Offender Central Registry at:
<https://sexoffender.dsp.delaware.gov/>

Individuals that are listed in the registry shall be prevented from direct contact in the service of an awarded state contract, but may provide support or off-site premises service for contract vendors. Should an individual be identified, and the Vendor(s) believes their employee's service does not represent a conflict with this requirement, may apply for a waiver to the primary agency listed in the solicitation. The Agency's decision to allow or deny access to any

individual identified on a registry database is final and at the Agency's sole discretion.

By Agency request, the Vendor(s) shall provide a list of all employees serving an awarded contract, and certify adherence to the background check requirement. Individual(s) found in the central registry in violation of the terms stated, shall be immediately prevented from a return to state property in service of a contract award. A violation of this condition represents a violation of the contract terms and conditions, and may subject the Vendor to penalty, including contract cancellation for cause.

Individual contracts may require additional background checks and/or security clearance(s), depending on the nature of the services to be provided or locations accessed, but any other requirements shall be stated in the contract

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scope of work or be a matter of common law. The Vendor(s) shall be responsible for the background check requirements of any authorized Subcontractor providing service to the Agency's contract.

y. Drug Testing Requirements for Large Public Works

Pursuant to 29 Del.C. [§6908\(a\)\(6\)](#), effective as of January 1, 2016, OMB has established regulations that require Contractors and Subcontractors to implement a program of mandatory drug testing for Employees who work on Large Public Works Contracts funded all or in part with public funds. The regulations establish the mechanism, standards and requirements of a Mandatory Drug Testing Program that will be incorporated by reference into all Large Public Works Contracts awarded pursuant to 29 Del.C. [§6962](#).

Final publication of the identified regulations can be found at the following:
[4104 Regulations for the Drug Testing of Contractor and Subcontractor Employees Working on Large Public Works Projects](#)

z. Work Product

All materials and products developed under the executed contract by the vendor are the sole and exclusive property of the State. The vendor will seek written permission to use any product created under the contract.

aa. Contract Documents

The RFP, the purchase order, the executed contract and any supplemental documents between the State of Delaware and the successful vendor shall constitute the contract between the State of Delaware and the vendor. In the event there is any discrepancy between any of these contract documents, the following order of documents governs so that the former prevails over the latter: contract, State of Delaware's RFP, Vendor's response to the RFP and purchase order. No other documents shall be considered. These documents will constitute the entire agreement between the State of Delaware and the vendor.

bb. 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.

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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.

cc. Severability

If any term or provision of this Agreement 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 Agreement, 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.

dd. Assignment of Antitrust Claims

As consideration for the award and execution of this contract by the State, the Vendor hereby grants, conveys, sells, assigns, and transfers to the State of Delaware all of its right, title and interest in and to all known or unknown causes of action it presently has or may now or hereafter acquire under the antitrust laws of the United States and the State of Delaware, regarding the specific goods or services purchased or acquired for the State pursuant to this contract. Upon either the State's or the Vendor notice of the filing of or reasonable likelihood of filing of an action under the antitrust laws of the United States or the State of Delaware, the State and Vendor shall meet and confer about coordination of representation in such action.

ee. Scope of Agreement

If the scope of any provision of the contract is determined to be 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 provisions shall be curtailed only to the extent necessary to conform to the law.

ff. Affirmation

The Vendor must affirm that within the past five (5) years the firm or any officer, controlling stockholder, partner, principal, or other person substantially involved in the contracting activities of the business is not currently suspended or debarred and is not a successor, subsidiary, or affiliate of a suspended or debarred business.

gg. Audit Access to Records

The Vendor shall maintain books, records, documents, and other evidence pertaining to this Contract to the extent and in such detail as shall adequately reflect performance hereunder. The Vendor agrees to preserve and make available to the State, upon request, such records for a period of five (5) years from the date services were rendered by the Vendor. Records involving

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Delaware Health and Social Services, Division of Public Health matters in litigation shall be retained for one (1) year following the termination of such litigation. The Vendor agrees to make such records available for inspection, audit, or reproduction to any official State representative in the performance of their duties under the Contract. Upon notice given to the Vendor, representatives of the State or other duly authorized State or Federal agency may inspect, monitor, and/or evaluate the cost and billing records or other material relative to this Contract. The cost of any Contract audit disallowances resulting from the examination of the Vendor's financial records will be borne by the Vendor. Reimbursement to the State for disallowances shall be drawn from the Vendor's own resources and not charged to Contract cost or cost pools indirectly charging Contract costs.

hh. IRS 1075 Publication (If Applicable)

1. Performance

In performance of this contract, the Contractor agrees to comply with and assume responsibility for compliance by his or her employees with the following requirements:

All work will be performed under the supervision of the contractor or the contractor's responsible employees.

The contractor and the contractor's employees with access to or who use FTI must meet the background check requirements defined in IRS Publication 1075.

Any Federal tax returns or Federal tax return information (hereafter referred to as returns or return information) made available shall be used only for the purpose of carrying out the provisions of this contract. Information contained in such material shall be treated as confidential and shall not be divulged or made known in any manner to any person except as may be necessary in the performance of this contract. Inspection by or disclosure to anyone other than an officer or employee of the contractor is prohibited.

All returns and return information will be accounted for upon receipt and properly stored before, during, and after processing. In addition, all related output and products will be given the same level of protection as required for the source material.

No work involving returns and return information furnished under this contract will be subcontracted without prior written approval of the IRS.

The contractor will maintain a list of employees authorized access. Such list will be provided to the agency and, upon request, to the IRS reviewing office.

The agency will have the right to void the contract if the contractor fails to provide the safeguards described above.

The contractor shall comply with agency incident response policies and procedures for reporting unauthorized disclosures of agency data.

2. Criminal/Civil Sanctions

Each officer or employee of any person to whom returns or return information is or may be disclosed shall be notified in writing by such person that returns or return information disclosed to such officer or employee can be used only for a purpose and to the extent authorized herein, and that further disclosure of any such returns or return information for a purpose or to an extent unauthorized herein constitutes a felony punishable upon conviction by a fine of as much as \$5,000 or imprisonment for as long as five years, or both, together with the costs of prosecution. Such person shall also notify each such officer and employee that any such unauthorized future disclosure of returns or return information may also result in an award of civil damages against the officer or employee in an amount not less than \$1,000 with respect to each instance of unauthorized disclosure. These penalties are prescribed by IRCs 7213 and 7431 and set forth at 26 CFR 301.6103(n)-1.

Each officer or employee of any person to whom returns or return information is or may be disclosed shall be notified in writing by such person that any return or return information made available in any format shall be used only for the purpose of carrying out the provisions of this contract. Information contained in such material shall be treated as confidential and shall not be divulged or made known in any manner to any person except as may be necessary in the performance of this contract. Inspection by or disclosure to anyone without an official need-to-know constitutes a criminal misdemeanor punishable upon conviction by a fine of as much as \$1,000.00 or imprisonment for as long as 1 year, or both, together with the costs of prosecution. Such person shall also notify each such officer and employee that any such unauthorized inspection or disclosure of returns or return information may also result in an award of civil damages against the officer or employee [United States for Federal employees] in an amount equal to the sum of the greater of \$1,000.00 for each act of unauthorized inspection or disclosure with respect to which such defendant is found liable or the sum of the actual damages sustained by the plaintiff as a result of such unauthorized inspection or disclosure plus in the case of a willful inspection or disclosure which is the result of gross negligence, punitive damages, plus the costs of the action. The penalties are prescribed by IRCs 7213A and 7431 and set forth at 26 CFR 301.6103(n)-1.

Additionally, it is incumbent upon the contractor to inform its officers and employees of the penalties for improper disclosure imposed by the Privacy Act of 1974, 5 U.S.C. 552a. Specifically, 5 U.S.C. 552a(i)(1), which is made applicable to contractors by 5 U.S.C. 552a(m)(1), provides that any officer or employee of a contractor, who by virtue of his/her employment or official position, has possession of or access to agency records which contain individually identifiable information, the disclosure of which is prohibited by the Privacy Act or regulations established thereunder, and who knowing that disclosure of the specific material is so prohibited, willfully discloses the material in any manner to any person or agency not entitled to receive it, shall be guilty of a misdemeanor and fined not more than \$5,000.

Granting a contractor access to FTI must be preceded by certifying that each individual understands the agency's security policy and procedures for

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Delaware Health and Social Services, Division of Public Health

safeguarding IRS information. Contractors must maintain their authorization to access FTI through annual recertification. The initial certification and recertification must be documented and placed in the agency's files for review. As part of the certification and at least annually afterwards, contractors must be advised of the provisions of IRCs 7431, 7213, and 7213A (see Exhibit 4, Sanctions for Unauthorized Disclosure, and Exhibit 5, Civil Damages for Unauthorized Disclosure). The training provided before the initial certification and annually thereafter must also cover the incident response policy and procedure for reporting unauthorized disclosures and data breaches. (See Section 10) For both the initial certification and the annual certification, the contractor must sign, either with ink or electronic signature, a confidentiality statement certifying their understanding of the security requirements.

3. Inspection

The IRS and the Agency, with 24-hour notice, shall have the right to send its inspectors into the offices and plants of the contractor to inspect facilities and operations performing any work with FTI under this contract for compliance with requirements defined in IRS Publication 1075. The IRS' right of inspection shall include the use of manual and/or automated scanning tools to perform compliance and vulnerability assessments of information technology (IT) assets that access, store, process or transmit FTI. On the basis of such inspection, corrective actions may be required in cases where the contractor is found to be noncompliant with contract safeguards.

ii. Other General Conditions

1. **Current Version** – “Packaged” application and system software shall be the most current version generally available as of the date of the physical installation of the software.
2. **Current Manufacture** – Equipment specified and/or furnished under this specification shall be standard products of manufacturers regularly engaged in the production of such equipment and shall be the manufacturer's latest design. All material and equipment offered shall be new and unused.
3. **Volumes and Quantities** – Activity volume estimates and other quantities have been reviewed for accuracy; however, they may be subject to change prior or subsequent to award of the contract.
4. **Prior Use** – The State of Delaware reserves the right to use equipment and material furnished under this proposal prior to final acceptance. Such use shall not constitute acceptance of the work or any part thereof by the State of Delaware.
5. **Status Reporting** – The selected vendor will be required to lead and/or participate in status meetings and submit status reports covering such items as progress of work being performed, milestones attained, resources expended, problems encountered and corrective action taken, until final system acceptance.
6. **Regulations** – All equipment, software and services must meet all applicable local, State and Federal regulations in effect on the date of the contract.
7. **Assignment** – Any resulting contract shall not be assigned except by express prior written consent from the Agency.

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8. **Changes** – No alterations in any terms, conditions, delivery, price, quality, or specifications of items ordered will be effective without the written consent of the State of Delaware.
9. **Billing** – The successful vendor is required to "Bill as Shipped" to the respective ordering agency(s). Ordering agencies shall provide contract number, ship to and bill to address, contact name and phone number.
10. **Payment** – The State reserves the right to pay by Automated Clearing House (ACH), Purchase Card (P-Card), or check. The agencies will authorize and process for payment of each invoice within thirty (30) days after the date of receipt of a correct invoice. Vendors are invited to offer in their proposal value added discounts (i.e. speed to pay discounts for specific payment terms). Cash or separate discounts should be computed and incorporated as invoiced.
11. **W-9** - The State of Delaware requires completion of the Delaware Substitute Form W-9 through the Supplier Public Portal at <https://esupplier.erp.delaware.gov> to make payments to vendors. Successful completion of this form enables the creation of a State of Delaware vendor record.
12. **Purchase Orders** – Agencies that are part of the First State Financial (FSF) system are required to identify the Request for Proposals number HSS 20 008 on all Purchase Orders (P.O.) and shall complete the same when entering P.O. information in the state's financial reporting system.
13. **Purchase Card** – The State of Delaware intends to maximize the use of the P-Card for payment for goods and services provided under contract. Vendors shall not charge additional fees for acceptance of this payment method and shall incorporate any costs into their proposals. Additionally there shall be no minimum or maximum limits on any P-Card transaction under the contract.
14. **Additional Terms and Conditions** – The State of Delaware reserves the right to add terms and conditions during the contract negotiations.

RFP Miscellaneous Information

1. No Press Releases or Public Disclosure

The State of Delaware reserves the right to pre-approve any news or broadcast advertising releases concerning this solicitation, the resulting contract, the work performed, or any reference to the State of Delaware with regard to any project or contract performance. Any such news or advertising releases pertaining to this solicitation or resulting contract shall require the prior express written permission of the State of Delaware.

The State will not prohibit or otherwise prevent the awarded vendor(s) from direct marketing to the State of Delaware agencies, departments, municipalities, and/or any other political subdivisions, however, the Vendor shall not use the State's seal or imply preference for the solution or goods provided.

2. Definitions of Requirements

To prevent any confusion about identifying requirements in this RFP, the following definition is offered: The words *shall*, *will* and/or *must* are used to designate a mandatory requirement. Vendors must respond to all mandatory requirements presented in the RFP. Failure to respond to a mandatory requirement may cause the disqualification of your proposal.

3. Production Environment Requirements

The State of Delaware requires that all hardware, system software products, and application software products included in proposals be currently in use in a production environment by a least three other customers, have been in use for at least six months, and have been generally available from the manufacturers for a period of six months. Unreleased or beta test hardware, system software, or application software will not be acceptable.

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Attachments

The following attachments, appendixes, enclosures and exhibits shall be considered part of the solicitation:

- Attachment 1 – No Proposal Reply Form
- Attachment 2 – Non-Collusion Statement
- Attachment 3 – Exceptions
- Attachment 4 – Confidentiality and Proprietary Information
- Attachment 5 – Business References
- Attachment 6 – Subcontractor Information Form
- Attachment 7 – Monthly Usage Report
- Attachment 8 – Subcontracting (2nd Tier Spend) Report
- Attachment 9 – Office of Supplier Diversity Application
- Attachment 10 – Bidder's Signature Form
- Attachment 11 – Statements of Compliance
- Attachment 12 – Certification Sheet
- Appendix A – Minimum Response Requirements
- Appendix B – Detailed Scope of Work
 - Exhibit A – Current WOW/EBT Interface Matrix
 - Exhibit B – eWIC Statistical Abstract
 - Exhibit C – EBT Card Specifications
 - Exhibit D – Glossary
 - Exhibit E – Price Proposal Form
- Appendix C – Sample Contract Boilerplate
- Appendix D – Technical Requirements
 - Enclosure 1 – General Terms and Conditions
 - Enclosure 2 – Website Links
 - Enclosure 3 – Key Position Resume
 - Enclosure 4 – Bidder Project Experience
 - Enclosure 5 – Bidder Contact Information
 - Enclosure 6 – Criminal Background Check Instructions
 - Enclosure 7 – Cyber Responsibilities, Liability and Insurance
 - Enclosure 8 – Federal Procurement Clauses

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IMPORTANT – PLEASE NOTE

- **Attachments 2, 3, 4, 5, 10, 11, and 12 must be included in your proposal**
- Attachment 6 must be included in your proposal if subcontractors will be involved
- Attachments 7 and 8 represent required reporting on the part of awarded vendors. Those bidders receiving an award will be provided with active spreadsheets for reporting.

REQUIRED REPORTING

One of the primary goals in administering this contract is to keep accurate records regarding its actual value/usage. This information is essential in order to update the contents of the contract and to establish proper bonding levels if they are required. The integrity of future contracts revolves around our ability to convey accurate and realistic information to all interested parties.

A complete and accurate Usage Report (Attachment 7) shall be furnished in an Excel format and submitted electronically, no later than the 15th (or next business day after the 15th day) of each month, detailing the purchasing of all items and/or services on this contract. The reports shall be completed in Excel format, using the template provided, and submitted as an attachment to Carolyn Sudler at Carolyn.sudler@delaware.gov. Submitted reports shall cover the full month (Report due by January 15th will cover the period of December 1 – 31.), contain accurate descriptions of the products, goods or services procured, purchasing agency information, quantities procured, and prices paid. Reports are required monthly, including those with “no spend”. Any exception to this mandatory requirement or failure to submit complete reports, or in the format required, may result in corrective action, up to and including the possible cancellation of the award. Failure to provide the report with the minimum required information may also negate any contract extension clauses. Additionally, Vendors who are determined to be in default of this mandatory report requirement may have such conduct considered against them, in assessment of responsibility, in the evaluation of future proposals.

In accordance with Executive Order 44, the State of Delaware is committed to supporting its diverse business industry and population. The successful Vendor will be required to accurately report on the participation by Diversity Suppliers which includes: minority (MBE), woman (WBE), veteran owned business (VOBE), or service disabled veteran owned business (SDVOBE) under this awarded contract. The reported data elements shall include but not be limited to; name of state contract/project, the name of the Diversity Supplier, Diversity Supplier contact information (phone, email), type of product or service provided by the Diversity Supplier and any minority, women, veteran, or service disabled veteran certifications for the subcontractor (State OSD certification, Minority Supplier Development Council, Women’s Business Enterprise Council, VetBiz.gov). The format used for Subcontracting 2nd Tier report is shown as in Attachment 8.

Accurate 2nd tier reports shall be submitted to the contracting Agency’s Office of Supplier Diversity at vendorusage@state.de.us on the 15th (or next business day) of the month following each quarterly period. For consistency quarters shall be considered to end the last day of March, June, September and December of each calendar year. Contract spend during the covered periods shall result in a report even if the contract has expired by the report due date.

NO PROPOSAL REPLY FORM

Request for Proposal No. HSS 20 008

Request for Proposal Title: WIC-EBT (eWIC) Processing Services

To assist us in obtaining good competition on our Request for Proposals, we ask that each firm that has received a proposal, but does not wish to bid, state their reason(s) below and return in a clearly marked envelope displaying the contract number. This information will not preclude receipt of future invitations unless you request removal from the Vendor's List by so indicating below, or do not return this form or bona fide proposal.

Unfortunately, we must offer a "No Proposal" at this time because:

- _____ 1. We do not wish to participate in the proposal process.
- _____ 2. We do not wish to bid under the terms and conditions of the Request for Proposal document. Our objections are:

- _____ 3. We do not feel we can be competitive.
- _____ 4. We cannot submit a Proposal because of the marketing or franchising policies of the manufacturing company.
- _____ 5. We do not wish to sell to the State. Our objections are:

- _____ 6. We do not sell the items/services on which Proposals are requested.
- _____ 7. Other: _____

FIRM NAME

SIGNATURE

_____ We wish to remain on the Vendor's List **for these goods or services.**

_____ We wish to be deleted from the Vendor's List **for these goods or services.**

PLEASE FORWARD NO PROPOSAL REPLY FORM TO THE CONTRACT OFFICER IDENTIFIED.

REQUEST FOR PROPOSALS NO.: HSS 20 008
REQUEST FOR PROPOSALS TITLE: WIC-EBT (eWIC) Processing Services
DEADLINE TO RESPOND: June 2, 2020 at 11:00 AM (Local Time)

NON-COLLUSION STATEMENT

This is to certify that the undersigned Vendor has neither directly nor indirectly, entered into any agreement, participated in any collusion or otherwise taken any action in restraint of free competitive bidding in connection with this proposal, **and further certifies that it is not a sub-contractor to another Vendor who also submitted a proposal as a primary Vendor in response to this solicitation** submitted this date to the State of Delaware, Division of Public Health

It is agreed by the undersigned Vendor that the signed delivery of this bid represents, subject to any express exceptions set forth at Attachment 3, the Vendor's acceptance of the terms and conditions of this solicitation including all specifications and special provisions.

NOTE: Signature of the authorized representative **MUST** be of an individual who legally may enter his/her organization into a formal contract with the State of Delaware, Division of Public Health.

COMPANY _____	NAME	<table border="1" style="width: 100%; text-align: center;"> <tr><td>Corporation</td></tr> <tr><td>Partnership</td></tr> <tr><td>Individual</td></tr> </table>	Corporation	Partnership	Individual
Corporation					
Partnership					
Individual					
_____ Check one)					

NAME OF AUTHORIZED REPRESENTATIVE _____
 (Please type or print)

SIGNATURE _____ TITLE _____

COMPANY ADDRESS _____

PHONE NUMBER _____ FAX NUMBER _____

EMAIL ADDRESS _____

FEDERAL E.I. NUMBER _____ STATE OF DELAWARE LICENSE NUMBER _____

	Certification type(s)	Circle all that apply
COMPANY CLASSIFICATIONS: CERT. NO.: _____	Minority Business Enterprise (MBE)	Yes No
	Woman Business Enterprise (WBE)	Yes No
	Disadvantaged Business Enterprise (DBE)	Yes No
	Veteran Owned Business Enterprise (VOBE)	Yes No
	Service Disabled Veteran Owned Business Enterprise (SDVOBE)	Yes No

[The above table is for informational and statistical use only.]

PURCHASE ORDERS SHOULD BE SENT TO:
 (COMPANY NAME) _____

ADDRESS _____

CONTACT _____

PHONE NUMBER _____ FAX NUMBER _____

EMAIL ADDRESS _____

AFFIRMATION: Within the past five years, has your firm, any affiliate, any predecessor company or entity, owner, Director, officer, partner or proprietor been the subject of a Federal, State, Local government suspension or debarment?

YES _____ NO _____ if yes, please explain _____

THIS PAGE SHALL HAVE ORIGINAL SIGNATURE, BE NOTARIZED AND BE RETURNED WITH YOUR PROPOSAL

SWORN TO AND SUBSCRIBED BEFORE ME this _____ day of _____, 20 _____

Notary Public _____ My commission expires _____

City of _____ County of _____ State of _____

STATE OF DELAWARE
Delaware Health and Social Services, Division of Public Health

Attachment 5

Request for Proposals No. HSS 20 008
Request for Proposals Title: WIC-EBT (eWIC) Processing Services

List a minimum of three business references, including the following information:

- Business Name and Mailing address
- Contact Name and phone number
- Number of years doing business with
- Type of work performed

Please do not list any State Employee as a business reference. If you have held a State contract within the last 5 years, please provide a separate list of the contract(s).

1. **Contact Name & Title:**
Business Name:
Address:

Email:
Phone # / Fax #:
Current Vendor (YES or NO):
Years Associated & Type of Work Performed:

2. **Contact Name & Title:**
Business Name:
Address:

Email:
Phone # / Fax #:
Current Vendor (YES or NO):
Years Associated & Type of Work Performed:

3. **Contact Name & Title:**
Business Name:
Address:

Email:
Phone # / Fax #:
Current Vendor (YES or NO):
Years Associated & Type of Work Performed:

STATE OF DELAWARE PERSONNEL MAY NOT BE USED AS REFERENCES.

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Delaware Health and Social Services, Division of Public Health

Attachment 6

SUBCONTRACTOR INFORMATION FORM

PART I – STATEMENT BY PROPOSING VENDOR		
1. CONTRACT NO. HSS 20 008	2. Proposing Vendor Name:	3. Mailing Address
4. SUBCONTRACTOR		
a. NAME	4c. Company OSD Classification: Certification Number: _____	
b. Mailing Address:	4d. Women Business Enterprise <input type="checkbox"/> Yes <input type="checkbox"/> No 4e. Minority Business Enterprise <input type="checkbox"/> Yes <input type="checkbox"/> No 4f. Disadvantaged Business Enterprise <input type="checkbox"/> Yes <input type="checkbox"/> No 4g. Veteran Owned Business Enterprise <input type="checkbox"/> Yes <input type="checkbox"/> No 4h. Service Disabled Veteran Owned Business Enterprise <input type="checkbox"/> Yes <input type="checkbox"/> No	
5. DESCRIPTION OF WORK BY SUBCONTRACTOR		
6a. NAME OF PERSON SIGNING	7. BY (<i>Signature</i>)	8. DATE SIGNED
6b. TITLE OF PERSON SIGNING		
PART II – ACKNOWLEDGEMENT BY SUBCONTRACTOR		
9a. NAME OF PERSON SIGNING	10. BY (<i>Signature</i>)	11. DATE SIGNED
9b. TITLE OF PERSON SIGNING		

*** Use a separate form for each subcontractor**

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Delaware Health and Social Services, Division of Public Health

Attachment 8

SAMPLE REPORT - FOR ILLUSTRATION PURPOSES ONLY

State of Delaware																	
Subcontracting (2nd tier) Quarterly Report																	
Prime Name:							Report Start Date:										
Contract Name/Number							Report End Date:										
Contact Name:							Today's Date:										
Contact Phone:							*Minimum Required			Requested detail							
Vendor Name*	Vendor TaxID*	Contract Name/ Number*	Vendor Contact Name*	Vendor Contact Phone*	Report Start Date*	Report End Date*	Amount Paid to Subcontractor*	Work Performed by Subcontractor UNSPSC	M/WBE Certifying Agency	Veteran /Service Disabled Veteran Certifying Agency	2nd tier Supplier Name	2nd tier Supplier Address	2nd tier Supplier Phone Number	2nd tier Supplier email	Description of Work Performed	2nd tier Supplier Tax Id	

Note: A copy of the Subcontracting Quarterly Report will be sent by electronic mail to the Awarded Vendor.

Completed reports shall be saved in an Excel format, and submitted to the following email address: vendorousage@state.de.us



**The Office of Supplier Diversity (OSD) has moved to the
Division of Small Business (DSB)**

Supplier Diversity Applications can be found here:
<https://gss.omb.delaware.gov/osd/>

Completed Applications can be emailed to: OSD@Delaware.gov

For more information, please send an email to OSD:
OSD@Delaware.gov or call 302-577-8477

Self-Register to receive business development information here:
<http://directory.osd.gss.omb.delaware.gov/self-registration.shtml>

New Address for OSD:

Office of Supplier Diversity (OSD)
State of Delaware
Division of Small Business
820 N. French Street, 10th Floor
Wilmington, DE 19801

Telephone: 302-577-8477 Fax: 302-736-7915
Email: OSD@Delaware.gov
Web site: <https://gss.omb.delaware.gov/osd/>

Dover address for the Division of Small Business

Local applicants may drop off applications here:

Division of Small Business
99 Kings Highway
Dover, DE 19901
Phone: 302-739-4271

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



**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: _____

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.



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

STATEMENTS OF COMPLIANCE FORM

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

The State of Delaware Equal Employment Opportunity statement can be found at:

<https://agriculture.delaware.gov/food-products-inspection/eo-statement/>

Authorized Signature: _____

Title: _____

Date: _____



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

CERTIFICATION SHEET

As the official representative for the proposer, 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.

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Delaware Health and Social Services, Division of Public Health

- 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 offerer 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

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Delaware Health and Social Services, Division of Public Health

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

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 3 and Section V.8.t., 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 OSD application (See link on Attachment 9) – only provide if applicable
10. One (1) complete, signed Bidders Signature Form. (See Attachment 10)
11. One (1) complete, signed Statements of Compliance Form (See Attachment 11)
12. One (1) complete, signed Certification Sheet (See Attachment 12)
13. Responses to Supplier Diversity and Inclusion plan questions located in Evaluation Criteria section of this RFP (Section IV.C.2.).
14. Forms required by Appendix D (Technical Requirements), Section 5.2.2 and Section 6 (Enclosures 3, 4, and 5)

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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. Two (2) 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. Six (6) electronic copies of the vendor proposal saved to CD or DVD media disk. (If Agency has requested multiple electronic copies, each electronic copy must be on a separate computer disk or media).

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APPENDIX B
DETAILED SCOPE OF WORK

APPENDIX B

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I. SCOPE OF WORK

A. Minimum Requirements

1. All Offerors must address all Tasks listed below and adhere to all specified requirements. Proposals for a new or significantly modified system must clearly state, in detail, how the proposed system meets each of the task requirements. In the case of minor (or no) changes to the existing system, offerors should attest that the proposed system meets the specified requirement.
2. All Offerors must agree to provide e-WIC systems that conform to the most current (i.e. latest) version of industry and government standards, and government guidance, including (but not limited to) the following FNS documents:
 - a. WIC EBT Technical Implementation Guide (TIG);
 - b. WIC EBT Operating Rules;
 - c. Functional Requirements Document (FRoD) for a Model WIC Information System; and
 - d. The Food and Nutrition Service ("FNS") WIC Universal MIS-EBT Interface Specifications (WUMEI).

FNS guidance and standards for an e-WIC system can be found at:
<http://fns.usda.gov/apd/wic-ebt-document-library>.

3. All Offerors must agree to comply with the most current (i.e. latest) version of The American National Standards Institute (ANSI) X9.93 standards, as specified by FNS, and agree that all software and automated data processing equipment ownership rights shall be as prescribed in Federal regulations and as further clarified or negotiated with the State.
4. Should a transition from the current vendor or system be proposed, the proposed and final (approved) work plan must incorporate the following schedule milestones:
 - a. The User Acceptance Test (UAT) must be scheduled no later than eight (8) months after contract execution;
 - b. State cutover must be completed no later than 12 months after contract execution.
5. All transition effort, if any, as prescribed in Task 19 shall be at no cost to the State.
6. All Offerors must agree to notify the State about any system upgrades and modifications provided by the Offeror to other States or entities. Such notification must be provided within three (3) months of implementation of the modification/upgrade by the State or entity.
7. Appendix D to this RFP includes Information Resource Management (IRM) requirements that may be incorporated into the final contract during contract negotiations. They are provided for informational and consideration only at this

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time; however, bidders should be aware that the following three items will be required:

- i. Cloud Services Agreement (Appendix D., par. 4.4.4.1);
- ii. Data Usage Agreement (Appendix D., par. 4.4.4.1)
- iii. Business Associate Agreement (Enclosure 2)

B. Deliverable Protocols

1. The format of all deliverables, such as plans, assessments, and reports shall be MS Word, MS Excel, .PDF or MS Project formats, as appropriate, or as approved by the State's Project Manager.
2. Electronic submission of all deliverables shall be acceptable unless specified otherwise. The processes and intervals described in paragraph 4 below shall apply for the entire approval cycle of each deliverable.
3. In the approval process for all deliverables:
 - a. Draft documents are not accepted as final deliverables;
 - b. Each deliverable will be complete within itself and will be consistent with previously produced and approved deliverables;
 - c. A signed acceptance letter (or other written notification) will be provided for each accepted deliverable;
 - d. If a deliverable is determined to be unacceptable, a written notification, describing all deficiencies shall be provided to the Contractor.
4. The e-WIC project work plan (see Task 1, paragraph 1.4 below) shall incorporate the following intervals for scheduling submission and approval of all deliverables:
 - a. The State will have not less than ten (10) days in which to provide comments on all draft deliverables provided by the Contractor;
 - b. Final deliverables shall be submitted by the Contractor to the State for approval not more than five (5) days after comments on the draft deliverable have been provided by the State;
 - c. The State will have not less than five (5) days in which to approve all final deliverables;
 - d. The receipt date of the deliverable is not considered part of the review period;
 - e. Unless explicitly stated otherwise, the schedule for all deliverables shall be as reflected in the latest version of the approved e-WIC project work plan.
5. The Delaware Health and Social Service (DHSS), Information Resource Management Section (IRM) will be part of the deliverable review and approval process. 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, contractors 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.

IRM will appoint a Project Director with broad oversight authority for all project activities. A Technical Manager will be appointed and report to the Project

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Director for project-related activities. The Contractor 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 (Department of Technology Information) Director of Major Projects.

C. Task Requirements

In its proposal, each Offeror shall clearly describe its ability to perform all the service tasks in this Section. A comprehensive description of the proposed e-WIC system, or enhancements to the existing system, shall include the system configuration, all processing components, databases, interfaces, and participating entities. Deliverables (see Task 14) shall be provided for all new systems as well as for proposed enhancements to existing systems.

Task 1 - e-WIC Project Management

1.1 Project Kickoff Meeting

Within ten (10) days of the start of the contract, the Contractor will be expected to attend an on-site project kickoff meeting led by the State at a site within the state. The Contractor's project manager and other key Contractor staff will participate in this meeting. The objectives of the meeting are to:

- Introduce the State's Project Manager;
- Give the State an opportunity to provide the Contractor with all the information and materials relevant to the e-WIC project;
- Update the Contractor with the current status of the e-WIC project;
- Provide direction for the Contractor to begin its review of tasks, including any additional detail for the tasks and the timetable for the completion of those tasks;
- Review the preliminary project work plan and schedule, establish the project communications structure and discuss the management of change orders;
- Discuss the required deliverables and schedule for submission of the deliverables, and confirm the acceptance criteria;
- Discuss the content and structure of weekly status calls and status reports; and
- Develop a schedule for joint application design (JAD) sessions, at which system requirements and design will be finalized.

1.2 Project Management Plan

The Contractor shall develop a comprehensive project management plan that illustrates how they will accomplish the work and meet the e-WIC project timeline. The management plan must include the Contractor's approach to the following:

- Integration Management
- Time Management
- Scope Management
- Configuration Management
- Change Control

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- Cost Management
- Quality Management
- Human Resource Management
- Communications Management
- Complaint and Dispute Resolution
- Risk Management
- Status Reporting

1.3 Project Management Team

It is expected that the Project Management Plan will include a team comprised of a dedicated e-WIC project manager, who shall be responsible for carrying out all tasks required by this RFP, and the following key personnel, as necessary:

- Retail manager
- Technical manager
- Operations manager
- Customer service/help desk manager

If one or more of the proposed personnel become unavailable for continuation of the work assignment, the Contractor shall replace said individual(s) with personnel of substantially equal ability and qualifications. However, any changes to designated personnel will require prior written approval of the State's Project Manager. If the proposed replacement personnel are accepted, the changes in personnel shall be effected without additional cost to the State.

1.4 Project Work Plan

As part of its proposal, each Offeror shall prepare a preliminary project work plan, observing the intervals specified in paragraph B.4 above. The Contractor is expected to have the project work plan for the kickoff meeting (See 1.1 above) for review and scheduling. It is expected that the project work plan will be updated and maintained throughout the life of the project. All updates must be approved by the State's Project Manager.

The project work plan shall identify the following:

- Steps and associated timelines necessary for Contractor to complete each task and related deliverables in accordance with this RFP;
- Milestones to be achieved;
- Critical path tasks;
- Contractor's personnel resources to be assigned to each task; and
- State personnel resource assignment needs.

Task 2 - MIS Interface

The Delaware WIC Program utilizes an automated management information system (MIS) system to maintain the WIC client registry. The Delaware WIC MIS system, WIC-on-the-Web (WOW), is an internet-based system developed in partnership with

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the State of Maryland and the US Virgin Islands. WOW is hosted on servers within the Three Sigma Software, Inc. data center located in Maryland.

The Delaware WOW system is compliant with the USDA FNS WIC Universal MIS EBT Interface (WUMEI) Specification dated June 2012. Attachment A reflects interface specifications between WOW and EBT.

It is the State's preference not to have to make changes to the existing current interface. Offerors should, to the greatest degree possible, use the current interface, as described in Attachment A.

Data elements to be transferred, file layouts, schedules, as well as discretionary functionality (i.e. Not-to-Exceed (NTE) calculations, etc.) will be determined during the system design sessions with the e-WIC Contractor, the State and the MIS Contractor.

2.1 Connectivity

The Contractor shall:

- 2.1.1 Establish high performance connectivity between the Contractor's primary and back-up e-WIC systems, and WOW's primary and back-up systems.
- 2.1.2 Provide all necessary hardware and software to ensure connectivity (this does not include provision of computers).

2.2 Interface

The Contractor shall:

- 2.2.1 Coordinate development, integration, and testing of the system interface with WOW;
- 2.2.2 Conform to the existing WOW configuration; modification of WOW to conform to the Contractor's interface is not anticipated.
- 2.2.3 Assure the interface between the WOW and e-WIC systems conforms to the FNS WIC Universal MIS-EBT Interface (WUMEI), at all times throughout the life of the project.

2.3 Data Exchange

The Contractor shall:

- 2.3.1 Receive and transmit data between WOW and the e-WIC systems through real-time host-to-host communication and in batch file-transfer processes.
- 2.3.2 Have twenty-four (24) hour capability, seven (7) days per week, for data, file or record transmission.
- 2.3.3 Have a back-up procedure to transfer and accept files and records should the normal file and/or record transfer processes fail.

Task 3 - e-WIC Systems Requirements

The Contractor is responsible for ensuring that the e-WIC systems meet the processing requirements and criteria established by USDA-FNS. In order of precedence, the Contractor shall process EBT transactions in compliance with:

- a. Federal regulations, including WIC Regulations, 7 CFR Part 246;
- b. USDA-FNS WIC policy memos and guidance;
- c. WIC EBT Operating Rules; and
- d. Prevailing industry technical and performance standards.

Offerors shall propose system configurations that are stable, have the flexibility to support changes in technology and in program requirements, and are not short-lived.

3.1 System Availability

3.1.1 The e-WIC systems, including the EBT host central computer, and any network or intermediate processing facilities under the control of the Contractor and/or its subcontractors, shall be available 99.9% of scheduled uptime, twenty-four (24) hours a day, seven (7) days per week. Scheduled uptime shall mean the time the database is available and accessible for transaction processing and excludes scheduled downtime for routine maintenance.

3.1.1.1 The Contractor shall notify the State of any unscheduled outage within 15 minutes of the occurrence."

3.1.2 The Contractor shall provide the State with an annual maintenance schedule. Scheduled maintenance is expected to occur during off-peak transaction periods. The Contractor shall also provide the State with a description of the maintenance and/or changes to be performed.

3.1.3 The Contractor shall provide the State with a minimum of 30 calendar days advance notice for proposed downtime beyond the scheduled routine maintenance.

3.2 Approved Product List (APL)

3.2.1 The e-WIC systems shall receive and maintain the APL product information which contains the Universal Product Code (UPC), categories and subcategories, etc. from WOW on a scheduled and ad-hoc basis.

3.2.2 The e-WIC systems shall transmit the APL, including the current UPC's and/or PLU's, to authorized WIC vendors and third-party processors (TPP's). The e-WIC system shall allow WIC vendors and TPP's to automate the download of the APL or to request the APL on-demand. The e-WIC systems shall provide authorized users with viewing access to the APL (current and previous) source data. The e-WIC systems should have the ability for vendors and TPP's to view APL files created by date. The APL file

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must conform to the latest version of the ANSI X9.93 V4 type 2 specifications.

3.2.3 To the extent possible, the Contractor shall provide tools to facilitate vendors' handling and processing of APL files.

3.2.4 At present the State has sixteen (16) APL's; however, the EBT system should be capable of accepting additional APL's if required by the State. Each APL represents its own vendor peer group.

3.3 UPC/Price Look-Up Code (PLU) Data & Interfaces

The e-WIC systems shall:

- Maintain food categories and subcategories used in benefit issuance and assigned to UPCs/PLUs for use in benefit redemption;
- Allow authorized users to update (add/modify/delete) the categories/subcategories using the e-WIC administrative systems as well as through batch files;
- Allow users to set, activate, and de-activate dates for specific categories/subcategories within the table; and
- Provide the ability to view and search the categories/subcategories database.

3.4 National UPC (NUPC) Database

The e-WIC systems shall interface with the NUPC to download UPC/PLU data once that system is operational. The e-WIC systems will maintain an interface with the NUPC database (once established and approved by USDA-FNS) and will automate the receipt of applicable category/subcategory, UPC/PLU data as they are added to, modified, or deleted from the NUPC. The e-WIC systems shall automate the transmission of locally entered or uploaded UPC/PLU data to the NUPC database.

3.5 Not-To-Exceed (NTE) Amounts

3.5.1 The e-WIC systems will provide a mechanism and necessary data to enable the State to set the initial NTE for each UPC at the UPC or subcategory level for each APL (peer group). (The NTE shall be the bid-price agreed to by the State with each of their vendors). The e-WIC systems will allow the State the ability to determine which food items' NTE will be set by UPC and which by subcategory, and the ability to change this determination at any time.

3.5.2 The e-WIC systems shall accept file transfers to update all/some of the NTE's, and also allow authorized users to adjust the NTE on an item basis. The e-WIC systems shall also provide automated and on-demand activation of new NTE amounts and allow authorized users to override calculated NTE's deemed inappropriate by the State.

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- 3.5.3 The e-WIC systems shall provide redemption data to enable the State to calculate the NTE amount based on the statewide redemption at the average sub-category level.
- 3.5.4 The e-WIC systems shall maintain the NTE amounts and shall have the capability to automatically transmit NTE data to WOW at pre-determined time intervals. The e-WIC systems shall provide authorized users with viewing and download access to current and historical NTE prices.

3.6 Account Set-Up, Maintenance and Changes

The Contractor shall set-up and maintain an online electronic household account for each WIC family.

3.6.1 Account Set-Up

- 3.6.1.1 The e-WIC systems shall accept a unique identifier (family ID) and associated demographics from WOW via a real-time, online message. The e-WIC systems shall validate the uniqueness of the family ID and ensure there are no duplicate ID's. The e-WIC systems shall validate the integrity of identifying data (e.g., name, date of birth, etc.). If all data is validated, the e-WIC systems shall establish an e-WIC household account.
- 3.6.1.2 Specific identifying and demographic data elements, as needed, will be addressed during joint application design (JAD) sessions between the State and the Contractor.
- 3.6.1.3 The e-WIC systems shall create a unique EBT account number for use in identifying each EBT household account in the e-WIC systems.
- 3.6.1.4 The e-WIC systems shall maintain an EBT account structure to ensure that: 1) benefit balances are accurately maintained; 2) benefits accessed by cardholders are drawn from the appropriate category/subcategory and 3) benefit accounts are not overdrawn. The Contractor shall be liable for any benefits or funds drawn from an incorrect account, for overdrafts against EBT benefit accounts, for access to benefits prior to or after their availability dates, and for EBT host transaction processing errors.

3.6.2 Account Maintenance

- 3.6.2.1 The e-WIC systems shall maintain an account for each WIC household. The e-WIC systems shall not make changes or updates to account demographic data unless authorized by the State (via a WOW transmission) to do so.
- 3.6.1.2 The e-WIC systems shall classify as "pending" any new household EBT accounts without associated benefits and will maintain the account as pending until benefits are posted to the account. The e-

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WIC systems shall only post benefits to the account upon receipt of a benefit issuance record from WOW.

3.6.1.3 The e-WIC systems shall provide the administrative capability to search for pending accounts and shall generate periodic reports on pending accounts.

3.6.1.4 The e-WIC systems shall provide online functionality to delete a pending household account. In addition, the e-WIC systems shall automatically purge pending accounts based on parameters established by the State. The e-WIC systems shall also automatically purge pending cards associated with any pending accounts.

3.6.3 Account Changes

3.6.3.1 The e-WIC systems shall provide functionality to change household demographics through a real-time online message from WOW, upon validation of the family ID. If all data is validated, the e-WIC systems shall update the EBT database and return a confirmation for the updates made to demographic data.

3.6.3.2 The e-WIC systems shall provide functionality to change the name and/or demographics of the primary cardholder through host-to-host communication or batch file transmission from WOW.

3.6.3.3 The e-WIC systems shall only close an account upon notification from WOW.

3.7 Benefit Issuance

3.7.1 The e-WIC systems shall receive food and cash value WIC benefit issuance records from WOW and assign them to the designated household account. Benefits will be aggregated at the household level and will indicate the household account number, the category/subcategory, quantity/size and benefit availability date(s).

3.7.2 The e-WIC systems shall be able to accept food and Cash Value Benefits (CVB) benefit issuance records from WOW, via host-to-host data transfer and batch file transmission, both real-time and on a predefined schedule.

3.7.3 The e-WIC system shall only accept and make available benefits received from WOW, or upon other written authorization received from the State. The Contractor shall not issue, and shall be liable for, any and all benefits issued of its own volition and/or not received from WOW.

3.8 Benefit Processing

3.8.1 The e-WIC systems shall validate issued benefits and link benefits to the appropriate household EBT account. The e-WIC systems shall:

- Reject duplicate benefits;
- Accept current and future months' benefits;

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- Allow more than one issuance to a household for a single month;
- Validate that benefit issuance records are correct in content and format; and
- Validate that benefit dates are synchronized with existing household benefits.

3.8.2 The e-WIC systems shall support a real-time, online request for the current balance including both current and future months' benefits. The e-WIC systems will return category/subcategory, food description, quantity, and benefit start and end dates by real-time, online message. The inquiry module shall be designed to allow authorized users to print a list of a household's issued benefits.

3.9 Benefit Maintenance

The e-WIC systems shall maintain the WIC benefit account and account structure. WIC benefit account balances will be segregated by category/subcategory. When a cardholder transaction is conducted, the e-WIC systems shall ensure the transaction will occur using the appropriate category/subcategory. The e-WIC systems shall ensure benefit accounts are not overdrawn or over-issued.

3.10 Benefit Availability and Expiration

- 3.10.2 The e-WIC systems will manage benefits based on their availability date and time.
- 3.10.3 Benefits issued host-to-host for an initial certification shall be available to the household immediately upon receipt of the data by the e-WIC host.
- 3.10.4 Records received during the business day containing current month's benefits must be processed and benefits made available immediately upon receipt. Future months' benefits will be available to a household at 12:00 AM local time on the first day of their availability period.
- 3.10.5 The e-WIC systems will ensure benefits are not redeemed prior to their availability date.
- 3.10.6 Benefits will expire at 11:59 PM local time on the last day of the benefit availability period.
- 3.10.7 The e-WIC systems will ensure that expired benefits are not redeemed after their expiration date and time. The systems shall also accommodate transactions, such as store-and-forward (SAF) purchases or adjustments, which may need to be applied to an expired benefit.
- 3.10.8 The e-WIC systems will expunge expired benefits from a household account after a pre-determined period of time to allow for SAF's and adjustments to be applied. A record of expired benefits will be kept by the e-WIC systems and available in a reportable format.

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3.11 Modification/Cancellation of Benefits

The e-WIC systems shall allow authorized users to modify and/or cancel current and future months' available benefits using real-time, online messages from WOW.

3.12 Transaction History

3.12.1 Transaction history data must be maintained as required by State, FNS, Federal Reserve Board, and Federal law.

3.12.2 The e-WIC systems shall maintain and support online access to current account balances and a rolling three-year transaction history for each account.

3.12.3 Data older than three (3) years may be archived but must be accessible to authorized entities as required. Archived data must be recoverable within 48 hours of a request from either the State. Retrieval methods will be as agreed upon during the JAD sessions.

3.12.4 Data to be maintained as part of the transaction history shall include:

3.12.4.1 For Retail Transactions:

- Primary Account Number (PAN);
- EBT account number;
- Household unique identifier (from WOW);
- WIC vendor and TPP identification numbers;
- Terminal identification number;
- Card swipe or key-entered transaction indicator;
- Transaction type (i.e. purchase, void, etc.);
- Category/Sub Category, UPC, cost, quantity and unit of measure;
- Transaction amount (including discounts and NTE adjustment details);
- Transaction date (local and host);
- Transaction time (local and host);
- Transaction results (approval code or denial reason);
- WIC vendor name and address; and
- Account balance after the transaction.

3.12.4.2 For Clinic Transactions:

- PAN;
- EBT account number;
- Household unique identifier (from WOW);
- System user identifier;
- Clinic and local agency identification numbers;
- Transaction type (i.e. account set-up, benefit issuance/adjustment, etc.); and
- Transaction results (approval code or denial reason).

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3.12.4.3 For e-WIC Administrative System Transactions:

- PAN;
- EBT account number;
- Household unique identifier (from WOW);
- System user identifier;
- Transaction type (including appropriate explanatory details); and
- System user identifier.

Task 4 - EBT Card and PIN Management

4.1 Card Management

- 4.1.1 The State does not intend to reissue or redesign the current EBT card under the contract resulting from this RFP.
- 4.1.2 The Contractor shall produce and supply magnetic stripe cards, using the current design and specifications, for bulk distribution to the State Agency. See Exhibit C for technical card specifications.
- 4.1.3 All initial e-WIC cards will be issued over-the-counter (OTC) at clinics. The authorized user shall enter the PAN of the card to be issued into the WOW system. That information will be transmitted online, real-time, to the e-WIC systems. The e-WIC systems shall link the PAN, online, real-time to the household account.
- 4.1.4 At the present time, the State does not issue any proxy cards.

4.2 Card Replacement

- 4.2.1 The e-WIC systems must provide cardholders with the ability to report lost, stolen or damaged cards 24 hours per day, 7 days per week.
- 4.2.1 All replacement cards will be issued OTC at the clinic. The Contractor shall not issue any replacement cards.
- 4.2.2 Prior to allowing a replacement card to be issued, the e-WIC systems shall validate that the previous card has been “stated” (deactivated) in the e-WIC system. If a previous card is still active, the e-WIC system will deactivate that card before issuing the new card to a specific cardholder.
- 4.2.3 The e-WIC systems shall return a daily file of all replacement cards issued by the clinics. Formats, schedule, etc. shall be determined during the JAD sessions.

4.3 PIN Management

- 4.3.1 The e-WIC systems shall allow a cardholder to select and/or change their PIN at any time via the ARU or secure client web portal. The e-WIC

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systems shall provide functionality to positively identify a cardholder requesting an initial or changed PIN.

- 4.3.2 When a replacement card is issued, the cardholder's existing PIN must be useable with the replacement card.
- 4.3.3 The State will not use PIN-select devices.
- 4.3.4 PIN security must meet the guidelines set forth in the most recent version of the WIC EBT Operating Rules and conform to industry standards.
- 4.3.5 .

4.4 Test Cards

- 4.4.1 The e-WIC systems shall support the issuance of cards (and the set-up and maintenance of associated accounts) to test WIC vendor systems, train WIC vendor staff and for the State or its designees to conduct compliance and monitoring activities at WIC vendor locations.
- 4.4.2 Specific parameters for account set-up and card issuance for testing and training purposes, including benefit issuance, settlement, etc. shall be determined between the Contractor and the State during the JAD sessions.

Task 5 - POS Transaction Processing

5.1 Transaction Handling

- 5.1.1 The Contractor shall receive, process, and authorize cardholder transactions from authorized WIC vendor POS devices in real time transactions. The Contractor shall ensure that cardholders access their WIC benefits only at POS terminals located in authorized WIC vendor locations.
- 5.1.2 The Contractor is prohibited from charging a fee to cardholders, TPP's, single-function or direct-connect WIC vendors for any WIC transactions.
- 5.1.3 No minimum purchase amounts or quantities shall be required of the WIC cardholder. However, the maximum number of different food items, as identified by a unique UPC or PLU, that can be purchased in a transaction is 50 (due to message size limitations).
- 5.1.4 e-WIC transaction processing includes:
 - Accepting transactions coming from an authorized transaction acquirer;
 - Authorizing or denying transactions;
 - Sending response messages back to the transaction acquirer authorizing or denying the transactions;
 - Providing the data necessary to print a cardholder receipt with the account balance after the transaction; and

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- Logging all transactions for subsequent settlement and reconciliation processing, transaction reporting, and for viewing through transaction history.

5.2 Transaction Performance and Security

In processing EBT transactions, it is the responsibility of the Contractor to ensure that the e-WIC systems meet performance and technical standards and regulations defined below. Additional security may include authentication codes and check-sum digits, in combination with data encoded on the magnetic stripe such as the PIN offset, to ensure data security during transmission and processing of EBT transactions. Any of the network security measures may be utilized together or separately and may be applied at the terminal or central computer as indicated in the approved system design to ensure communications control.

5.2.1 The e-WIC systems shall permit no more than two (2) inaccurate EBT transactions for every 10,000 EBT transactions processed. The transactions to be included in measuring system accuracy shall include all transactions occurring at POS terminals and processed through the host computer, including any credits processed to EBT accounts.

5.2.2 The e-WIC system shall conform to WIC EBT Operating Rules for e-WIC regarding communications network security and, at a minimum, shall utilize the triple Data Encryption Standard (DES) algorithm to encrypt the PIN during EBT transactions from the point of entry. The PIN shall not be visible on the screen of the POS as it is being entered by a cardholder.

5.2.3 The e-WIC system shall perform the following validations to determine whether a cardholder's transaction should be approved. These checks must include determining whether:

- The vendor has a valid WIC vendor number;
- The PAN is valid and the card is active;
- The number of consecutive failed PIN attempts has not been exceeded;
- The PIN is verified as being entered correctly;
- The account is active; and
- The EBT account holds a sufficient balance in order to satisfy the transaction request.

5.3 Minimum Transaction Set

5.3.1 The e-WIC system shall process, at a minimum, the following WIC transaction types through the POS:

- Balance Inquiry;
- Food Purchase;
- Cash Voucher Benefit Purchase;
- Mixed Basket (not required for single-function equipment);
- Coupon and discount application;

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- Reversal or Void;
- Store and Forward (not required for single-function equipment); and
- Key-entered transactions

5.3.2 Returns are not permitted via eWIC. Any item returns must be on a 1-1 basis and are performed outside the eWIC system.

5.3.3 The receipt generated from any of the transactions listed in 5.3.1 above shall comply with the WIC EBT Operating Rules.

5.3.4 Each e-WIC system shall provide TPP's, direct-connect vendors, and vendors using State provided single-function equipment with the data necessary to print the WIC receipt after a transaction has been conducted.

5.4 Transaction Types

5.4.1 Balance Inquiries

The e-WIC system shall support benefit balance inquiry capability on demand, either at the POS terminal in the checkout lane or at a separate card acceptance device. The receipt printed from this transaction should be able to be used by the cardholder as a shopping list of items still available for purchase; the receipt must include:

- Description of the category/subcategory;
- Available benefit balance, including category/subcategory balance;
- Unit of measure (quart, pound, ounce, etc.); and
- Expiration date of current benefits.

5.4.2 Food Purchases

5.4.2.1 Once a transaction is validated, the e-WIC systems shall transmit the benefit balance to the retail POS terminal that initiated the transaction, and perform the following validations/authorizations:

- The POS will validate the food items scanned against the APL and the download available balance;
- The e-WIC systems shall authorize the food benefit purchases if the item's UPC matches an eligible category/subcategory and there is sufficient balance (quantity) in the cardholder's household benefit account;
- The e-WIC systems will determine if item prices submitted in the purchase message are within the NTE threshold for the submitting vendor's peer group. If the price exceeds the NTE, the e-WIC systems will reduce the total paid amount to the NTE amount;
- At the conclusion of the purchase transaction, the e-WIC systems will determine the transaction settlement amount based on the total requested amount for each item minus any discounts and NTE adjustments; and

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- The e-WIC systems will return the new account balance to the retail system along with data on NTE adjustment and settlement amount.

5.4.2.2 A split tender transaction---one in which an alternate method of payment is used to supplement the WIC benefit to complete the transaction—shall not be allowed for a food benefit purchase.

5.4.3 CVB Purchases

5.4.3.1 Once a transaction is validated, the e-WIC systems shall allow cardholders to use their CVB to purchase any fruits and vegetables on the APL. In processing a CVB purchase transaction, the Contractor must adhere to the redemption rules for CVB benefit redemption as specified in the most recent version of the WIC EBT Operating Rules for online e-WIC.

5.4.3.2 The e-WIC systems shall support the capability for retail POS to perform split tender processing for CVB. If a WIC cardholder does not have an alternative method of payment for the balance of the purchase, the e-WIC systems shall allow the reversal or void of one or more CVB food items and the CVB amount for the item(s) will be restored to the e-WIC account.

5.4.4 Mixed Basket

Mixed basket refers to the ability of the WIC cardholder to purchase WIC and non-WIC items without separating the items into two separate transactions prior to checkout. Implementation of this functionality at any particular vendor is at the vendor's option.

5.4.4.1 The e-WIC systems must support mixed-basket functionality for integrated vendors.

5.4.4.2 Benefits and funds shall be applied to mixed basket purchases in the order of the most restrictive benefit account to the least restrictive benefit account or payment type; the order of precedence of payment for items shall be:

- WIC;
- Supplemental Nutrition Assistance Program (“SNAP”);
- Temporary Assistance for Needy Families (“TANF”), and
- Other forms of payment.

5.4.4.3 The e-WIC systems shall provide the cardholder with the ability to confirm the WIC purchase quantities and amount prior to selection of additional methods of payment needed to complete the transaction.

5.4.4.4 The e-WIC systems shall allow the WIC cardholder to remove food items identified as part of the WIC purchase confirmation from being paid with WIC benefits. The e-WIC systems must provide the opportunity for confirmation before final payment.

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5.4.5 Discounts and Coupons

5.4.5.1 The e-WIC systems shall allow discounts and coupons to be applied to WIC food and CVB purchases.

5.4.5.2 Such discounts and coupons shall be applied to the purchase transaction prior to the cardholder accepting the WIC transaction.

5.4.5.3 The benefit of a quantity discount (e.g., buy one get one free) will be given to the WIC cardholder.

5.4.5.4 The benefit of a price discount shall accrue to the State by reducing the total cost of the approved food item.

5.4.5.5 The Contractor's systems shall follow the rules for processing e-WIC transactions under different types of discount and coupon promotions as defined in the WIC EBT Operating Rules. Coupons and discounts shall be applied in the same order as the mixed basket.

5.4.5.6 The e-WIC systems shall accommodate store/loyalty shopping cards as prescribed in the WIC EBT Operating Rules.

5.4.6 Reversals and Voids

5.4.6.1 The e-WIC systems shall allow the cancellation of the purchase of one or more WIC food item(s), a method of payment for WIC food items, or the entire transaction.

5.4.6.2 A void shall not be allowed to credit the WIC account if an item is returned. WIC item returns are item exchanges, on a one-for-one basis, conducted at the WIC vendor's option and shall not result in an e-WIC transaction.

5.4.7 Store and Forward Transactions

5.4.7.1 A store and forward transaction is stored electronically with an encrypted PIN by a POS terminal operator when the POS terminal is unable to communicate with the EBT host. The transaction is later forwarded to the EBT host when communications are restored.

5.4.7.2 Store and forward transactions may be conducted at the WIC vendor's discretion and must be conducted in accordance with the WIC EBT Operating Rules.

5.4.7.3 Store and forward transactions shall be processed at the vendor's risk.

5.4.7.4 Re-presentation to obtain the uncollected balance from current or future months' benefits is not allowed for store and forward transactions. The e-WIC systems shall prevent the use of store

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and forward as a way of accessing the cardholder's future month's benefits.

5.4.8 Key-Entered Transactions

5.4.8.1 Transactions may be key-entered at times when a card presented by a cardholder is damaged and/or the POS device is unable to read the magnetic stripe accurately. The e-WIC systems shall accept and process EBT transactions in which the PAN has been manually entered (key-entered) into the POS device. The EBT card must be present for a WIC vendor to conduct a key-entered transaction.

5.4.8.2 The validation of the cardholder's PIN is still required on key-entered transactions. If a PIN pad is defective or if, for other reasons, a PIN does not accompany the transaction to the EBT host for processing, the e-WIC systems shall deny the transaction.

5.4.8.3 The Contractor shall adopt security measures to prevent cardholder and WIC vendor abuse/misuse of the key-entry feature.

5.4.8.4 The Contractor must be able to selectively disable or deny the capability of stand-beside POS equipment from completing key-entered transactions.

5.4.8.5 The Contractor shall track key-entered transactions by WIC vendor, WIC vendor address, device (terminal) number or ID number, date and time, WIC vendor number and card number.

5.5 Transaction Denials

If any one of the validations described in paragraph 5.4.2.1 above is not met, the eWIC system shall deny the transaction. If the transaction is denied, the systems must return a message to the WIC vendor indicating the reason for denial (e.g., invalid PAN, invalid PIN, insufficient benefits, etc.).

5.5.1 Invalid Foods

The e-WIC systems shall decline a food item for a WIC purchase if:

- It is not an authorized WIC category/subcategory;
- It is not a category/subcategory or size authorized in the WIC household account;
- It is not in the provided APL; or
- Sufficient quantities of the category/subcategory are not available in the WIC household account.

5.5.2 Invalid PIN

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The e-WIC systems must deny transactions if the PIN is entered incorrectly. The PIN shall be locked/unlocked as described below, based on the number of consecutive incorrect PIN entries:

- After four (4) consecutive incorrect PIN attempts in one day, or as otherwise specified by the State, the card shall be temporarily blocked until midnight local time on the day the last failed PIN attempt occurred, or until an on-demand release request is made through the ARU or through e-WIC administrative system;
- The card block shall be removed and the invalid PIN counter re-set to zero at 12:01AM local time on the day after the fourth invalid PIN attempt;
- The number of invalid PIN attempts shall be configurable in the e-WIC systems; the State reserves the right to change the number of invalid PIN attempts allowed in one day.

5.6 Adjustments and Disputes

5.6.1 Adjustments

“Adjustments” are defined as corrections to errors that result from the system malfunctions during transaction processing. Generally, adjustments are to resolve system errors and out-of-balance situations, during settlement.

5.6.1.1 System malfunctions can occur at any point in the process but generally happen at:

- The POS device;
- The vendor’s host computer;
- The routing of the transaction to the database; or
- The EBT host system.

5.6.1.2 Adjustments made by the e-WIC systems must be in compliance with the WIC EBT Operating Rules. Adjustments to correct system errors may result in debits (adverse action) or credits to participant benefits and may impact the daily settlement.

5.6.1.3 The Contractor may process adjustments that result in a credit to a participant’s account without any prior notice to the State or the participant.

5.6.1.4 The Contractor shall report and receive approval from the State prior to processing any adjustment which would result in a debit to a participant’s account.

5.6.2 Disputes

A “dispute” arises when one (or more) party to a transaction (typically, a participant or vendor) has or may incur a financial loss. Unlike system

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errors (adjustments), disputes usually address items such as over/under payment, rejected transactions, benefit availability, etc.

5.6.2.1 The Contractor shall investigate and resolve all disputes in accordance with the WIC EBT Operating Rules, including the timeframes and with the documentation specified therein.

5.6.2.2 The Contractor shall incorporate dispute rules (as defined in the WIC EBT Operating Rules and approved by the State) in all WIC Vendor Agreements, and Acquirer and Third-Party Processor Agreements.

5.6.2.3 The Contractor shall advise the State about valid vendor disputes prior to adjusting any settlement.

Task 6 - Reconciliation and Settlement

The Contractor shall be responsible for the execution of e-WIC settlement and reconciliation activities. Settlement and reconciliation shall be conducted in accordance with Federal regulations as updated throughout the life of the Contract and the most recent version of the WIC EBT Operating Rules.

The e-WIC systems shall operate on a 24-hour processing cycle. At a designated cutoff time each day, the Contractor shall close out the current processing day and commence the next processing day.

6.1 Reconciliation

6.1.1 The Contractor shall follow FNS guidelines on e-WIC reconciliation. Daily reconciliations shall include:

- Household account daily beginning category/subcategory balance, purchases, and net category/subcategory ending balance;
- Household net redemptions in dollar value to acquirer settlement values;
- Total funds entering, exiting, and remaining in the system each day;
- Total net change in outstanding system wide obligations and the sum of the net change in obligations outstanding for all government funding agencies;
- The net settlement value of participant account adjustments with the sum of the net settlement value of adjustments settled to WIC vendors and acquirers;
- The net settlement value of all transactions to the sum of the net settlement values for all clinics; and
- Net redemptions in dollar value versus the daily suspended transactions in dollar value that overlap daily ACH cut-off times and the current daily activity in dollar value.

6.1.2 The Contractor shall determine the total amount of money necessary to reimburse its accounts for the total credits due to EBT acquirers. The information generated during system cutoff and balance processing shall

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be used by the Contractor to prepare the daily settlement files.

- 6.1.3 The Contractor shall specify procedures for maintaining audit trails throughout the reconciliation and settlement processes.
- 6.1.4 Prior to making any change in reconciliation reports, processes or data displays, etc., the Contractor must provide 90 calendar days advance notice to the State, and an opportunity to review and approve changes prior to implementation.
- 6.1.5 The Contractor shall develop procedures and reports that will enable the State to streamline its reconciliation process.
- 6.1.6 The Contractor shall provide initial reconciliation training to designated State staff as part of State training prior to operations.
- 6.1.7 The training shall be updated as needed during the course of the Contract to reflect changes to the reconciliation reports, processes or data displays.

6.2 Settlement

In fulfilling its settlement responsibilities, the Contractor shall:

- 6.2.1 Be responsible for initiating settlement of funds to WIC vendors and TPP's, directly or through financial networks, financial institutions or other payment intermediaries.
- 6.2.2 Reimburse vendors for the sale of approved food item purchases at either the lower of the requested food item price or the NTE.
- 6.2.3 Settle to the first entity downstream, if an acquirer or TPP exists between the e-WIC systems and the WIC vendor.
- 6.2.4 Own and reconcile a zero-balance clearing account used for daily settlement.
- 6.2.5 Advise the State of funds to be transferred each day. The Contractor and the State will agree on processes to move funds to facilitate settlement. Currently, the EBT processor debits the State's account to secure funds for settlement.
- 6.2.6 Deposit funds into the zero-balance clearing account for the settlement of EBT transactions.
- 6.2.7 Make payments to WIC vendors, acquirers and TPP's for approved, cleared transactions within two processing days of the settlement date of the transaction.

6.3 Rejected Payments

For any rejected payments, the Contractor shall:

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- 6.3.1 Research all ACH transactions that are rejected due to inaccurate account information or closed accounts, and, when possible, correct the information and resend the payment to the proper account.
- 6.3.2 Return to the State any funds that cannot be settled within 90 calendar days of the initial ACH.
- 6.3.3 Provide the following information for each unsettled payment returned to the State:
 - Transfer type;
 - Total amount;
 - Attempted settlement date(s);
 - WIC vendor/acquirer/TPP name;
 - WIC vendor number; and
 - Bank account number (including the American Banking Association bank number).
- 6.3.4 Provide any additional data elements required when FNS issues written procedures to address unsettled funds.

Task 7 - Administrative Terminal Functionality

While normal interface with the e-WIC systems will be through WOW, the Contractor shall provide the administrative functions defined below to the State, and to FNS to enable direct access to the e-WIC systems.

The administrative functionality must be capable of running on the State's existing hardware and work stations.

7.1 Administrative Terminal Design

- 7.1.1 The Contractor shall provide administrative access to the e-WIC systems to State personnel, specified clinic supervisors, and to those Federal agencies at Headquarters and in field offices designated by the State.
- 7.1.2 The Contractor shall provide e-WIC administrative system or host-to-host software and communication protocols to State staff and clinics.
- 7.1.3 To support administrative access, the Contractor shall provide a browser-based administrative application utilizing TCP/IP as the communications protocol. This interface shall provide authorized users with a window/Graphic User Interface (GUI) environment that includes drop down screens and point and click capabilities.
 - 7.1.3.1 While bidders may propose alternative methods of access support, the alternative method must support all other requirements of this paragraph.
- 7.1.4 The Contractor shall assure that the Admin Terminal systems include multi-level access controls to ensure that only authorized individuals can process administrative transactions or access cardholder account information through the e-WIC administrative systems.

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7.2 User Profiles

- 7.2.1 The Contractor shall provide role-based access security for administrative access whereby user profiles are established based upon the specific administrative functions the user requires to perform his/her respective job.
- 7.2.2 Each administrative user, whether employed by the State, clinic, or FNS, will be assigned specific role functionality.
- 7.2.3 The State will define the roles for their respective systems with the assistance of the Contractor. The Contractor will not assign any individual to a role without the expressed approval of the State.

7.3 Program Level Administrative Functions

- 7.3.1 The Contractor shall provide the administrative functions defined below. It is anticipated that any or all of these functions may be used when access through WOW is unavailable:
 - Create e-WIC accounts;
 - Update or correct EBT account information, including activating or deactivating an account;
 - Authorize benefits;
 - Cancel benefits prior to their availability date;
 - Deactivate, issue, or replace EBT cards;
 - Search by name, State ID, PAN, or WIC vendor number to access account, benefit, or WIC vendor information or the online transaction history;
 - Access online history for a minimum of three years;
 - Execute request for archived data;
 - Search for pending cards and/or accounts;
 - Purge pending accounts and pending cards;
 - Make an adjustment payment to a WIC vendor via ACH;
 - View current and historic NTE's, set NTE start and stop dates and adjust NTE's calculated by the e-WIC system;
 - View APL, categories, subcategories and UPCs;
 - Input additions, changes and deletions (including start and stop dates, when applicable) to the approved APL;
 - Access and view system reports and export into a State-designated format; and
 - Password change.

7.4 Clinic Admin Functions

The transaction set supported through the EBT administrative functionality at the clinic level shall include the ability to:

- View EBT household account information;
- Search functionality to locate a household account;

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- Navigate between the account screen, the transaction history screen and the card history screen for a single account;
- Provide the history of account activity, including credits, debits, card changes, PIN changes and PIN unlocks; and
- Display current benefit balances and future (pending) benefit issuances.

7.5 Query Functionality

- 7.5.1 Admin terminal query functionality shall include the ability to set date parameters on queries, and to allow export of the data.
- 7.5.2 Users shall be able to conduct queries into redemption activity and have the ability to print and export data resulting from a summary query:
- By household;
 - By card number; and
 - By WIC vendor.
- 7.5.3 The e-WIC systems shall also support navigation between queries, including the following:
- From account status query;
 - Between WIC vendor and household queries;
 - From summary to detail and from detail to summary; and
 - From reconciliation to exception reports.

7.6 FNS Administrative Functions

The functionality available to FNS shall be all or a portion of what is available to the Program and/or Local Agency and Clinic. Exact requirements will be determined during the system JAD sessions.

Task 8 - Vendor Initiatives

8.1 Vendor Management

- 8.1.1 The Contractor shall be responsible for managing WIC vendor e-WIC participation in Delaware. The Contractor's primary roles and responsibilities include:
- Providing every authorized WIC vendor with the opportunity to participate in the e-WIC system;
 - Developing and obtaining direct-connect and TPP vendor agreements;
 - Certifying and de-certifying ECR/POS systems and TPP's/networks, as needed;
 - Training the participating WIC vendors on the use of single-function equipment, and their responsibilities with regard to operating rules, and operations of the e-WIC system;
 - Maximizing the use of existing commercial POS terminals;
 - Minimizing the use of separate single-function terminals.;

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- Installing, maintaining and otherwise supporting stand-beside single-function POS equipment as necessary in accordance with WIC EBT Operating Rules;
- Allowing dial-up and direct-connect communications between the WIC vendor's stand-beside terminal or integrated system to the e-WIC system; and
- Providing help desk services to WIC vendors utilizing single-function equipment for resolving issues/problems on Contractor supplied stand-beside POS equipment and helping to resolve settlement and dispute questions and issues.

8.1.2 The Contractor shall provide interface specifications and technical assistance during design, development and testing for those vendors using integrated/TPP-provided POS systems. The Contractor shall encourage vendors to adopt an integrated POS solution.

8.1.3 The Contractor shall ensure that WIC vendor transactions occur only at entities that have valid agreements with the Contractor.

8.1.4 The Contractor shall assume all liability if transactions are completed against an invalid WIC vendor number.

8.1.5 The Contractor shall cooperate with the State and Federal personnel conducting investigations or audits and provide all requested information within a mutually agreed upon time.

8.2 Vendor Participation

8.2.1 The Contractor is responsible for ensuring WIC vendor participation in e-WIC. This effort must be carried out in such a manner so that there are an adequate number of access points for cardholders in their communities.

8.2.2 The Contractor shall advise all authorized vendors of any system changes (including new POS deployments, changes in acquiring software, etc.) resulting from implementation of any enhancements, changes to, or replacements of the existing eWIC system.

8.2.3 The Contractor shall ensure access to the e-WIC systems to all authorized vendors who elect to use their own equipment (i.e. "direct-connect") or who participate using equipment provided by TPP's (i.e. "integrated" vendors).

8.2.4 The Contractor shall ensure that there are enough authorized WIC vendors participating and ready to process e-WIC transactions to represent a minimum of 95% of the redemptions.

8.2.5 The Contractor shall ensure that specific vendor information, such as Retailer Agreements, WIC vendor EBT contacts and e-WIC vendor locations, is available upon the State's request to provide verification of adequate access.

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8.3 Acquirer and TPP Agreements

8.3.1 The Contractor shall develop and enter into agreements to deploy and control single-function (stand-beside) POS equipment in accordance with the requirements of this RFP, and to provide e-WIC transaction processing services to all WIC vendors who accept State provided POS terminals.

8.3.1 The Contractor shall develop and enter agreements for TPP's retained by authorized vendors to drive their POS terminals, and for those WIC vendors who choose to use their existing equipment and either acquire the services of a TPP or serve as their own acquirer (including direct-connect vendors).

The agreement with the TPP's must stipulate that the TPP is responsible for training their e-WIC vendors.

8.3.1.1 TPP and WIC vendor agreements will be between the Contractor and the WIC vendor or TPP's directly; the State will not be a party to WIC vendor/TPP agreements.

8.3.1.2 The agreements will describe the terms and conditions regarding the arrangements for use of the POS equipment, transaction processing, and the operating procedures and rules. At a minimum, the agreements must include language that requires:

- Compliance with State regulations;
- Compliance with USDA-FNS WIC EBT Operating Rules for e-WIC;
- Compliance with ANSI X9.58-2007, X9.93-2008, ISO 8583 and ISO 9510;
- Compliance with USDA-FNS Technical Implementation Guide (TIG) for online e-WIC systems as defined by USDA FNS;
- No charge to WIC authorized vendors utilizing State-provided single-function POS equipment for authorization and settlement processing by the Contractor for EBT transactions;
- That only State authorized WIC vendors may perform WIC transactions; and
- That TPP's must periodically provide a list of WIC vendors under contract with them that accept the e-WIC card within the State, and that the list must be updated on a periodic basis.

8.3.1.3 Vendor and TPP agreements must be approved by the State prior to being used.

8.4 State Provided Single-Function Equipment

8.4.1 The State currently does not have any single-function POS terminals deployed at authorized vendors. However, the State reserves the right to invoke the requirements of this section when/if deployment of such terminals becomes necessary to assure participant access to WIC benefits.

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- 8.4.2 The Contractor shall supply single-function stand-beside POS equipment, as directed by the State, at no charge to the vendor. The Contractor shall also provide supplies and maintenance at no charge to the vendor.
- 8.4.3 The Contractor shall disable the POS equipment of any vendors whose authorization is terminated within twenty-four (24) hours of receiving notification from WOW. This requirement shall also apply to terminated vendors processing via direct-connect or through TPP's, as well as those using single-function equipment.
- 8.4.4 The Contractor is responsible for retrieving stand-beside POS terminals from vendors who have been terminated by the State, who voluntarily withdraw from the WIC program, and from vendors who have elected to move to integrated systems.
- 8.4.5 During implementation, the Contractor shall provide weekly reports, as part of the weekly status report, detailing the number of WIC vendors for which the Contractor has signed agreements, and the percent of WIC vendors with signed agreements in relationship to the total number of WIC vendors.
- 8.4.6 Following implementation, these reports must be provided on a quarterly basis.

8.5 POS Terminal Deployment

- 8.5.1 Single-function POS equipment provided by the Contractor shall include the terminal, PIN pad, printer, and UPC scanner. POS terminals shall be deployed in accordance with the latest FNS formula and approved by the State.
- 8.5.2 The Contractor shall adjust the number of terminals deployed to each vendor annually, based on input from the State.
- 8.5.3 The single-function stand-beside POS equipment shall meet the operational requirements of the e-WIC systems and support the full e-WIC transaction set. All POS equipment deployed by the Contractor must comply with the following:
- WIC EBT Operating Rules;
 - ANSI X9.58-2007, ANSI X9.93, ISO 8583, ISO 9510; and
 - USDA-FNS Technical Implementation Guide (TIG).
- 8.5.4 The POS equipment deployed by the Contractor shall be industry standard and meet the performance requirements specified in Task 18 "Performance Requirements."
- 8.5.5 Each terminal deployed to WIC vendors shall be assigned a unique terminal ID. The Contractor shall be responsible for ensuring that each terminal is listed under its unique ID number and WIC transactions completed on that terminal are reported under that ID number.

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8.5.6 Any POS device that is replaced shall have a new, unique terminal ID that is different from the ID of the terminal that was replaced.

8.5.7 The stand-beside POS equipment shall support:

- Both single and multi-lane usage;
- Both high speed and dial-up phone connections;
- The full transaction set per paragraph 5.3 Transaction Validation, except for store and forward and mixed basket transactions;
- Download and storage of APLs;
- Entry of multiple discounts on a single transaction;
- The CVB to be mapped to either a single generic code, or to multiple codes, as determined by the State during the JAD sessions;
- Split tender for CVB;
- Reverse transactions based on a specified time-out period;
- A receipt that meets the requirements of the WIC EBT Operating Rules;
- Lane, clerk and WIC vendor store total reporting; and
- Reconciliation with the e-WIC system.

8.5.8 The Contractor shall provide the following services for all vendors who utilize stand-beside POS and equipment (and wireless terminals only for farmers if/when deployed in the State):

- Training on in-store and wireless POS equipment and utilization;
- Routine maintenance;
- Repair of faulty POS equipment within 48 hours of receiving the service request or ship a replacement terminal via overnight express within one business day of receiving a service request; and
- WIC vendor training materials.

8.5.9 The State must approve the installation of terminals and performance of vendor training by phone, rather than on-site.

8.5.10 The Contractor shall provide supplies (paper, ribbons, etc.) and POS maintenance (including replacement, when appropriate) for the life of the Contract at no additional cost.

8.5.11 Deployment of single-function terminals authorized by the state shall be accomplished and the terminals operational within fourteen (14) days of receiving the vendor's information from WOW.

8.5.12 For those WIC vendors who also accept SNAP with stand-beside equipment provided by the State's SNAP-EBT provider, the State prefers that they not need two separate terminals to conduct SNAP and WIC transactions.

8.6 POS Lease/Purchase Arrangements

8.6.1 The Contractor is encouraged to provide additional POS equipment to authorized WIC vendors and farmers at their request.

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- 8.6.2 The Contractor may charge the WIC vendor or farmer for providing and supporting this additional equipment.
- 8.6.3 Any agreement covering a terminal lease/purchase arrangement shall be between the Contractor and the WIC vendor or farmer; the State will not be party to any such agreements.

8.7 Vendor Database Management

- 8.7.1 The Contractor shall develop and maintain a State WIC vendor database management system that meets the functional requirements listed herein.
- 8.7.2 The database shall ensure that accurate EBT transaction detail data pertaining to each WIC vendor is captured and maintained, and shall contain up-to-date information about WIC vendor or TPP bank accounts and store cutover times for ACH purposes.
- 8.7.3 The e-WIC systems shall accept WIC vendor data transmitted from WOW, including contact name and information, corporate parent (if applicable), store address, and other relevant data such as date of authorization.
- 8.7.4 The e-WIC systems shall accept WIC vendor data transmitted from WOW both online (real-time) and batch. The e-WIC systems shall run validation edits on WIC vendor addresses and ensure that addresses conform to U.S. Postal Service address standards. WOW, on an on-going basis, will regularly transmit new and updated WIC vendor data to the e-WIC systems.

Task 9 - Vendor Certification

- 9.1 The Contractor shall provide direct-connect WIC vendors and TPP's with the interface specifications to participate in the e-WIC project, and shall make all reasonable efforts to obtain certification for direct-connect WIC vendors and TPP's.
- 9.2 The Contractor is responsible for testing, certifying (Level 3 certification) and decertifying TPP's and WIC vendor integrated ECR/POS systems and POS terminals, (including developing and implementing test and certification requirements and procedures).
- 9.3 The Contractor shall support WIC vendors and TPP's with testing and certification by providing certification scripts and test e-WIC cards. The State (including the State's Quality Assurance contractor, if any) and FNS may participate in testing. The State may review the Contractor's certification requirements and procedures at any time, and may require the Contractor to modify such requirements and procedures when necessary.
- 9.4 The Contractor shall not decertify or take any other adverse action against a direct-connect WIC vendor or a TPP without the expressed approval of the State.

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9.5 At the direction of the State, the Contractor shall coordinate, participate in, and verify any vendor Level 2 certifications.

9.5.1 At a minimum, the Contractor shall coordinate the certification schedule with the vendor, write and provide test scripts, oversee the certification, and provide a certification report to the State.

9.5.2 Under normal circumstances, Level 2 certifications should be completed within thirty (30) days. Certifications longer than thirty (30) days must be reported to the State.

Task 10 -Testing

10.1 Testing Requirements

10.1.1 The Contractor shall provide testing for the duration of the Contract as outlined in this section. The initial e-WIC systems and any changes thereto, shall be properly tested prior to being introduced into production. The Contractor shall be required to meet all FNS testing requirements, including the UAT requirements.

10.1.2 The Contractor shall test all components and functional areas of the e-WIC systems and interfaces. Any deficiencies identified during system testing must be documented, with the impact and severity of the deficiency defined, and the proposed solution and timeframe for resolution clearly defined. All deficiencies must be remedied in a manner and on a schedule approved by the State.

10.1.3 The Contractor shall maintain a test platform for the life of the Contract. The platform shall be available to the State on an agreed-upon schedule to facilitate prospective changes and modifications to the e-WIC systems. The test platform shall mimic the e-WIC production system in all major components.

10.2 Connectivity Testing

10.2.1 Connectivity testing shall be conducted between WOW the e-WIC EBT system. This includes testing of all interfaces between the Contractor's primary and back-up systems and the State's primary and back-up systems.

10.2.2 The Contractor shall provide all necessary hardware and software to ensure connectivity and perform all testing.

10.3 Interface Testing

10.3.1 Interface testing shall be performed to ensure that all files sent between WOW and the e-WIC systems are properly received, accepted, and are accurately processed.

10.3.2 Interface testing shall demonstrate rejection of duplicate files or records and correction of transmission errors.

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10.3.3 The interface testing shall be successfully completed at least thirty (30) days prior to the UAT.

10.4 Functional Demonstration

10.4.1 The functional demonstration shall provide State and FNS representatives the opportunity to review and observe planned EBT System operations. The functional demonstration shall assure that the design is proceeding according to the expectations of the State.

10.4.2 The Contractor shall prepare a report of the demonstration results including any System modifications that were identified.

10.4.3 The functional demonstration shall be held at least thirty (30) days prior to the UAT.

10.5 User Acceptance Test (UAT)

10.5.1 The Contractor shall conduct a UAT to provide the State and FNS the opportunity to test all system functionality and ensure compliance with the design requirements. The UAT shall also include testing of all ARU systems and web portals.

10.5.2 The UAT must test, at a minimum, functional design requirements including, but not limited to, security, recovery, system controls, settlement (including multiple days), benefit aging, transaction processing, administrative functionality, reporting, account maintenance, and "what if" testing.

10.5.3 In addition, as part of UAT, the Contractor must demonstrate the methods and processes for performing all daily reconciliation with the e-WIC systems.

10.5.4 During testing of e-WIC systems functionality, the Contractor will monitor testing activities, support UAT participants, and assist in troubleshooting of issues.

10.5.5 During the formal test script portion of UAT, testing participants will follow detailed test scripts developed by the Contractor and approved by the State and FNS.

10.5.6 The ad hoc ("what if") portion of UAT shall provide the State and FNS the opportunity to include various transaction sets and sequences that were not included in the test scripts and to challenge system operations and design.

10.5.7 The Contractor shall have appropriate staff on-site during the UAT so as to coordinate its execution and to validate the success of each test scenario.

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10.5.8 The Contractor shall provide processes and methods for recording and tracking all defects identified during this process and the subsequent resolution.

10.5.9 The Contractor shall prepare and submit a report and test matrix detailing the outcome of all tests performed.

10.5.10 The UAT will not be deemed complete until all tests (scripted and ad-hoc) have been successfully completed.

10.5.11 The UAT must be successfully completed at least sixty (60) days prior to implementation/transition.

10.6 Stress Testing

10.6.1 The Contractor shall conduct stress testing to demonstrate that there is sufficient capacity within the e-WIC systems to handle the expected transaction volume.

10.6.2 The Contractor shall use results from the stress test to formulate a system capacity model to determine the appropriate hardware and software requirements and configuration so that the system can accommodate the anticipated transaction volumes.

10.7 ARU & Web Testing

10.7.1 The Contractor shall test the ARU to ensure the system properly accepts, processes, and handles both WIC vendor and cardholder calls in accordance with system requirements.

10.7.2 The Contractor shall test the cardholder and WIC vendor web portals to ensure they meet system and design requirements.

10.8 Contingency Testing

The Contractor shall perform contingency planning and testing to ensure that essential (mission-critical) EBT operations will continue if normal operations are disrupted at either the Contractor's or the State's primary site.

Task 11 - Customer Service

The Contractor shall provide customer service to WIC participants, vendors, and State, and Local Agency/clinic personnel.

Customer service shall be provided by a combination of Automated Response Units (ARU's), and internet web portals. Access to the ARU shall be via a toll-free phone number.

The State must review and approve all ARU and the web portals, prior to their being introduced into production. All changes will also require State approval prior to being implemented.

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11.1 Participant ARU Customer Service

- 11.1.1 The Contractor shall provide e-WIC cardholders with ARU customer service and a cardholder web portal, 24 hours a day, 7 days a week. The Contractor shall also provide access for participants with hearing difficulties.
- 11.1.2 The State does not require live customer service support. For any issues that cannot be satisfied by the ARU, the participant shall be referred to their local clinic.
- 11.1.3 Prior to allowing any functionality or providing any information via the ARU and/or web portal, the eWIC system must authenticate the caller/user using security criteria agreed to with the State. If the identity cannot be authenticated, the caller/user shall be directed to contact their local clinic, and no further information disseminated.
- 11.1.4 The Contractor shall provide an ARU system that supports the following customer service functions in English and Spanish:
- Lost/Stolen/Damaged Card: The cardholder's identity must be confirmed utilizing State-approved criteria prior to disabling the card or issuing a replacement. Prior to replacing a card, the cardholder's address must also be confirmed; if there is an address discrepancy, a replacement card shall not be issued, and the caller referred to their local clinic;
 - Current Balance Inquiry: Cardholders shall receive the available balance remaining from the current month's benefit;
 - Benefit Expiration Date: Cardholders shall be given the date current benefits will expire;
 - PIN Selection or PIN Change: Cardholders shall have the option of selecting or changing their PIN via a single call to the ARU; and
 - Transaction History: The cardholder shall be able to obtain the dates of the last ten (10) transactions (either credit or debit).

11.2 Participant Web Portal Customer Service

- 11.2.1 The Contractor shall provide a secure participant web portal, with the same functionality as that of the ARU.
- 11.2.2 The portal must also reflect the latest listing of where WIC benefits may be redeemed (i.e. a list of all authorized vendors), and have the capability to reflect other materials and contain links to the State's health services web sites. The site shall also provide general e-WIC information.

11.3 Vendor Customer Service

11.3.1 General

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11.3.1.1 The Contractor shall provide a WIC Vendor Service Center (VSC), available via a toll-free number, 24 hours a day, 7 days per week for all authorized WIC vendors utilizing single-function equipment. The VSC number shall not be the same as that used for participant customer service.

11.3.1.2 The Contractor VSC shall include facilities and equipment to communicate with WIC vendors with hearing disabilities.

11.3.1.3 The Contractor shall ensure that each WIC vendor call is answered in accordance with specified performance requirements (see Task 18 "Performance Requirements").

11.3.1.4 The Contractor shall provide a VSC that is:

- Toll-free and without charge or fee to the WIC vendors;
- Accessible to all WIC vendors;
- Used exclusively for WIC authorized vendors; and
- Not limited for the number of calls a WIC vendor makes.

11.3.1.5 The VSC shall employ a combination of ARU and internet web portals to meet these requirements.

11.3.2 Vendor ARU

The Contractor's vendor ARU shall support the following functions, in English and Spanish, for all vendors utilizing state-provided equipment:

- Training, equipment usage and problem resolution;
- Settlement and reconciliation information;
- Disputes procedures;
- System adjustments and resolution of out-of-balance conditions; and
- General information regarding EBT policies and procedures.

11.3.3 Vendor Web Portal

11.3.3.1 The Contractor shall provide a vendor web portal, with the same functionality as that of the ARU.

11.3.3.2 In addition, for those vendors using State-provided equipment, the web portal shall provide a transaction history and daily settlement information (EBT card numbers shall be truncated in the transaction history).

11.4 Program and Local Clinic Support

11.4.1 The Contractor shall provide Program and clinic staff with assistance via an agreed-upon email protocol.

Task 12 - Training

12.1 Training Management

12.1.1 The Contractor shall provide the types (and methods) of training to ensure that all e-WIC stakeholders will be able to effectively utilize the functions of the e-WIC systems as described in the following paragraphs.

12.1.2 Training will be monitored by the State and regularly assessed to ensure the effectiveness of the trainers, the training materials and the training approach. Assessments will verify whether:

- Training is directly related to, and appropriate for the particular student audience;
- Trainees demonstrate an understanding of the material;
- Training and training materials provide content that is appropriate for the needs of the target stakeholder group; and
- Training is conducted at appropriate times (relative to a trainee's required access to the system).

12.1.3 The Contractor shall modify training materials or training approaches that are determined to be ineffective. In addition, Contractor shall be required to replace trainers at the request of the State.

12.1.4 The Contractor shall provide a combination of classroom and hands-on training, with appropriate materials, as agreed upon by the State.

12.1.5 The Contractor shall be responsible for providing space for the classroom training; while State facilities may be available, their use cannot be guaranteed.

12.2 UAT Training

12.2.1 The Contractor shall train members of the UAT Team in the end-to-end operations and functions of the e-WIC systems and the UAT protocols.

12.2.2 The Contractor shall provide UAT training during the week prior to the UAT, using the approved test scripts, and other materials prepared specifically for the UAT training session.

12.3 Program Staff Training

12.3.1 The Contractor shall provide appropriate Program staff with training in the following areas:

- System operations;
- Security administration;
- Settlement and reconciliation;
- Reports, data analysis and ad hoc reporting;
- Fraud investigation (i.e. data and reports that are available and how that information may be used to combat fraud);

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- WIC clinic e-WIC operations; and
- Vendor e-WIC operations/procedures.

12.3.2 The Contractor will provide a combination of hands-on and classroom training, with appropriate training materials, as agreed upon by the State.

12.4 Clinic Training

12.4.1 The Contractor shall work with the respective WIC Program training staffs to train clinic staff and Program staffs, not earlier than thirty (30) days prior to implementation, or as specified in the latest approved project work plan. Training will include:

- System log on/log off;
- Card control/card audit procedures;
- Card issuance;
- PIN selection;
- Card statusing; and
- Reports

12.4.2 The Contractor will provide a combination of hands-on and classroom training, with appropriate training materials, as agreed upon by the State.

12.5 Train-the-Trainer

12.5.1 The Contractor shall provide training on clinic operations to State trainers.

12.5.2 Training will be provided no more than thirty (30) day prior to implementation/transition or as specified in the approved project workplan and will include the elements addressed in paragraphs 12.3 and 12.4 above.

12.5.3 The Contractor shall also provide training to the State application support staff, in particular on security functions and the administrative system.

12.5.4 The Contractor will provide a combination of hands-on and classroom training, with appropriate training materials, as agreed upon by the State.

12.6 Vendor Training

12.6.1 The Contractor shall train current and future WIC vendors who elect to use State-provided single-function POS equipment.

12.6.2 The Contractor shall provide vendor training upon completion of terminal installation and will cover areas such as log on/log off procedures, using the terminal for all types of e-WIC transactions, and the settlement and reconciliation process. Upon approval by the State, training may be provided by phone immediately after the POS installation.

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- 12.6.3 Regardless of whether the POS equipment is deployed in person or by mail, the Contractor shall provide a user guide for store managers, a tip sheet to provide managers and cashiers with an easy reference during transactions, and the toll-free number for equipment and customer service support.
- 12.6.4 Those vendors that use TPP's to acquire WIC transactions will be trained by their TPP's on how to perform an e-WIC transaction, and on the settlement and reconciliation process. Upon request, the Contractor shall provide TPP's with WIC vendor training information, such as that provided to WIC vendors with stand-beside equipment, to support TPP training.

Task 13 - Reports

The Contractor shall provide a comprehensive reporting package of daily and monthly reports to the State.

At a minimum, the package must include all reports required by latest version of the *Functional Requirements Document for a Model WIC Information System (FReD)*.

Reports must be submitted through a secure internet connection in a format approved by the State.

Reports shall be produced at the Program, local agency and clinic level, and shall include both summary and detail information, and must be made available online as well as by batch.

All daily reports shall be based on each e-WIC system's "processing day." In addition, the Contractor must support and provide an ad-hoc reporting capability.

13.1 Financial Reports

13.1.1 The Contractor shall provide a full suite of daily and monthly financial reports. Daily reports shall be in sufficient detail to enable daily system balancing and account settlement. The following are representative reports to be provided:

- Benefits added to and removed from the system;
- Benefit expungements;
- Pending benefits;
- Database value;
- Purchase transactions;
- Daily draw and ACH details;
- Rebate details;
- Shelf Price/NTE details;
- Adjustment details; and
- Dispute details.

13.2 Participant-related Reports

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13.2.1 The Contractor shall provide a full suite of daily and monthly administrative reports which shall reflect administrative (non-financial) activity occurring within the e-WIC systems and include sufficient detail to allow the State to further investigate the activity being reported. The following are representative reports to be provided:

- New/replacement card issuance statistics;
- Number of cards reported as lost/stolen/damaged;
- Number of incidents in which PIN attempts were exceeded;
- Participant ARU Customer Support calls;
- Number of accounts with expired benefit balances; and
- “Hits” on the participant web portal.

13.3 Vendor-related Reports

13.3.1 The Contractor shall provide a full suite of daily and monthly vendor-related reports which shall reflect activity occurring at vendor locations. Reports shall include sufficient detail to allow the state to further investigate the activity being reported. The following are representative reports to be provided:

- POS installations/removals;
- Vendor transaction activity report;
- Vendor ARU Customer Support calls;
- “Hits” on the vendor web portal;
- Key-entered transactions; and
- Other user-defined reports as required.

13.4 System Performance Reports

13.4.1 The Contractor shall provide a full suite of daily and monthly system performance reports which shall reflect system performance throughout the e-WIC systems. The complete report suite must provide data to enable verification of the performance criteria specified in item 18, and be in sufficient detail to allow the state to further investigate the activity being reported. The following are representative reports to be provided:

- Average daily system response times
- Average time to answer (Participant ARU)
- Average time to answer (Vendor ARU)

13.5 Fraud Reports

13.5.1 The Contractor shall provide a full suite of comprehensive daily and monthly fraud reports based on parameters designated by the State and which reflect activity indicative of potential fraud or misuse. Minimally, representative reports shall include:

- Excessive card replacements
- Single, 100% benefit redemption
- Unusual/remote benefit redemption location

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If offerors include report samples in their proposals, they must be limited to one-half and/or one-page samples. Do not include multiple pages of individual reports.

Task 14 – Deliverables

The Contractor shall provide the deliverables specified herein, in accordance with the design and schedule developed during the JAD sessions and with the approved project work plan. Additional deliverables may be agreed to and defined in the kickoff meeting, or during implementation of the project. The State, at its sole discretion, may impose liquidated damages for any late deliverables, as indicated in Task 18, Performance Requirements

Each deliverable shall meet the following minimum acceptance criteria:

- a. Be presented in a format appropriate for the subject matter and depth of discussion;
- b. Be organized in a manner that presents a logical flow of the deliverable's content;
- c. Represent factual information reasonably expected to have been known at the time of submittal;
- d. In each section of the deliverable, include only information relevant to that section of the deliverable;
- e. Contain content and presentation consistent with industry best practices in terms of deliverable completeness, clarity, and quality;
- f. Meet the acceptance criteria applicable to that deliverable, including any State policies, functional or non-functional requirements, or industry standards;
- g. Contain no structural errors such as poor grammar, misspellings or incorrect punctuation;
- h. Must contain the date, author, and page numbers. When applicable, a revision table must be included; and
- i. A draft written deliverable may contain limited structural errors such as incorrect punctuation and shall represent a significant level of completeness toward the associated final written deliverable. The draft written deliverable shall otherwise comply with minimum deliverable quality criteria above.

14.1 Deliverables to be provided:

14.1.1 Requirements Document

This document shall define all of the State's requirements for the e-WIC systems and will incorporate all the decisions of the JAD sessions. A Requirements Traceability Matrix (RTM) shall be included in this document.

14.1.2 Detailed System Design Document

This document shall describe the total system configuration including system hardware, functionality, file layouts, message and file flows, automated response unit (ARU) scripts, data elements, system

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interfaces, settlement and reconciliation functions, and the system security plan.

This document must be reviewed and updated quarterly, throughout the life of the contract.

14.1.3 Functional Design Document

This document provides a functional overview and a description of the operating environment, procedures and workflow of the e-WIC systems. The document must provide a listing and description of system functions. Functions should be identified and organized under high level functional areas so that they can be easily referenced in other documents, such as test scripts.

14.1.4 Interface Design Document

This document will define and document the messages and files that are exchanged between the e-WIC systems and WOW. The design will be in accordance with the FNS WIC Universal MIS – EBT Interface Specification. The Contractor will work with the WOW staff as necessary in developing this document.

14.1.5 Telecommunications Design Document

This document shall define the physical connection(s) and links between the Contractor's e-WIC systems and WOW that includes a detailed description of all equipment (routers, etc.) employed by the system.

14.1.6 Test Plans and Scripts

This document will outline, for each test and for the UAT, the purpose, methodology, environment, and approval rating system. The UAT test plan will require the approval by the State and review by FNS.

14.1.7 Operations Manual

This manual shall include descriptions, procedures and processes of all phases of the e-WIC systems, including problem resolution and escalation.

14.1.8 Settlement and Reconciliation Manual

This manual shall detail the process for performing the settlement process, including the steps for completing settlement, timeframes, and parties involved. In addition, this document shall specify the procedures performing a daily reconciliation of System activity.

The manual shall identify the specific reports that will be produced supporting the settlement and reconciliation of the e-WIC systems.

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14.1.9 Reports Manual

This manual shall describe (i.e. content, frequency, and purpose) all reports generated by the e-WIC systems, and how such reports will be provided (i.e. online, batch files, etc.). A sample (no more than ½ to 1 page) of each report shall be included in the manual.

14.1.10 Administrative Terminal Manual

This manual shall provide guidance and procedures for Program and clinic staff on Administrative functions, including troubleshooting and problem resolution/escalation.

14.1.11 Training Plan

This document shall be a comprehensive plan that identifies major training components, along with the supportive tasks for the planning, design, development, production, and distribution of all training materials, as well as securing training classrooms if necessary, and the activities for training clinic personnel, trainers from the State and vendors receiving State-provided single-function stand-beside POS equipment.

14.1.12 Vendor Enablement and Readiness Plan

This plan must address:

- Vendor integration promotion activities;
- Vendor and acquirer/TPP agreements;
- Processes and standards for integrated vendor certification;
- Processes and standards for acquirer/TPP certification;
- Type of POS equipment to be deployed, if required;
- Plans for onsite deployment and equipment testing; and
- Description of support services/customer service to be provided to all vendors.

14.1.13 Retailer Certification Plan and Test Scripts

The plan shall describe the vendor certification process including roles and responsibilities of all the parties. This plan shall include the certification test scripts, once they are approved by the State.

14.1.14 Reserved

14.1.15 Continuation of Business (COB) Plan

This plan will provide an evaluation of the types of service interruptions (natural disasters, systems failures, telecommunications failures, etc.) that may impact the e-WIC systems' operations and therefore require the use of a backup and recovery process. For each potential interruption type, the Contractor will, at a minimum, detail the steps to

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be taken to survive and recover from the interruption. See Task 15 for more detail.

14.1.16 Disaster Recovery Plan

This plan shall define the steps the Contractor will take in reaction to a disaster in all or part of the State. The plan shall include considerations for participant benefit and card availability, vendor readiness and related assessments, as well as system back-up plans as described in Task 15.

14.1.17 Security Plan

This document shall detail:

- Security of data exchange and interface between WOW and the e-WIC systems;
- Encryption of PINs and secure maintenance of PIN data;
- Security of all access points to the e-WIC systems (portals, ARU, etc.);
- System roles;
- Physical security, and
- All phases of transaction processing and settlement.

Task 15 – Disaster Recovery

The Contractor shall establish a “hot back-up” site or other State-approved system/configuration with full computer systems and complete or near-complete back-ups of user data, for continued operations in case of failure at the primary operations site.

15.1 Continuation of Business (COB) Plan

15.1.1 The Contractor shall have in place a Continuation of Business (COB) Plan and procedures to ensure the continuation of operations in the event of a disruption in operations, which will allow benefit access when the Contractor’s production computer systems, terminals, gateway, or communications are not operational.

15.1.2 The plan shall specify the amount of time expected for the transition from the primary to the back-up system and shall also specify the amount of time expected to move operations back to the primary system. Post-incident recovery procedures and responsibilities should also be required to facilitate the rapid restoration of normal operations at the primary site or, if necessary, at an alternate facility following destruction, major damage or other significant interruptions of the primary site. During the operations phase, disaster recovery testing should be conducted annually to ensure that back-up operation plans are adequate.

15.1.3 The plan and procedures shall describe the approach to meet both back-up system operations and COB plans for benefit delivery. It must also

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include how communications will be established between WOW and the Contractor's primary and back-up systems.

15.1.4 The COB plan shall describe the actions to be taken, the resources to be used and the procedures to be followed before, during and after any event that would render inoperative a function supportive to the EBT system.

15.1.5 The COB plan shall cover all events of total or partial cessation of operations or destruction of the database or physical facility.

15.1.6 The plan shall include the names, phone numbers, and e-mail addresses of the Contractor's personnel that will serve as contacts, as well as emergency contact escalation procedures. The plan must also include an escalation process that includes notification to the State staff.

15.2 Participant-Related Disaster Services

The Contractor shall provide the following participant disaster/emergency services as directed by the State:

- Reissuing or extending the availability period for a prior month's benefit if WOW is unable to transmit a benefit file;
- Supplementing customer service support commensurate with the anticipated increase in call volumes. The ARU shall have a specific disaster script that has been approved by the State.
- Replacement cards for those lost, stolen, or destroyed in the disaster must be issued within seven (7) days of receipt of the request.
- The Contractor must be prepared to ship, at the State's request, active cards via overnight express mail to a specific State or clinic office(s). Providing daily reports identifying operational WIC vendor locations, and geographical mapping of the operational and non-operational locations.

15.3 Vendor-Related Support Services

The Contractor shall provide the following WIC vendor support services during a disaster:

- Immediately upon recognition of a disaster, the Contractor shall survey selected WIC vendor locations to determine the level of service that can be provided to cardholders.
- Supplementing vendor customer service support commensurate with the anticipated increase in call volumes. The ARU shall have a specific disaster script that has been approved by the State.

15.4 Other Technical Support

In a disaster, the Contractor shall provide technical support as directed by the State. This support shall include:

- Supporting the recovery of eligibility and EBT interface systems at a back-up site in the event of a disaster at the primary data center;

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- Providing connectivity to the back-up site to support the transmission of data files and reports between WOW and the e-WIC systems. This may include direct-dial access if established interfaces are unavailable;
- Working with the State to ensure that benefits are being provided to cardholders through the e-WIC systems;
- Working with the State to provide WIC administrative system support to the back-up system;
- Providing appropriate passwords, access and software components for use during the disaster period; and
- Shipping POS and/or other equipment and materials, if necessary.

Task 16 – Security

The Contractor is responsible for the implementation and maintenance of a comprehensive security program for both e-WIC systems and operations. This program shall include the administrative, physical, technical and systems controls to meet the security requirements of the e-WIC systems. The system and controls used to manage risks to the e-WIC systems and operations will be based on electronic funds transfer (EFT) industry standards.

Note: the requirements in this Task 16 are in addition to any other security requirements defined elsewhere in this RFP.

16.1 Physical Security

- 16.1.1 The Contractor shall employ physical security and access control systems to limit access to any facilities used to process cards, process data or house any sensitive data to those authorized personnel and authorized visitors. The control systems shall have the capability to detect and report attempted unauthorized entries into the facility.
- 16.1.2 The Contractor shall regulate access to primary and back-up data centers in such a way that the flow of all persons can be monitored and controlled.
- 16.1.3 Physical security protection measures shall deny unauthorized access to, manipulation of, and/or sabotage to the EBT data processing systems and telecommunications facilities.
- 16.1.4 The following are the minimum physical access control measures that must be provided:
 - The EBT data processing and telecommunications facilities shall be secured 24 hours per day, 7 days a week. The entrance(s) to the facilities shall provide for controlled entry and be secure against forced entry;
 - The facilities shall be locked at all times when authorized personnel are not present;
 - Cipher or Proximity/Swipe Card Type Devices may be used during duty hours to control entry into a facility. During non-duty hours, the cipher lock shall not be used as a sole locking device;

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- Access to operational sites shall be controlled and limited to authorized personnel. Employee access to controlled areas within the operational site shall be controlled by electronic access or other comparable procedures;
- All data on portable media, including but not limited to, magnetic tapes, diskettes, CDs, removable disk packs, paper listings, microfiche shall be in secure, access controlled storage areas with access limited to authorized personnel, when not being used by computer operations; and
- The primary and back-up processing sites as well as the tape storage areas shall be equipped with fire detection and suppression systems that detect and suppress fire in the incipient stage.

16.2 System Security

16.2.1 The Contractor shall ensure the security of the e-WIC systems and all of the system components.

16.2.2 The security system shall use role-based identification and authorization data controls (RBAC) to determine user access to information and level of information accessed and deny access to users that do not have proper authorization.

16.2.3 The security system shall provide the State with the capability to specify who (by user or type of user) may have access to system data, and to disable such access in a real-time transaction.

16.2.4 The following are the minimum system security controls that must be employed:

- Unissued card stock must be safeguarded against loss, theft and abuse. The Contractor shall be responsible and bear liability for all unissued card stock until such stock is either received by the applicable State clinic or mailed to cardholders;
- The Advanced Encryption Standard (AES) algorithm shall be used to control all PINs. The Contractor shall ensure that clear text representation of the PIN will never be displayed on PIN entry devices, POS terminals, Administrative Terminals, or elsewhere.
- Authentication of data encoded on the card's magnetic stripe and PIN offset, and the PIN controls listed in the WIC EBT Operating Rules shall conform to ISO 9564;
- All users of the system shall be identified and authenticated prior to gaining access to the system. The system shall require unique identification from each user to access the system;
- The security system shall protect authentication data to make it unavailable to any unauthorized user. The security system shall support an administratively defined lock out threshold for excessive invalid access attempts;
- The security system shall support the immediate deletion or disablement of accounts for users no longer authorized;

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- The security system shall provide an audit trail of access to the system and maintain and protect such records from modification, unauthorized access and destruction;
- The security system shall record: log on, log off, change of password, program initiation and all actions by system operators, administrators and security officers, including date and time of occurrence; and
- The State's security administrator shall be able to selectively audit the actions of one or more e-WIC systems users, based on individual identity.

16.3 Communications Security

16.3.1 The Contractor shall provide controls to ensure that all EBT transaction communications are safeguarded and only processed from authorized terminals and/or authorized PIN select devices.

16.3.2 Appropriate software shall be employed to strictly control and monitor communications access to the e-WIC systems.

16.3.3 Communications message validation shall provide for control edits for message completeness, file and field formats and control and authentication measures, and confirmation that messages are transmitted across secure communication lines and links.

16.3.4 The Contractor shall have the ability to perform error checking of transmitted data.

16.4 Data Security

16.4.1 Data shall be protected to ensure that system and confidential information is not disclosed for unauthorized purposes.

16.4.2 The Contractor shall not provide any Program, local agency or Federal agency with access to system data without advance approval from the Program. Such data security controls shall include the following:

- The Contractor shall ensure that designated users from the Program may access only that Program's e-WIC system. Users from other States may not access the State's system without express authorization;
- Any sensitive information made available in any format shall be used only for the purpose of carrying out the provisions of this Contract; Information contained in such material shall not be divulged or made known in any manner to any person except as may be necessary in the performance of this Contract;
- Sensitive information shall be accounted for upon receipt and properly stored before, during and after processing. In addition, all related output should be given the same level of protection as required for the source material;
- The Contractor shall destroy magnetic media or delete the information from magnetic media when no longer required. The Contractor's destruction/erasing methodologies shall meet or exceed

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the Guidelines for Media Sanitation as written by the National Institute of Standards and Technology (NIST);

- The Contractor shall provide adequate internal controls through separation of duties and/or dual control for appropriate functions. This includes the separation of operations from control functions (such as reconciliation controls), account set up, benefit authorization and settlement authorization;
- The Contractor shall ensure that the mechanisms within the application that enforce access controls shall be continuously protected against tampering and/or unauthorized changes; and
- All confidential information contained in e-mail sent by the system shall be appropriately encrypted.

16.4.3 The Contractor shall notify the State of any instances of non-compliance with, or breach of, security measures (whether or not enumerated in this Task 16) promptly upon its discovery. Notification shall include a description of the non-compliance or breach, and the corrective action planned and/or taken.

16.5 Inspections, Audits and Investigations

16.5.1 The State and FNS shall have the right to inspect, review, investigate or audit all parts of the Contractor's or any subcontractor's facilities engaged in performing EBT services. In such capacity, the State, or their representative(s), shall have access to facilities, records, reports, personnel and other appropriate aspects of the e-WIC system.

16.5.2 The Contractor and any subcontractor(s) shall arrange for the performance of an annual review of the e-WIC systems by an independent auditor acceptable to the State.

16.5.3 The review shall be performed in accordance with the guidance in Government Auditing Standards issued by the Comptroller General of the United States, for a financial audit, specifically, Statement of Standards for Attestation Engagements No. 18 (SSAE No. 18) and the Statement on Auditing Standards No. 70 (SAS 70), as updated through the life of the Contract.

16.5.4 The report resulting from this review shall be sent to the State for review and acceptance.

16.5.5 The Contractor shall authorize the State or its representatives to perform audits and/or inspections of its records at any reasonable time during the term of the Contract and for a period of three (3) years following the end of the Federal fiscal year during which the Contract is terminated or until State, and Federal audits of the Contract have been completed, whichever is longer.

16.5.6 The Contractor shall permit the State and any other governmental agency authorized by law, or their authorized designee, to monitor all activities conducted by the Contractor pursuant to the terms of each Contract. Such monitoring may consist of internal evaluation

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procedures, special analysis, on site verification, and any other reasonable procedure that does not unduly interfere with Contract work.

Task 17 - Business Requirements

17.1 Liability

17.1.1 The Contractor shall have financial liability for Contractor and/or system processing errors and for errors resulting from negligence, fraud, or abuse.

17.1.2 The Contractor's liability shall include, but not necessarily be limited to:

- Losses resulting from errors or omissions, including fraud and abuse, on the part of the Contractor, its representatives or subcontractors;
- Errors in the authorization or disbursement into a household account of benefits or funds. (The State will be responsible for losses resulting from it providing erroneous information to the Contractor.);
- Any duplicate or erroneous postings to a household's account;
- Any losses from benefits drawn from an account using a card which had been reported by the cardholder as lost or stolen;
- Any losses from transactions performed with cards issued but not activated;
- Any damages or losses suffered by a Federal or State agency due to negligence on the part of the Contractor; and
- Any loss of benefits caused by fraud or abuse by the Contractor or its representatives or subcontractors.

17.1.3 Federal funds may not be drawn down for over-issuances or transactions in excess of the authorized household's benefit allotment.

17.2 Accounting and Audit Requirements

17.2.1 The Accounting and audit requirements of this paragraph supplement and are in addition to those specified in paragraph 16.5 above.

17.2.2 The books, records, documents, and accounting practices of the Contractor and all subcontractors on this Contract shall be subject to audit at any reasonable time and upon reasonable notice by the State, FNS, or their duly appointed representatives.

17.2.3 In the event of any audit, claim, negotiation, litigation or other action, records shall be retained for the duration of the event.

17.2.4 Financial and accounting records pertaining to the Contract shall be maintained for the duration of each Contract and for three (3) years following the end of the Federal fiscal year during which the Contract is terminated or until State and Federal audits of the Contract have been completed, whichever is longer.

Task 18 - Performance Requirements

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The Contractor shall ensure that all aspects of the e-WIC systems meet or exceed the performance requirements herein. For any performance deficiency identified by the State, the Contractor shall take corrective action as directed by the State and/or be subject to liquidated damages as set forth in Items 18.14, 18.20, and 18.21.

Note: "OR" in the requirements below is a cross-reference to the appropriate paragraph of the FNS Operation Rules.

- 18.1 e-WIC systems Response Time. The e-WIC systems shall initiate a response to a request to transmit or retrieve a file within two (2) seconds from the time such request is received by the EBT system, 99.99% of the time, excluding scheduled downtime, on a monthly basis. (OR 6.1.b).
- 18.2 Transactions Processed. No more than two (2) in every 10,000 transactions processed by the e-WIC systems shall lead to an adjustment resulting from an EBT system error. (OR 6.1.c).
- 18.3 Authorized Transaction Source. The e-WIC systems shall ensure that WIC transactions are originating from authorized WIC vendors only, by validating the WIC identification information in the Retailer Agreements, and by validating electronic transactions in the course of transaction processing. (OR 6.1.d).
- 18.4 Central Computer Uptime. The e-WIC central computer systems shall be available 99.9% of the scheduled up-time, twenty-four (24) hours per day, and seven (7) days per week. Scheduled uptime shall mean the time the database is available and accessible for transaction processing and excludes schedule downtime for routine maintenance. (OR 6.1.e).
- 18.5 e-WIC Transaction Response Time. The e-WIC systems shall initiate a response to a transaction request within two (2) seconds from the time such request is received by the EBT System, 98.0% of the time, on a monthly average basis. (OR 6.1.f).
- 18.6 e-WIC System Uptime. The e-WIC systems shall have an uptime of 99.9% on an hourly basis, excluding maintenance. (OR 6.1.g).
- 18.7 Vendor Settlement. WIC Vendors shall be paid for approved, cleared transactions within 2 processing days of the settlement of the transaction. (OR 12.3.a).
- 18.8 Disputes. The Contractor shall investigate and respond WIC Program or WIC vendor-initiated cardholder adjustments within 10 business days of the date the adjustment request is initiated. (OR 14.2.c).
- 18.9 EBT Transaction Response Time. All e-WIC transactions shall be processed within 20 seconds. Transaction time shall be measured from the point of sending the transaction from the WIC vendor to the EBT host. Contractor shall meet this requirement at least 95% of the time.

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- 18.10 Administrative Terminal-Host Response Time. Host response time for administrative terminal transactions shall not exceed 2 seconds 98% of the time. Measured on a monthly basis.
- 18.11 Benefit Availability. Benefits shall be available no later than 12:00 AM local time on the availability date 100% of the time.
- 18.12 Helpdesk Calls. 95% of all calls shall be answered by the ARU within 2 rings (2 rings are defined as approximately 15 seconds).
- 18.13 Abandoned Calls. Abandoned calls shall not exceed 3% per month.
- 18.14 Equipment Replacement for single-function stand-beside WIC Vendor Terminals. The Contractor shall ship, via overnight express, replacement POS equipment within 48 hours of receipt of a request for a replacement. Contractor shall meet this requirement at least 95% of the time.
- 18.15 Settlement Accuracy. The request for funds (draw down) will be made with 100% accuracy within a rolling 60-day period.
- 18.16 Settlement Discrepancies. The Contractor shall advise the State of settlement or reconciliation discrepancies within 12 hours of occurrence.
- 18.17 Access to System by WIC Vendors Using a Third-Party Processor or Direct-Connect vendors. The Contractor shall assure access to the e-WIC systems for WIC vendors using a third-party processor (or direct-connect vendors) within 30 days of receipt of the request for such access.
- 18.18 Response to System Enhancement/Change Requests. The Contractor shall respond to system enhancement change requests with estimated hours and cost within twenty-one (21) business days of receiving request.
- 18.19 Test Platform Availability – The Contractor shall make the test platform available to the State in accordance with an agreed-upon schedule.

Failure to have the test platform available with the agreed upon schedule will result in a liquidated damage of \$1,400 per day when the test system is unavailable.

- 18.20 Operational eWIC System – The Contractor shall make the fully operational e-WIC system available in accordance with the agreed-upon schedule.

Failure to have the final eWIC system fully operational within the agreed upon schedule will result in a liquidated damage of \$500 per day, for each day EBT is delayed.

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- 18.21 Deliverables - The Contractor shall submit each deliverable specified in paragraph 14 in accordance with the latest approved version of the project work plan.
- 18.22 Corrective Action Plan - For any performance deficiency identified above, the Contractor shall submit a corrective action plan (CAP) within fifteen (15) days of the performance measurement period. The CAP must include a schedule by which the deficiency will be corrected and be approved by the State. If the Contractor does not achieve compliance with the standard within the schedule in the CAP, the liquidated damages specified above may be imposed.
- 18.23 Multiple Deficiencies - In the case of multiple deficiencies occurring in one event, the deficiency with the most severe liquidated damages will be imposed. The maximum liquidated damages assessable in one calendar month shall not exceed \$20,000.
- 18.24 Offsets - Amounts imposed by the State may be offset from any money payable to the Contractor, or billed to the Contractor as a separate item, which shall be payable within thirty (30) days. The State shall make any claims against the Contractor for liquidated damages within ninety (90) days after discovery of an instance of non-conformance with performance standards.
- 18.25 Contractor Liability – The Contractor shall be liable for any errors in processing benefits or reimbursements, including without limitation any overpayments or duplicate payments, except to the extent such errors arise from the actions or errors of the State. This liability shall be in addition to any other liability for processing errors established by operation of law. Such liabilities may, at the State's option, be offset from payments due the Contractor.

Task 19 – System Transition

A system transition will be required should the contract resulting from this RFP be awarded to other than the current eWIC Service provider.

Any transition or enhancement implemented in accordance with this Task 19 shall be at no cost to the State

The incoming eWIC Service Provider must, within thirty (30) days of contract execution, provide a Transition Plan which includes, at a minimum:

- An overall description of the process;
- Identification of specific individuals responsible for the transition and their roles (i.e. the transition team);
- A detailed schedule for the transition, including all tasks, timeframes, and resources required;
- Definition of what data, if any, needs to be transferred (or converted) between the current and proposed systems;

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- Vendor management & migration (including Retail Agreements and equipment deployment);
- Card replacement;
- System and Acceptance Testing;
- Training;
- Customer Service;
- Participant and vendor communications;
- Details regarding system outages, if any; and
- Quality assurance points, go/no-go criteria

19.1 Initiation

- 19.1.1 The incoming eWIC Service Provider shall convene an initiation meeting at a location designated by the State. The eWIC Service Provider's Project Manager and other key eWIC Service Provider staff, as deemed necessary by the State Agency shall attend the meeting in person.
- 19.1.2 The eWIC Service Provider shall review the project plan, schedule, and deliverables and will establish the project communications structure. In addition, the meeting shall include a discussion of the required deliverables, submission of those deliverables, and confirmation of acceptance criteria. The agenda shall include a discussion of the content and structure of recurring status calls and status reports including establishing status reporting schedule.
- 19.1.3 Within five (5) business days of the initial meeting the eWIC Service Provider shall deliver a technical memorandum documenting all agreements, understandings and contingencies arising from the project initiation meeting.
- 19.1.4 Upon agreement between the State Agency and the eWIC Service Provider, requirements validation sessions may also begin during the eWIC Service Provider's time on site for the initiation meeting.

19.2 Requirements Validation Sessions

- 19.2.1 The eWIC Service Provider shall facilitate requirements validation and design sessions at a location designated by the State Agency. Prior to the sessions, the eWIC Service Provider shall provide session agendas and electronic copies of all materials to be distributed at the sessions.
- 19.2.2 Five (5) business days subsequent to each session, the eWIC Service Provider shall deliver a technical memorandum documenting all agreements, understandings and contingencies arising from the session.

19.3 System Configuration

- 19.3.1 Following the approval of the system requirements and design specifications by the State Agency, the eWIC Service Provider shall modify and/or configure its eWIC system to conform to the approved system design.

19.4 Continuity of Services

- 19.4.1 Upon finalization of the Contract, the incoming eWIC Service Provider shall work with the State Agency and any other organizations designated by the State Agency to ensure an orderly transition of services and responsibilities under the previous contract and to ensure the continuity of those services required by the State Agency. The incoming eWIC Service Provider shall be expected to work in a businesslike manner with the State Agency's outgoing eWIC Service Provider for the purpose of effecting a smooth and timely transition of services.
- 19.4.2 In the event of a delay in the completion schedule for any deliverable under this Contract caused by a State Agency or by the State Agency's outgoing eWIC service provider, and if the incoming eWIC Service Provider has provided advance notice indicating that the State Agency or the State Agency's outgoing eWIC Service Provider has caused a delay, the incoming eWIC Service Provider shall be entitled to a reasonable extension of the completion dates for that particular deliverable.
- 19.4.3 The incoming eWIC Service Provider shall not proceed to the operational phase of the eWIC contract until the conversion has been approved by the State Agency and FNS in writing.

19.5 WIC Vendor Conversion

- 19.5.1 The eWIC Service Provider shall provide a plan for converting all vendors.
- 19.5.2 As part of the conversion effort, the incoming eWIC Service Provider must establish agreements with all TPPs and vendors using stand-beside equipment provided by the outgoing eWIC Service Provider. The agreements must be approved by the State Agency and FNS.
- 19.5.3 Single Function Equipment Deployment
 - 19.5.3.1 It is critical that cardholders not be impacted negatively in their ability to access their benefits due to the conversion to the incoming eWIC system and during the conversion of stand-beside equipment provided by the outgoing eWIC Service Provider. The replacement process will be established to ensure stand-beside vendors have their equipment replaced prior to system conversion. No replaced equipment may be disconnected and removed until the new replacement equipment is installed and tested.

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19.5.3.2 The eWIC Service Provider shall ensure that new and replacement terminals are provided in such a fashion as to ensure the vendor is capable of installing the equipment.

19.5.3.3 The eWIC Service Provider shall contact the eWIC vendor and provide the stand-beside contract no later than seventy-five (75) calendar days prior to system conversion. The State Agency shall be notified of any exceptions to this timeframe.

19.5.3.4 The eWIC Service Provider shall ship the POS terminal within five (5) business days and perform phone training/installation within ten (10) business days of receipt of the signed WIC Vendor stand-beside contract. The State Agency shall be notified when equipment is shipped, attempts are made to provide training and installation, and the success of the training/installation.

19.5.3.4.1 The State and eWIC Service Provider may agree to other time frames for terminal shipment and/or training and installation; the agreed-upon schedule must be included in the approved project workplan.

19.5.3.5 The eWIC Service Provider shall provide a mechanism accessible to the State to track the status of the stand-beside conversion. At a minimum, this tool shall include:

- Vendor Name
- Vendor ID
- Date of contacts made with vendor and purpose of the contact
- Status of stand-beside vendor agreement execution
- Number of single-function devices required by the vendor
- Status of device shipments
- Status of installation and training
- Status of test transactions

19.5.3.6 Data shall be updated no less than weekly. Daily updates are required starting three (3) weeks before system conversion.

19.5.3.7 The State may require to eWIC Service Provider to prioritize shipments and/or training/installations based on vendors needed for participant access.

19.5.3.8 As an option, installation and training may be provided in-person by the eWIC Service Provider. It is anticipated that no more than twenty (20) percent of the stand-beside vendors will require this support.

19.5.4 Third Party Processor (TPP) Transition

19.5.4.1 The eWIC Service Provider shall work with all TPP's involved in routing eWIC transactions for the State to transition

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from the outgoing eWIC Service Provider to the incoming eWIC Service Provider.

19.5.4.2 This includes testing and coordination to ensure that the TPP's transition their transaction routing in conjunction with the eWIC system conversion.

19.5.4.3 The State shall receive reports from the eWIC Service Provider documenting when integrated vendors have completed testing and set up with TPP's for all integrated vendors.

19.5.4.4 If all TPP's have not been rerouted to the incoming eWIC Service Provider prior to conversion, the incoming eWIC Service Provider must have an adequate arrangement with the outgoing eWIC Service Provider to ensure that such entities can process their transactions through to the correct authorizing host.

19.6 Database Conversion

19.6.3 Database conversion (conversion from outgoing eWIC Service Provider's database to the incoming eWIC Service Provider's database) shall take place overnight on a weekend.

19.6.4 The entire conversion for the State Agency shall be completed in 12 hours or less.

19.6.5 During conversion, no transactions shall be conducted.

19.6.6 In preparing for the database conversion, the incoming eWIC Service Provider shall analyze monthly transaction volumes and select a mutually agreed upon date and time when the least number of vendors and cardholders would be impacted.

19.6.7 At both two (2) months prior to conversion and at one (1) week prior to conversion, the incoming eWIC Service Provider shall notify all authorized vendors of the scheduled outage.

19.6.8 The incoming eWIC Service Provider shall perform thorough testing of the conversion process, including performing test transactions against the converted database in the Test System. Testing shall also validate that PINs have been converted successfully.

19.6.9 The incoming eWIC Service Provider shall accept a minimum of seven (7) full FNS audit years of transaction history to be converted from the outgoing eWIC Service Provider.

19.6.10 At a minimum, three (3) years of data shall be accessible online through the administrative system and data warehouse.

19.6.11 An additional four (4) years of data shall be converted and available to the State on demand.

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19.6.12 The incoming eWIC Service Provider shall have checkpoints and reconciliation procedures built into the conversion process to ensure that no benefits or records are dropped.

19.6.13 The incoming eWIC Service Provider shall have a contingency fallback plan in case the conversion cannot be completed in a timely manner due to issues with the conversion.

19.6.14 The incoming eWIC Service Provider shall be required to work with the State and the outgoing eWIC Service Provider to clean up the database prior to conversion, if necessary.

19.6.15 A minimum of two (2) trial runs of the data conversion shall occur prior to the actual database conversion.

19.7 eWIC Card Conversion

19.7.1 The incoming eWIC Service Provider shall ensure ongoing use of the existing eWIC cards in circulation.

19.7.2 The eWIC Service Provider must support the use of existing eWIC cards throughout the conversion process and eWIC cards must not be reissued en-masse as part of the conversion process.

19.8 Training

19.8.1 The eWIC Service Provider shall provide training to state-level users prior to the start of User Acceptance Testing (UAT).

19.8.2 The eWIC Service Provider shall provide training to additional state-level users prior to system conversion.

19.8.3 Training shall include system administration and system security.

19.8.4 Training shall include reports, data analytics, and data warehouse functions

19.8.5 Training shall include reconciliation and settlement processes.

19.8.6 At a minimum training shall be performed via webinar, although onsite training is preferred

Task 20 System Enhancements

Describe the use of new and innovative technologies that will provide improved service and/or operational cost savings. The introduction of these technologies may occur at any time during the project. Examples of such innovative technologies include, but are not limited to:

- Web services;
- Innovative implementation or operational strategies;

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- Enhanced card and POS technologies;
- Wireless and mobile technology; and
- Detection and prevention of fraud.

Exhibit A – Current WOW/EBT Interface Matrix

[WIC Direct to WIC MIS ICD-2018-9-19 \(1\).pdf](#)

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Exhibit B – eWIC Statistical Abstract

Participants Enrolled: 19,700
Currently Participating: 16,300

Authorized Vendors: 78 (all integrated)
Commissary: 1 (integrated)
Single-function POS terminals deployed: 0
Farmers’ Markets/Wireless Terminals: 0

Average of new EBT cards issued/month: 540
Average OTC replacement cards issued/month: 60
Replacement cards issued via mail: N/A

Average of participant calls to the ARU: 9,000/month
Below is the name and address of all WIC clinics, and the latest number of households served.

Clinic Name	Address	Total Households
Anna C. Shipley State Service Center	350 Virginia Avenue, Seaford, DE 19973	947
Claymont State Service Center	3301 Green St., Claymont, DE 19703	346
CRC Rehoboth	37510 Oyster House Road, Rehoboth, DE 19971	59
Edward W. Pyle State Service Center	34314 Pyle Center Road, Frankford, DE 19945	135
Floyd I. Hudson State Service Center	501 Ogletown Rd., Newark, DE 19711	2,788
James W. Williams State Service Center	805 River Road, Dover, DE 19901	1,714
La Red Health Center	21444 Carmean Way, Georgetown, DE 19947	1,255
Milford Riverwalk	253 NE Front St., Milford, DE 19963	717
Northeast State Service Center	1624 Jessup St., Wilmington, DE 19802	1,083
Smyrna State Service Center	200 S. DuPont Blvd., Ste. 101, Smyrna, DE 19977	257
West End Neighborhood House	710 N. Lincoln St., Wilmington, DE 19805	1,440
	Total	10,741

WIC State Agency Users	13
WIC Clinic Users	47
WIC Peer Counselors	5
Total Users	65

users include State employees, temps and consultants

Exhibit C – EBT Card Specifications

The Contractor shall ensure that the EBT cards comply with the WIC EBT Operating Rules (e-WIC card appearance and requirements), the International Standards Organization (ISO) and the ANSI specifications and standards relating to cards used for financial transactions. e-WIC cards shall also comply with ISO/IEC 7810:2003, Identification cards – Physical Characteristics and ISO 7811, 7812 and 7813 for magnetic stripe financial cards.

The e-WIC card shall contain a mark, brand or wording that identifies it as an e-WIC card associated with the Delaware WIC program.

EBT Card Obverse (Front)

Card graphics must incorporate a four-color printing process and be approved by the State; the PAN must be embossed, laser engraved, indent printed or hot stamped on the front of the card, using contrasting color for legibility.

The Contractor shall issue EBT cards containing a 16-digit PAN that utilizes the Delaware WIC program’s Issuer Identification Number (IIN-507678). The layout of the PAN shall be as shown in the following table:

PAN Layout		
Position	Length	Description
1-6	6	IIN
7-9	3	Discretionary
10-15	6	Cardholder Identification
16	1	Check Digit

Table 1: EBT Card PAN Layout

The IIN is a six-digit number encoded on the magnetic stripe that begins immediately after the start sentinel, and must (and does) comply with ISO 7813.

The discretionary field is a three-digit number that may be used by the Contractor with State approval (these digits currently have no specified meaning). The 7th and/or 8th digits of the e-WIC card may be used to identify the WIC Agency within the IIN (with USDA-FNS approval) or to identify a card for use in testing or training. The Cardholder Identification number is a six-digit number that uniquely identifies the cardholder to the card that is issued.

EBT Card Reverse

The reverse of the card shall be printed in a contrasting color (one color printing) and have the following features:

- High coercivity magnetic stripe;
- The toll-free customer service phone number;

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- The customer service web portal URL;
- A nondiscrimination statement as directed by USDA or the State;
and
- Other printed information, such as a barcode or QRC code, as specified by the State.

Track 2 of the EBT magnetic stripe shall be encoded in accordance with ISO 7813. The maximum character count in Track 2 shall not exceed 40 characters, including all control characters. The expected layout of Track 2 for the EBT card is as shown in the following table:

EBT Card: Track 2 Layout		
Field No.	Field Name	Field Length
1	Start Sentinel	1
2	Primary Account Number	16
3	Field Separator	1
4	Expiration Date	4
5	Service Code	3
6	PIN Offset	4
7	Card Authorization Value	3
8	Discretionary Data	2
9	Longitudinal Redundancy Check	1

Table 2: EBT Card Track 2 Layout

The EBT cards shall have a non-expiring expiration date of “4912” encoded on Track 2 and a Service Code field encoded with a value of 120. Cards will also have an encoded Card Authentication Value.

EBT Card Distribution and Inventory Control

The Contractor shall deliver EBT cards to the State Agency in blocks of sequentially numbered cards to support the OTC issuance of initial cards. The State maintains the right to change designated locations for receipt of card shipments over the life of the Contract.

Card replenishment is to be provided quarterly or as needed, upon receiving a card stock order from the State.

The Contractor shall track cards and link them to their distribution point via the card numbers.

The Contractor shall propose a method for the State to use in reordering cards.

The following security measures, at minimum, shall apply to all card shipments:

- Card boxes are to be shipped with a numbering system and accompanying inventory list in hard copy and electronic format that will indicate card

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numbering sequences so that the contents of the box may be ascertained without inspection (opening the box).

- Each sleeve shall be labeled with the card number sequence it contains and be sealed with security tape to identify unauthorized access.
- Sleeves should be packed in cartons in numeric sequence, i.e., from lowest sequence number in lowest carton number to highest sequence number in highest carton number.
- Cartons should be sealed with security tape to identify unauthorized access.
- Cartons should not be labeled in a manner that reveals their contents, but should be labeled with their sequence, i.e. "1 of 20", "2 of 20", etc.

Below is an image of the current Delaware eWIC card:

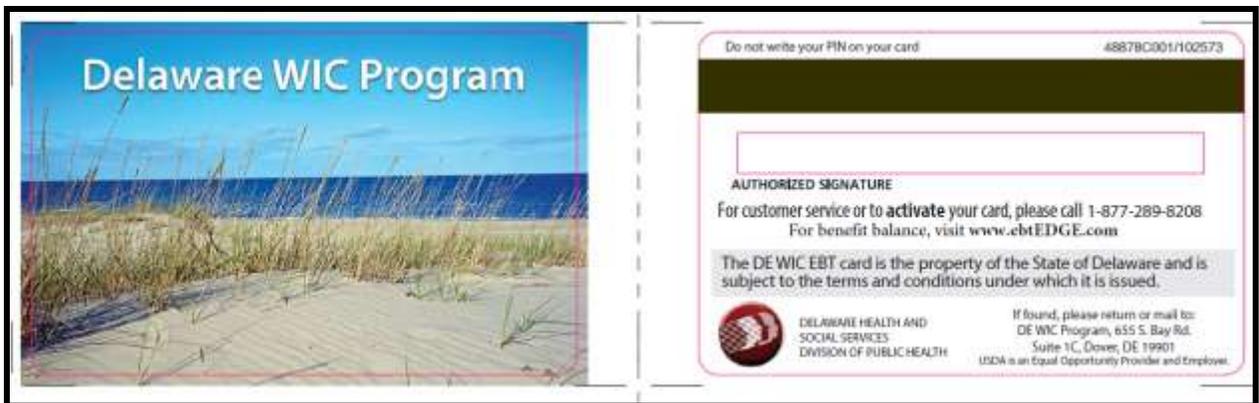


Figure 1: Delaware eWIC Card

Exhibit D – Glossary

Throughout this Request for Proposal, the following definitions shall apply:

Automated Response Unit (ARU) - A designated system for answering telephone calls and providing information to callers via recorded messages with the ability to transfer calls to a customer service center. An automated telephone answering system can provide voice answers to questions using data from the e-WIC systems (i.e. respond to balance inquiry requests, etc.). S

Cash Value Voucher (CVB) - Cash-value benefit is a fixed dollar amount check or voucher which is used by a participant to obtain authorized fruits and vegetables.

Contractor- The entity selected by the State to perform the requirements of this RFP.

Direct-Connect – The technical configuration whereby Vendors using their own POS equipment connect directly to the e-WIC host without the services of a Third-Party Processor (TPP).

Driver – Software designed to enable a Point-of-Sale machine to carry out its intended functions. The entities that provide and maintain that software are referred to as “terminal drivers”.

e-WIC – the term used to refer to the issuance and redemption of WIC benefits from a paper-based system to an electronic system.

Integrated System -A retail register system in which the technology to read and accept EBT cards is a built-in part of the over-all system. Essentially, it is the opposite of a “single-function” (see below).

Joint Application Design (JAD) Session(s) – Meetings e- to define system requirements and design specifications.

Implementation - all efforts from the execution of the Contract through deployment of an operational EBT system throughout the State.

NTE – Not-to-Exceed - The maximum amount the State will reimburse a vendor for a particular food item.

Offeror(s) – the entity (ies) submitting proposals in response to this RFP.

Over-the-Counter (OTC) – The issuance of e-WIC cards in person, as opposed through the US mail.

PAN – Primary Account Number-The sixteen-digit number on the face of the e-WIC Card

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Peer Group -A vendor peer group is a subset of approved vendors of similar characteristics (size, location, or client population). In Delaware, each vendor chain is a separate peer group (and has a separate APL).

Personal Identification Number (PIN) - A 4-digit code or password unique to or associated with a specific eWIC card which is entered into a data-processing device for purposes of verifying the identity of a person requesting a transaction or access.

PLU - Price Look Up code. PLU's are normally used by register personnel in looking up the price for fresh fruits and vegetables.

Point Of Sale (POS) - A location where WIC transactions are performed with the EBT card and cardholder present, such as a retail store. The card is read electronically, and the cardholder's PIN, in place of a signature, is obtained to support authorization of the transaction.

POS Terminal - An electronic hardware device used at the retail point of sale and designated to accept cards, that, when activated by a cardholder through use of an EBT card, is capable of initiating a request for authorization of a purchase or balance inquiry from a WIC EBT card or account.

Project Manager – the person designated by the State to oversee implementation of the e-WIC project in Delaware. The Project Manager shall act as the initial arbiter of any disputes or conflicts arising in the course of the project.

QA Contractor – the entity selected to provide quality assurance services for the e-WIC project.

Single-function equipment -A retailer register system that is essentially the opposite of an “Integrated System” (see above). The equipment used to accept the EBT card is separate from the register system and can accept only eWIC transactions. Formerly referred to as “stand-beside” or “EBT-Only” terminals.

Split Tender Transaction– A purchase transaction in which an alternate form of payment (i.e. cash, SNAP benefits, etc.) is used to supplement the WIC benefit to complete (pay for) a cash value benefit (CVB) purchase.

Third Party Processor–(TPP) an entity that provides transaction processing services (and usually equipment) to acquiring vendors.

Vendor – a grocery store, pharmacy or farmer authorized to redeem WIC benefits.

WOW – The acronym, “WIC-on-the Web” for the Delaware WIC management information system (MIS).

Exhibit E – Price Proposal Form

RFP for e-WIC Processing Services for the Delaware Women, Infants and Children
Program, RFP # 20-008

(Firm Name)

(Address)

(City, State, Zip)

1. Transition Phase:

The Transition Phase begins at Contract execution and ends with the completion of statewide conversion of the new/enhanced system as prescribed in Task 19 of the RFP.

The total price for transition shall be \$0.00.

2. Hardware Price

Offerors shall provide pricing for single-function Point-of-Sale (POS) equipment on a monthly lease basis. The Contractor shall bill for, and the State shall be liable for, only that equipment which has been deployed to and is operational.

All prices shall include maintenance and supplies replenishment. POS equipment shall include a POS terminal, PINpad and printer (if not integrated with the terminal), and bar-code scanner, as well as any peripheral hardware and/or software required for normal operation.

- a) "Wired" Point-of-Sale (POS) equipment (on a per unit basis)-include the manufacturer and model number of the equipment being proposed.

Monthly Lease Price: _____

- b) Wireless Point-of-Sale (POS) equipment (on a per unit basis) for farmers markets-include the manufacturer and model number of the equipment being proposed.

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Monthly Lease Price: _____

3. Cost Per Case Month (CPCM)

Offerors shall provide a CPCM for all on-going services to be provided under this RFP to the State of Delaware. Pricing shall be valid for the life of the Contract, including all extensions, if any.

Total Active Cases	CPCM
Less than or equal to 25,000	
Greater than 25,000	

Note: For billing purposes, a case shall be considered "active" if it has an available benefit balance in the billing period.

4. Vendor Level 2 Certification

All-inclusive price for each separate Vendor Level 2 Certification: _____

In compliance with the RFP and with all terms and conditions set forth therein, the undersigned represents that he/she has full authority to submit the above Price Proposal.

Firm Name: _____

Authorized Official: _____

Typed Name: _____

Title: _____

APPENDIX C

SAMPLE CONTRACT BOILERPLATE

**PROFESSIONAL SERVICES AGREEMENT
For
[ENTER CONTRACT NAME]
Contract No. [Enter Contract Number]**

This Professional Services Agreement ("Agreement") is entered into as of _____, 20__ (Effective Date) and will end on _____, 20__, by and between the State of Delaware, Department of Health and Social Services, Division of Public Health, ("Delaware"), and _____, (the "Vendor"), with offices at _____.

WHEREAS, Delaware desires to obtain certain services to _____;
and _____.

WHEREAS, Vendor desires to provide such services to Delaware on the terms set forth below;

WHEREAS, Delaware and Vendor represent and warrant that each party has full right, power and authority to enter into and perform under this Agreement;

FOR AND IN CONSIDERATION OF the premises and mutual agreements herein, Delaware and Vendor agree as follows:

1. Services.

- 1.1. Vendor shall perform for Delaware the services specified in the Appendices to this Agreement, attached hereto and made a part hereof.
- 1.2. Any conflict or inconsistency between the provisions of the following documents shall be resolved by giving precedence to such documents in the following order: (a) this Agreement (including any amendments or modifications thereto); (b) Division of Public Health Requirements, attached hereto as Appendix A; (c) Service and Budget Description, attached hereto as Appendix B; (d) Delaware's request for proposals, attached hereto as Appendix ____; and (e) Vendor's response to the request for proposals, attached hereto as Appendix ____ . The aforementioned documents are specifically incorporated into this Agreement and made a part hereof.
- 1.3. Delaware may, at any time, by written order, make changes in the scope of this Agreement and in the services or work to be performed. No services for which additional compensation may be charged by Vendor shall be furnished, without the written authorization of Delaware. When Delaware desires any addition or deletion to the deliverables or a change in the Services to be provided under this Agreement, it shall notify Vendor, who shall then submit to Delaware a "Change Order" for approval authorizing said change. The Change Order shall state whether the change shall cause an alteration in the price or the time required by Vendor for any aspect of its performance under this Agreement. Pricing of changes shall be consistent with those established within this Agreement.

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1.4. Vendor will not be required to make changes to its scope of work that result in Vendor's costs exceeding the current unencumbered budgeted appropriations for the services. Any claim of either party for an adjustment under Section 1 of this Agreement shall be asserted in the manner specified in the writing that authorizes the adjustment.

2. Payment for Services and Expenses.

2.1. The term of the initial contract shall be from _____, 20__ through _____, 20__.

2.2. As a Service subscription license costs shall be incurred at the individual license level only as the individual license is utilized within a fully functioning solution. Subscription costs will not be applicable during periods of implementation and solution development prior to the State's full acceptance of a working solution. Additional subscription license requests above actual utilization may not exceed 5% of the total and are subject to Delaware budget and technical review.

2.3. Delaware will pay Vendor for the performance of services described in Appendix ____, Statement of Work . The fee will be paid in accordance with the payment schedule attached hereto as part of Appendix ____.

2.4. Delaware's obligation to pay Vendor for the performance of services described in Appendix ____, Statement of Work will not exceed the fixed fee amount of \$_____. It is expressly understood that the work defined in the appendices to this Agreement must be completed by Vendor and it shall be Vendor's responsibility to ensure that hours and tasks are properly budgeted so that all services are completed for the agreed upon fixed fee. Delaware's total liability for all charges for services that may become due under this Agreement is limited to the total maximum expenditure(s) authorized in Delaware's purchase order(s) to Vendor.

2.5. The State reserves the right to pay by Automated Clearing House (ACH), Purchase Card (P-Card), or check. Agencies that are part of the First State Financial (FSF) system are required to identify the contract number ENTER CONTRACT NUMBER on all Purchase Orders (P.O.) and shall complete the same when entering P.O. information in the state's financial reporting system.

2.6. The State of Delaware intends to maximize the use of the Purchase Card (P-Card) for payment for goods and services provided under contract. Vendors shall not charge additional fees for acceptance of this payment method and shall incorporate any costs into their proposals. Additionally, there shall be no minimum or maximum limits on any P-Card transaction under the contract.

2.7. Vendor 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 Vendor a detailed statement of Delaware's position on the disputed portion of the invoice within thirty (30) days of receipt. Delaware's failure to pay any amount of an invoice that is not the subject of a good-faith dispute within thirty (30) days of receipt shall entitle Vendor to charge interest on the overdue portion at the rate of no more than 1.0% per month. All payments should be sent to the Vendor's

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identified address on record with the State of Delaware's Division of Accounting as identified in the completion of the electronic W-9.

- 2.8. Unless provided otherwise in an Appendix, all expenses incurred in the performance of the services are to be paid by Vendor. If an Appendix specifically provides for expense reimbursement, Vendor shall be reimbursed only for reasonable expenses incurred by Vendor in the performance of the services, including, but not necessarily limited to, travel and lodging expenses, communications charges, and computer time and supplies.
- 2.9. 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.
- 2.10. Delaware shall subtract from any payment made to Vendor all damages, costs and expenses caused by Vendor's negligence, resulting from or arising out of errors or omissions in Vendor's work products, which have not been previously paid to Vendor.
- 2.11. Invoices shall be submitted to:

Contact Person's Name and/or Program Name
Street Address
City, DE Zip Code

3. Responsibilities of Vendor.

- 3.1. Vendor shall be responsible for the professional quality, technical accuracy, timely completion, and coordination of all services furnished by Vendor, its subcontractors and its and their principals, officers, employees and agents under this Agreement. In performing the specified services, Vendor shall follow practices consistent with generally accepted professional and technical standards. Vendor shall be responsible for ensuring that all services, products and deliverables furnished pursuant to this Agreement comply with the 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, Vendor shall, at its expense and option either (1) replace it with a conforming equivalent or (2) modify it to conform to DTI standards. Vendor shall be and remain liable in accordance with the terms of this Agreement and applicable law for all damages to Delaware caused by Vendor's failure to ensure compliance with DTI standards.
- 3.2. It shall be the duty of the Vendor 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. Vendor will not produce a work product that violates or infringes on any copyright or patent rights. Vendor shall, without additional compensation, correct or revise any errors or omissions in its work products.
- 3.3. Permitted or required approval by Delaware of any products or services furnished by Vendor shall not in any way relieve Vendor of responsibility for the professional and technical accuracy and adequacy of its work. Delaware's review, approval, acceptance, or payment for any of Vendor'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 Vendor shall be and remain liable in accordance

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with the terms of this Agreement and applicable law for all damages to Delaware caused by Vendor's performance or failure to perform under this Agreement.

- 3.4. Vendor 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 Vendor's associates and employees under the personal supervision of the Project Manager. The positions anticipated include:

Project Involvement	Team	Title	% of Project
_____	_____	_____	_____

- 3.5. 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, Vendor 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 Vendor 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 Vendor is unsuitable to Delaware for good cause, Vendor shall remove such employee from the performance of services and substitute in his/her place a suitable employee.
- 3.6. Vendor shall furnish to Delaware's designated representative copies of all correspondence to regulatory agencies for review prior to mailing such correspondence.
- 3.7. Vendor agrees that its officers and employees will cooperate with Delaware in the performance of services under this Agreement and will be available for consultation with Delaware at such reasonable times with advance notice as to not conflict with their other responsibilities.
- 3.8. Vendor 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.
- 3.9. Vendor will not use Delaware's name, either express or implied, in any of its advertising or sales materials without Delaware's express written consent.
- 3.10. The rights and remedies of Delaware provided for in this Agreement are in addition to any other rights and remedies provided by law.

4. Time Schedule.

- 4.1. A project schedule is included in Appendix ____.
- 4.2. Any delay of services or change in sequence of tasks must be approved in writing by Delaware.
- 4.3. In the event that Vendor 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

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extensions thereof, Delaware shall suspend the payments scheduled as set forth in Appendix ____.

5. State Responsibilities.

5.1. In connection with Vendor's provision of the Services, Delaware shall perform those tasks and fulfill those responsibilities specified in the appropriate Appendices.

5.2. Delaware agrees that its officers and employees will cooperate with Vendor in the performance of services under this Agreement and will be available for consultation with Vendor at such reasonable times with advance notice as to not conflict with their other responsibilities.

5.3. The services performed by Vendor under this Agreement shall be subject to review for compliance with the terms of this Agreement by Delaware's designated representatives. Delaware representatives may delegate any or all responsibilities under the Agreement to appropriate staff members, and shall so inform Vendor by written notice before the effective date of each such delegation.

5.4. The review comments of Delaware's designated representatives may be reported in writing as needed to Vendor. It is understood that Delaware's representatives' review comments do not relieve Vendor from the responsibility for the professional and technical accuracy of all work delivered under this Agreement.

5.5. Delaware shall, without charge, furnish to or make available for examination or use by Vendor as it may request, any data which Delaware has available, including as examples only and not as a limitation:

- a. Copies of reports, surveys, records, and other pertinent documents;
- b. Copies of previously prepared reports, job specifications, surveys, records, ordinances, codes, regulations, other documents, and information related to the services specified by this Agreement.

Vendor shall return any original data provided by Delaware.

5.6. Delaware shall assist Vendor in obtaining data on documents from public officers or agencies and from private citizens and business firms whenever such material is necessary for the completion of the services specified by this Agreement.

5.7. Vendor will not be responsible for accuracy of information or data supplied by Delaware or other sources to the extent such information or data would be relied upon by a reasonably prudent contractor.

5.8. Delaware agrees not to use Vendor's name, either express or implied, in any of its advertising or sales materials. Vendor reserves the right to reuse the nonproprietary data and the analysis of industry-related information in its continuing analysis of the industries covered.

6. Work Product.

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- 6.1. All materials, information, documents, and reports, whether finished, unfinished, or draft, developed, prepared, completed, or acquired by Vendor for Delaware relating to the services to be performed hereunder shall become the property of Delaware and shall be delivered to Delaware's designated representative upon completion or termination of this Agreement, whichever comes first. Vendor shall not be liable for damages, claims, and losses arising out of any reuse of any work products on any other project conducted by Delaware. Delaware shall have the right to reproduce all documentation supplied pursuant to this Agreement.
- 6.2. Vendor 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 Vendor retains title, whether individually by Vendor 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.
- 6.3. In no event shall Vendor be precluded from developing for itself, or for others, materials that are competitive with the Deliverables, irrespective of their similarity to the Deliverables. In addition, Vendor shall be free to use its general knowledge, skills and experience, and any ideas, concepts, know-how, and techniques within the scope of its consulting practice that are used in the course of providing the services.
- 6.4. Notwithstanding anything to the contrary contained herein or in any attachment hereto, any and all intellectual property or other proprietary data owned by Vendor prior to the effective date of this Agreement ("Preexisting Information") shall remain the exclusive property of Vendor even if such Preexisting Information is embedded or otherwise incorporated into materials or products first produced as a result of this Agreement or used to develop such materials or products. Delaware's rights under this section shall not apply to any Preexisting Information or any component thereof regardless of form or media.

7. Confidential Information.

To the extent permissible under 29 *Del. C.* ' 10001, et seq., the parties to this Agreement shall preserve in strict confidence any information, reports or documents obtained, assembled or prepared in connection with the performance of this Agreement.

8. Warranty.

- 8.1. Vendor warrants that its services will be performed in a good and workmanlike manner. Vendor 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.
- 8.2. 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 Vendor for Delaware in connection with the provision of the Services, Vendor shall pass through or

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assign to Delaware the rights Vendor 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.

9. Indemnification; Limitation of Liability.

9.1. 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) directly arising out of:

- a. the negligence or other wrongful conduct of the Vendor, its agents or employees, or
- b. Vendor's breach of any material provision of this Agreement not cured after due notice and opportunity to cure, provided Vendor shall have been notified promptly in writing by Delaware of any notice of such claim.

9.2. If Delaware promptly notifies Vendor in writing of a third party claim against Delaware that any Deliverable infringes a copyright or a trade secret of any third party, Vendor will defend such claim at its expense and will pay any costs or damages that may be finally awarded against Delaware. Vendor 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 Vendor;
- c. Delaware's use of the Deliverable in combination with any product or information not owned or developed by Vendor;
- 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 Delaware or any third party. If any Deliverable is, or in Vendor's opinion is likely to be, held to be infringing, Vendor shall at its expense and option either
 - ii. Procure the right for Delaware to continue using it,
 - iii. Replace it with a non-infringing equivalent,
 - iv. Modify it to make it non-infringing.

The foregoing remedies constitute Delaware's sole and exclusive remedies and Vendor's entire liability with respect to infringement.

10. Employees.

10.1. Vendor has and shall retain the right to exercise full control over the employment, direction, compensation and discharge of all persons employed by Vendor in the performance of the services hereunder; provided, however, that it will, subject to scheduling and staffing considerations, attempt to honor Delaware's request for specific individuals.

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10.2. Except as the other party expressly authorizes in writing in advance, neither party shall solicit, offer work to, employ, or contract with, whether as a partner, employee or independent contractor, directly or indirectly, any of the other party's Personnel during their participation in the services or during the twelve (12) months thereafter. For purposes of this Section, Personnel includes any individual or company a party employs as a partner, employee or independent contractor and with which a party comes into direct contact in the course of the services.

10.3. Possession of a Security Clearance, as issued by the Delaware Department of Safety and Homeland Security, may be required of any employee of Vendor who will be assigned to this project.

11. Independent Contractor.

11.1. It is understood that in the performance of the services herein provided for, Vendor shall be, and is, an independent contractor, and is not an agent or employee of Delaware and shall furnish such services in its own manner and method except as required by this Agreement. Vendor shall be solely responsible for, and shall indemnify, defend and save Delaware harmless from all matters relating to the payment of its employees, including compliance with social security, withholding and all other wages, salaries, benefits, taxes, exactions, and regulations of any nature whatsoever.

11.2. Vendor acknowledges that Vendor and any subcontractors, agents or employees employed by Vendor shall not, under any circumstances, be considered employees of Delaware, and that they shall not be entitled to any of the benefits or rights afforded employees of Delaware, including, but not limited to, sick leave, vacation leave, holiday pay, Public Employees Retirement System benefits, or health, life, dental, long-term disability or workers' compensation insurance benefits. Delaware will not provide or pay for any liability or medical insurance, retirement contributions or any other benefits for or on behalf of Vendor or any of its officers, employees or other agents.

11.3. Vendor shall be responsible for providing liability insurance for its personnel.

11.4. As an independent contractor, Vendor has no authority to bind or commit Delaware. Nothing herein shall be deemed or construed to create a joint venture, partnership, fiduciary or agency relationship between the parties for any purpose.

12. Dispute Resolution.

12.1. At the option of, and in the manner prescribed by the Delaware Department of Health and Social Services (DHSS), the parties shall attempt in good faith to resolve any dispute arising out of or relating to this Agreement promptly by negotiation between executives who have authority to settle the controversy and who are at a higher level of management than the persons with direct responsibility for administration of this Agreement. All offers, promises, conduct and statements, whether oral or written, made in the course of the negotiation by any of the parties, their agents, employees, experts and attorneys are confidential, privileged and inadmissible for any purpose, including impeachment, in arbitration or other proceeding involving the parties, provided evidence that is otherwise admissible or discoverable shall not be rendered inadmissible.

12.2. If the matter is not resolved by negotiation, as outlined above, or, alternatively, DHSS

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elects to proceed directly to mediation, then the matter will proceed to mediation as set forth below. Any disputes, claims or controversies arising out of or relating to this Agreement shall be submitted to mediation by a mediator selected by DHSS, and if the matter is not resolved through mediation, then it shall be submitted, in the sole discretion of the DHSS Secretary, for final and binding arbitration. DHSS reserves the right to proceed directly to arbitration or litigation without negotiation or mediation. Any such proceedings held pursuant to this provision shall be governed by Delaware law and venue shall be in Delaware. The parties shall maintain the confidential nature of the arbitration proceeding and the Award, including the Hearing, except as may be necessary to prepare for or conduct the arbitration hearing on the merits. Each party shall bear its own costs of mediation, arbitration or litigation, including attorneys' fees.

13. Remedies

- 13.1. Except as otherwise provided in this Agreement, including but not limited to Section 12 above, all claims, counterclaims, disputes, and other matters in question between the State of Delaware and the Contractor arising out of, or relating to, this Agreement, or a breach of it may be decided by arbitration if the parties mutually agree, or in a court of competent jurisdiction within the State of Delaware.

14. Suspension.

- 14.1. Delaware may suspend performance by Vendor under this Agreement for such period of time as Delaware, at its sole discretion, may prescribe by providing written notice to Vendor at least 30 working days prior to the date on which Delaware wishes to suspend. Upon such suspension, Delaware shall pay Vendor its compensation, based on the percentage of the project completed and earned until the effective date of suspension, less all previous payments. Vendor shall not perform further work under this Agreement after the effective date of suspension until receipt of written notice from Delaware to resume performance.
- 14.2. In the event Delaware suspends performance by Vendor for any cause other than the error or omission of the Vendor, for an aggregate period in excess of 30 days, Vendor shall be entitled to an equitable adjustment of the compensation payable to Vendor under this Agreement to reimburse Vendor for additional costs occasioned as a result of such suspension of performance by Delaware based on appropriated funds and approval by Delaware.

15. Termination.

- 15.1. This Agreement 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 Agreement through no fault of the terminating party; but only after the other party is given:
- a. Not less than 20 calendar days written notice of intent to terminate; and
 - b. An opportunity for consultation with the terminating party prior to termination.
- 15.2. This Agreement may be terminated in whole or in part by Delaware for its convenience, but only after Vendor is given:
- a. Not less than 20 calendar days written notice of intent to terminate; and

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- b. An opportunity for consultation with Delaware prior to termination.
- 15.3. If termination for default is effected by Delaware, Delaware will pay Vendor 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 Vendor at the time of termination may be adjusted to the extent of any additional costs occasioned to Delaware by reason of Vendor's default.
 - c. Upon termination for default, Delaware may take over the work and prosecute the same to completion by agreement with another party or otherwise. In the event Vendor shall cease conducting business, Delaware shall have the right to make an unsolicited offer of employment to any employees of Vendor assigned to the performance of the Agreement, notwithstanding the provisions of Section 10.2.
- 15.4. If after termination for failure of Vendor to fulfill contractual obligations it is determined that Vendor has not so failed, the termination shall be deemed to have been effected for the convenience of Delaware.
- 15.5. The rights and remedies of Delaware and Vendor provided in this section are in addition to any other rights and remedies provided by law or under this Agreement.
- 15.6. Gratuities.
- a. Delaware may, by written notice to Vendor, terminate this Agreement if it is found after notice and hearing by Delaware that gratuities (in the form of entertainment, gifts, or otherwise) were offered or given by Vendor or any agent or representative of Vendor to any officer or employee of Delaware with a view toward securing a contract or securing favorable treatment with respect to the awarding or amending or making of any determinations with respect to the performance of this Agreement.
 - b. In the event this Agreement is terminated as provided in 14.6.a hereof, Delaware shall be entitled to pursue the same remedies against Vendor it could pursue in the event of a breach of this Agreement by Vendor.
 - c. The rights and remedies of Delaware provided in Section 14.6 shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Agreement.

16. Severability.

If any term or provision of this Agreement 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 Agreement, 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.

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17. Assignment; Subcontracts.

- 17.1. Any attempt by Vendor to assign or otherwise transfer any interest in this Agreement without the prior written consent of Delaware shall be void. Such consent shall not be unreasonably withheld.
- 17.2. Services specified by this Agreement shall not be subcontracted by Vendor, without prior written approval of Delaware.
- 17.3. Approval by Delaware of Vendor's request to subcontract or acceptance of or payment for subcontracted work by Delaware shall not in any way relieve Vendor of responsibility for the professional and technical accuracy and adequacy of the work. All subcontractors shall adhere to all applicable provisions of this Agreement.
- 17.4. Vendor shall be and remain liable for all damages to Delaware caused by negligent performance or non-performance of work under this Agreement by Vendor, its subcontractor or its sub-subcontractor.
- 17.5. The compensation due shall not be affected by Delaware's approval of the Vendor's request to subcontract.

18. Force Majeure.

Neither party shall be liable for any delays or failures in performance due to circumstances beyond its reasonable control.

19. Non-Appropriation of Funds.

- 19.1. Validity and enforcement of this Agreement is subject to appropriations by the General Assembly of the specific funds necessary for contract performance. Should such funds not be so appropriated Delaware may immediately terminate this Agreement, and absent such action this Agreement 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.
- 19.2. Notwithstanding any other provisions of this Agreement, this Agreement shall terminate and Delaware's obligations under it shall be extinguished at the end of the fiscal year in which Delaware fails to appropriate monies for the ensuing fiscal year sufficient for the payment of all amounts which will then become due.

20. State of Delaware Business License.

Vendor and all subcontractors represent that they are properly licensed and authorized to transact business in the State of Delaware as provided in 30 *Del. C.* ' 2502.

21. Complete Agreement.

- 21.1. This agreement and its Appendices shall constitute the entire agreement between Delaware and Vendor with respect to the subject matter of this Agreement and shall not be modified or changed without the express written consent of the parties. The provisions of this agreement supersede all prior oral and written quotations,

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communications, agreements and understandings of the parties with respect to the subject matter of this Agreement.

- 21.2. If the scope of any provision of this Agreement 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 Agreement shall not thereby fail, but the scope of such provision shall be curtailed only to the extent necessary to conform to the law.
- 21.3. Vendor may not order any product requiring a purchase order prior to Delaware'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 Agreement 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.

22. Miscellaneous Provisions.

- 22.1. In performance of this Agreement, Vendor shall comply with all applicable federal, state and local laws, ordinances, codes and regulations. Vendor shall solely bear the costs of permits and other relevant costs required in the performance of this Agreement.
- 22.2. Neither this Agreement nor any appendix may be modified or amended except by the mutual written agreement of the parties. No waiver of any provision of this Agreement shall be effective unless it is in writing and signed by the party against which it is sought to be enforced.
- 22.3. The delay or failure by either party to exercise or enforce any of its rights under this Agreement shall not constitute or be deemed a waiver of that party's right thereafter to enforce those rights, nor shall any single or partial exercise of any such right preclude any other or further exercise thereof or the exercise of any other right.
- 22.4. Vendor covenants that it presently has no interest and that it will not acquire any interest, direct or indirect, which would conflict in any manner or degree with the performance of services required to be performed under this Agreement. Vendor further covenants, to its knowledge and ability, that in the performance of said services no person having any such interest shall be employed.
- 22.5. Vendor acknowledges that Delaware has an obligation to ensure that public funds are not used to subsidize private discrimination. Vendor recognizes that if they refuse to hire or do business with an individual or company due to reasons of race, color, gender, ethnicity, disability, national origin, age, or any other protected status, Delaware may declare Vendor in breach of the Agreement, terminate the Agreement, and designate Vendor as non-responsible.
- 22.6. Vendor warrants that no person or selling agency has been employed or retained to solicit or secure this Agreement upon an agreement or understanding for a commission, or a percentage, brokerage or contingent fee. For breach or violation of this warranty, Delaware shall have the right to annul this contract without liability or at its discretion deduct from the contract price or otherwise recover the full amount of such commission, percentage, brokerage or contingent fee.

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- 22.7. This Agreement was drafted with the joint participation of both parties and shall be construed neither against nor in favor of either, but rather in accordance with the fair meaning thereof.
- 22.8. Vendor shall maintain all public records, as defined by 29 *Del. C.* ' 502(1), relating to this Agreement and its deliverables for the time and in the manner specified by the Delaware Division of Archives, pursuant to the Delaware Public Records Law, 29 *Del. C.* Ch. 5. During the term of this Agreement, authorized representatives of Delaware may inspect or audit Vendor' performance and records pertaining to this Agreement at the Vendor business office during normal business hours.
- 22.9. The State reserves the right to advertise a supplemental solicitation during the term of the Agreement if deemed to be in the best interest of the State.

23. Insurance.

As a part of the contract requirements, the contractor must obtain at its own cost and expense and keep in force and effect during the term of this contract, including all extensions, the minimum coverage limits specified below with a carrier satisfactory to the State. All contractors must carry the following coverage depending on the type of service or product being delivered.

- d. Worker's Compensation and Employer's Liability Insurance in accordance with applicable law.
- e. Commercial General Liability - \$1,000,000.00 per occurrence/\$3,000,000 per aggregate.
- f. Automotive Liability Insurance covering all automotive units used in the work (including all units leased from and/or provided by the State to Vendor pursuant to this Agreement as well as all units used by Vendor, regardless of the identity of the registered owner, used by Vendor for completing the Work required by this Agreement to include but not limited to transporting Delaware clients or staff), providing coverage on a primary non-contributory basis with limits of not less than:
 - 1. \$1,000,000 combined single limit each accident, for bodily injury;
 - 2. \$250,000 for property damage to others;
 - 3. \$25,000 per person per accident Uninsured/Underinsured Motorists coverage;
 - 4. \$25,000 per person, \$300,000 per accident Personal Injury Protection (PIP) benefits as provided for in 21 *Del. C.* §2118; and
 - 5. Comprehensive coverage for all leased vehicles, which shall cover the replacement cost of the vehicle in the event of collision, damage or other loss.

The successful vendor must carry at least one of the following depending on the scope of work being performed.

- d. Medical/Professional Liability - \$1,000,000.00 per occurrence/\$3,000,000 per aggregate

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- e. Miscellaneous Errors and Omissions - \$1,000,000.00 per occurrence/\$3,000,000 per aggregate
- f. Product Liability - \$1,000,000 per occurrence/\$3,000,000 aggregate

Should any of the above described policies be cancelled before expiration date thereof, notice will be delivered in accordance with the policy provisions.

Before any work is done pursuant to this Agreement, the Certificate of Insurance and/or copies of the insurance policies, referencing the contract number stated herein, shall be filed with the State. The certificate holder is as follows:

**Delaware Department of Health and Social Services
Division of Public Health
417 Federal Street
Dover, DE 19901**

Nothing contained herein shall restrict or limit the Vendor's right to procure insurance coverage in amounts higher than those required by this Agreement. To the extent that the Vendor procures insurance coverage in amounts higher than the amounts required by this Agreement, all said additionally procured coverages will be applicable to any loss or claim and shall replace the insurance obligations contained herein.

To the extent that Vendor has complied with the terms of this Agreement and has procured insurance coverage for all vehicles Leased and/or operated by Vendor as part of this Agreement, the State of Delaware's self-insured insurance program shall not provide any coverage whether coverage is sought as primary, co-primary, excess or umbrella insurer or coverage for any loss of any nature.

In no event shall the State of Delaware be named as an additional insured on any policy required under this agreement.

24. Performance Requirements

The selected Vendor will warrant that it possesses, or has arranged through subcontractors, all capital and other equipment, labor, materials, and licenses necessary to carry out and complete the work hereunder in compliance with any and all Federal and State laws, and County and local ordinances, regulations and codes.

25. There is no Performance Bond requirement.

26. Assignment of Antitrust Claims.

As consideration for the award and execution of this contract by the State, Vendor hereby grants, conveys, sells, assigns, and transfers to the State of Delaware all of its right, title and interest in and to all known or unknown causes of action it presently has or may now or hereafter acquire under the antitrust laws of the United States and the State of Delaware, regarding the specific goods or services purchased or acquired for the State pursuant to this contract. Upon either the State's or the Vendor notice of the filing of or reasonable likelihood of filing of an action under the antitrust laws of the United States or the State of Delaware, the State and Vendor shall meet and confer about coordination of representation in such action.

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27. Governing Law.

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

28. Notices.

Any and all notices required by the provisions of this Agreement shall be in writing and shall be mailed, certified or registered mail, return receipt requested. All notices shall be sent to the following addresses:

To Delaware at:

Division of Public Health
417 Federal Street
Dover, DE 19901
Attn: Support Services Section

To the Vendor at:

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

For the Vendor:

Signature

Name (please print)

Title

Date

For the State of Delaware:

Signature
Title

Date

Witness

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Witness

For the Division of Public Health:

Signature
Title

Date

Witness

Appendix D

TECHNICAL REQUIREMENTS

REQUEST FOR PROPOSAL NO. HSS 20 008

Recommended/PTR Business Case Number: 1806353 or BC0001462

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APPENDIX D

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1 Project Overview

1.1 Background and Project Goals

Background

The mission of the Division of Public Health is to protect and enhance the health of the people of Delaware. The Division accomplishes its mission by:

- working together with others;
- addressing issues that affect the health of Delawareans;
- keeping track of the State's health;
- promoting positive lifestyles;
- responding to critical health issues and disasters;
- promoting the availability of health services.

The accomplishment of this mission will facilitate the Division in realizing its vision of creating an environment in which people in Delaware can reach their full potential for a healthy life.

Within the Division, the Delaware Department of Health and Social Services WIC Program provides nutritious foods, nutrition education, breastfeeding education and support, and referrals to health and other social services to eligible participants throughout the state. The Program currently supports approximately 19000 participants across all three (3) counties, who access their WIC benefits at seventy-nine (79) authorized food vendors.

DHSS has been issuing benefits for the Women Infants and Children (WIC) program (Program) via EBT since October 2016 via a contract with Computer Data Processing (CDP) Inc. The Program utilizes an on-line EBT system, whereby benefits are added to participant accounts maintained by the EBT processor and accessed by participants using a magnetic-stripe card at POS devices at authorized vendors. The processor remits payments to the vendors, and issues appropriate reports to the State. The State's current contract for EBT processing services expires on May 31, 2020; this RFP is being issued to solicit proposals for a replacement contract.

In an effort to contain the cost of WIC's authorized food products, Delaware has adopted what it calls a Competitive Vendor Bid System. This requires food retailers in Delaware who wish to participate in WIC as authorized food vendors to bid the prices they would charge WIC for products in each of their stores for the various food categories. Vendors who have the best bid and meet all other program requirements are offered agreements to be authorized WIC vendors. To accommodate the Vendor Bid process, the EBT processor will need to support multiple APL's.

Project Goals

The objective of this RFP is to secure the services of a processor to provide on-line turnkey EBT processing services. These services will include, but not necessarily be limited to the following, as defined in Section II, Scope of Services:

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- Participant account set-up;
- Receipt and maintenance of WIC benefits;
- Receiving and processing WIC purchase transactions;
- Providing bulk replacement card supplies to the State Agency;
- Card and PIN maintenance
- Vendor readiness;
- Providing state, clinic, participant and vendor customer service;
- Reporting.

2 DHSS Program and System Overview

2.1 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 Services
- Division of Health Care Quality
- 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

Division of Public Health's Women, Infant and Children's program.

2.3 Support/Technical Environment

Selected solution will be vendor hosted. Vendor will report directly to the WIC project manager.

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 of Delaware participants, and stakeholders.

2.3.1 Information Resource Management (IRM)

The Project Director will oversee the project budget in coordination with the Department of Technology and Information (DTI), State Office of Management and Budget (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, contractors 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.

IRM will appoint a Project Director with broad oversight authority for all project activities. A Technical Manager will be appointed and report to the Project Director for project-related activities. The Project Director will report to the Director of Information Resource Management and have a dotted line to DTI's Director of Major Projects.

2.3.2 Department of Technology and Information (DTI)

DTI is a separate cabinet level agency responsible for running the majority of other State agencies' computer operations, the 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 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 Wide Area Network (WAN) systems support to DHSS as well as other State agencies. DTI also provides State agencies with technical consultant services.

2.3.3 Division Business Analyst Group

This group serves as the division liaison between IRM and Contractor 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 Contractor 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, contractor negotiations, deliverable review and signoff, through testing, implementation, and post-implementation support. For this project, a Functional Manager will be appointed. This position will report to the Project Director for project-related activities

3 DHSS Responsibilities

The following are DHSS 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). DHSS staff expectations for this initiative beyond what is stated here must be clearly spelled out by the Contractor.

3.1 Staffing Roles

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

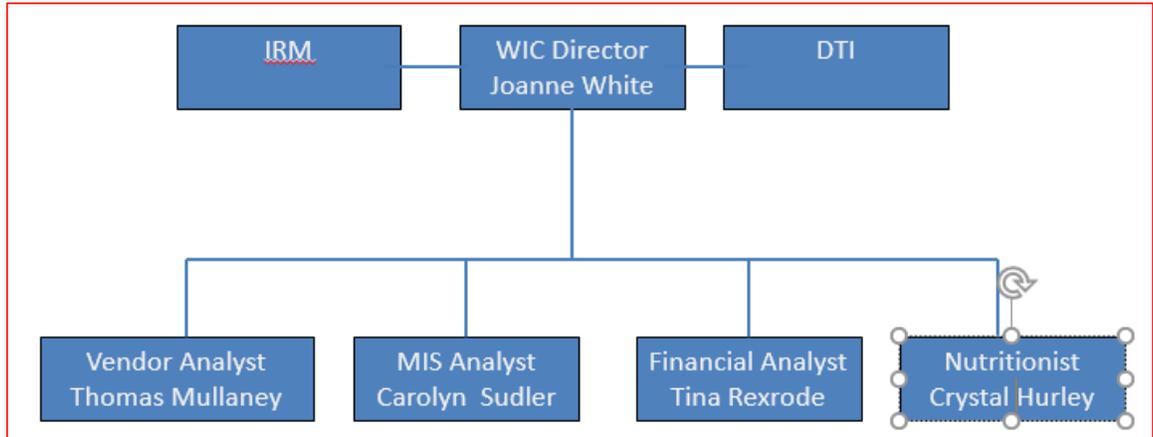
The Project Director will serve as primary coordinator to ensure that Joint Application Design (JAD) sessions take place with the appropriate subject matter experts (SME), that project documents and deliverables are thoroughly reviewed and that approval takes place within agreed upon timeframes. This 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 Technical Manager and the Functional Manager will serve as primary technical liaisons to ensure that contractor and DHSS and DTI technical staff work together effectively to identify current and future technology considerations and make key technology decisions. The Technical 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 an Executive Sponsors group. The Executive Sponsors group will be made up of representatives from DHSS, DTI, OMB and the Division. They will meet quarterly 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 DHSS Staff Participation

The Project Director will be assigned to work on this project full time. Additional DHSS staff participation is as assigned and is in addition to their primary responsibilities. DHSS staff normally work 7.5 hour days from 8:00 AM – 4:30 PM, although some staff flex their schedules. No DHSS staff will be available for data cleanup or meta-data definition. However, divisional SME's can serve to advise contractor on these topics. No DHSS technical staff will be assigned to this project to assist in the coding of the system. DHSS 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

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. DHSS 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 Enclosure 2 for more information on the DHSS IT environment.

3.4 Change Control

Scope control is critical to the success of any IT project. If the project is to remain on time and within budget, scope must be tightly managed. In this vein, the project will establish a Change Control Board (CCB) to review all changes requested beyond the scope established in the contract. This entity will be made of representatives from DHSS (Business and IRM) and the project contractor(s) to review Change Requests (CRs) and vet them as to whether they are critical for inclusion in the implemented solution. Non-critical requests will be prioritized for consideration in the M&O phase. CRs may be swapped for CRs of similar level of effort in order to contain scope. At a certain point, however, design must be locked down at which point no other CRs will be considered for inclusion at implementation. This design lock down date must be documented in the baselined project plan deliverable. The change control process will be documented in the Communications Plan deliverable.

3.5 Deliverable Review

It is the responsibility of DHSS 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 DHSS to review all project deliverables in the agreed upon timeframe. DHSS will notify the Contractor of any changes to the review schedule. Milestone invoicing and payment is contingent upon formal DHSS approval. Likewise, production implementation of each module is contingent upon formal DHSS approval.

3.6 Implementation

Production implementation is normally an IRM responsibility. Depending on the solution selected, IRM may require participation of contractor staff. DHSS will be primarily responsible for post implementation administration if the system resides at the Biggs Data Center. If a hosted solution is selected, the Contractor has primary administration responsibilities.

4. Contractor Responsibilities/Project Requirements

The contractor responsibilities and project requirements are listed in Scope of Work, Appendix B.

The contractor is expected to provide most of the expertise and provide for the full range of services during the project. Contractors must discuss each of these subsection requirements in detail in their proposals to acknowledge their responsibilities under this RFP.

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 Analysts (i.e. DBA, SE, etc.)
- Documentation Specialists

The resumes will be for specific named individuals and will be in the format specified in Enclosure 3. Other positions may be proposed at the contractor's discretion. One person may be proposed to fill more than one role. The contractor project manager and other key staff like the Business Analyst(s) will be required to be on site in New Castle, Delaware, during the entire project phase.

4.1.1 On-Site Staffing Requirement

On-site staffing not required.

4.1.2 Project Director Requirement

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

4.1.3 Project Manager Requirement

The contractor project manager is normally on-site and manages the project from the contractor perspective and is the chief liaison for the DHSS 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.

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Meeting minutes will be recorded by the contractor and distributed by noon the day 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, Contractors must include a confirmation that their project manager will schedule status review meetings as described above. It is critical that a named Contractor Project Manager with prior project management experience be proposed.

In their proposals, Contractors must include a confirmation that their Project Manager will schedule status review meetings as required above and that their Project Manager will provide written minutes of these meetings to the DHSS Project Director by noon the business day prior to the next meeting.

4.1.4 Project Help Desk Staff Requirement

Contractor Help Desk expertise is critical to the success of the system. Staff proposed for this function do not need to be dedicated exclusively to this role. They may serve a primary role in addition to providing Help Desk coverage. Secondary Help Desk support must be identified in the resume of the staff member primarily bid for another function. Contractor must supply at least a primary and a backup Help Desk function during the UAT, production Implementation and the warranty timeframe. These staff will provide second-level support during DHSS business hours to callers with system issues. The DHSS 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 prime contractor will be directly responsible for all project work and performance of any subsidiary, subcontractor or by any other third party. The prime contractor will ensure that all ancillary contractors understand and are responsible for the requirements of this project. If the prime contractor will be utilizing the services of an ancillary contractor under this project, please give an example of language to be used in the sub-contractual agreement to satisfy this requirement.

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 must be created and included as part of this proposal.

For custom development, 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 DHSS consideration and comment in order to expedite the final review process.

4.3 Requirement to Comply with HIPAA Regulations and Standards

The selected Contractor 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

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

HIPAA requirements also apply to entities with which DHSS data is shared. If this data is covered by HIPAA, then a Business Associate Agreement (BAA) must be signed by both parties to ensure that this data is adequately secured according to State 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 Security Requirements

4.4.1 Authorizations

All Contractor staff working directly 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 Enclosure 6 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 under the contract.

4.4.2 Architecture Requirements

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

The diagram must include any interfaces between the solution and other solutions. The diagram needs to be clearly documented (ports, protocols, direction of communication). It does not need to contain the inner workings of the solution or proprietary information.

Technical documentation will be required to be produced as part of the contract negotiations process. These will be submitted to DHSS for attachment to a DTI business case. The business case must be in "Recommended" status prior to contract signature or have a clear indication that the contract can be signed subject to conditions listed in the business case. The project business case is a DHSS responsibility. Technical documentation includes a final architecture diagram for each system environment (Prod, UAT, etc.), non-proprietary data dictionary and a high-level process flow diagram. This documentation shall be produced at no cost to DHSS prior to contract signature.

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Architecture changes can be highly risky if not planned and tested correctly and therefore must go through the change control process. The architecture diagram may have to be updated along with other documents for prior approval. Architecture changes must be staged in lower environments at least at the SIT level for integration testing. Formal UAT approval is required for scheduling production implementation.

4.4.3 DHSS Hosting Requirements

If the proposed solution will be hosted by DHSS, Contractor is instructed to include in their response to this section the following statement, **“Proposing a DHSS hosted solution. Therefore, the Cloud/Remote Hosting Requirements from section 4.4.3 do not apply and are not addressed in this proposal.”**

4.4.3.1 Requirement to Comply with State Policies and Procedures

The proposed solution must be fully compatible with the DHSS technical environment. Proposed solutions that are not fully compliant with State standards may be disallowed.

The Information Technology Publications web page (The link to this document is in Enclosure 2.) has links to DHSS and DTI policies and standards and other documentation. See the “Supportive Documentation for Bidding on Proposals” section.

The DTI Systems Architecture Standard contains information confidential to the State and is not published on 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.delaware.gov.

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 (The link to this document is in Enclosure 2.) and DHSS Information Technology Environment Standards (The link to this document is in Enclosure 2.) 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.

4.4.3.2 Standard Practices

The contractor(s) shall be responsible for the professional quality, technical accuracy, timely completion, and coordination of all services furnished to DHSS. 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 DHSS are consistent with practices utilized by, or policies and standards promulgated by, the Department of Technology and Information (DTI). The link to the Enterprise Standards and Policies is in Enclosure 2. 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.

4.4.3.3 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

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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.

4.4.3.4 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 Contractor is guaranteeing that any systems or software meets or exceeds Critical Security Controls. The link to this document is in Enclosure 2.

4.4.3.5 Cyber Security Liability

It shall be the duty of the Contractor 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. Contractor's agreement shall not limit or modify liability for information security breaches, and 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) 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 Contractor all damages, costs and expenses caused by such information security breaches that have not been previously paid to Contractor.

4.4.3.6 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.

4.4.3.7 Mandatory Inclusions for DHSS Hosting

4.4.3.7.1 Network Diagram

The Contractor must include a network diagram of the user's interaction with the solution and any interfaces between the solution and DHSS must 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.

4.4.3.7.2 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. Please use the following format:

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Product Name	Version	Contractor Name	Required for Development?	Required for M&O?

4.4.3.7.3 3rd Party Authentication

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

4.4.3.7.4 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.

4.4.3.7.5 Data Encryption

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

4.4.3.7.6 Securing DHSS Data

The contractor must describe how DHSS data will be protected and secured.

4.4.4 Cloud/Remote Hosting Requirements

This section is mandatory for Contractors proposing to host systems and/or DHSS data outside of the State network. Contractors must respond as required for each subsection below. Failure to respond as instructed may be cause for rejection of the entire proposal.

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

4.4.4.1 Remote Hosting Agreements

DTI publishes two agreement templates for hosting data and/or systems. The first is the Delaware Cloud Services Terms and Conditions Agreement and the second is the Delaware Data Usage Terms and Conditions Agreement. The Cloud Services Agreement is for utilizing offsite or cloud facilities and services and the Data Usage Agreement covers proper treatment of State data when stored and/or processed offsite. Both agreements have columns identifying which provisions are mandatory depending on whether the data is Public or Non-Public.

The data classification for this procurement is **Non-Public**.

Contractor is instructed to review the two agreements and sign and scan and include with your response

Cloud Services Agreement (CSA)

The link to this document is in Enclosure 2.

Data Usage Agreement (DUA)

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The link to this document is in Enclosure 2.

The mandatory clauses are identified by the checkmark in the appropriate Public/Non-Public column in each Agreement.

Note: There are very specific instructions above the Cloud Service (CS) Terms column on each page of the CSA regarding which combination of provisions are mandatory for Non-Public data. Please review the instructions carefully

If Contractor 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 Cloud Services/Data Usage Exceptions table as part of your response to this section. Please include a Comment for each exception stating why you Accept Conditionally or Reject. If you can Accept Conditionally, state what controls are or can be put into place to provide for the same or similar level of compliance.

CSA/DUA Exceptions (Example)

CSA/DUA	Clause #	Response	Comment
CSA	CS1-B	Accept Conditionally	We will provide the results of our internal Criminal Background Checks in lieu of the stated requirement.
CSA	CS4	Reject	Our legal counsel has advised that while we can provide notice to DHSS of pending activity, we can provide no specifics otherwise.
DUA	DU2	Accept Conditionally	While we can agree to the minimum necessary provision, under exceptional circumstances, our DBA staff may be required to access production datasets for the purposes of data integrity checks or issue resolution. An as-needed, limited term access authorization will be necessary in this situation.

Any exceptions specified will be vetted by DTI prior to contract signature. Individual clauses may be negotiated and updated by DHSS. In this case, DTI's written approval of the negotiated Agreement version will be attached to the final contract.

If the Contractor accepts all clauses as originally specified, Contractor will respond to this subsection with "We accept all clauses in both the CSA and DUA". Do not include the Template Exceptions table in this situation.

4.4.4.1.1 Requirement to Encrypt Data at Rest

In the DUA, requirement DU7 specifies that non-public data (personally identifiable information/confidential information) must be encrypted at rest. If the Contractor is proposing a solution that will comply with this requirement, please include the following statement in your response to this section:

- "[Company Name] is proposing a solution will encrypt non-public data at rest."
- In section 4.4.5.1 of this RFP, Contractor must specifically describe how the data will be encrypted as specified in requirement DU7 in the DUA.

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However, if the Contractor cannot comply with this requirement then Contractor must purchase adequate Cyber Liability Insurance as specified in Enclosure 7 **Cyber Responsibilities, Liability and Insurance**. Please include the following statement in your response to this section:

- “[Company Name] is proposing a solution will not encrypt non-public data at rest and intends to purchase Cyber Liability Insurance as specified in Enclosure 7 prior to contract signature.”
- The selected Contractor will present a valid certificate of cyber liability insurance for attachment to the contract prior to contract signature.

4.4.4.2 Terms and Conditions for Subcontractors

Subcontractors involved in offsite/cloud data hosting are not required to sign the CSA or the DUA; however, the primary contractor is expected to hold them responsible to the same or more stringent security requirements to ensure that State data is adequately secured.

4.4.4.3 Standard Practices

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

4.4.4.4.1 Mandatory Inclusions for Cloud/Remote Hosting

4.4.4.5 Network Diagram

The Contractor 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.

4.4.4.6 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	Contractor Name	Required for Development?	Required for M&O?

4.4.5 DHSS-Specific Security Requirements

The requirements in this section are mandatory.

4.4.5.1 Encryption of Data at Rest

Contractor will describe the method(s) for encrypting DHSS confidential/PII/ePHI data at rest in their proposed solution.

4.4.5.2 Encryption of Data in Transit

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

4.4.5.3 DHSS Data Rights

All DHSS data (Public and Non-Public) related to services provided under this contract will remain the sole property of DHSS. De-identified or derived/aggregated DHSS data is not exempted from this requirement. This provision shall survive the life of the contract. Contractor does not acquire any right, title or interest in DHSS data under this contract. Except as otherwise required by law or authorized by DHSS in writing, no DHSS data shall be retained by the Contractor 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 written confirmation to DHSS; contractor is expressly prohibited from retaining, transferring, repurposing or reselling DHSS data except as otherwise authorized by DHSS in writing; contractor retains no ongoing rights to this data except as expressly agreed to by DHSS in the contract.

4.4.6 UAT and Training Environments

The UAT and Training environments must be secured at a level equivalent to the security in place for the production environment. It must be sized and architected such that an entire copy of the production files can be copied over into UAT. The architecture must be equivalently configured so that performance and load testing will essentially produce the same results and expectations as testing in the production environment. There is no expectation to mask field values in the UAT and Training environments. Lower environments that are secured in the same manner may be exempt from masking requirements as well however this may be subject to DHSS or Federal regulations that override this potential exemption.

4.4.7 Masking of Production Data in Lower Environments

While securing of production data is of critical importance, migration of that data to lower environments presents its own set of challenges as lower environments typically are not as secure as the production environment. Masking of production data in lower environments usually involves deletion or obfuscation of actual PII-related field values such that they have no meaning as plain text and there is no identifiable method of translation back to the original values. If there are plans to copy production data to a less secure environment, Contractor will describe in detail their proposed masking strategy. If there is no expectation that production data will be copied into less secure environments, Contractor will describe their proposed test data generation plans and state clearly in this section that masking of production data is not required under this proposal.

4.4.8 Offsite Project Work

DHSS will permit project work to be done offsite, within the United States and its territories. For offsite work, DHSS 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 Contractor is proposing offsite project work, Contractor must specifically address each of the bulleted items below in this section of the proposal. Otherwise, Contractor will respond to this section as follows: **"No offsite project work proposed."**

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Note: For the purposes of this section, the Contractor 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 Contractor.
- Provide a description of what tasks each job title is responsible for performing.
- Clearly identify if offsite work is to be performed by Contractor staff or subcontractors.
- For offsite subcontractor or Contractor 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. DHSS prefers that the offsite project manager be a Contractor employee. Please refer to Appendix D Section 4.1 for normal Contractor staffing requirements.
- Provide a contingency plan for substituting on-site staff if offsite relationship becomes problematic as determined by DHSS.
- Provide a description of prior Contractor organization experience with use of offsite Contractor 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 DHSS will only provide management of this project and Contractor resources through the on-site project manager. All management/relationships with offsite resources, whether Contractor 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 DHSS-hosted solutions, DHSS 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. DHSS 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. Contractors may propose additional environments as necessary or recommended for their solution.

4.4.9 Offshore Prohibitions

Offshore is defined as not being within the United States or its territories. Offshore storage and transmission of DHSS data is prohibited. Onshore project data and project artifacts including backup and recovery files in any form shall not be accessed by offshore staff and shall not be copied, processed, transmitted or moved offshore. Contractor is permitted to engage offshore resources including sub-contractors for

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development and lower level (unit & integration) testing only. Contractor is prohibited from using State data in any form even if masked or obfuscated for offshore testing. All aspects of User Acceptance Testing and production operations will take place onshore.

The provisions in this section extend to development, maintenance and operations services, hosting services, technical support services and any other subsequent services under this contract. Violation of any provision in this paragraph will be considered breach of contract. Contractor shall respond with their understanding of and their intent to comply with the requirements in this section.

4.4.10 Other Technical Considerations

DHSS 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, DHSS 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 Microsoft SQL Server for the data store
- Have been developed using Microsoft C#.NET

4.5 Reporting

Required reports for this project are addressed in Appendix B, Scope of Work, Task 13.

4.6 Performance

Required performance for this project is addressed in Appendix B, Scope of Work, Task 18.

4.7 Degree of Customization

If bidding a purely custom solution, please respond to this section as follows: **“Bidding a custom solution. Degree of customization is not relevant to this proposal.”**

Otherwise, please comply with the following requirements.

In terms of degree of customization of COTS software or transfer of an existing custom solution, DHSS’ interest is in cost containment by restricting the customization features applied to a proposed COTS or transfer solution. DHSS will waive IP rights of customization features applied as part of this project if they are made part of the standard product, which in fact is DHSS’ preference.

The basis for this degree of customization will be the maximum number of hours that the Contractor is including in the total hours for development for required customization features. Contractor will provide the following information in their technical proposal:

Total Development Hours = _____
Total Customization Hours = _____
Degree of Customization = _____

The Degree of Customization is computed as follows:

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Degree of Customization =
(Total Customization Hours / Total Development Hours) * 100

where

Total Customization Hours = Total hours for all approved change requests (CR1 hours + CR2 hours + ...)

and

Total Development Hours = Total coding hours bid for this project

Contractor will bid a Degree of Customization that does not exceed 15%. This figure will serve to cap Total Customization Hours that will come out of the design process. If at any point during the design phase, this figure is projected to exceed 15%, contractor will inform the CCB and they will take action to either scale back or disapprove existing CRs to drive this figure back to or below 15%.

4.8 Backup and Recovery

DHSS requires that system data be backed up to appropriate media that can be restored as necessary. The selected 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.

4.9 Disaster Recovery

Disaster Recovery addressed in Appendix B, Scope of Work, Task 15.

4.10 Specific Project Tasks

Project Tasks addressed in Appendix B, Scope of Work.

4.11 Project Deliverables

Project Deliverables addressed in Appendix B, Scope of Work, Task 14.

4.11.1 Deliverable Review Process

Deliverable Review Process addressed in Appendix B, Scope of Work.

4.11.2 Project Deliverables by Phase

This RFP is for Service and Maintenance Project/Contract.
Deliverables are addressed in Appendix B, Scope of Work, Exhibit E – Price Proposal Form.

4.12 Project Expectations

Contractor will be expected to address the following requirements in detail. Emphasis is on the limited availability of DHSS staff for this project and the expectation that the contractor express in detail their understanding of their responsibilities in the areas of Customization/Development, Implementation, Warranty, Training, and Deliverables.

4.12.1 Site Requirements

*DHSS Hosted section is not required for this project. Solution will be hosted by contractor. Contractors please note “Remotely Hosted Solutions”.

Remotely Hosted Solutions

For remotely hosted solutions the following separate, isolated regions – in addition to the production region – are minimally required for ongoing maintenance and system enhancements:

- A development region for ongoing maintenance
- A prod-sized UAT region

4.12.2 Environment Responsibilities

Contractor will have responsibility for each of the following environments. For remotely hosted solutions, the contractor will normally assume full responsibility for each environment.

4.12.3 Unit Testing

This is a developer-controlled region where developers directly test created or modified modules. Users will not have access to this environment. It is considered dynamic and unstable. Backup and restoration are at the option of the contractor. IRM should only be involved with this environment if it is locally hosted.

4.12.4 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.

4.12.5 User Acceptance Testing (UAT)

System users directly test functional areas of the application as a precursor to production migration. This region is maintained by the Contractor. Testing will be scripted. This environment must be backed up and be fully recoverable. The environment must be architected and sized as a production copy. Converted production data will 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 DHSS prior to production implementation. DHSS and Contractor are jointly responsible for developing UAT test scenarios. However, DHSS is not limited to these scenarios and will test all aspects of deliverables. The locations for UAT DHSS staff will be at DHSS' discretion. Acceptance criteria for approval will be documented and based upon the RTM. Additional acceptance criteria beyond what is specified in the RTM may be specified by DHSS, documented and agreed to prior to the start of UAT. Contractor cannot be held responsible for criteria that is not properly documented. Upon formal DHSS approval of all UAT scenarios in a module, it may be scheduled for migration into the production environment. For a locally hosted UAT environment, IRM will be involved as necessary in these migrations.

As a necessary part of UAT, end to end regression testing will be conducted by DHSS. This testing must be completed and the results approved by DHSS prior to production implementation.

As UAT is a responsibility of DHSS, Contractor is prohibited from participating in the UAT process except for readiness activities such as data refresh and running any batch jobs associated with the testing. Contractor will not be involved in the evaluation of the testing results or in the actual approval process.

4.12.6 Production Implementation

Prior to implementation, the Contractor will produce an implementation plan document to be reviewed and approved by DHSS. 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 be scheduled following DHSS approval of this document.

4.12.7 Legacy Data Conversion

See Task 19 of Appendix B for Transition expectations.

4.12.8 Training

Training will be outlined in a training plan deliverable 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 DHSS 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.

4.12.8.1 System User

Contractor will be responsible for training users in all aspects of the new system. As applicable, contractor will also include organizational change management-specific instruction to include old vs. new ways of conducting business with the new system. Training will demonstrate business and system workflows. System policy compliance (including any recent policy changes) will be covered. If the new system is a replacement for a legacy system, training will also cover legacy vs. new system workflows and screens.

4.12.8.2 Technical

Contractor will be responsible for training DHSS technical staff on all technical aspects of system operations and support including any third-party products. A key component to technical training is knowledge transfer. In their response to this section, contractor will include a detailed discussion of their approach to knowledge transfer for technical staff.

4.12.9 Maintenance and Operations (M&O)

Contractor must include a description of the ongoing M&O support they are proposing. Support includes licenses, help desk support, bug fixes and scheduled releases. Costs for such services will need to be shown in the Business Proposal. Support cost inflation is discussed on the cost forms.

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

Contractor 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.

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- 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 from the current date through the next three years.
- 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.

If the product is a COTS customizable solution, Contractor will provide an estimate of the number of hours required to apply the DHSS customization features to new releases. This and the cost information will need to be provided in the Business Proposal.

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

4.12.10 Documentation

The Contractor 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 Contractor is also responsible for providing sufficient technical system documentation to permit DHSS to maintain the application.

5. Contractor Instructions

5.1 Submission Information

The proposal must be submitted **with 2 paper copies and 6 electronic copies on CD or DVD media disk. One (1) paper copy must be an original copy, marked “ORIGINAL” on the cover, and contain original signatures and Six (6) electronic copies saved to CD or DVD media disk (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) disks (Each labeled “Corporate Confidential Information”).

It is the responsibility of the Contractor to ensure all submitted disks are machine readable, virus free and are otherwise error-free. Disks (or their component files) not in this condition may be cause for the Contractor to be disqualified from bidding. Contractors are prohibited from submitting their proposals on USB devices.

5.2 Proposal Contents

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

- Transmittal Letter (A)**
- Required Forms (B)**
- Executive Summary (C)**
- Project requirements (D)**
- Staff Qualifications and Experience (E)**
- Firm Past Performance and Qualifications (F)**
- RFP Attachments (G)**
- Project Cost Information (H)**
- Contractor Stability and Resources (I)**
- Policy Memorandum Number 70 (J)**

The format and contents for the material to be included under each of these headings is described below. Each subsection within the 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.

5.2.1 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 disks have been scanned and are free from viruses and other malicious software.

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3. A reference to all RFP amendments received by the Contractor (by amendment issue date), to warrant that the Contractor is aware of all such amendments in the event that there are any; if none have been received by the Contractor, a statement to that effect must be included.
4. A statement that all proposal conditions are valid for 365 days from the deadline date for proposal submission.
5. A statement that certifies pricing was arrived at without any collusion or conflict of interest.

PDF versions of the Transmittal Letter must be included in the Proposal.

5.2.2 Required Forms (Section B)

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

Attachments 2, 3, 4, 5, 10, 11, 12 and Enclosures 3, 4, and 6

Appendix A of the RFP refers to general RFP requirements. Section 6 of Appendix D refers to technical requirements. Both need to be reviewed to help the bidder include required documents in their proposal.

Enclosure 6: This is the bidder contact information form must be completed and signed by prospective Contractors and included in proposal submission.

State of Delaware Cloud Services and Data Usage Terms and Conditions Agreements information is located in Enclosure 2. These forms may be required to be completed and signed by the selected bidder.

5.2.3 Executive Summary (Section C)

Bidder shall present a high-level project description to give the evaluation team and others a broad understanding of the proposal and the Bidder's approach to this project. This should summarize project purpose, key project tasks, a high-level timeline, key milestones, and 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.

5.2.4 Project Requirements (Section D)

Contractor must describe their understanding and approach to meet the expectations and mandatory requirements specified in Appendix D, Section 4. Address bulleted and titled requirement paragraphs within subsections as "Bullet n" and "Paragraph Title" respectively. Please address DHSS staffing considerations in subsections where staffing is mentioned.

5.2.5 Staff Qualifications and Experience (Section E)

Contractor 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

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Additionally, Contractor shall provide a narrative description of experience each key staff member has in the areas relevant to this project. Contractor and subcontractor staff shall be separately identified.

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 DHSS before the contract is signed. If proposing no subcontractors, please state in this proposal section “**No subcontractors are being proposed as part of this contract.**”

5.2.6 Firm Past Performance and Qualifications (Section F)

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

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 Contractor’s performance. Please use the **Bidder Project Experience** form (Enclosure 4) to provide this information in this section.

Provide an example of an actual client implementation plan, similar in magnitude to the Online Web-based Validated Developmental Screening Tool and Services, including staff, dates, milestones, deliverables, and resources.

5.2.7 RFP Attachments (Section G)

Please place the completed RFP Attachments in this section of the proposal.

5.3 Proposal Contents

The proposal will contain all project costs along with evidence of the Contractor’s financial stability.

5.3.1 Project Cost Information (Section H)

Contractor shall provide costs for the project as outlined in Appendix B, Exhibit E.

5.3.2 Contractor Stability and Resources (Section I)

Contractor 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 Contractor’s demonstration of its financial solvency and sufficiency of corporate resources is dependent upon whether the Contractor’s organization is publicly held or not:

- ❖ If the Contractor 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 Contractor’s principle financial or banking organization; include this information with copy of the Technical Proposal and reference the enclosure as the response to this

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- subsection; or
- ❖ If the Contractor is not a publicly held corporation, the Contractor 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.

The requirements from RFP Section III.B General Evaluation must be addressed and consolidated into this section.

5.4 Policy Memorandum Number 70 (Section J)

Please review DHSS Policy Memorandum Number 70. The link to this document is in Enclosure 2. If your firm has a written inclusion policy/plan, please include it in this section.

If your firm does not have an inclusion policy/plan, please respond to this section as follows, "**Contractor does not have an inclusion policy/plan**". The response to this section will have no impact on the scoring of your proposal.

6. Enclosures

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

- 1. General Terms and Conditions**
- 2. Website Links**
- 3. Key Position Resume**
- 4. Bidder Project Experience**
- 5. Deliverable Acceptance Request (DAR)**
- 6. Bidder Contact Information**
- 7. Criminal Background Check Instructions**
- 8. Cyber Responsibilities, Liability and Insurance**

The following Enclosures must be completed by all Bidders and included as part of the submitted proposal:

- Enclosures – 3, 4, and 6

Enclosure 1

1. General Terms and Conditions

General Terms and Conditions

The following provisions are applicable to all DHSS RFP's

1) 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.

2) 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.

3) 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.

4) Right to a Debriefing

To request a debriefing on Contractor selection, the Contractor must submit a letter requesting a debriefing to the Procurement Administrator, DHSS, within ten days of the announced selection. In the letter, the Contractor 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.

5) 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.

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6) 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.

7) Federal Provisions

- **Americans with Disabilities Act** - This Act (28 CFR Part 35, Title II, Subtitle A) prohibits discrimination on the basis of disability in all services, programs, and activities provided to the public and State and local governments, except public transportation services.
- **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.
- **Drug-Free Workplace Statement** - The Federal government implemented the Drug Free Workplace Act of 1988 in an attempt to address the problems of drug abuse on the job. It is a fact that employees who use drugs have less productivity, a lower quality of work, and a higher absenteeism, and are more likely to misappropriate funds or services. From this perspective, the drug abuser may endanger other employees, the public at large, or themselves. Damage to property, whether owned by this entity or not, could result from drug abuse on the job. All these actions might undermine public confidence in the services this entity provides. Therefore, in order to remain a responsible source for government contracts, the following guidelines have been adopted:
 - a. The unlawful manufacture, distribution, dispensation, possession or use of a controlled substance is prohibited in the work place.
 - b. Violators may be terminated or requested to seek counseling from an approved rehabilitation service.
 - c. Employees must notify their employer of any conviction of a criminal drug statute no later than five days after such conviction.
 - d. Contractors of federal agencies are required to certify that they will provide drug-free workplaces for their employees.

Transactions subject to the suspension/debarment rules (covered transactions) include grants, subgrants, cooperative agreements, and prime contracts under such awards. Subcontracts are not included. Also, the dollar threshold for covered procurement contracts is \$25,000. Contracts for Federally required audit services are covered regardless of dollar amount.

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8) DHSS Policy Memorandum # 70

Please refer to Enclosure 2 for the link to this document.

The Contractor agrees to adhere to the requirements of DHSS Policy Memorandum # 70, (effective 7/18/2015), and divisional procedures regarding the concept of an inclusive workplace which is accepting of diverse populations in our workforce and actively practices acceptance of diverse populations within our community, through our programs and services we provide to our clients. It is understood that adherence to this policy includes the development of appropriate procedures to implement the policy and ensuring staff receive appropriate training on the policy requirements. The Contractor's procedures must include the position(s) responsible for the PM70 process in the Contractor's organization. Documentation of staff training on PM70 must be maintained by the Contractor.

Enclosure 2 – Website Links

A. Website Links (in alphabetical order)

- Cloud Services Agreement
<https://dti.delaware.gov/pdfs/pp/Delaware%20Cloud%20Services%20Terms%20and%20Conditions%20Agreement.pdf>
- Critical Security Controls
<https://www.cisecurity.org/controls/>
- Data Usage Agreement
<https://dti.delaware.gov/pdfs/pp/Delaware%20Data%20Usage%20Terms%20and%20Conditions%20Agreement.pdf>
- DHSS Information Technology Environment Standards
http://www.dhss.delaware.gov/dhss/dms/irm/files/dhss_it_environment.pdf
- Enterprise Standards and Policies
<http://dti.delaware.gov/information/standards-policies.shtml>
- Information Technology Publications
<http://www.dhss.delaware.gov/dhss/DMS/itpubs.html>
See section entitled “Supportive Documentation for Bidding on Proposals”
- Policy Memorandum 70 on Inclusion
http://dhss.delaware.gov/dhss/admin/files/PM_70.pdf
- State of Delaware Business Associate Agreement
<http://dhss.delaware.gov/dhss/dms/cmp/files/hipaabp.pdf>

Enclosure 3 – Key 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

Enclosure 4

4. Bidder Project Experience



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:	
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 Contractor's performance.	

Enclosure 5

5. Bidder Contact Information



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Bidder Contact Information

The following information must be filled out and submitted with proposal. Multiple Contractor contacts may be specified.

Bidder Contact(s)

Contact Name	
Email Address	

Authorized Bidder Representative

Printed Name	
Signature	
Phone Number	
Email Address	

Enclosure 6

6. 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.

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New Castle County	Kent County (Primary Facility)	Sussex County
<p style="text-align: center;">State Police Troop 2</p> <p style="text-align: center;">100 LaGrange Ave Newark, DE 19702 (Between Rts. 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 style="text-align: center;">State Bureau of Identification</p> <p style="text-align: center;">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 style="text-align: center;">State Police Troop 4</p> <p style="text-align: center;">S DuPont Hwy & Shortly Rd Georgetown, DE 19947 (Across from DelDOT & 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>

Enclosure 7

7. Cyber Responsibilities, Liability and Insurance

Cyber Responsibilities, Liability and Insurance

A. Contractor Protection of Customer Data

1. The Contractor shall, at a minimum, comply with all Delaware Department of Technology and Information (DTI) and DHSS security standards identified in this Request for Proposals and any resultant contract(s).

B. Definitions

Data Breach

1. In general, the term “data breach” means a compromise of the security, confidentiality, or integrity of, or the loss of, computerized data for the State of Delaware that results in, or there is a reasonable basis to conclude has resulted in:
 1. 1 The unauthorized acquisition of personally identifiable information (PII); or
 1. 2 Access to PII that is for an unauthorized purpose, or in excess of authorization,
2. Exclusion
 - 2.1 The term “data breach” does not include any investigative, protective, or intelligence activity of a law enforcement agency of the United States, a State, or a political subdivision of a State, or of an intelligence agency of the United States.

Personally Identifiable Information (PII)

1. Information or data, alone or in combination that identifies or authenticates a particular individual.
 1. 1 Such information or data may include, without limitation, Name, Date of birth, Full address (e.g. house number, city, state, and/or zip code), Phone Number, Passwords, PINs, Federal or state tax information, Biometric data, Unique identification numbers (e.g. driver's license number, social security number, credit or debit account numbers, medical records numbers), Criminal history, Citizenship status, Medical information, Financial Information, Usernames, Answers to security questions or other personal identifiers.

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2. Information or data that meets the definition ascribed to the term "Personal Information" under §6809(4) of the Gramm-Leach-Bliley Act or other applicable law of the State of Delaware.

Customer Data

1. All data including all text, sound, software, or image files provided to Contractor by, or on behalf of, Delaware which is occasioned by or arises out of the operations, obligations, and responsibilities set forth in this contract.

Security Incident

1. Any unauthorized access to any Customer Data maintained, stored, or transmitted by Delaware or a third party on behalf of Delaware.

C. Responsibilities of Contractor in the Event of a Data Breach

Contractor shall notify State of Delaware, Department of Technology and Information (DTI) and DHSS without unreasonable delay when the Contractor confirms a data breach. Such notification is to include the nature of the breach, the number of records potentially affected, and the specific data potentially affected.

1. 1 Should the State of Delaware or the Contractor determine that a data breach has actually occurred; the Contractor will immediately take all reasonable and necessary means to mitigate any injury or damage which may arise out of the data breach and shall implement corrective action as determined appropriate by Contractor, DTI and DHSS.
1. 2 Should any corrective action resultant from Section C.1.1 above include restricted, altered, or severed access to electronic data; final approval of the corrective action shall reside with DTI.
1. 3 In the event of an emergency the Contractor may take reasonable corrective action to address the emergency. In such instances the corrective action will not be considered final until approved by DTI.
1. 4 For any record confirmed to have been breached whether such breach was discovered by the Contractor, the State, or any other entity and notwithstanding the definition of personally identifiable information as set forth at 6 *Del. C.* § 12B-101 the Contractor shall:
 - 1.4.1. Notify in a form acceptable to the State, any affected individual as may be required by 6 *Del. C.* § 12B-101 of the Delaware Code.

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- 1.4.2. Provide a preliminary written report detailing the nature, extent, and root cause of any such data breach no later than two (2) business days following notice of such a breach.
- 1.4.3. Meet and confer with representatives of DTI and DHSS regarding required remedial action in relation to any such data breach without unreasonable delay.
- 1.4.4. Bear all costs associated with the investigation, response and recovery from the breach, such as 3-year credit monitoring services, mailing costs, website, and toll-free telephone call center services.

D. No Limitation of Liability for Certain Data Breaches

1. Covered Data Loss

- 1.1 The loss of Customer Data that is not (1) Attributable to the instructions, acts or omissions of Delaware or its users or (2) Within the published recovery point objective for the Services

2. Covered Disclosure

- 2.1 The disclosure of Customer Data as a result of a successful Security Incident.

3. Notwithstanding any other provision of this contract, there shall be no monetary limitation of Contractor's liability for the Contractor's breach of its obligations under this contract which proximately causes a (1) Covered Data Loss or (2) Covered Disclosure, where such Covered Data Loss or Covered Disclosure results in any unauthorized public dissemination of PII.

E. Cyber Liability Insurance

1. A Contractor unable to meet the DTI Cloud and Offsite Hosting Policy requirement of encrypting PII at rest shall, **prior to execution of a contract**, present a valid certificate of cyber liability insurance at the levels indicated below. Further, the Contractor shall ensure the insurance remains valid for the entire term of the contract, inclusive of any term extension(s).
2. Levels of cyber liability insurance required are based on the number of PII records anticipated to be housed within the solution at any given point in the term of the contract. The level applicable to this contract is: [*insert appropriate level from the table below*]. Should the actual number of PII records exceed the anticipated number, it is the Contractor's responsibility to ensure that sufficient coverage is obtained (see table below). In the event that Contractor fails to obtain sufficient coverage, Contractor shall be liable to cover damages up to the required coverage amount.

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Level	Number of PII records	Level of cyber liability insurance required (occurrence = data breach)
1	1-10,000	\$2,000,000 per occurrence
2	10,001 – 50,000	\$3,000,000 per occurrence
3	50,001 – 100,000	\$4,000,000 per occurrence
4	100,001 – 500,000	\$15,000,000 per occurrence
5	500,001 – 1,000,000	\$30,000,000 per occurrence
6	1,000,001 – 10,000,000	\$100,000,000 per occurrence

F. Compliance

1. The Contractor is required to comply with applicable security-related Federal, State, and Local laws.

G. Media Notice

1. No media notice may be issued without the approval of the State.

H. Points of Contact – Data Breach

1. State of Delaware

Department of Technology and Information
Solomon Adote, Chief Security Officer
Solomon.adote@state.de.us; 302.739.9631

DHSS
John Pasquale, Chief Security Officer
john.pasquale@state.de.us; 302.255.9180

Enclosure 8

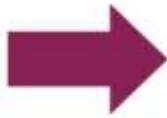
Federal Procurement Clauses

Although these clauses are interspaced throughout the RFP, they are repeated here for convenience and ease of reference.

A11.1 Equal Employment Opportunity

Except as otherwise provided under 41 CFR Part 60, all contracts that meet the definition of federally assisted construction contract in 41 CFR Part 60-1.3 must include the equal opportunity clause provided under 41 CFR 60-1.4(b), in accordance with Executive Order 11246, "Equal Employment Opportunity" (30 FR 12319, 12935, 3 CFR Part, 1964-1965 Comp., p. 339), as amended by Executive Order 11375, "Amending Executive Order 11246 Relating to Equal Employment Opportunity," and implementing regulations at 41 CFR part 60, "Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor." (2 CFR 200, Subpart F, Appendix II)

The EEO clause must be included or the State must have its own EEO similar clause.



See the [Department of Labor Executive Order 11246 – Equal Employment Opportunity](#) for more information.

A11.2 Clean Air and Federal Water Pollution Control Act

Clean Air Act (42 U.S.C. 7401-7671q.) and the Federal Water Pollution Control Act (33 U.S.C. 1251-1387), as amended. Contracts and subgrants of amounts in excess of \$150,000 must contain a provision that requires the non-Federal award to agree to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act (42 U.S.C. 7401-7671q) and the Federal Water Pollution Control Act as amended (33 U.S.C. 1251-1387). Violations must be reported to the Federal awarding agency and the Regional Office of the Environmental Protection Agency (EPA). (2 CFR 200, Subpart F, Appendix II)

A11.3 Anti-Lobbying Act

This Act prohibits the recipients of Federal contracts, grants, and loans from using appropriated funds for lobbying the Executive or Legislative branches of the Federal government in connection with a specific contract, grant, or loan. As required by Section 1352, Title 31 of the U.S. Code and implemented at 2 CFR 200, Subpart F, Appendix II, for persons entering into a grant or cooperative agreement over \$100,000, as defined at 31 U.S.C. 1352, the applicant certifies that:

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- a. No federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress in connection with the making of any federal grant, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any federal grant or cooperative agreement;
- b. If any funds other than federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress in connection with this federal grant or cooperative agreement, the undersigned shall complete and submit Standard Form – LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions;
- c. The undersigned shall require that the language of this certification be include in the award documents for all sub-awards at all tiers (including sub-grants, contracts under grants and cooperative agreements, and subcontracts) and that all sub-recipients shall certify and disclose accordingly.

A11.4 Americans with Disabilities Act



See the [Americans with Disabilities Act website](#) for more information.

This Act (28 CFR Part 35, Title II, Subtitle A) prohibits discrimination on the basis of disability in all services, programs, and activities provided to the public and State and local governments, except public transportation services.

A11.5 Drug-Free Workplace Statement

The Federal government implemented 41 U.S. Code § 8103, Drug-free workplace requirements for Federal grant recipients in an attempt to address the problems of drug abuse on the job. It is a fact that employees who use drugs have less productivity, a lower quality of work, and a higher absenteeism, and are more likely to misappropriate funds or services. From this perspective, the drug abuser may endanger other employees, the public at large, or themselves. Damage to property, whether owned by this entity or not, could result from drug abuse on the job. All these actions might undermine public confidence in the services this entity provides.

Therefore, in order to remain a responsible source for government contracts, the following guidelines have been adopted:

1. The unlawful manufacture, distribution, dispensation, possession or use of a controlled substance is prohibited in the work place.
2. Violators may be terminated or requested to seek counseling from an approved rehabilitation service.
3. Employees must notify their employer of any conviction of a criminal drug statute no later than five days after such conviction.
4. Contractors of federal agencies are required to certify that they will provide drug-free workplaces for their employees.

Transactions subject to the suspension/debarment rules (covered transactions) include grants, subgrants, cooperative agreements, and prime contracts under such awards. Subcontracts are not included.

A11.6 Royalty Free Rights to Use Software or Documentation Developed

2 CFR 200.315 Intangible property.

(a) Title to intangible property (see §200.59 Intangible property) acquired under a Federal award vests upon acquisition in the non-Federal entity. The non-Federal entity must use that property for the originally-authorized purpose, and must not encumber the property without approval of the Federal awarding agency. When no longer needed for the originally authorized purpose, disposition of the intangible property must occur in accordance with the provisions in §200.313 Equipment paragraph (e).

(b) The non-Federal entity may copyright any work that is subject to copyright and was developed, or for which ownership was acquired, under a Federal award. The Federal awarding agency reserves a royalty-free, nonexclusive and irrevocable right to reproduce, publish, or otherwise use the work for Federal purposes, and to authorize others to do so.

(c) The non-Federal entity is subject to applicable regulations governing patents and inventions, including government wide regulations issued by the Department of Commerce at 37 CFR Part 401, "Rights to Inventions Made by Nonprofit Organizations and Small Business Firms Under Government Awards, Contracts and Cooperative Agreements."

(d) The Federal Government has the right to:

(1) Obtain, reproduce, publish, or otherwise use the data produced under a Federal award; and

(2) Authorize others to receive, reproduce, publish, or otherwise use such data for Federal purposes.

A11.7 Debarment and Suspension

Debarment and Suspension (Executive Orders 12549 and 12689)—A contract award (see 2 CFR 180.220) must not be made to parties listed on the government wide exclusions in the System for Award Management (SAM), in accordance with the OMB guidelines at 2 CFR 180 that implement Executive Orders 12549 (3 CFR part 1986 Comp., p. 189) and 12689 (3 CFR part 1989 Comp., p. 235), "Debarment and Suspension." SAM Exclusions contains the names of parties debarred, suspended, or otherwise excluded by agencies, as well as parties declared ineligible under statutory or regulatory authority other than Executive Order 12549. (2 CFR 200, Subpart F, Appendix II)

States to include in RFP and Contract a statement of certification by the vendor, such as "By signing this contract, the vendor certifies it is not suspended or debarred as specified by these rules."