



RFP No: 3884

INVITATION: Sealed proposals, subject to the attached conditions, will be received at this office until **May 9, 2017 @ 3:00 p.m.** Central Time for the acquisition of the products/services described below for **Mississippi Department of Human Services** and the **Mississippi State Department of Health**.

Electronic Benefits Transfer (EBT) System

MANDATORY VENDOR CONFERENCE: March 14, 2017

NOTE: THIS RFP CONTAINS MANDATORY REQUIREMENTS TO WHICH NO EXCEPTION MAY BE TAKEN. SEE SECTION VII, ITEM 2, FOR DETAILS.

The Vendor must submit proposals and direct inquiries to:

Michelle Smith
Technology Consultant
Information Technology Services
3771 Eastwood Drive
Jackson, MS 39211
(601) 432-8057
Michelle.Smith@its.ms.gov

To prevent opening by unauthorized individuals, all copies of the proposal must be sealed in the package. The following must be clearly typed on a label affixed to the package in a clearly visible location:

PROPOSAL, SUBMITTED IN RESPONSE TO
RFP NO. 3884
due **May 9, 2017 @ 3:00 p.m.**,
ATTENTION: Michelle Smith

Craig P. Orgeron, Ph.D.
Executive Director, ITS

ITS RFP Response Checklist

RFP Response Checklist: These items should be included in your response to RFP No. 3884.

- _____ 1) One clearly marked original response and **ten (10)** identical copy/copies of the complete proposal. Label the front and spine of the three-ring loose-leaf binder with the Vendor name and RFP number. Include the items listed below inside the binder. Please DO NOT include a copy of the RFP in the binder.
- _____ 2) *Submission Cover Sheet*, signed and dated. (Section I)
- _____ 3) *Proposal Bond*, if applicable (Section I)
- _____ 4) *Proposal Exception Summary*, if applicable (Section V)
- _____ 5) Vendor response to *RFP Questionnaire* (Section VI)
- _____ 6) Point-by-point response to *Technical Specifications* (Section VII)
- _____ 7) Vendor response to *Cost Information Submission* (Section VIII)
- _____ 8) *References* (Section IX)

Table of Contents

SECTION I.....	5
SUBMISSION COVER SHEET & CONFIGURATION SUMMARY.....	5
PROPOSAL BONDS.....	6
SECTION II.....	7
PROPOSAL SUBMISSION REQUIREMENTS.....	7
SECTION III.....	10
VENDOR INFORMATION.....	10
SECTION IV.....	14
LEGAL AND CONTRACTUAL INFORMATION.....	14
SECTION V.....	26
PROPOSAL EXCEPTIONS.....	26
PROPOSAL EXCEPTION SUMMARY FORM.....	28
SECTION VI.....	29
RFP QUESTIONNAIRE.....	29
SECTION VII.....	32
TECHNICAL SPECIFICATIONS.....	32
SECTION VIII.....	186
COST INFORMATION SUBMISSION.....	186
SECTION IX.....	207
REFERENCES.....	207
REFERENCE FORM.....	209
SUBCONTRACTOR REFERENCE FORM.....	210
EXHIBIT A.....	211
STANDARD CONTRACT.....	211
EXHIBIT B.....	232
LIQUIDATED DAMAGES & PERFORMANCE STANDARDS.....	232
EXHIBIT C.....	239
REQUIREMENTS FOR WIC.....	239
EXHIBIT D: SUPPORTING ATTACHMENTS.....	240
Attachment A: MDHS Agency Organizational Chart.....	240
Attachment B: MDHS DFO Organizational Chart.....	240
Attachment C: MDHS-DFCS Organizational Charts.....	240
Attachment D: MDHS DECCD Organizational Chart.....	240
Attachment E: SNAP-1 contains Historical SNAP Caseload Data for Mississippi.....	240
Attachment F: Debit Card-1 Historical Debit Card Caseload Data for Mississippi's TANF.....	240
Attachment G: Debit Card-2 Historical Debit Card Deposit Data for Mississippi's TANF.....	240
Attachment H: TANF-1 TANF Restriction Notice.....	240
Attachment I: Debit Card-3 Historical Debit Card Cardholder Transaction Data.....	240
Attachment J: MSDH WIC EBT Organization Chart.....	240
Attachment K: WIC-1, Historical Participation/Household/Benefit Data.....	240
Attachment L: Child Care-1 Historical Child Care Participation Data.....	240
Attachment M: Child Care-2 Child Care Provider Data.....	240
Attachment N: SNAP-8 MDHS EBT SNAP-DSNAP Interface File Formats.....	240
Attachment O: Debit Card-6, MDHS Debit Card Interface File Formats.....	240
Attachment P: SNAP-14, EBT DSWG Generic Interface File Formats.....	240

Attachment Q: SNAP-9, USDA FNS Interface File Formats, of this RFP	240
Attachment R: SNAP-4, Historical SNAP Card Issuance and Replacement Data	240
Attachment S: SNAP-13-C, MDHS DSNAP Label Manifest	240
Attachment T: SNAP-2, Historical SNAP Benefit Issuance Data.....	240
Attachment U: SNAP-5, Historical SNAP Cardholder Help Desk Data.....	240
Attachment V: SNAP-6, Historical SNAP Retailer Help Desk Data	240
Attachment W: SNAP-7, Historical SNAP Manual Voucher Data	240
Attachment X: SNAP-3 for Historical SNAP Cardholder Transaction Data.....	240
Attachment Y: SNAP-10, USDA FNS Authorized Retailer Data by County	240
Attachment Z: SNAP-11: USDA FNS Authorized Retailer Data by Business Type	240
Attachment AA: SNAP-15, NAC Interface File Formats, interfacing with the NAC	240
Attachment BB: MDHS Technical Environment Overview.....	240
Attachment CC: Debit Card-5 for Historical Debit Card Cardholder Help Desk Data.....	240
Attachment DD: SNAP-13A, MDHS DSNAP Operation Plan	240
Attachment EE: SNAP-13B, MDHS DSNAP Operation Plan Approval	240
Attachment FF: SNAP-12 USDA FNS SNAP Waivers	240

SECTION I SUBMISSION COVER SHEET & CONFIGURATION SUMMARY

Provide the following information regarding the person responsible for the completion of your proposal. This person should also be the person the Mississippi Department of Information Technology Services, (**ITS**), should contact for questions and/or clarifications.

Name	_____	Phone #	_____
Address	_____	Fax #	_____
	_____	E-mail	_____

Subject to acceptance by **ITS**, the Vendor acknowledges that by submitting a proposal AND signing in the space indicated below, the Vendor is contractually obligated to comply with all items in this Request for Proposal (RFP), including the Standard Contract in Exhibit A if included herein, except those listed as exceptions on the Proposal Exception Summary Form. If no *Proposal Exception Summary Form* is included, the Vendor is indicating that he takes no exceptions. This acknowledgement also contractually obligates any and all subcontractors that may be proposed. Vendors who sign below may not later take exception to any point during contract negotiations. The Vendor further certifies that the company represented here is an authorized dealer in good standing of the products/services included in this proposal.

_____/_____
Original signature of Officer in Bind of Company/Date

Name (typed or printed)	_____
Title	_____
Company name	_____
Physical address	_____

State of Incorporation	_____

CONFIGURATION SUMMARY

The Vendor must provide a summary of the main components of products/services offered in this proposal using 100 words or less.

PROPOSAL BONDS

Please attach the required Proposal Bond here.

SECTION II

PROPOSAL SUBMISSION REQUIREMENTS

The objective of the Proposal Submission Requirements section is to provide Vendors with the information required to submit a response to this Request for Proposal (RFP). A Vendor who has responded to previous RFPs issued by **ITS** should not assume that the requirements are the same, as changes may have been made.

1. Failure to follow any instruction within this RFP may, at the State's sole discretion, result in the disqualification of the Vendor's proposal.
2. The State has no obligation to locate or acknowledge any information in the Vendor's proposal that is not presented under the appropriate outline according to these instructions and in the proper location.
3. The Vendor's proposal must be received, in writing, by the office of **ITS** by the date and time specified. **ITS** is not responsible for any delays in delivery or expenses for the development or delivery of proposals. Any proposal received after proposal opening time will be returned unopened. Any proposal received with insufficient postage will be returned unopened.
4. Proposals or alterations by fax, e-mail, or phone will not be accepted.
5. Original signatures are required on one copy of the Submission Cover Sheet and Configuration Summary, and the Vendor's original submission must be clearly identified as the original. The Vendor's original proposal must include the Proposal Bond, (if explicitly required in Section IV).
6. **ITS** reserves the right to reject any proposals, including those with exceptions, prior to and at any time during negotiations.
7. **ITS** reserves the right to waive any defect or irregularity in any proposal procedure.
8. The Vendor may intersperse their response following each RFP specification but must not otherwise alter or rekey any of the original text of this RFP. If the State determines that the Vendor has altered any language in the original RFP, the State may, in its sole discretion, disqualify the Vendor from further consideration. The RFP issued by **ITS** is the official version and will supersede any conflicting RFP language submitted by the Vendor.
9. The Vendor must conform to the following standards in the preparation of the Vendor's proposal:
 - 9.1 The Vendor is required to submit one clearly marked original response and ten (10) identical copies of the complete proposal, including all sections and exhibits, in three-ring binders.
 - 9.2 To prevent opening by unauthorized individuals, all copies of the proposal must be sealed in the package. A label containing the information on the RFP cover page must be clearly typed and affixed to the package in a clearly visible location.

- 9.3 Number each page of the proposal.
 - 9.4 Respond to the sections and exhibits in the same order as this RFP.
 - 9.5 Label and tab the responses to each section and exhibit, using the corresponding headings from the RFP.
 - 9.6 If the Vendor does not agree with any item in any section, then the Vendor must list the item on the Proposal Exception Summary Form. (See Section V for additional instructions regarding Vendor exceptions.)
 - 9.7 Occasionally, an outline point in an attachment requests information which is not applicable to the products/services proposed. If the Vendor is certain the point does not apply to the given RFP, the Vendor should respond with "NOT APPLICABLE".
 - 9.8 Where an outline point asks a question or requests information, the Vendor must respond with the specific answer or information requested.
 - 9.9 When an outline point/attachment is a statement provided for the Vendor's information only, the Vendor need only read that point. The Vendor acknowledges having read and accepting, or taking exception to, all sections by signing the Submission Cover Sheet and providing a Proposal Exception Summary Form.
 - 9.10 Where a minimum requirement has been identified, respond by stating the item (e.g., device name/model number, guaranteed response time) proposed and how it will meet the specifications.
 - 9.11 The Vendor must fully respond to each requirement within the Technical Specifications by fully describing the manner and degree by which the proposal meets or exceeds said requirements.
- 10. It is the responsibility of the Vendor to clearly identify all costs associated with any item or series of items in this RFP. The Vendor must include and complete all parts of the cost proposal in a clear and accurate manner. **Omissions, errors, misrepresentations, or inadequate details in the Vendor's cost proposal may be grounds for rejection of the Vendor's proposal. Costs that are not clearly identified will be borne by the Vendor.** The Vendor must complete the Cost Information Submission in this RFP, which outlines the minimum requirements for providing cost information. The Vendor should supply supporting details as described in the Cost Information Submission.
 - 11. **ITS** reserves the right to request additional information or clarification of a Vendor's proposal. The Vendor's cooperation during the evaluation process in providing **ITS** staff with adequate responses to requests for clarification will be considered a factor in the evaluation of the Vendor's overall responsiveness. Lack of such cooperation or failure to provide the information in the manner required may, at the State's discretion, result in the disqualification of the Vendor's proposal.
 - 12. Unsolicited clarifications and updates submitted after the deadline for proposals will be accepted or rejected at the sole discretion of **ITS**.

13. Unsolicited clarifications in the evaluation and selection of lowest and best proposal will be considered only if all the following conditions are met:
 - 13.1 A clarification to a proposal that includes a newly announced product line or service with equal or additional capability to be provided at or less than the proposed price will be considered.
 - 13.2 Information provided must be in effect nationally and have been formally and publicly announced through a news medium that the Vendor normally uses to convey customer information.
 - 13.3 Clarifications must be received early enough in the evaluation process to allow adequate time for re-evaluation.
 - 13.4 The Vendor must follow procedures outlined herein for submitting updates and clarifications.
 - 13.5 The Vendor must submit a statement outlining the circumstances for the clarification.
 - 13.6 The Vendor must submit one clearly marked original and ten (10) copies of the clarification.
 - 13.7 The Vendor must be specific about which part of the original proposal is being changed by the clarification (i.e., must include exact RFP reference to section and outline point).
14. **Communications with State**

From the issue date of this RFP until a Vendor is selected and the selection is announced, responding Vendors or their representatives may not communicate, either orally or in writing regarding this RFP with any statewide elected official, state officer or employee, member of the legislature or legislative employee except as noted herein. To ensure equal treatment for each responding Vendor, all questions regarding this RFP must be submitted in writing to the State's contact person for the selection process, and not later than the last date for accepting responding Vendor questions provided in this RFP. All such questions will be answered officially by the State in writing. All such questions and answers will become addenda to this RFP, and they will be posted to the **ITS** web site. Vendors failing to comply with this requirement will be subject to disqualification.

 - 14.1 The State's contact person for the selection process is: Michelle Smith, Technology Consultant, 3771 Eastwood Drive, Jackson, MS 39211, 601-432-8057, Michelle.Smith@its.ms.gov.
 - 14.2 Vendor may consult with State representatives as designated by the State's contact person identified in 14.1 above in response to State-initiated inquiries. Vendor may consult with State representatives during scheduled oral presentations and demonstrations excluding site visits.

SECTION III VENDOR INFORMATION

The objective of the Vendor Information section of this RFP is to provide Vendors with information required to respond to the RFP successfully.

1. **Interchangeable Designations**

The terms "Vendor" and "Contractor" are referenced throughout this RFP. Generally, references to the "Vendor" are used in conjunction with the proposing organization and procurement process leading up to the final RFP selection and award. The term "Contractor" denotes the role assumed, post-award, by the winning Vendor. Additionally, the terms "State of Mississippi", "State", or "ITS" may be used interchangeably throughout this RFP to denote the political entity issuing the RFP and requesting responses from Vendors throughout these specifications. References to a specific agency, institution or other political entity represent the client or customer on whose behalf **ITS** is issuing the RFP.

2. **Vendor's Responsibility to Examine RFP**

Vendors must examine all documents, forms, specifications, standard provisions, and instructions.

3. **Proposal as Property of State**

All written proposal material becomes the property of the State of Mississippi.

4. **Written Amendment to RFP**

Any interpretation of an **ITS** RFP will be made by written amendment only. The State will not be responsible for any other explanation of this RFP. A copy of any amendment will be posted on the **ITS** website, together with the associated RFP specification. Vendors are required to check the **ITS** website periodically for RFP amendments before the proposal opening date at:

http://www.its.ms.gov/Procurement/Pages/RFPS_Awaiting.aspx

Any and all amendments will be posted no later than noon, fourteen days prior to the proposal opening date listed on the cover page of this RFP. If you are unable to access the **ITS** website, you may contact the **ITS** technology consultant listed on page one of this RFP and request a copy.

5. **Oral Communications Not Binding**

Only transactions which are in writing from **ITS** may be considered official. No negotiations, decisions, or actions shall be executed by any Vendor as a result of any discussions with any State employee.

6. **Vendor's Responsibility for Delivery**

Vendors must ensure, through reasonable and sufficient follow-up, proper compliance with, and fulfillment of all schedules and deliverables specified within the body of this RFP. The State will not be responsible for the failure of any delivery medium for submission of information to or from the Vendor, including but not limited to, public and private carriers, U.S. mail, Internet Service Providers, facsimile, or e-mail.

7. **Evaluation Criteria**

The State's intent in issuing this RFP is to award a contract to the lowest and best responsive Vendor who meets specifications, considering price and other factors. The Vendor's past performance, cooperation, and ability to provide service and training are general factors that will be weighed in the selection process. More specific information concerning evaluation criteria is presented in *Technical Specifications*.

8. **Multiple Awards**

ITS reserves the right to make multiple awards.

9. **Right to Award in Whole or Part**

ITS reserves the right to approve an award by individual items or in total, whichever is deemed to be in the best interest of the State of Mississippi.

10. **Right to Use Proposals in Future Projects**

The State reserves the right to evaluate the awarded proposal from this RFP, including all products and services proposed therein, along with the resulting contractual terms, for possible use in future projects if (a) it is deemed to be in the best interest of the State to do so; and (b) the Vendor is willing to extend a cost less than or equal to that specified in the awarded proposal and resulting contract. A decision concerning the utilization of a Vendor's proposal for future projects is solely at the discretion of the State and requires the agreement of the proposing Vendor. The State's decision to reuse an awarded proposal will be based upon such criteria as: (1) the customer's business requirements; (2) elapsed time since the award of the original project; and/or (3) research on changes in the Vendor, market, and technical environments since the initial award.

11. **Price Changes During Award or Renewal Period**

A price increase will not be accepted during the award period or the renewal period, unless stipulated in the contract. However, the State will always take advantage of price decreases.

12. **Right to Request Information**

The State reserves the right to request information relative to a Vendor's references and financial status and to visit a Vendor's facilities during normal working hours. The State also reserves the right to request a current financial statement, prepared and certified by an independent auditing firm, and reserves the right to require that Vendors document their financial ability to provide the products and services proposed up to the total dollar amount of the Vendor's cost proposal. The State reserves the right to request information about the Vendor from any previous customer of the Vendor of whom the State is aware, even if that customer is not included in the Vendor's list of references.

13. **Vendor Personnel**

For RFPs including professional services specifications, the Vendor will be required to provide and/or certify the following for each individual included in the Vendor's proposal:

- 13.1 A direct telephone number at which the individual may be contacted for a telephone interview. The State will make every effort to allow three business days advance notice for telephone interviews. The State will pay toll charges in the continental United States. The Vendor must arrange a toll-free number for all other calls.

- 13.2 That, if onsite interviews are required, the individual can be at the specified location in Mississippi within the timeframe specified. The state will make every effort to allow seven business days advance notice for onsite interviews. All costs associated with onsite interviews will be the responsibility of the Vendor.
- 13.3 That the individual is proficient in spoken and written English;
- 13.4 That the individual is a U.S. citizen or that the individual meets and will maintain employment eligibility requirements in compliance with all INS regulations. The Vendor must provide evidence of identification and employment eligibility prior to the award of a contract that includes any personnel who are not U. S. citizens.
- 13.5 That the personnel assigned to a project will remain a part of the project throughout the duration of the contract as long as the personnel are employed by the Vendor, unless replaced by the Vendor at the request of the State. This requirement includes the responsibility for ensuring all non-citizens maintain current INS eligibility throughout the duration of the contract.

14. Vendor Imposed Constraints

The Vendor must specifically document what limitations, if any, exist in working with any other Contractor acting in the capacity of the State's business partner, subcontractor or agent who may be managing any present or future projects; performing quality assurance; integrating the Vendor's software; and/or providing web-hosting, hardware, networking or other processing services on the State's behalf. The project relationship may be based on roles as either equal peers; supervisory – subordinate; or subordinate – supervisory, as determined by the State. The State recognizes that the Vendor may have trade secrets, intellectual property and/or business relationships that may be subject to its corporate policies or agreements. The State must understand these issues in order to decide to what degree they may impact the State's ability to conduct business for this project. These considerations will be incorporated accordingly into the proposal evaluation and selection process. The understanding reached between the Vendor and the State with regard to this business relationship precludes the Vendor from imposing any subsequent limitations of this type in future project undertakings by the State.

15. Best and Final Offer

The State reserves the right to solicit Best and Final Offers (BAFOs) from Vendors, principally in situations in which proposal costs eclipse available funding or the State believes none of the competing proposals presents a Best Value (lowest and best proposal) opportunity. Because of the time and expense incurred by both the Vendor community and the State, BAFOs are not routinely conducted. Vendors should offer their best pricing with the initial solicitation. Situations warranting solicitation of a BAFO will be considered an exceptional practice for any procurement. Vendors that remain in a competitive range within an evaluation may be requested to tender Best and Final Offers, at the sole discretion of the State. All such Vendors will be provided an equal opportunity to respond with a Best and Final Offer under a procedure to be defined by the State that encompasses the specific, refined needs of a project, as part of the BAFO solicitation. The State may re-evaluate and amend the original project specifications should it be deemed necessary in order to improve the opportunity for attaining Best Value scenarios from among the remaining competing Vendors. All BAFO proceedings will be uniformly

conducted, in writing and subject to solicitation by the State and receipt from the Vendors under a precise schedule.

16. Restriction on Advertising

The Vendor must receive written approval from the State before advertising or referencing the award of the contract or the services being provided. The Vendor must agree not to refer to awards in commercial advertising in such a manner as to state or imply that the firm or its services are endorsed or preferred by the State of Mississippi.

17. Rights Reserved to Use Existing Product Contracts

The State reserves the right on turnkey projects to secure certain products from other existing **ITS** contracts if it is in its best interest to do so. If this option is exercised, then the awarded Vendor must be willing to integrate the acquisition and implementation of such products within the schedule and system under contract.

18. Additional Information to be Included

In addition to answering each specification within this RFP, the Vendor must include complete product/service information, including product pictorials and technical/descriptive literature relative to any product/service offered with the proposal. Information submitted must be sufficiently detailed to substantiate that the products/services offered meet or exceed specifications.

19. Valid Contract Required to Begin Work

The successful Vendor should not commence any billable work until a valid contract has been executed. Any work done by the successful Vendor prior to the execution of the contract is done at the Vendor's sole risk. The State is under no obligation to pay for work done prior to the execution of a contract.

SECTION IV LEGAL AND CONTRACTUAL INFORMATION

The objective of the *Legal and Contractual Information* section is to provide Vendors with information required to complete a contract or agreement with **ITS** successfully.

1. **Acknowledgment Precludes Later Exception**

By signing the *Submission Cover Sheet*, the Vendor is contractually obligated to comply with all items in this RFP, including the *Standard Contract* in Exhibit A if included herein, except those specifically listed as exceptions on the *Proposal Exception Summary Form*. If no *Proposal Exception Summary Form* is included, the Vendor is indicating that he takes no exceptions. Vendors who respond to this RFP by signing the *Submission Cover Sheet* may not later take exception to any item in the RFP during contract negotiations. This acknowledgement also contractually obligates any and all subcontractors that may be proposed. No exceptions by subcontractors or separate terms and conditions will be entertained after the fact.

2. **Failure to Respond as Prescribed**

Failure to respond as described in Section II: *Proposal Submission Requirements* to any item in the sections and exhibits of this RFP, including the *Standard Contract* attached as Exhibit A, if applicable, shall contractually obligate the Vendor to comply with that item.

3. **Contract Documents**

ITS will be responsible for all document creation and editorial control over all contractual documentation related to each procurement project. The following documents will normally be included in all contracts between **ITS** and the Vendor:

- 3.1 The Proposal Exception Summary Form as accepted by **ITS**;
- 3.2 Contracts which have been signed by the Vendor and **ITS**;
- 3.3 **ITS'** Request for Proposal, including all addenda;
- 3.4 Official written correspondence from **ITS** to the Vendor;
- 3.5 Official written correspondence from the Vendor to **ITS** when clarifying the Vendor's proposal; and
- 3.6 The Vendor's proposal response to the **ITS** RFP.

4. **Order of Precedence**

When a conflict arises regarding contract intent due to conflicting statements in documents included in the contract, the order of precedence of each document is as listed above unless modification of order is negotiated and agreed upon by both **ITS** and the winning Vendor.

5. **Additional Contract Provisions**

The contract will also include such additional provisions, which are not inconsistent or incompatible with the material terms of this RFP, as may be agreed upon by the parties. All of the foregoing shall be in such form and substance as prescribed by the State.

6. **Contracting Agent by Law**

The Executive Director of **ITS** is, by law, the purchasing and contracting agent for the State of Mississippi in the negotiation and execution of all contracts for the acquisition of computer and telecommunications equipment, systems, software, and services (Section 25-53-1, et seq., of the Mississippi Code Annotated). **ITS** is issuing this RFP on behalf of the procuring agency or institution. **ITS** and the procuring agency or institution are sometimes collectively referred to within this RFP as "State."

7. **Mandatory Legal Provisions**

- 7.1 The State of Mississippi is self-insured; all requirements for the purchase of casualty or liability insurance are deleted.
- 7.2 Any provisions disclaiming implied warranties shall be null and void. See Mississippi Code Annotated Sections 11-7-18 and 75-2-719(4). The Vendor shall not disclaim the implied warranties of merchantability and fitness for a particular purpose.
- 7.3 The Vendor shall have no limitation on liability for claims related to the following items:
 - 7.3.1 Infringement issues;
 - 7.3.2 Bodily injury;
 - 7.3.3 Death;
 - 7.3.4 Physical damage to tangible personal and/or real property; and/or
 - 7.3.5 The intentional and willful misconduct or negligent acts of the Vendor and/or Vendor's employees or subcontractors.
- 7.4 All requirements that the State pay interest (other than in connection with lease-purchase contracts not exceeding five years) are deleted.
- 7.5 Any contract negotiated under this RFP will be governed by and construed according to the laws of the State of Mississippi. Venue for the resolution of any dispute shall be Jackson, Hinds County, Mississippi.
- 7.6 Any contract negotiated under this RFP is cancelable in the event the funding authority does not appropriate funds. Notice requirements to Vendor cannot exceed sixty (60) days.

- 7.7 The State of Mississippi does not waive its sovereign immunities or defenses as provided by law by entering into this contract with the Vendor, Vendor agents, subcontractors, or assignees.
- 7.8 The State will deliver payments to the Vendor within forty-five (45) days after receipt of invoice and receipt, inspection, and approval of Vendor's products/services. No late charges will exceed 1.5% per month on any unpaid balance from the expiration of said period until payment is delivered. See Section 31-7-305 of the Mississippi Code Annotated. Seller understands and agrees that Purchaser is exempt from the payment of taxes.
- 7.9 The State shall not pay any attorney's fees, prejudgment interest or the cost of legal action to or for the Vendor.

8. **Approved Contract**

- 8.1 Award of Contract - A contract is considered to be awarded to a proposer once the proposer's offering has been approved as lowest and best proposal through:
 - 8.1.1 Written notification made to proposers on **ITS** letterhead, or
 - 8.1.2 Notification posted to the **ITS** website for the project, or
 - 8.1.3 CP-1 authorization executed for the project, or
 - 8.1.4 The **ITS** Board's approval of same during an open session of the Board.
- 8.2 **ITS** statute specifies whether **ITS** Director approval or **ITS** Board approval is applicable for a given project, depending on the total lifecycle cost of the contract.
- 8.3 A contract is not deemed final until five (5) working days after either the award of contract or post procurement review, as stipulated in the **ITS** Protest Procedure and Policy. In the event of a valid protest, the State may, at its sole discretion, continue the procurement or stay the procurement in accordance with the **ITS** Protest Procedure and Policy. If the procurement is stayed, the contract is not deemed final until the protest is resolved.

9. **Contract Validity**

All contracts are valid only if signed by the Executive Director of **ITS**.

10. **Order of Contract Execution**

Vendors will be required to sign contracts and to initial all contract changes before the Executive Director of **ITS** signs.

11. **Availability of Funds**

All contracts are subject to availability of funds of the acquiring State entity and are contingent upon receipt by the winning Vendor of a purchase order from the acquiring State entity.

12. **CP-1 Requirement**

All purchase orders issued for goods and services acquired from the awarded Vendor under this RFP must be encoded by the Customer agency with a CP-1 approval number assigned by **ITS**. This requirement does not apply to acquisitions that by policy have been delegated to State entities.

13. **Requirement for Electronic Payment and Invoicing**

13.1 Payments to the awarded Vendor for all goods and services acquired under this RFP by state agencies that make payments through the Mississippi State Government's Enterprise Resource Planning (ERP) solution ("MAGIC") will be made electronically, via deposit to the bank account of the Vendor's choice. The awarded Vendor must enroll and be activated in PayMode™, the State's current vehicle for sending and receiving electronic payments, prior to receiving any payments from state agencies. There is no charge for a Vendor to enroll or receive payments via PayMode. For additional information on PayMode, including registration instructions, Vendors should visit the following website: <http://portal.paymode.com/ms/>. Vendors may also request assistance from the Mississippi Management and Reporting System (MMRS) Call Center regarding PayMode registration by contacting mash@dfa.ms.gov.

13.2 For state agencies that make payments through MAGIC, the awarded Vendor is required to submit electronically all invoices for goods and services acquired under this RFP, along with appropriate supporting documentation, as directed by the State.

13.3 Items 13.1 and 13.2 only apply to state agencies that make payments through MAGIC. Payments and invoices for all other entities will conform to their standard methods of payment to contractors.

14. **Time For Negotiations**

14.1 All contractual issues must be successfully negotiated within fifteen (15) working days from the Vendor's initial receipt of the project contract from **ITS**, unless **ITS** consents to extend the period. Failure to complete negotiations within the stated time period constitutes grounds for rejection of the Vendor's response to this RFP. **ITS** may withdraw the proposal award and begin negotiations with the next ranked Vendor immediately or pursue any other option.

14.2 Negotiations shall be limited to items to which the Vendor has noted as exceptions on their Proposal Exception Summary Form, as well as any new items that the State may require. All contract changes requested by the Vendor related to such exceptions noted in Vendor's proposal shall be submitted three (3) working days prior to scheduled negotiations, unless **ITS** consents to a different period.

15. **Prime Contractor**

The selected Vendor will be designated the prime contractor in the proposal, and as such, shall be solely responsible for all products/services offered in the proposal and for the fulfillment of the contract with the State.

16. Sole Point of Contact

ITS will consider the selected Vendor to be the sole point of contact with regard to contractual matters, including payment of any and all charges resulting from the contract.

16.1 The Vendor must acknowledge and agree that in matters of proposals, clarifications, negotiations, contracts and resolution of issues and/or disputes, the Vendor represents all contractors, third parties and/or subcontractors the Vendor has assembled for this project. The Vendor's commitments are binding on all such parties and consequently the State is only required to negotiate with the Vendor.

16.2 Furthermore, the Vendor acknowledges and agrees to pass all rights and/or services related to all general consulting, services leasing, software licensing, warranties, hardware maintenance and/or software support to the State from any contractor, third party or subcontractor without the State having to negotiate separately or individually with any such parties for these terms or conditions.

16.3 Should a proposing Vendor wish to assign payment of any or all charges resulting from this contract to a third party, Vendor must disclose that fact in his/her proposal, along with the third party's name, address, nature of business, and relationship to the proposing Vendor, the reason for and purpose of the assignment, and all conditions of the assignment, including but not limited to a copy of an assignment document to be executed by the State, the Vendor, and the third party. Such assignments will be accepted or rejected at the sole discretion of the State. Vendor must clearly and definitively state in his/her proposal whether the proposal is contingent upon the requested assignment of payments. Whenever any assignment of payment is requested, the proposal, contract, and assignment document must include language specifically guaranteeing that the proposing Vendor is solely and fully liable and responsible for the performance of its obligations under the subject contract. No assignment of payment will be considered at the time of purchase unless such assignment was fully disclosed in the Vendor's proposal and subsequently accepted by the State.

17. ITS Approval of Subcontractor Required

Unless provided in the contract, the Vendor shall not contract with any other party for furnishing any of the contracted work or services without the consent, guidance, and written approval of the State. **ITS** reserves the right of refusal and the right to request replacement of a subcontractor due to unacceptable work or conduct. This provision should not be interpreted as requiring the approval of individual contracts of employment between the Vendor and personnel assigned for services under the contract.

18. Inclusion of Subcontract Agreements

Copies of any agreements to be executed between the Vendor and any subcontractors must be included in the Vendor's proposal.

19. Negotiations with Subcontractor

In order to protect the State's interest, **ITS** reserves the right to attempt to resolve the contractual disagreements that may arise between the Vendor and its subcontractor after award of the contract.

20. **References to Vendor to Include Subcontractor**

All references in the RFP to "Vendor" shall be construed to encompass both the Vendor and its subcontractors.

21. **Outstanding Vendor Obligations**

21.1 Any Vendor who presently owes the State of Mississippi money pursuant to any contract for which **ITS** is the contracting agent and who has received written notification from **ITS** regarding the monies owed, must submit, with the proposal, a certified check in the amount due and owing in order for the proposal in response to this RFP to be considered. For a Vendor currently in bankruptcy as of the RFP submission date, this requirement is met, if and only if, **ITS** has an active petition before the appropriate bankruptcy court for recovery of the full dollar amount presently owed to the State of Mississippi by that Vendor. If the Vendor has emerged from bankruptcy by the RFP submission date, the Vendor must pay in full any amount due and owing to the State, as directed in the court-approved reorganization plan, prior to any proposal being considered.

21.2 Any Vendor who is presently in default on existing contracts for which **ITS** is the contracting agent, or who otherwise is delinquent in the performance of any such contracted obligations, is in the sole judgment of the State required to make arrangement for fulfilling outstanding obligations to the satisfaction of the State in order for the proposal to be considered.

21.3 The State, at its sole discretion, may reject the proposal of a Vendor with any significant outstanding financial or other obligations to the State or who is in bankruptcy at the time of proposal submission.

22. **Equipment Condition**

For all RFPs requiring equipment, the Vendor must furnish only new equipment in response to **ITS** specifications, unless an explicit requirement for used equipment is otherwise specified.

23. **Delivery Intervals**

The Vendor's proposal must specify, in the *Cost Information Submission* and in response to any specific instructions in the *Technical Specifications*, delivery and installation intervals after receipt of order.

24. **Pricing Guarantee**

The Vendor must explicitly state, in the *Cost Information Submission* and in response to any specific instructions in the *Technical Specifications*, how long the proposal will remain valid. Unless stated to the contrary in the *Technical Specifications*, pricing must be guaranteed for a minimum of ninety (90) days.

25. **Shipping Charges**

For all RFPs requiring shipment of any product or component, all products must be delivered FOB destination to any location within the geographic boundaries of the State with all transportation charges prepaid and included in the RFP proposal or LOC quotation. Destination is the point of use.

26. Amortization Schedule

For all RFPs requiring equipment, contracts involving the payment of interest must include an amortization schedule clearly documenting the amount of interest payable over the term of the contract.

27. Americans with Disabilities Act Compliance for Web Development and Portal Related Services

All Web and Portal development work must be designed and implemented in compliance with the Electronic and Information Technology Accessibility Standards associated with Section 508 of the Rehabilitation Act and with the Web Accessibility Initiative (WAI) of the W3C.

28. Ownership of Developed Software

28.1 When specifications require the Vendor to develop software for the State, the Vendor must acknowledge and agree that the State is the sole owner of such developed software with exclusive rights to use, alter, or distribute the software without restriction. This requirement applies to source code, object code, and documentation.

28.2 The State may be willing to grant the Vendor a nonexclusive license to use the State's software subject to devising acceptable terms and license fees. This requirement is a matter of State Law, and not negotiable.

29. Ownership of Custom Tailored Software

In installations where the Vendor's intellectual property is modified and custom-tailored to meet the needs of the State, the Vendor must offer the State an application license entitling the State to use, and/or alter the software without restriction. These requirements apply to source code, object code and documentation.

30. Terms of Software License

The Vendor acknowledges and agrees that the term of all software licenses provided to the State shall be perpetual unless stated otherwise in the Vendor's proposal.

31. The State is Licensee of Record

The Vendor must not bypass the software contracting phase of a project by licensing project software intended for State use in its company name. Upon award of a project, the Vendor must ensure that the State is properly licensed for all software that is proposed for use in a project.

32. Compliance with Enterprise Security Policy

Any solution proposed in response to this RFP must be in compliance with the State of Mississippi's Enterprise Security Policy. The Enterprise Security Policy is based on industry-standard best practices, policy, and guidelines and covers the following topics: web servers, email, virus prevention, firewalls, data encryption, remote access, passwords, servers, physical access, traffic restrictions, wireless, laptop and mobile devices, disposal of hardware/media, and application assessment/certification. Given that information security is an evolving technology practice, the State reserves the right to introduce new policy during the term of the contract resulting from this RFP and require the Vendor to comply with same in the event the industry introduces more secure, robust

solutions or practices that facilitate a more secure posture for the State of Mississippi. Vendors wanting to view the Enterprise Security Policy should contact the Technology Consultant listed on the cover page of this RFP.

33. Negotiating with Next-Ranked Vendor

Should the State cease doing business with any Vendor selected via this RFP process, for any reason, the State reserves the right to initiate negotiations with the next ranked Vendor.

34. Disclosure of Proposal Information

Vendors should be aware that any information in a proposal may be subject to disclosure or reproduction under the Mississippi Public Records Act of 1983, defined in Section 25-61-1 et seq. of the Mississippi Code Annotated. All disclosures of proposal information will be made in compliance with the **ITS** Public Records Procedures established in accordance with the Mississippi Public Records Act. The **ITS** Public Records Procedures are available in Section 019-010 of the **ITS** Procurement Handbook, on the **ITS** Internet site at:

<http://www.its.ms.gov/Procurement/Documents/ISS%20Procurement%20Manual.pdf#page=155> or from **ITS** upon request.

As outlined in the Third Party Information section of the **ITS** Public Records Procedures, **ITS** will give written notice to any affected Vendor of a request to view or reproduce the Vendor's proposal or portion thereof. **ITS** will not, however, give such notice with respect to summary information prepared in connection with the State's review or evaluation of a Vendor's proposal, including, but not limited to, written presentations to the **ITS** Board or other approving bodies, and/or similar written documentation prepared for the project file. In addition, **ITS** will not provide third-party notice for requests for any contract executed as a result of this RFP.

Summary information and contract terms, as defined above, become the property of **ITS**, who has the right to reproduce or distribute this information without notification.

Vendors should further be aware that requests for disclosure of proposal information are sometimes received by **ITS** significantly after the proposal opening date. **ITS** will notify the signatory "Officer in Bind of Company" provided in Section I of this RFP for Notification of Public Records Requests in the event information is requested that your company might wish to consider protecting as a trade secret or as confidential commercial or financial information. If the "Officer in Bind of Company" should not be used for notification of public records requests, Vendor should provide the alternative contact information in response to this RFP item.

35. Risk Factors to be Assessed

The State will assess risk factors that may initially exist within a given procurement and that may develop over the course of a procurement process as facts become known. The State, at its sole discretion, may employ the following mechanisms in mitigating these risks: proposal bonding, performance bonding, progress payment plan with retainage, inclusion of liquidated damages, and withholding payment for all portions of the

products/services acquired until final acceptance. The Vendor must agree to incorporate any or all of the above terms and conditions into the customer agreement.

36. **Proposal Bond**

The Vendor must include a proposal bond in the amount of \$500,000.00 with its RFP proposal. Vendor is specifically disallowed from taking exception to the proposal bond requirement. Proposals without proposal bonds will be rejected.

The security must be in the form of a bond, irrevocable letter of credit, certified check, or cashier's check (hereinafter, "security") payable to the **Mississippi Department of Human Services**, to be held by their contracting agent, the Mississippi Department of Information Technology Services, and must be placed in the front of the Vendor's proposal. The submission of an acceptable security is a condition precedent to a valid proposal, and the amount of the security is not negotiable or contestable. Any proposal received without the security will be rejected and returned to the Vendor without further consideration.

The security binds the Vendor to the commitments made in writing in the Vendor's proposal. The security will be forfeited in the event the awarded Vendor, at any time during the contract negotiation process, refuses to honor commitments made in its proposal, reneges on pricing, takes exception to any term or condition that was not addressed in the Vendor's written proposal, or fails to execute a contract as anticipated in the RFP and the Vendor's proposal, including documented exceptions, within fifteen (15) working days after the Vendor's initial receipt of the project contract from **ITS**, unless an extension is agreed to by **ITS**.

As stated in the RFP, the Vendor may take exception to any point without incurring any liability to provide items to which an exception has been taken. Likewise, the State has no obligation to accept any proposed exception. Should the State decide, at its sole discretion and at any point in the process, that an exception is NOT acceptable, **ITS** will reject the Vendor's proposal and return the Vendor's security.

The Vendor's security will be returned promptly after **ITS** and the successful Vendor have executed a contract or within ninety (90) days after opening the proposals if no letter of intent to award a contract has been sent. In the event that the successful Vendor fails to accept and sign the mutually negotiated contract, that Vendor shall be disqualified and **ITS** shall initiate negotiations with the next ranked Vendor until a contract is successfully negotiated, or **ITS** elects to cancel the procurement. The securities of all remaining Vendors will be returned when a contract has been successfully negotiated and executed, or when the procurement is canceled.

37. **Performance Bond/Irrevocable Bank Letter of Credit**

The Vendor must include the price of a performance bond or irrevocable bank letter of credit with its RFP proposal. The cost of the bond or letter of credit must be shown as a separate line item in the *Cost Information Submission*. The performance bond or letter of credit must be procured at the Vendor's expense prior to the execution of the contract and may be invoiced to **Mississippi Department of Human Services** after contract initiation only if itemized in the *Cost Information Submission* and in the executed contract. **The final decision as to the requirement for a Performance Bond or Irrevocable Bank Letter of Credit will be made upon contract award and is at the State's sole discretion.**

If a Performance Bond / Irrevocable Bank Letter of Credit is required, the Vendor must procure and submit to **ITS**, on behalf of **Mississippi Department of Human Services**, with the executed contract, (a) a performance bond from a reliable surety company authorized to do business in the State of Mississippi or (b) an irrevocable bank letter of credit that is acceptable to the State. The Performance Bond or the Irrevocable Letter of Credit shall be for the total amount of the contract or an amount mutually agreed upon by the State and the successful Vendor and shall be payable to **Mississippi Department of Human Services**, to be held by their contracting agent, the Mississippi Department of Information Technology Services. No contract resulting from this RFP will be valid until the required Performance Bond or Irrevocable Bank Letter of Credit has been received and found to be in proper form and amount. The Vendor agrees that the State has the right to request payment for a partial amount or the full amount of the Irrevocable Letter of Credit/Performance bond should the products/services being procured hereunder not be provided in a manner consistent with this RFP and the Vendor's proposal by the delivery dates agreed upon by the parties. The State may demand payment by contacting the bank issuing the letter of credit or the bonding company issuing the performance bond and making a written request for full or partial payment. The issuing bank/bonding company is required to honor any demand for payment from the State within fifteen (15) days of notification. The letter of credit/performance bond shall cover the entire contract period, with the exception of post-warranty maintenance and support, and shall not be released until final acceptance of all products and deliverables required herein or until the warranty period, if any, has expired, whichever occurs last. If applicable, and at the State's sole discretion, the State may, at any time during the warranty period, review Vendor's performance and performance of the products/services delivered and determine that the letter of credit/performance bond may be reduced or released prior to expiration of the full warranty period.

38. **Responsibility for Behavior of Vendor Employees/Subcontractors**

The Vendor will be responsible for the behavior of all its employees and subcontractors while on the premises of any State agency or institution. Any Vendor employee or subcontractor acting in a manner determined by the administration of any State agency or institution to be detrimental, abusive, or offensive to any of the staff or student body of any State agency or institution will be asked to leave the premises and can be suspended from further work on the premises.

39. **Protests**

The Executive Director of **ITS** and/or the Board Members of **ITS** or their designees shall have the authority to resolve Vendor protests in connection with the selection for award of a contract. Copies of the protest procedures are available on the **ITS** Internet site - **ITS** Protest Procedure and Policy, Section 019-020, **ITS** Procurement Handbook at:

<http://www.its.ms.gov/Procurement/Documents/ISS%20Procurement%20Manual.pdf#page=173> or from **ITS** upon request.

40. **Protest Bond**

Potential Vendors may protest any of the specifications of this RFP on the belief that the specification is unlawful, unduly restrictive, or unjustifiably restraining to competition. Any such protest must be in writing and submitted to the **ITS** Executive Director along with the appropriate protest bond within five (5) working days of the Official Release of the RFP,

as defined in the **ITS** Protest Procedure and Policy. The outside of the envelope must be marked "Protest" and must specify RFP number **3884**.

As a condition precedent to filing any protest related to this procurement, the Vendor must procure, submit to the **ITS** Executive Director with its written protest, and maintain in effect at all times during the course of the protest or appeal thereof, a protest bond in the full amount of the total estimated project lifecycle cost or \$250,000.00, whichever is less. The total estimated project lifecycle cost will be the amount used by **ITS** in the computation of cost points, as the low cost in the denominator of the cost evaluation formula. The bond shall be accompanied by a duly authenticated or certified document evidencing that the person executing the bond is a licensed Mississippi agent for the bonding company. This certified document shall identify the name and address of the person or entity holding the protest bond and shall identify a contact person to be notified in the event that the State is required to take action against the bond. The protest bond shall not be released to the protesting Vendor until the protest is finally resolved and the time for appealing said protest has expired. The protest bond shall be procured at the protesting Vendor's expense and be payable to the Mississippi Department of Information Technology Services. Prior to approval of the protest bond, **ITS** reserves the right to review the protest bond and require the protesting Vendor to substitute an acceptable bond in such form as the State may reasonably require. The premiums on such bond shall be paid by the protesting Vendor. The State may claim against the protest bond as specified in Section 25-53-5 (n) of the Mississippi Code of 1972, as amended during the 1998 Mississippi legislative session, in addition to all other rights and remedies the State may have at law or in equity.

Should the written protest submitted by the Vendor fail to comply with the content requirements of **ITS'** protest procedure and policy, fail to be submitted within the prescribed time limits, or fail to have the appropriate protest bond accompany it, the protest will be summarily dismissed by the **ITS** Executive Director.

41. Mississippi Employment Protection Act

Effective July 1, 2008, Vendor acknowledges that if awarded, it will ensure its compliance with the Mississippi Employment Protection Act, Section 71-11-1, et seq. of the Mississippi Code Annotated (Supp2008), and will register and participate in the status verification system for all newly hired employees. The term "employee" as used herein means any person that is hired to perform work within the State of Mississippi. As used herein, "status verification system" means the Illegal Immigration Reform and Immigration Responsibility Act of 1996 that is operated by the United States Department of Homeland Security, also known as the E-Verify Program, or any other successor electronic verification system replacing the E-Verify Program. Vendor will agree to maintain records of such compliance and, upon request of the State, to provide a copy of each such verification to the State.

Vendor acknowledges and certifies that any person assigned to perform services hereunder meets the employment eligibility requirements of all immigration laws of the State of Mississippi.

Vendor acknowledges that violating the E-Verify Program (or successor thereto) requirements subjects Vendor to the following: (a) cancellation of any state or public contract and ineligibility for any state or public contract for up to three (3) years, with notice

of such cancellation being made public, or (b) the loss of any license, permit, certification or other document granted to Vendor by an agency, department or governmental entity for the right to do business in Mississippi for up to one (1) year, or (c) both. Vendor would also be liable for any additional costs incurred by the State due to contract cancellation or loss of license or permit.

SECTION V PROPOSAL EXCEPTIONS

Please return the *Proposal Exception Summary Form* at the end of this section with all exceptions to items in any Section of this RFP listed and clearly explained or state "No Exceptions Taken". If no *Proposal Exception Summary Form* is included, the Vendor is indicating that he takes no exceptions to any item in this RFP document.

1. Unless specifically disallowed on any specification herein, the Vendor may take exception to any point within this RFP, including a specification denoted with "shall" or "must," as long as the following are true:
 - 1.1 The specification is not a matter of State law;
 - 1.2 The proposal still meets the intent of the RFP;
 - 1.3 A *Proposal Exception Summary Form* is included with Vendor's proposal; and
 - 1.4 The exception is clearly explained, along with any alternative or substitution the Vendor proposes to address the intent of the specification, on the *Proposal Exception Summary Form*.
2. The Vendor has no liability to provide items to which an exception has been taken. **ITS** has no obligation to accept any exception. During the proposal evaluation and/or contract negotiation process, the Vendor and **ITS** will discuss each exception and take one of the following actions:
 - 2.1 The Vendor will withdraw the exception and meet the specification in the manner prescribed;
 - 2.2 **ITS** will determine that the exception neither poses significant risk to the project nor undermines the intent of the RFP and will accept the exception;
 - 2.3 **ITS** and the Vendor will agree on compromise language dealing with the exception and will insert same into the contract; or
 - 2.4 None of the above actions is possible, and **ITS** either disqualifies the Vendor's proposal or withdraws the award and proceeds to the next ranked Vendor.
3. Should **ITS** and the Vendor reach a successful agreement, **ITS** will sign adjacent to each exception which is being accepted or submit a formal written response to the *Proposal Exception Summary* responding to each of the Vendor's exceptions. The *Proposal Exception Summary*, with those exceptions approved by **ITS**, will become a part of any contract on acquisitions made under this RFP.
4. An exception will be accepted or rejected at the sole discretion of the State.
5. The State desires to award this RFP to a Vendor or Vendors with whom there is a high probability of establishing a mutually agreeable contract, substantially within the standard terms and conditions of the State's RFP, including the *Standard Contract* in Exhibit A, if

included herein. As such, Vendors whose proposals, in the sole opinion of the State, reflect a substantial number of material exceptions to this RFP, may place themselves at a comparative disadvantage in the evaluation process or risk disqualification of their proposals.

6. For Vendors who have successfully negotiated a contract with **ITS** in the past, **ITS** requests that, prior to taking any exceptions to this RFP, the individual(s) preparing this proposal first confer with other individuals who have previously submitted proposals to **ITS** or participated in contract negotiations with **ITS** on behalf of their company, to ensure the Vendor is consistent in the items to which it takes exception.

PROPOSAL EXCEPTION SUMMARY FORM

List and clearly explain any exceptions, for all RFP Sections and Exhibits, in the table below.

ITS RFP Reference	Vendor Proposal Reference	Brief Explanation of Exception	ITS Acceptance (sign here only if accepted)
(Reference specific outline point to which exception is taken)	(Page, section, items in Vendor's proposal where exception is explained)	(Short description of exception being made)	
1.			
2.			
3.			
4.			
5.			
6.			
7.			

SECTION VI RFP QUESTIONNAIRE

Please answer each question or provide the information as requested in this section.

1. **Mississippi's Accountability System for Government Information and Collaboration (MAGIC) Information for State of Mississippi Vendor File**

- 1.1 **MAGIC Vendor Code:** Any Vendor who has not previously done business with the State and has not been assigned a MAGIC Vendor code should visit the following link to register:

https://sus.magic.ms.gov/sap/bc/webdynpro/sapsrm/wda_e_suco_sreg?sap-client=100

Vendors who have previously done business with the State may obtain their MAGIC Vendor code and all Vendors may access additional Vendor information at the link below.

<http://www.dfa.ms.gov/dfa-offices/mmrs/mississippi-suppliers-vendors/supplier-self-service/>

All Vendors must furnish **ITS** with their MAGIC Vendor code.

MAGIC Vendor Code: _____

- 1.2 **Vendor Self-Certification Form:** The State of Mississippi, in an effort to capture participation by minority Vendors, asks that each Vendor review the State of Mississippi Minority Vendor Self Certification Form. This information is for tracking/reporting purposes only, and will not be used in determining which Vendor will be chosen for the project. Any Vendor who can claim status as a Minority Business Enterprise or a Woman Business Enterprise in accordance with the definitions on this form and who has not previously submitted a form to the State of Mississippi should submit the completed form with the proposal. A copy of the Minority Vendor Self-Certification Form can be obtained at:

http://www.mississippi.org/assets/docs/minority/minority_vendor_selfcertform.pdf

Please direct any questions about minority certification in Mississippi to the Minority Business Enterprise Division of the Mississippi Development Authority by telephone at (601) 359-3448 or via email at minority@mississippi.org.

If Vendor is claiming status as a Minority Business Enterprise or Woman Business Enterprise, the Vendor must include a copy of their Minority Vendor Self-Certification Form with their RFP response.

2. **Certification of Authority to Sell**

The Vendor must certify Vendor is a seller in good standing, authorized to sell and able to deliver all items and related services proposed in the State of Mississippi in the time frame specified. Does the Vendor make these certifications? (A yes or no answer is required.)

3. Certification of No Conflict of Interest

Mississippi law clearly forbids a direct or indirect conflict of interest of a company or its employees in selling to the State. The Vendor must answer and/or provide the following:

- 3.1 Does there exist any possible conflict of interest in the sale of items to any institution within **ITS** jurisdiction or to any governing authority? (A yes or no answer is required.)
- 3.2 If the possibility of a conflict does exist, provide a list of those institutions and the nature of the conflict on a separate page and include it in your proposal. The Vendor may be precluded from selling to those institutions where a conflict of interest may exist.

4. Pending Legal Actions

- 4.1 Are there any lawsuits or other legal proceedings against the Vendor that pertain to any of the software, hardware, or other materials and/or services which are a part of the Vendor's proposal? (A yes or no answer is required.)
- 4.2 If so, provide a copy of same and state with specificity the current status of the proceedings.

5. Non-Disclosure of Social Security Numbers

Does the Vendor acknowledge that any information system proposed, developed, or modified under this RFP that disseminates, in any form or manner, information or material that contains the Social Security Number of an individual, has mechanisms in place to prevent the inadvertent disclosure of the individual's Social Security Number to members of the general public or to persons other than those persons who, in the performance of their duties and responsibilities, have a lawful and legitimate need to know the individual's Social Security Number? This acknowledgement is required by Section 25-1-111 of the Mississippi Code Annotated.

6. Order and Remit Address

The Vendor must specify both an order and a remit address:

Order Address:

--

Remit Address (if different):

--

7. **Web Amendments**

As stated in Section III, **ITS** will use the **ITS** website to post amendments regarding RFPs before the proposal opening at:

http://www.its.ms.gov/Procurement/Pages/RFPS_Awaiting.aspx

ITS may post clarifications until noon seven days prior to the proposal opening date listed on the cover page of this RFP or the posted extension date, if applicable.

Vendors may list any questions or items needing clarification discovered in the week prior to the proposal opening in a written format at the beginning of the proposal binder or in the comment section for the individual offering.

Does the Vendor certify that they have reviewed a copy of the **ITS** amendments for RFPs as above stated? (A yes or no answer is required.)

8. **Certification of Liability Insurance**

Vendor must provide a copy of their Certificate of Liability Insurance with their RFP response.

9. **E-Verify Registration Documentation**

Vendor must ensure its compliance with the Mississippi Employment Protection Act, Section 71-11-1, et seq. of the Mississippi Code Annotated (Supp2008). Vendor must provide documentation of their E-Verify compliance with their RFP response. See Section IV, Item 41 for additional information.

10. **System for Award Management (SAM) Registration Documentation**

Vendor must include a copy of their registration with the Federal Government's System for Award Management (SAM) with their RFP response.

SECTION VII TECHNICAL SPECIFICATIONS

1. How to Respond to this Section

- 1.1 Beginning with Item 2.1 of this section, label and respond to each outline point in this section as it is labeled in the RFP.
- 1.2 The Vendor must respond with “ACKNOWLEDGED”, “WILL COMPLY”, or “AGREED” to each point in this section. In addition, many items in this RFP require detailed and specific responses to provide the requested information. Failure to provide the information requested will result in the Vendor receiving a lower score for that item, or, at the State’s sole discretion, being subject to disqualification.
- 1.3 “ACKNOWLEDGED” should be used when no vendor response or vendor compliance is required. “ACKNOWLEDGED” simply means the vendor is confirming to the State that he read the statement. This is commonly used in the RFP sections where the agency’s current operating environment is described or where general information is being given about the project.
- 1.4 “WILL COMPLY” or “AGREED” are used interchangeably to indicate that the vendor will adhere to the requirement. These terms are used to respond to statements that specify that a vendor or vendor’s proposed solution must comply with a specific item or must perform a certain task.
- 1.5 If the Vendor cannot respond with “ACKNOWLEDGED”, “WILL COMPLY”, or “AGREED”, then the Vendor must respond with “EXCEPTION”. (See Section V, for additional instructions regarding Vendor exceptions.)
- 1.6 Where an outline point asks a question or requests information, the Vendor must respond with the specific answer or information requested.
- 1.7 In addition to the above, Vendor must provide explicit details as to the manner and degree to which the proposal meets or exceeds each specification.

2. Mandatory Provisions in Technical Requirements for this RFP

- 2.1 Certain items in the technical specifications of this RFP are MANDATORY. Vendors are specifically disallowed from taking exception to these mandatory requirements, and proposals that do not meet all mandatory requirements are subject to immediate disqualification.
- 2.2 Attendance at the Vendor Web Conference on March 14, 2017, is mandatory for any Vendor who intends to submit an RFP response. No exceptions will be granted to this requirement. Any proposal received from a Vendor who did not have an authorized representative at the Vendor Conference will be rejected.

3. General Overview

The State of Mississippi, Department of Human Services (MDHS) hereafter referred to as MDHS, is seeking to enter into a contract with a qualified Vendor to provide a third

generation Electronic Benefit Transfer (EBT) program for the delivery of public assistance benefits and services effective February 1, 2018. The MDHS currently has a contract with Xerox State and Local Solutions to provide EBT program services.

3.1 The following is a list of the various MDHS programs serviced by the current EBT program contract:

- Supplemental Nutrition Assistance Program (SNAP);
- SNAP Employment & Training (SNAPE&T);
- Disaster SNAP (DSNAP);
- Temporary Assistance for Needy Families (TANF);
- TANF Supportive Services (Transportation, Transitional Transportation, Work Participation, and Retention Bonus);
- Child Support Enforcement (CSE);
- Adoption Subsidy (AS);
- Foster Care (FC).

3.2 In addition, the Unemployment Insurance (UI) Program administered by the Mississippi Department of Employment Security (MDES) is also serviced by the current EBT program contract.

3.3 This RFP solicits the delivery of the full scope of EBT services. These services are further referenced as “Core Services” and include the programs and services provided under the current EBT Contract (see programs defined above). The State reserves the right to add new programs, as well as system enhancements in the future if it is deemed to be in the best interest of the State. System enhancements may be handled within the current contract or through an amendment depending on the scope of the work. Other programs may include benefits provided by any agency of the state and include but are not limited to:

- Women and Infants and Children (WIC) administered by the Mississippi Department of Health;
- Vocational Rehabilitation administered by Mississippi Department of Rehabilitation Services;
- Child Care (CC) administered by Mississippi Child Protection Services

3.4 The Vendor shall comply with all rules and regulations applicable to its activities and obligations under the Contract, including:

- The United States Department of Agriculture (USDA) Food and Nutrition Service (FNS) Federal Regulations regarding SNAP 7 Code of Federal Regulations (CFR) and all changes, updates, revisions, and policy interpretations of the Federal Regulations as follows:
 - Section 7 CFR 274.12, Electronic Benefit Transfer Issuance System Approval Standards;
 - Section 7 CFR 3021, Drug-free Workplaces;
 - Section 7 CFR 277.14(j)(8), Clean Air, Clean Water, and EPA regulations; and

- Any waiver to the Federal regulations granted to MDHS for EBT purposes Attachment FF SNAP-12 (USDA FNS SNAP Waivers).

4. **Overview of MDHS Organization and Operations**

MDHS is responsible for the State-supervised and county-operated administration of the SNAP, TANF and the CSE programs. State level management and oversight for SNAP, TANF and CSE is provided by the Division of Field Operations (DFO). The AS and FC programs are administered by the Division of Early Childhood Care and Development (DECCD).

As the responsible entity for program operations and service delivery, MDHS maintains local offices in every county, with some larger counties maintaining several office locations. There are a total of 86 local offices for SNAP and TANF and 72 for CSE. Program administration for the public assistance programs are uniformly structured across office locations and supported by statewide-automated systems. Additional organizational information can be found in Attachment A (MDHS Agency Organizational Chart) and Attachment B (MDHS DFO Organizational Chart) and Attachment C (MDHS-DFCS Organizational Charts) and Attachment D (MDHS DECCD Organizational Chart). The following information is provided to enhance the Vendor's understanding of the current operational environment.

4.1 **Background**

The MDHS implemented a Statewide EBT program for the delivery of benefits for SNAP, formerly known as the Food Stamp Program (FSP), and TANF beginning in May 2002, with the system implemented statewide in November 2002. The SNAP and TANF benefits were disbursed on a single EBT Card. This implementation was followed by a complete system transition to the Vendor's new EBT solution in July 2004. In November 2005, the MDHS expanded its EBT program by adding the CSE program and implementing a Debit Card system using the MasterCard brand. The goal was to disburse all MDHS client related cash benefits/payments via the Debit Card. In December 2005, the MDHS transitioned TANF from EBT to the Debit Card, leaving only the SNAP benefits on the EBT Card. In May 2007, the MDHS added the TANF Supportive Service programs to the Debit Card. In January 2011, the MDHS added the AS program and in January 2013, the FC program was added.

MDHS is seeking to acquire an EBT system that will result in minimal changes to the State while offering maximum operational savings and/or improved services. Vendors must propose an EBT system that meets the requirements of all applicable Federal and State laws and regulations. As Federal and State regulations are changed, the EBT system must be modified to meet the new requirements.

4.2 **Current System Description/Benefit Program Profiles**

The MDHS currently delivers benefits or payments for the SNAP, SNAP Employment and Training (SNAP E&T), Adoption Subsidy, Foster Care, TANF and CSE through its EBT program.

4.3 Supplemental Nutrition Assistance Program (SNAP)

SNAP is a food assistance program administered by the United States Department of Agriculture (USDA), Food and Nutrition Service (FNS) at the direction of the MDHS, DFO. USDA FNS sets national SNAP policies and authorizes food retailers to accept program benefits. USDA FNS monitors retailer program compliance and investigates retailers suspected of fraudulent activities.

Although administered by USDA FNS, the SNAP is operated by the MDHS at the state office level. MDHS county offices determine eligibility and authorize benefits. To maintain recipient eligibility caseloads, the MDHS operates an eligibility certification system. State and county offices are also charged with investigating recipients who are suspected of fraudulently obtaining benefits.

SNAP benefits are used to supplement the food buying power of eligible low-income households. The purpose of the program is to improve the levels of nutrition among low-income households and to strengthen the agricultural economy through normal commercial channels.

4.4 Recipient Profile

Currently, the DFO disburses 100% of all SNAP benefits via an EBT Card. Attachment E (SNAP-1 contains Historical SNAP Caseload Data for Mississippi). The historic caseload data contained in SNAP-1 is no indication or guarantee of future SNAP caseloads. SNAP caseloads may change based on economic conditions, changes in federal law and regulations, changes in State law and policies, and other factors. The stated figures are no indication or guarantee of future DFO requirements.

4.5 Benefit Restrictions

As a food assistance program, SNAP benefits are restricted to the purchase of eligible food items in authorized USDA FNS food retail locations.

4.6 Retailer Management

Retailers authorized by the USDA FNS to accept SNAP benefits are required to comply with program rules. Any retailer listed on the USDA FNS retailer database may receive Point of Sale (POS) equipment through the EBT system. SNAP benefits can only be used for the purchase of eligible food items in authorized food retail locations as designated by USDA FNS. The United States Department of Agriculture (USDA), Office of the Inspector General (OIG), Food and Nutrition Service (FNS) Retailer Investigations Branch, Secret Service, and the State or local law enforcement officials are responsible for retailer fraud investigations.

4.7 Funding

SNAP benefits are 100% funded by the federal government. Benefit funds are not disbursed until the recipient uses the EBT card, a debit is posted to the account and an Automated Clearing House (ACH) settlement transaction has occurred.

The federal and state Governments generally share the cost of operating the SNAP equally. Any operability costs associated with switching or settlement of interstate SNAP transactions shall not be billed to the State.

4.8 Temporary Assistance to Needy Families (TANF)

TANF is a cash assistance program administered by the United States Department of Health and Human Services, Administration for Children and Families (ACF) at the direction of the MDHS, DFO. The program provides block grants to states, whereby the State may develop and operate a program that meets the unique needs of the State. TANF program services are provided by the MDHS State office and multiple county offices throughout the state.

TANF is a public assistance program designed to assist states in providing aid to needy families with children through cash assistance and other services. In addition to TANF Cash assistance, the other services include Transportation, Transitional Transportation, Work Participation and Work Retention Bonus cash assistance. Other “non” cash assistance services are delivered through different mechanisms.

4.9 Recipient Profile

Currently, the DFO disburses 100% of all TANF Cash Assistance related benefits via a MasterCard® branded Debit Card.

Attachment F Debit Card-1 (Historical Debit Card Caseload Data for Mississippi’s TANF) program. The historic caseload data contained in Attachment Debit Card–1 is no indication or guarantee of future TANF caseloads. TANF caseloads may change based on economic conditions, changes in federal law and regulations, changes in State law and policies, and other factors. The stated figures are no indication or guarantee of future DFO requirements.

Attachment G Debit Card - 2 (Historical Debit Card Deposit Data for Mississippi’s TANF) program. The historic deposit data contained in Attachment Debit Card-2 is no indication or guarantee of future TANF deposit activity. TANF deposit activity may change based on economic conditions, changes in federal law and regulations, changes in State law and policies, and other factors. The stated figures are no indication or guarantee of future DFO requirements.

4.10 Benefit Restrictions

Cash benefits are currently accessed by cardholders at participating MasterCard® merchants when making purchases. In addition, cardholders may receive cash back as part of their purchase transaction if the merchant provides this service; cardholders may also receive cash at participating MasterCard® Banks via an over-the-counter cash advance transaction or at an Automated Teller Machine (ATM) displaying the MasterCard®, Maestro® or Cirrus® brand mark. TANF funds are restricted by Federal Law since the law change that was made in 2014. These restrictions are as follows: Federal Law prohibits access to TANF funds from

automated Teller Machines (ATMs) and Point-of-Sale (POS) devices located in liquor stores, gambling establishments, and gentlemen clubs. TANF recipient may not redeem their funds at any of the above listed establishments. Violators will have their TANF benefits reduced by 50% for each month in which unauthorized transaction occurred. Refer to Attachment H (TANF-1 TANF Restriction Notice).

4.11 Funding

TANF is jointly funded by the State and by the TANF block grant from ACF.

4.12 Childs Support Enforcement (CSE)

The Child Support Enforcement (CSE) program operates under Title IV, Part D, of the Social Security Act at the direction of the Mississippi Department of Human Services (MDHS), Division of Field Operations (DFO). The DFO complies with the standards for an effective program and the organization and staffing requirements prescribed by 303 of Title 45 of the Code of Federal Regulations. CSE services are provided by the MDHS State office and multiple county offices throughout the state.

CSE is mandated and authorized through Title IV, Part D, of the Social Security Act to establish child support obligations and to collect court ordered child support. CSE services include providing assistance to Custodial Parents not receiving TANF in pursuing child support, the recoupment of money spent on TANF, the Title IV-E Foster Care Program, the Title XIX Medicaid Program and to assist other states in the pursuit of child support on behalf of their children, Custodial Parents and programs.

No application or other fee is required to obtain CSE services if the recipient is an active participant in other public assistance programs (i.e., TANF; SNAP; Medicaid; Children and Youth; Foster Care; or other State Agencies in pursuit of Child Support).

4.13 Recipient Profile

Currently, the DFO disburses payments via a MasterCard® branded Debit Card or direct deposit. As of April 30, 2016, 93% of all Child Support recipients' receive their payments via a MasterCard® branded Debit Card; 7% receive their payments via direct deposit, Electronic Funds Transfer (EFT) and Paper Check. The DFO will retain and issue a small number of paper warrants (checks) as required due to special circumstances.

Attachment F Debit Card-1 (Historical Debit Card Caseload Data for Mississippi's CSE) program. The historic caseload data contained in Attachment Debit Card-1 is no indication or guarantee of future CSE caseloads. CSE caseloads may change based on economic conditions, changes in federal law and regulations, changes in State law and policies, and other factors. The stated figures are no indication or guarantee of future DFO requirements.

Attachment G Debit Card-2 (Historical Debit Card Deposit Data for Mississippi's CSE) program. The historic deposit data contained in Attachment Debit Card-2 is no indication or guarantee of future CSE deposit activity. CSE deposit activity may change based on economic conditions, changes in federal law and regulations, changes in State law and policies, and other factors. The stated figures are no indication or guarantee of future DFO requirements.

4.14 Benefit Restrictions

Cash payments are currently accessed by cardholders at participating MasterCard merchants when making purchases. In addition, cardholders may receive cash back as part of their purchase transaction if the merchant provides this service; cardholders may also receive cash at participating MasterCard Banks via an over-the-counter cash advance transaction or at an ATM displaying the MasterCard, Maestro or Cirrus brand mark. There are no restrictions on the items that may be purchased using CSE payments.

Attachment I Debit Card-3 (Historical Debit Card Cardholder Transaction Data for Mississippi's CSE) program. The historic recipient transaction data contained in Attachment Debit Card-3 is no indication or guarantee of future CSE activity. CSE activities may change based on economic conditions, changes in federal law and regulations, changes in State law and policies, and other factors. The stated figures are no indication or guarantee of future DFO requirements.

4.15 Women, Infants, and Children (WIC)

The Special Supplemental Nutrition Program for Women, Infants and Children (WIC) was established by Congress in 1972. WIC was designed to help prevent the occurrence of health problems and to improve the health status of women, infants, and children during critical times of growth and development, with no cost to eligible participants.

WIC is administered federally by the United States Department of Agriculture (USDA) Food and Nutrition Services (FNS). The Mississippi State Department of Health (MSDH) WIC Program (hereinafter referred to as the Program) receives a grant from the USDA (FNS) to administer the program. The Program is responsible for program management and operation; see Attachment J (MSDH WIC EBT Organization Chart). Currently, approximately 106 local health departments and 13 non-profit agencies provide WIC services in every county in Mississippi. WIC is available to pregnant, breastfeeding, and postpartum women, infants, and children under 5 years of age. In order to participate in the Program, participants must currently live in Mississippi, meet income guidelines, be among the eligible categories served, and be at nutrition risk.

The Program provides participants with supplemental nutritious foods, nutrition education, breastfeeding support, and referrals to health and community services. WIC services help clients to achieve optimal growth and development and build a foundation for healthy eating patterns. The goals of nutritional counseling and education provided by WIC are to teach the relationship between proper nutrition and good health, achieve a positive change in eating habits, and promote the

optimal use of WIC supplemental foods and other nutritious foods.

A WIC Certifier in the local WIC office conducts a nutrition assessment, provides client centered justified counseling, and prescribes a specific food package to supplement the daily diet for each WIC participant. The prescribed food package is based on the needs of the participant, USDA regulations, and state WIC requirements. WIC foods provide nutrients that are often lacking or consumed in inadequate amounts by WIC participants. When consumed in the prescribed portions, these foods will help to ensure that the WIC participant has the needed nutrients for good health, growth, and development.

The Program has embarked on a project to transition from a direct distribution food system to a system of food distribution via retail vendor by September 30, 2020. Mississippi currently distributes food to participants through a Direct Distribution system that includes 96 WIC Food Distribution Centers located throughout the state. Food benefits are currently issued through paper food instruments that are valid for a 30 day period. The 30 day period the food instrument is valid is based on the date an applicant was certified eligible for the program. WIC benefits can only be redeemed at a WIC Food Distribution Center. These centers are operated by the Mississippi State Department of Health or local non-profit WIC agencies.

All WIC services are completed through the Mississippi on-line web based Management Information System, Successful Partners in Reaching Innovative Technology (SPIRIT). This system is a State Agency Model (SAM) system that was developed with USDA FNS funds. The SPIRIT System is currently on-line Electronic Benefit Transfer (EBT) and development of Smart Card (off-line) technology within the system is currently underway. The SPIRIT application is installed on computers used by WIC staff in clinics and food centers statewide, as well as in the WIC Central Office. The software allows clinics to search for and view participant data statewide, document WIC services, and produce food instruments on demand. The SPIRIT system utilizes a centralized database that is maintained by the State of Mississippi. When a participant is certified eligible for WIC, benefits are issued via a paper food instrument. The food instrument and benefit data for each participant is also electronically transferred via the SPIRIT system to all WIC food centers statewide.

WIC benefits are prescriptive and each WIC food instrument includes a list of specific foods and quantities the participant is eligible to redeem. The participant can take their WIC food instrument to any WIC food distribution center in the state for redemption. The food distribution center staff can identify a participant in the SPIRIT system by the Participant ID number or the Benefit ID number. The participant or their proxy must present proper identification before the food distribution center staff can issue benefits. WIC food distribution centers are stocked with a variety of food items in each food category, and participants are allowed to make food selections based on the foods they are eligible to receive, the foods in stock at the food center, and the participant's food preferences.

Attachment K WIC-1 (Historical Participation/Household/Benefit Data), contains information on the current Mississippi WIC Program. The majority of foods distributed to participants are currently purchased from a single vendor based on

a bid process that occurs annually. This bid process keeps prices competitive to comply with the cost containment requirement in the WIC federal regulations. Vendors submitting proposals in the current system must have competitive food prices and be able to deliver/transport foods weekly to each WIC food distribution center statewide to be considered for the contract. The purchase of fresh bread, fresh fruits, and fresh vegetables is done through the bid process also, but these items are handled by separate vendor contracts.

The transition of WIC from a direct distribution food delivery system to a retail EBT system will provide many benefits to program participants including a better selection of foods, longer hours of operation, increased days of operation, and a diverse selection of authorized stores in many areas. This change will bring about new opportunities and challenges for our participants, clinic staff, and vendors; however, the benefits of this change should positively impact all those involved in the process.

The Mississippi WIC Program has a Retail Vendor Team in place that is working to establish a retail vendor system for the state. The team has prepared drafts of the federal documents required of a retail vendor system which are currently under review by USDA FNS Southeastern Regional Office. These documents include a Retail Vendor Handbook, Vendor Agreements, Vendor Application, Approved Foods List, Minimum Stock Requirements, and a Training Guide outline. While our selection criteria may limit the number of vendors that are authorized by WIC, we will ensure that participant access to WIC foods is a priority. Preliminary data indicates that Mississippi will initially authorize between 350 – 500 vendors; although, this could change as additional information is collected. Because a retail food distribution system will be new to Mississippi, we foresee that the system will evolve as we determine how best to serve WIC participants while still managing the vendor system efficiently and effectively.

4.15.1 Vendor must download the *WIC Requirements* found in Exhibit C and respond to all items as indicated in Item 1 above.

4.16 **Current WIC System Automation**

The Mississippi WIC program completed implementation of its first automated Management Information System (MIS) in March 2014. This system, Successful Partners In Reaching Innovative Technology (SPIRIT), is a State Agency Model (SAM) that was developed with United States Department of Agriculture Food and Nutrition Services (USDA – FNS) funds. The SPIRIT system is EBT ready with on-line technology, and development of Smart Card (off-line) technology within this system is currently underway. The SPIRIT system is web-based and the application is installed on computers used by WIC staff in clinics statewide and in the State WIC Office. The software allows clinics to search for participant data statewide, view participant data, document WIC services, and produce food instruments for participants on demand. Food Instrument (FI) issuance information is transmitted to the Direct Distribution module within SPIRIT system instantaneously allowing WIC Distribution Centers to view active food instruments, the FI first date to use and last date to use, and the food items available for

redemption by the participant. The SPIRIT system utilizes a centralized database that is maintained by the State of Mississippi.

4.17 **Ms. Child Care Program**

The subsidized child care program in Mississippi is authorized and funded through the federal Child Care Development Block Grant (CCDBG) which is administered by the federal Office of Child Care within the Administration for Children and Families. In Mississippi, The Department of Human Services is the Lead Agency for the Child Care Development Fund (CCDF) program.

The Mississippi Department of Human Services Division of Early Childhood Care and Development (DECCD) administers the Child Care Payment Program (CCPP) which provides subsidized child care assistance, in the form of a child care certificate, to eligible, low-income parents across the State of Mississippi. The child care subsidy or certificate can be used to reduce the cost of child care and is designed to enable the parent to become or remain employed, and to empower them to select quality child care that meets the needs of their family. In order to participate in the Child Care Payment Program, both the family (using the child care subsidy) and the child care provider (providing the child care services) must be approved by the DECCD. In addition to administering the subsidy program, the Mississippi Department of Human Services (MDHS) invests in quality initiatives to improve early childhood care and development in the State. For participation data refer to Attachment L Child Care-1 (Historical Child Care Participation Data). For provider data refer to Attachment M Child Care-2 (Child Care Provider Data).

5. **Procurement Project Schedule**

Task	Date
First Advertisement Date for RFP	02/28/17
Second Advertisement Date for RFP	03/07/17
Deadline to Register for Web Conference	03/13/17 at 12:00 p.m. Central Time
Mandatory Vendor Web Conference	03/14/17 at 3:00 p.m. Central Time
Deadline for Vendor's Written Questions	03/21/17 at 3:00 p.m. Central Time
Deadline for Questions Answered and Posted to ITS Web Site	04/12/17
Open Proposals	05/09/17
Evaluation of Proposals	05/09/17-06/09/17
ITS Board Presentation	07/20/17
Contract Negotiation	07/20/17-08/24/17
Proposed Project Implementation Start-up	08/28/17
Project Go-Live Deadline	02/01/2018

6. **Statement of Understanding**

- 6.1 Vendors may request additional information or clarifications to this RFP using the following procedure:

- 6.1.1 Vendors must clearly identify the specified paragraph(s) in the RFP that is in question.
- 6.1.2 Vendor must deliver a written document to Michelle Smith at **ITS** by Tuesday, March 21, 2017 at 3:00 p.m. Central Time. This document may be delivered by hand, mail, email, or fax. Address information is given on page one of this RFP. The fax number is (601) 713-6380. **ITS WILL NOT BE RESPONSIBLE FOR DELAYS IN THE DELIVERY OF QUESTION DOCUMENTS.** It is solely the responsibility of the vendor that the clarification document reaches **ITS** on time. Vendors may contact Michelle Smith to verify the receipt of their document. Documents received after the deadline will be rejected.
- 6.2 All questions will be compiled and answered, and a written document containing all questions submitted and corresponding answers will be posted on the **ITS** web site by close of business on Wednesday, April 12, 2017.
- 6.3 The primary contract will be with SNAP, TANF, and CSE. WIC and MDES could be additional subscribers with separate contracts at the states discretion.
- 6.4 **Additional Proposal Submission Requirements**
 - 6.4.1 The Vendor must include at the beginning of the technical/functional proposal a Transmittal Letter in the form of a standard business letter and signed by an individual authorized to legally bind the Vendor. It must include:
 - 6.4.2 A statement listing for verification, all addenda to this RFP issued by the State and received by the Vendor. If no addendum has been received, a statement to that effect must be included;
 - 6.4.3 A statement that the Vendor has sole and complete responsibility for the production of the deliverables defined in the RFP and all other functional aspects of the system from the beginning of the contract period until the end of the warranty period, except those items specifically defined as the responsibility of the State;
 - 6.4.4 A statement that the Vendor's proposal shall remain valid for 180 business days after the closing date for proposal submission;
 - 6.4.5 The Vendor must also include an Executive Summary to follow the Transmittal Letter that condenses and highlights the contents of the functional/technical proposal to provide the State with a summary of the Vendor's qualifications and approach to meeting the RFP requirements.
 - 6.4.6 The Vendor must not commence any billable work until a valid contract has been fully executed by the parties and has been approved by the United States Department of Health and Human Services (HHS), Administration of Children and Families (ACF), and the United States Department of Agriculture (USDA), Food and Nutrition Service (FNS). Subsequent to

federal approval, the State EBT Program Manager will notify the Vendor in writing that work may commence.

6.4.7 At the State's option, all Vendors, or the top scoring Vendors may be requested to make an oral presentation, demonstration or discussion of their proposed solution for the purpose of clarification, confirmation, or to provide more detail on the materials presented in any part of the proposal. Vendor must be aware that:

6.4.7.1 The State is not required to request clarification. Therefore, all proposals must be complete and concise and reflect the most favorable terms available from the Vendor;

6.4.7.2 The project manager and other assigned key vendor personnel must play a role in the presentation/demonstration/discussion;

6.4.7.3 All cost associated with this meeting will solely be the responsibility of the Vendor; and

6.4.7.4 The time and place of such presentations will be scheduled by the State to occur in Jackson, MS.

6.4.8 The Vendor is requested to provide details on what features, functions, or other considerations exclusive of the specified requirements either his company or the proposed solution offer the customer that may provide a distinct added value to the State. In the event that the State agrees that such features, functions, or other considerations do provide a distinct benefit, the State reserves the right to give the Vendor additional consideration.

7. Mandatory Requirements

7.1 Attendance at the Vendor Web Conference on March 14, 2017, is mandatory for any Vendor who intends to submit an RFP response. Vendors interested in submitting a proposal to serve as the prime contractor are required to participate in the vendor conference and must be represented by a bona fide employee.

7.1.1 To access the Vendor Web Conference, Vendors must contact Michelle Smith via e-mail no later than 12:00 p.m. Central Time, Monday, March 13, 2017, to receive dial-in instructions.

7.2 Verbal questions raised at the conference will not be answered officially until the vendor submits a written request. All written questions must include the name of the firm and the person submitting the questions.

8. Technical Requirements

8.1 If any component(s) necessary for operation of the requested system is omitted from Vendor's proposal, Vendor must be willing to provide the component(s) at no additional cost.

8.2 Goals and Objectives

8.2.1 The Vendor shall provide a turnkey EBT system for the State of Mississippi, whereby the vendor and its subcontractors provide all of the services required to operate the EBT system, including but not limited to:

- 8.2.1.1 EBT Account Establishment and Maintenance
- 8.2.1.2 Card Production, Issuance and Replacement
- 8.2.1.3 Administrative Terminal Processes and Staff Training
- 8.2.1.4 Transaction Processing and Interface with State and Federal Systems
- 8.2.1.5 Retail Management
- 8.2.1.6 New Retailer Agreements
- 8.2.1.7 New Third Party Processor (TPP) Agreements
- 8.2.1.8 EBT-Only Point of Sale (POS) Terminal Deployment, Maintenance and Replacement
- 8.2.1.9 TPP Certification
- 8.2.1.10 Customer Service for State Staff, Recipients, and Retailers
- 8.2.1.11 Retailer and Recipient Training
- 8.2.1.12 Settlement and Reconciliation
- 8.2.1.13 Reporting
- 8.2.1.14 Testing
- 8.2.1.15 Disaster Issuance and Support of State's Disaster Management efforts
- 8.2.1.16 Transition and Database Conversion at the contract's end
- 8.2.1.17 System Enhancements

8.3 General Requirements

8.3.1 State Interface Requirements

8.3.1.1 The State has a defined set of interfaces established between the existing Vendor and the State's eligibility systems that supports the transfer of information and data required to maintain the

Vendor's EBT system. Because of the expense and effort that will be required by the State to re-design and re-code the interfaces, the State prefers Vendors propose a system that will utilize the interfaces currently in production. See Attachment N SNAP-8 (MDHS EBT SNAP-DSNAP Interface File Formats), Attachment O Debit Card-6 (MDHS Debit Card Interface File Formats) for more information. Vendors proposing to change the interface must provide a compelling reason why the change is necessary (such as significant cost savings or improved performance). The estimated cost to the State of changing its interfaces will be taken into consideration in evaluating the Vendor's Cost proposal.

- 8.3.1.2 Batch Files - The primary method used to exchange information between the MDHS' eligibility system(s) and the Vendor's EBT system is by batch files. The specific formats of the files are detailed in Attachment N SNAP-8 (MDHS EBT SNAP-DSNAP Interface File Format) and Attachment O Debit Card-6 (MDHS Debit Card Interface File Formats), of this RFP.
- 8.3.1.3 Vendor shall provide web service interfaces in the future, at no cost to the State, to accommodate any State system or functional upgrade that may occur during the contract period.
- 8.3.1.4 Administrative Terminal - The EBT Administrative Terminal provided by the current Vendor is a web-based system which is utilized mainly for inquiry access, although there are update functions available as needed for certain users and groups. While the MDHS is not expecting the existing administrative terminal screens to be duplicated in the new EBT system, the MDHS is expecting the functionality provided by the existing administrative terminal to be similar, including but not limited to the graphic user interface.
- 8.3.1.5 The Vendor shall provide interface file connectivity between its EBT system and the EBT Disaster Services Work Group (DSWG) Buddy State Solution if/when developed and implemented during this contract. Attachment P SNAP-14 (EBT DSWG Generic Interface File Formats), provides additional information regarding the current batch file interfaces as defined in partnership with several EBT Vendors. These formats are subject to change as development and implementation of the EBT DSWG Buddy State Solution moves forward. The Vendor shall provide connectivity based on the final Buddy State Solution interface requirements.
- 8.3.1.6 Interface File Transfers will be transmitted to/from the Vendor via Secure File Transfer Protocol (SFTP). The Vendor shall maintain a secure FTP server for 24x7x365 (366 during a leap year) State access and provide a redundant telecommunication circuit configuration (two dedicated circuits from two different telecommunication providers with circuits originating from two

different regions of the country). At the State's request, the Vendor must be prepared to support other file transfer protocols or products at no cost to the State.

8.3.2 Federal Interfaces Requirements

8.3.2.1 The Vendor shall provide batch interface files required by the United States Department of Agriculture (USDA), Food and Nutrition Service (FNS) in the required format. File formats can be found in Attachment Q SNAP-9 (USDA FNS Interface File Formats), of this RFP.

- Account Management Agent (AMA), daily batch update
- Anti-Fraud Locator of EBT Retailer Transactions (ALERT), daily transaction activity
- Store Tracking and Redemptions Subsystem (STARS), weekly file transmission

8.3.2.2 In addition, the Vendor will be required to download data from the Retailer Electronic Benefit Transfer (EBT) Data Exchange (REDE) system on a daily basis to obtain current information on USDA FNS authorized retailers. Access to the REDE system by the Vendor shall be through an automated process. The Vendor will also be required to perform the daily draw for each day's settlement on the SNAP via the Automated Standard Application for Payment (ASAP) system.

8.3.3 Vendors must propose an EBT system that meets the requirements of all applicable Federal and State laws and regulations. As Federal and State regulations are changed, the EBT system must be modified, at no cost to the State, to meet the new requirements as provided in the Terms and Conditions.

9. **SNAP Functional/Technical Requirements**

9.1 Vendor must meet or exceed the following requirements for SNAP. These requirements include details on the specific functional and technical requirements to develop, test, implement, and operate an EBT SNAP system in conformance with federal regulations, applicable national standards, and the State's performance expectations.

9.2 Vendor also must meet or exceed specifications and requirements for equipment, software functionality, telecommunications, EBT card production and issuance, reporting, and settlement and reconciliation.

9.3 It is the State's intention for this EBT SNAP system to be an industry standard application, which primarily uses the existing commercial networks and retailers' POS equipment. However, the Vendor must acquire, install and maintain POS equipment of EBT-Only retailers on the State's behalf.

9.4 Account Set-Up and Maintenance

The account set-up and maintenance function requires generating an account set-up record for the EBT SNAP system. The EBT account is the record kept and maintained by the Vendor for each household receiving SNAP benefits. The following Sections describe how the Vendor must set up and maintain an EBT account.

9.4.1 Creation of EBT Accounts

The State of Mississippi operates the Mississippi Application Verification Eligibility Reporting and Information Control System (MAVERICS) or any State Eligibility System, which supports eligibility and benefit authorization for SNAP and DSNAP at the county office level. MAVERICS accumulates EBT Account set-up and maintenance information (i.e., case/recipient demographic data) and may transmit multiple batch account maintenance interface files to the Vendor's EBT SNAP system each day.

9.4.1.1 EBT Account Number Assignment

9.4.1.1.1 MAVERICS currently assigns each case a unique 9-digit case number which serves as the account number in the current EBT SNAP system. The Vendor's EBT SNAP system must provide for unique non-duplicated account numbers up to 12 characters.

9.4.1.1.2 The Vendor must specify the approach for validating the EBT account numbers provided by the State in batch maintenance records.

9.4.1.2 Use of Existing Interface File Formats

The MDHS has defined formats established with the current EBT Vendor for the exchange of account maintenance (case/recipient demographic data) records and benefit issuance records. These records are detailed within Attachment N SNAP-8 (MDHS EBT SNAP DSNAP Interface File Formats). The new EBT Vendor must utilize the existing record formats for the exchange of this data.

9.4.1.3 File Transmissions

9.4.1.3.1 Account maintenance batch files will normally be transmitted to the EBT Vendor once a day, normally during the evening. However, the State shall not be limited to the number of times during the day the files can be transmitted.

9.4.1.3.2 The Vendor shall support the State in the conversion, at no cost, from batch file submissions to a web

service real time submission for accounts, if elected by the State during the life of this contract.

- 9.4.1.3.3 The Vendor shall identify and begin processing all files received from the state in sequential order within ten (10) minutes of receipt.
- 9.4.1.3.4 The Vendor shall coordinate the timing for processing account maintenance files, posting benefits and issuing cards in order to eliminate the need for carry over or suspense accounting.
- 9.4.1.3.5 The Vendor's system shall not accept a benefit record if the initial account maintenance detail record has not been transmitted by the State.

9.4.2 Authorized Representatives

- 9.4.2.1 Mississippi provides each SNAP household the option of selecting up to two (2) authorized representatives that will act on behalf of the household as an alternate cardholder with access to the household's SNAP benefits. The Vendor shall provide a card for the authorized representative(s) that has a unique 16-digit Personal Account Number (PAN) and Personal Identification Number (PIN).
- 9.4.2.2 The card shall have the authorized representative's name embossed on the card along with the primary individual's name and case number.
- 9.4.2.3 The card shall be mailed to the primary individual's address. When the authorized representative calls the Cardholder Help Desk, they shall use the primary individual's address and their own name along with their own Social Security Number (SSN) and Date of Birth (DOB) for verification of identity. Vendors can offer any other options for identity verification to be reviewed by the State.
- 9.4.2.4 PIN Selection/Change is performed by the cardholder via the Automated Response Unit (ARU) PIN Selection method of the toll-free Cardholder Help Desk utilizing the one-step PIN select process. Cardholders are required to enter their DOB and the last four (4) digits of their SSN in order to select a PIN through the ARU. The PIN shall be stored in the database in encrypted form. The vendor shall have their physical address on the back of every card, to ensure returned cards are sent back to the vendor.
- 9.4.2.5 The key used to encrypt the PIN in the database shall be different from the key used to decrypt the PIN sent from the POS or other devices.

9.4.2.6 No one, including the Security Administrator, shall be able to view the PIN in clear text form.

9.4.3 Fraud Investigator Accounts

9.4.3.1 The Vendor shall support the State with the function of creating and maintaining EBT accounts for use in SNAP fraud investigations.

9.4.3.2 Fraud accounts are set-up through the Administrative Terminal online interface to the Vendor's EBT system by state office staff. USDA FNS and OIG shall have access to the system for the purposes of investigation.

9.4.4 Benefit Authorization

9.4.4.1 The Vendor shall receive and process benefit authorization records transmitted by the State.

9.4.4.2 Benefit only records shall be transmitted by batch with the exception of benefits added through the administrative terminal for those accounts for the purpose of fraud investigation, cancellations of benefits issued in error and other exceptional situations.

9.4.4.3 The Vendor shall process benefit authorizations and post the authorized benefit amounts to the appropriate EBT accounts, based on the unique EBT account number, benefit type, and unique authorization number generated by the State for each benefit authorization.

9.4.5 Benefit Availability

9.4.5.1 Monthly ongoing SNAP benefits shall be posted as available on a staggered schedule. The State shall provide an availability date, which is included in the benefit detail record passed to the Vendor in the monthly batch file (see Attachment N SNAP-8 (MDHS EBT SNAP DSNAP Interface File Formats) for the contents and format of the file). Currently SNAP benefits are staggered from the 5th day of each month through the 19th day of each month. On the specific availability date, benefits shall be accessible no later than 12:01 A.M. Central Time.

9.4.5.2 Any other SNAP benefit record is considered a daily benefit update and shall be made available to the recipient no later than 6:00 A.M. Central Time on the day of benefit availability or immediately if the batch update file is received by the Vendor after 6:00 A.M. Central Time on the date of availability.

- 9.4.5.3 The Vendor shall coordinate the timing for processing Account Maintenance Files, posting benefits and card issuance in order to eliminate the need for carry over or suspense accounting.

9.4.6 File Transmissions (Daily & Monthly)

- 9.4.6.1 Vendor solution shall accommodate the following batch file transmissions: For on-going cases, the State shall authorize benefits, at a minimum, once per month on a schedule specified by the State. In addition to the monthly benefit authorizations, the State shall transmit daily benefit authorizations to authorize benefits for new accounts and to authorize supplements for existing accounts. Daily benefit maintenance files are produced and transmitted from MDHS' internal SNAP/DSNAP eligibility system (MAVERICS). The SNAP benefit files will be transmitted to the EBT Vendor by 11:59 P.M. Central Time, every day, barring any unforeseen circumstances. The DSNAP benefit files will be transmitted to the EBT Vendor once a day during the disaster event period, as deemed appropriate by the State.
- 9.4.6.2 The monthly SNAP benefit file is produced on the last working day of the month and will be transmitted to the EBT Vendor by 11:59 P.M. Central Time, barring any unforeseen circumstances.
- 9.4.6.3 The Vendor shall include in the proposal a conversion strategy that will minimize the potential conflicts between the end of month file transmissions and an effective implementation/conversion date of no later than February 1, 2018.

9.4.7 Benefit Aging

USDA FNS regulations require SNAP benefits residing on an EBT system, which are not used for a 365 day period be "expunged" from the EBT system and returned to the USDA FNS. This procedure is commonly referred to as the "aging" process. The Vendor shall propose an aging or expungement process which will work in the following manner:

- 9.4.7.1 On a daily basis commencing with the first day of operations, the Vendor, as part of the nightly batch process, shall send the State a Benefit Aging File that contains information on SNAP accounts that have reached the State defined periods of inactivity. Inactivity is defined as no cardholder initiated debit activity against an account. For purposes of the aging process, credits (Cardholder or State initiated), balance inquiries and denied transactions do not constitute activity.
- 9.4.7.2 The Vendor shall send a daily Benefit Aging File to the State by 6:00 A.M. Central Time each day.

- 9.4.7.3 The Benefit Aging File rules shall be based on the number of calendar days between the account's last initiated debit transaction and the current date or the available date of each benefit authorization and the current date (if no debit transaction has occurred on the account).
 - 9.4.7.4 The State shall not receive a record in the Benefit Aging File for an account with a zero balance. Specifically, if an account has benefit authorizations with a balance of zero, when that account reaches the aging periods, the State shall not receive a record in the Benefit Aging File for that account.
 - 9.4.7.5 Inactivity up to the Dormant Aging Status shall be determined by the oldest benefit authorization on the account and will impact all of the benefit authorizations within the account. The Expungement Aging Status shall be determined at the individual benefit authorization level.
 - 9.4.7.6 The information contained within the Benefit Aging File will be used to automatically generate recipient notices and alerts to the recipient's caseworker. The account's benefits shall remain active on the Administrative Terminal and will not be moved offline prior to expungement.
- 9.4.8 There shall be at least two (2) benefit aging statuses as follows:
- 9.4.8.1 Dormant Status
 - 9.4.8.1.1 When an account has reached 90 days of inactivity (based on the oldest benefit authorization within the account), the State shall receive a record in the Benefit Aging File identifying the SNAP account as being in the "dormant" status; the status of the account on the EBT SNAP System database will be updated and the status of "dormant" shall be reflected on the Administrative Terminal (AT).
 - 9.4.8.1.2 The cardholder(s) shall still be able to access the benefits for this account as long as the availability date for the benefit authorization has been reached.
 - 9.4.8.1.3 A new benefit authorization sent to the EBT SNAP System for this account will be posted, but the account shall remain in the "dormant" status until cardholder initiated debit/credit activity occurs.
 - 9.4.8.1.4 If inactivity continues on this account, the State shall not receive a record every day; the next notification the State should receive for this account will be at 365 days of inactivity.

9.4.8.2 Expungement Status

The Expungement Status is determined by, and effects benefits at, the benefit authorization level. This differs from the dormant (90 days) status which is determined by the oldest benefit authorization within the account.

9.4.8.2.1 When a benefit authorization has reached 365 days of inactivity (based on the benefit authorization level), the MDHS will receive a record in the Benefit Aging File identifying each unique benefit authorization in the SNAP account that has reached the expungement timeframe. In other words, the detail records contained in the Benefit Aging File for expunged benefits will contain a record for each benefit authorization expunged.

9.4.8.2.2 The benefit authorization will be expunged from the EBT SNAP System and the outstanding liability balance on the database will be reduced by the amount of the expungement.

9.4.8.2.3 The MDHS will also receive a record in the Daily Activity File identifying the expungement. If there are other benefit authorizations within an account, each benefit authorization shall remain in an inactive status until it reaches the expungement timeframe.

9.4.8.2.4 If a recipient is eligible for additional benefits after a benefit authorization has been expunged from the EBT SNAP System, the MDHS will send a new benefit authorization to the EBT SNAP System for posting, but the account shall remain in the "dormant" status until cardholder-initiated debit/credit transaction activity occurs.

9.4.8.2.5 The expungement process shall be performed after all the other account activities have taken place (shall be the last activity of the day).

9.5 EBT Card

9.5.1 The EBT system shall provide online, real time access to recipients' EBT accounts via a benefit access card containing a magnetic strip that supports electronic transactions.

9.5.2 The Vendor shall produce and supply magnetic strip cards to the MDHS' EBT cardholders; this includes plastic EBT card stock, card encoding, card embossing and card mailing. The Vendor shall prepare for and implement

the Europay, MasterCard and Visa (EMV) technology in EBT cards, at no cost to the state, as deemed required by the USDA FNS.

9.5.3 The Vendor shall include processes and functions to issue, replace and distribute/deliver cards to cardholders, and maintain a centralized card issuance management database on behalf of the State.

9.5.4 The Vendor shall ensure that the EBT card produced for the Mississippi EBT SNAP System complies with the specifications prescribed in the International Standards Organization (ISO) and the American National Standards Institution (ANSI) standard relating to cards used for financial transactions.

9.5.5 Card Design

9.5.5.1 The EBT card's magnetic stripe will be high-coercivity 2750 Oe or higher.

9.5.5.2 The Vendor will be required to store the MDHS' blank EBT Card stock at a secure Card Production Facility for use in generating EBT Cards as needed. The Vendor shall have their mailing address (i.e. a secure PO BOX) on the back of every card, so any "undeliverable" or "found" cards can be sent to the Vendor for use in updating the card status as appropriate, along with proper destruction.

9.5.6 Track 2 Format

9.5.6.1 Mississippi EBT Cards shall comply with the Standard ANSI Track 2 layout and shall be encoded in accordance with ISO 7813.

9.5.6.2 The maximum character count in Track 2 shall not exceed 40 characters, including all control characters. The layout of the Track 2 format for the current Mississippi EBT card is as follows:

Field Nbr.	Field Nam	Length
1	Start Sentinel	1
2	Primary Account Number (PAN)	16
3	Field Separator	1
4	Expiration Date	4
5	Service Code	3
6	Card Authentication Value	3
7	Generation Number	2
8	End Sentinel	1
9	Longitudinal Redundancy Check	1

9.5.6.3 Mississippi EBT Cards shall bear the case number and name of the case's primary individual. If there is an "authorized" representative associated with the case, the name of the

“authorized” representative is embossed above the name of the primary individual.

9.5.6.4 The card shall be embossed and encoded with a 16-digit Personal Account Number (PAN) and will not have an expiration date.

9.5.6.5 The Track 2 Service Code field shall be encoded with a value of “120” in accordance with ISO Standards and a Card Authentication Value (CAV) encoded specific to the cardholder.

9.5.6.6 The encryption keys utilized by the current Vendor shall be transferred to the new Vendor, as well as the algorithm used for the CAV calculation.

9.5.6.7 The Vendor shall continue to encode the CAV field of Track 2 with a cryptographic value to validate the Track 2 data content.

9.5.7 Card Number/Bank Identification Number/Issuer Identification Number

9.5.7.1 The Vendor shall issue EBT cards containing a 16 digit PAN that utilize the State’s current BIN/IIN.

9.5.7.2 The process by which the Vendor calculates the PAN for issued cards shall not interfere with the existing card base being utilized by the State of Mississippi cardholders.

9.5.7.3 The Vendor shall describe the process by which it will generate the PANs for the new EBT cards being issued.

9.5.8 New Card Issuance and PIN Selection

9.5.8.1 Initial card issuance occurs through the batch interface in the account set-up record. When a new EBT SNAP account is setup, or a new SNAP authorized representative is added to the EBT account, the Vendor assigns a PAN to the cardholder on the EBT account, and issues an EBT card through the mail. All initial cards shall be mailed in an “inactive” status (as they must go through the PIN selection process). The cardholder shall be required to call the Cardholder Help Desk and provide adequate verification for PIN selection. Vendor shall describe the process for which cards will be issued.

9.5.8.2 Currently, PIN Selection/Change is performed by the cardholder via the ARU PIN Selection method of the toll-free Cardholder Help Desk utilizing the one-step PIN select process. Cardholders are required to enter their Date of Birth and the last four digits of their Social Security Number in order to select a PIN through the ARU. The PIN shall be stored in the database in encrypted form. The key used to encrypt the PIN in the database shall be different from the key used to decrypt the PIN sent from the POS or other

devices. No one, including the Security Administrator, shall be able to view the PIN in clear text form.

- 9.5.8.3 The Vendor shall distribute a Mississippi EBT Card when indicated by the respective flag within each Account Maintenance Detail record Attachment N SNAP-8 (MDHS EBT SNAP-DSNAP Interface File Formats for the format of the record). This requirement includes the distribution of a replacement card and the current card remaining active with an expiration after seven (7) calendar days or once the replacement is used, whichever comes first. This requirement is in support of the MDHS' monthly automatic card replacement process.
- 9.5.8.4 All card-issue requests by the batch Account Maintenance file or replacement requests either through the Administrative Terminal or the Cardholder Help Desk received by 11:59 P.M. Central Time shall be placed in the mail by noon Central Time the next business day. All Mississippi EBT cards shall be delivered by direct mail through the United States Postal Service (USPS).
- 9.5.8.5 Cardholders shall be able at any time to select their PIN by using the ARU PIN select procedure. The Vendor shall propose a secure ARU PIN select procedure utilizing the one-step PIN select process.

9.5.9 Replacement Card Issuance

Cardholders are encouraged to call the Cardholder Help Desk to report a lost, stolen or non-functioning card and have a new card issued. Attachment R SNAP-4 (Historical SNAP Card Issuance and Replacement Data), for more information regarding replacement card activity. Additionally, the MDHS may accept the call and forward the card replacement request to the Vendor's Help Desk for card replacement assistance.

- 9.5.9.1 The cardholder shall be able to report a lost or stolen card and request card replacement 24 hours a day, seven (7) days a week per federal regulations.
- 9.5.9.2 The old card shall be deactivated immediately.
- 9.5.9.3 Cards returned by the USPS as undeliverable shall be returned to the Vendor for destruction and shall be identified in the system as "returned".
- 9.5.9.4 A daily "returned" card destruction report and file shall be provided to the State.
- 9.5.9.5 When a cardholder requests a replacement EBT card, the existing PIN shall be transferred to the new card. All replacement cards

shall be mailed in an “active” status. The system shall not generate a new PIN. PIN selection will be the function of the ARU.

- 9.5.9.6 Each cardholder shall be able to select a new PIN any time a PIN has been compromised by calling the Cardholder Help Desk and using the ARU PIN select procedure.

9.5.10 New EBT Card Design

- 9.5.10.1 The State wishes to update/re-brand its EBT Card. The Vendor shall collaborate with the State to design and implement a new Mississippi EBT card design. Vendor shall have options for new card design at the States approval.

- 9.5.10.2 The Vendor shall issue replacement EBT Cards in the new design to all active EBT Cardholders prior to contract start-up (i.e., February 1, 2018), ensuring no disruption of cardholder benefits access and services.

- 9.5.10.3 Current EBT Cardholder PINs shall function with the new design replacement EBT cards so the selection of new PINs is not necessary.

- 9.5.10.4 The Vendor shall provide a minimum of 250,000 Mississippi Disaster EBT Cards with associated label manifest reports, Attachment S SNAP-13-C (MDHS DSNAP Label Manifest) for a sample of this report at contract start-up (i.e., February 1, 2018), and throughout the life of the contract term, with the State having the option to request additional Mississippi Disaster EBT Cards and label manifests as needed. The Vendor shall destroy all prior Mississippi Disaster EBT Card inventory, including any associated label manifest reports that remain at the end of the prior EBT Contract according to industry best practices for securely destroying plastic cards.

- 9.5.10.5 All Mississippi Disaster EBT Cards shall be generic with “Mississippi Disaster Card” embossed on the face of the card.

- 9.5.10.6 The Vendor shall store all Mississippi Disaster EBT Cards in a secure climate controlled facility for retrieval and use during any future disaster event.

9.5.11 Settlement/Reconciliation

- 9.5.11.1 The Vendor shall balance and reconcile EBT accounts daily, including all debits and credits for all transactions for issuances and redemptions.

- 9.5.11.2 The Vendor’s EBT system shall operate on a 24-hour processing cycle.

- 9.5.11.3 The Vendor shall report any unsettled funds to the State. USDA FNS has determined that unsettled funds shall be returned to the United States Treasury and will develop a policy for the process in the future. The Vendor shall comply with this policy once it has been developed.
- 9.5.11.4 Additionally, the Vendor shall provide an Unsettled Funds Report. This daily report shall show funds returned from a retailer that could not be settled to the retailer. This includes retailers that do not have government managed terminals and only perform manual vouchers. Retailers that contract directly with TPPs and receive reimbursement through them are not covered by this procedure.
- 9.5.11.5 The unsettled funds report shall show, at least: the transaction type, amount, transaction date, funds returned, USDA FNS number, merchant and terminal identifier, benefits impacted, and the recipient's case number.
- 9.5.11.6 The unsettled funds report shall provide totals for each entity.
- 9.5.11.7 At a designated cutoff time each day, the Vendor shall close out the current processing day and commence the next processing day, performing at a minimum the balancing and reconciliation processes described below:
- 9.5.11.7.1 The Vendor shall designate a standard daily cutoff time for EBT processing. The 24-hour period between the cutoff time on Day 1 and Day 2 constitutes the EBT transaction day.
- 9.5.11.7.2 The specified cutoff time shall allow the Vendor sufficient time to originate ACH payments for next day settlement, including Monday settlement for Friday, Saturday and Sunday transactions and next work day settlement after a legal holiday.
- 9.5.11.7.3 The Vendor shall ensure the ACH file enters the banking system in a timely manner to allow settlement of authorized transactions on the following business day.
- 9.5.11.7.4 The EBT cutoff shall coincide as closely as possible with the cutoff time of the prevailing EBT transaction switch to minimize the need for carry over or suspense accounting.

9.5.12 EBT System Balancing

9.5.12.1 The Vendor shall maintain ledger accounts at the program, subprogram and State levels.

9.5.12.2 Subsequent to the daily settlement cutoff, the EBT system shall be balanced and reconciled on a daily basis.

9.5.12.3 The Vendor shall compute the end-of-day net position or balance for each benefit program. An audit trail shall exist so that reconciliation can be performed at the individual EBT account level up through the subprogram, program and State levels. For each level, the end of day net position is equal to:

Beginning Day balance + credits – debits = End of day balance

9.5.12.4 On a daily basis, the Vendor shall ensure the EBT system as a whole is in balance.

9.5.12.5 The balancing functions performed by the Vendor shall ensure the change in the net position in the sum of recipient accounts equals the change in the net position of program accounts at a summary level.

9.5.12.6 The Vendor shall also ensure the change in the net position in the sum of the program account is equal to the change in the net position (obligations outstanding) for the funding agencies.

9.5.12.7 The Vendor shall specify procedures for maintaining audit trails throughout the settlement and reconciliation process.

9.5.12.8 The Vendor shall meet the Supplemental Nutrition Assistance Program (SNAP) reconciliation requirements of 7 CFR 274.12(j). At a minimum, Vendors shall propose procedures and reports for reconciling:

9.5.12.8.1 Recipient account daily beginning balance and net draws versus the ending balance;

9.5.12.8.2 Recipient net redemptions versus retailer/acquirer settlement values;

9.5.12.8.3 Total funds entering, exiting, and remaining in the system each day;

9.5.12.8.4 Total net change in system-wide obligations outstanding to the sum of the net change in obligations outstanding for the Supplemental Nutrition Assistance Program (SNAP);

9.5.12.8.5 Total net change in system-wide obligations outstanding to the sum of the net change in obligations for all Government (State and Federal) agencies;

9.5.12.8.6 The net settlement value of all transactions to the sum of the net settlement values for the Supplemental Nutrition Assistance Program (SNAP); and

9.5.12.8.7 The net settlement value of all transactions to the sum of the net settlement value for the State.

9.5.12.8.8 In addition, the Vendor shall propose methodology and reports to assist the State to reconcile benefits posted to the household accounts on the central host computer with Issuance Authorization files consistent with the requirement at 7 CFR 274.12(j)(1)(i).

9.5.13 Current State Process

The Vendor shall to the greatest extent possible, replicate the State's current settlement and reconciliation processes described below:

9.5.13.1 SNAP Reconciliation and Settlement

Authorized SNAP benefits are disbursed on a daily basis to newly eligible households and on a monthly basis for on-going eligible households. The Vendor's EBT System loads the benefits and provides benefit issuance data to the AMA to change the State's SNAP Letter of Credit (LOC) based on the availability date of each authorized benefit. Attachment T SNAP-2 (Historical SNAP Benefit Issuance Data) for more information regarding benefit count and dollar volumes. Mississippi EBT Cardholders redeem available SNAP benefits at authorized USDA FNS retailers throughout the United States and its territories each day (i.e., 7 days a week; 24 hours a day; 365 days a year; 366 days during a leap year).

At the end of each settlement day (i.e., 2:30 P.M. Central Time), financial transaction settlement totals are recorded and written to a money movement file. This file is processed and a daily ACH file is created. The ACH file is transmitted to the eFunds ACH originator bank for processing. Upon receipt of the ACH file, the originator bank transmits the ACH deposits to the FRB. Overnight, the FRB ACH System regroups all of the ACH files it has received into transmissions for the appropriate TPP network banks. After transmitting files to the different network banks, the FRB sends a transmission to the eFunds settlement bank to debit the settlement account for the amount due to the merchants for SNAP benefits funds. The Vendor sends an ACH credit to the eFunds settlement account to cover the SNAP benefit funds paid out to the TPP networks.

To replenish the Vendor's settlement account, the Vendor performs a payment request on the Automated Standard Application for Payment

(ASAP) system, for the amount paid to the merchant bank for SNAP benefit redemptions. This ASAP authorization will be based on the transaction amount on the Vendor's EBT System for the settlement day as identified on the settlement screens, reports and the Daily Activity File (DAF). After receiving the request for funds, the AMA system verifies the availability of funds in the State's SNAP Letter of Credit (LOC) and certifies payment to the Vendor's settlement account. The Vendor's settlement bank receives notification of the Federal Wire transfer from the LOC to the Vendor's settlement account for the net amount paid to the TPP Network banks for SNAP benefits redemptions.

The Vendor's EBT System provides the following settlement related files to the USDA FNS:

- Account Management Agent (AMA) file;
- Anti-Fraud Locator using EBT Retailer Transactions (ALERT) file; and
- Store Tracking and Redemptions Subsystem (STARS) file.

The Vendor's EBT System provides the following settlement related files to the MDHS:

- Daily Activity File (DAF);
- Cutoff Settlement Report File;
- Account Management Agent (AMA) file; and
- Store Tracking and Redemptions Subsystem (STARS) file.

The MDHS Financial Interface Tracking System (FITS) performs automated settlement and liability reconciliation using these files, producing settlement reports; any exceptions are researched and resolved working directly with the Vendor.

The MDHS Budgets & Accounting Staff perform SNAP settlement and liability reconciliation verification for each settlement day by performing an inquiry on the ASAP system, reviewing the EBT System reports and the MDHS FITS reports. Upon verification, the MDHS Budgets & Accounting Staff performs a Journal Voucher transaction in Mississippi's Accountability System for Government Information and Collaboration (MAGIC) to record the reconciled draw of SNAP funds.

9.5.14 State Responsibilities

9.5.14.1 The State shall ensure benefits authorized by its eligibility systems are posted to the Vendor's EBT system or otherwise accounted for.

9.5.14.2 The State shall ensure SNAP benefits posted to the Vendor's EBT system are correctly reported to AMA.

9.5.14.3 The State shall verify the correct amount is drawn down through the ASAP system by the Vendor for SNAP benefits utilized by recipients.

9.5.14.4 The State shall verify the liability remaining in the Vendor's EBT system at the end of the processing day for SNAP benefits against the outstanding liability on the Federal Reserve Bank's ASAP system.

9.5.14.5 The State shall approve all adjustments to the ASAP account requested by the Vendor through the AMA system.

9.5.14.6 The State shall notify the Vendor of any variances that it encounters and require the Vendor to satisfactorily resolve the variances in a timely manner.

9.5.15 Vendor Responsibilities

9.5.15.1 The Vendor shall be responsible for the daily settlement of funds, including manual vouchers, to benefit redeemers (USDA FNS authorized retailers), either directly or through financial intermediaries such as Third Party Processors (TPPs).

9.5.15.2 The Vendor shall own and reconcile the clearing bank account used for the daily settlement.

9.5.15.3 The Vendor shall be responsible for handling both credit and debit adjustments to the recipient's EBT account in the manner and timeframe dictated by federal regulations.

9.5.15.4 The Vendor shall ensure that all settlement reports are available to the State by 6:00 A.M. Central Time each day.

9.5.15.5 The Vendor shall be responsible for providing detailed and accurate reports that allow the State to reconcile benefit postings to the EBT system, settlement of benefits utilized by recipients, and the outstanding liability remaining on the EBT system at the end of the processing day.

9.5.15.6 The Vendor shall research all variances reported by the State and provide documentation to support the resolution within five (5) calendar days of notification. Any over issuance or over redemption is the responsibility and liability of the EBT Vendor.

9.5.16 The cut-off time used for financial settlement of SNAP purchase activity by the current Vendor is 2:30 P.M. Central Time each day. Vendor shall state the cut-off time proposed for the financial settlement of the SNAP purchase activity.

9.5.17 Settlement to retailers and TPPs

- 9.5.17.1 Settlement to retailers and TPPs shall be through the existing commercial banking ACH infrastructure.
- 9.5.17.2 The Vendor shall have an originating and receiving relationship with the ACH, either directly or through one of its subcontractors.
- 9.5.17.3 For transaction processing and settlement purposes, the Vendor shall be capable of settling POS transactions.
- 9.5.17.4 For retail merchants, third parties, or other benefit redeemers that are directly connected to the Vendor's system, the Vendor shall originate an ACH credit for the total balance due for the EBT benefits provided during the processing day being settled.
- 9.5.17.5 The benefit redeemer credits shall be entered into the ACH for settlement on the next banking day. Credits due EBT providers who are connected to the Vendor through a transaction switch, TPP, or national network will settle utilizing the federal regulations.
- 9.5.17.6 The Vendor's proposal shall provide documentation of the relationships and processes described in this Section.

9.5.18 Required Federal Systems Interfaces

- 9.5.18.1 The FRB of Richmond serves as AMA for the SNAP EBT benefit account. The AMA system interfaces with the Treasury Department's Automated Standard Application for Payment (ASAP) system, which monitors ASAP funding limits based on projected SNAP activity established by USDA FNS for each State and performs reconciliation required by USDA FNS. Consequently, the selected Vendor shall interface with the AMA system and provide data necessary for funds projection and SNAP reconciliation.
- 9.5.18.2 The Vendor shall provide detailed information (at the subprogram level) and summary information by availability date, including but not limited to, the following data elements:
 - 9.5.18.2.1 Benefit authorizations, including adjustments
 - 9.5.18.2.2 Expungements
 - 9.5.18.2.3 Other returned benefits, including unsettled funds to retailers.
- 9.5.18.3 The transmission of issuance and returned data elements shall be through daily automated batch processing in a file format specified by the Federal Reserve Bank of Richmond. File

specifications may be found in Attachment Q SNAP-9 (USDA FNS Interface File Formats).

9.5.18.4 The Vendor shall provide detailed weekly SNAP net redemption data by retailer identification number to STARS, the USDA FNS SNAP redemption database, through the Benefit Redemption Systems Branch (BRSB) in Minneapolis, MN. The data format and requirements of this file are specified by USDA FNS. The data elements and file format for this data is provided in Attachment Q SNAP-9 (USDA FNS Interface File Formats).

9.5.18.5 Upon completion of batch processing, the State and its Vendor shall be certified by USDA FNS to ensure the accuracy of data transmission.

9.5.18.5.1 The on-line method of entering AMA issuance shall serve as a back up to batch processing; any manual data entry will require State on-line security authorization/certification before it will be allowed to update ASAP. The technical requirements for on-line data entry capability are available from FRB.

9.6 Customer Service Help Desks

9.6.1 The Vendor shall support a customer service Help Desk for the EBT cardholders, the retailers accepting the state EBT card and the state office staff.

9.6.2 It is the State's desire that all Help Desks (primary and secondary sites) be in the United States. The State will evaluate multiple options as identified in the tables; 1a-1e in Section VIII, Cost Information Submission.

9.6.3 At a minimum, the Vendor shall have the capability to provide cardholder and retailer help desk services in English, Spanish, and Vietnamese.

9.6.4 Additionally, the Vendor shall provide Teletypewriter (TTY) capability to cardholders and retailers with hearing disabilities.

9.6.5 The Vendor shall supply a detailed description of the Retailer Help Desk, including its location, staffing, call volume capacity, language capabilities, reporting and back-up system. See Attachment U SNAP-5 (Historical SNAP Cardholder Help Desk Data), and Attachment V SNAP-6 (Historical SNAP Retailer Help Desk Data).

9.6.6 Cardholder Help Desk and ARU

9.6.6.1 The Vendor shall provide a Cardholder Help Desk 24 hours a day, seven (7) days a week to provide current EBT account and benefit access information using the States' existing toll-free "1-800"

number per program (i.e. EBT SNAP/DSNAP; EBT, WIC; EPC; etc.). See Attachment U SNAP-5 (Historical SNAP Cardholder Help Desk Data) for help desk call volume data.

- 9.6.6.2 The State reserves the right to review and approve the transaction flow and content of all ARU messages, prompts, and customer service scripts prior to implementation. The Vendor may not change ARU messages or menu functions without prior approval of the State, nor shall the Vendor allow CSR's to change a client's demographic information (name; address; date of birth; SSN; etc.) under any circumstance. The State may, at its option, elect to allow the Vendor to update an account's mailing address via the Vendor's EBT system's Administrative Terminal in the future, based on State approved procedures, if it is determined to be in the best interest of the State or its recipients. As an option, the Vendor may offer the capability of a voice recognition feature in the ARU whereby a customer can say the EBT card number in lieu of entering it on the telephone keypad.
- 9.6.6.3 The Vendor is encouraged to recommend for consideration any other transactions and/or uses of the ARU which would represent an effective and economical application of this technology.
- 9.6.6.4 The Vendor shall describe the access control to assure security of customers' account information.
- 9.6.6.5 The Vendor shall provide a Cardholder Help Desk that meets or exceeds the following ARU and/or Customer Service Center requirements:
 - 9.6.6.5.1 All initial cards shall be mailed in an "inactive" status. The cardholder is required to call the Cardholder Help Desk and provide adequate verification for PIN selection. The State requires the verification of the last four digits of the cardholders' social security number and their date of birth. Currently, replacement cards are mailed in an "active" status and the PIN will follow the replacement card.
 - 9.6.6.5.2 Prior to disabling the card, the caller's identity shall be confirmed by verifying name, date of birth, social security number and address. The card shall be disabled and not replaced if the address is not confirmed by the caller. With identity theft becoming more prevalent, the Vendor is encouraged to provide recommendations which will improve the confirmation of the caller's identity.
 - 9.6.6.5.3 Current balance shall provide "real time" account balance information. Account balance information

shall not contain any posted benefits that have not reached their availability date.

- 9.6.6.5.4 Transaction History shall provide information about the last ten (10) SNAP transactions (for example, transaction number, amount and date). If requested by the cardholder, SNAP deposit history shall also be provided.
- 9.6.6.5.5 Account History shall enable a caller to request a two (2) month statement of their SNAP account history. Statements shall be mailed within two (2) business days to the last known recipient address.
- 9.6.6.5.6 PIN-change callers shall be given information needed about PIN re-selection procedures.
- 9.6.6.5.7 Callers shall be given information about Point-of-Sale (POS) site locations where benefits may be accessed. The Vendor shall provide general information regarding stores supporting the Mississippi EBT card.
- 9.6.6.5.8 Report Unauthorized Card Use - Callers selecting this option shall be transferred to a Customer Service Representative (CSR) for assistance in reporting unauthorized card use.
- 9.6.6.5.9 Benefit Availability Date - Callers selecting this option shall be given the date benefits will become available based on the issuance schedule supplied by the State.
- 9.6.6.5.10 The Vendor shall provide CSRs to resolve cardholder issues that cannot be resolved by the ARU, including requests for adjustments. The Vendor shall provide sufficient CSR capacity to meet the contractual service standards for cardholder calls referred to a CSR. The Vendor shall provide call volume capacity.
- 9.6.6.5.11 The Vendor shall offer the capability to provide customers the option of establishing a password, when requested.
- 9.6.6.5.12 The Vendor shall also have the means to assure the password will be recognized when the option is utilized. This function shall be used for all calls forwarded for CSR assistance. The function shall also be used when requesting a replacement card or changing a PIN via the ARU.

9.6.6.5.13 The Vendor shall give the State options for the password “option” to be utilized by the ARU and fully explain how this capability would be implemented for each option.

9.6.6.5.14 The Vendor shall provide the State with a mobile application so clients/cardholders can access their card accounts to check their balance, transaction history, card status, replace a card, etc. along with other options the Vendor may propose.

9.6.7 Retailer Help Desk

9.6.7.1 The Vendor shall provide a Retailer Help Desk to assist retailers with EBT support and program information using a single toll-free, “1-800” number, 24 hours a day, seven (7) days per week.

9.6.7.2 The State reserves the right to review and approve the transaction flow and content of all ARU messages, prompts, and customer service scripts prior to implementation. The Vendor may not change ARU messages or menu functions without prior approval of the State.

9.6.7.3 The Vendor shall ensure through technical design, resource allocation, and staffing that each retailer call is answered in accordance with the Performance Standards set out in this RFP.

9.6.7.4 For reporting purposes, the Vendor shall provide ARU and Retailer Customer Services Center activity data to the State. Additionally, Teletypewriter (TTY) capability shall be provided to retailers/merchants with hearing disabilities.

9.6.7.5 The Vendor shall provide a retailer help desk that meets the following requirements:

9.6.7.6 Shall be toll-free and without charge or fee to the retailers;

9.6.7.6.1 Has a separate single toll-free “1-800” number for retailers to use exclusively for retailer support;

9.6.7.6.2 Operated and staffed in an industry standard manner that is fully described in the Vendor’s response and subject to approval by the State; and

9.6.7.6.3 Provides access controls that ensure security of both retailers’ and cardholders’ account information including, but not limited to, the verification of the USDA FNS retailer number at call entry.

- 9.6.7.7 The Vendor is encouraged to recommend for consideration any other transactions and/or uses of the ARU/Help Desk which would represent an effective and economical application of this technology.
- 9.6.7.8 The Vendor shall equip and program the ARU to provide voice authorization for SNAP transactions. CSR's shall also support voice authorizations if the ARU is not available or is not functioning.
- 9.6.7.9 The Vendor shall provide via the Retailer Help Desk, the following services for EBT-Only retailers as follows:
 - 9.6.7.9.1 Support and problem resolution on EBT-Only POS equipment;
 - 9.6.7.9.2 Support for manual voucher authorizations; see Attachment W SNAP-7 (Historical SNAP Manual Voucher Data), for more information regarding volumes;
 - 9.6.7.9.3 Support for bank account updates where SNAP sales are deposited;
 - 9.6.7.9.4 Support for settlement information and reconciliation procedures;
 - 9.6.7.9.5 Support on system adjustments and resolution of out-of-balance conditions;
 - 9.6.7.9.6 General information regarding EBT policies and procedures; and
 - 9.6.7.9.7 How to return POS equipment.

- 9.6.8 The Vendor shall clearly describe its monitoring capabilities for both live CSR and ARU calls to ensure quality customer service, including how the State EBT Project Manager (or designee) may access live CSR and ARU calls for monitoring purposes (unlimited; 24 hours a day; 7 days a week). The Vendor shall define and include sample information that it will provide to enable the State to review any cardholder related service complaints. This includes both the cardholder and retailer help desks.

The Vendor shall provide the State with a mobile application for retailer use to check on recent payment deposits to their account, process a manual voucher or any other function that can be securely accomplished via a mobile application the Vendor may propose.

9.7 Transaction Processing

- 9.7.1 The Vendor will be responsible for the authorization of Cardholder-initiated SNAP transactions.
- 9.7.2 The Vendor shall have the capability to receive and process Cardholder transactions from POS devices.
- 9.7.3 The Vendor shall ensure that Cardholders access their SNAP benefits only at POS terminals in authorized food retailer locations.
- 9.7.4 The Vendor shall meet the interoperability requirements with other states.
- 9.7.5 The Vendor shall have the capability to receive, process, and return approved/denied messages from POS devices. See Attachment X SNAP-3 (Historical SNAP Cardholder Transaction Data).
- 9.7.6 Transaction authorization will require:
 - 9.7.6.1 Accepting transactions coming from an authorized acquirer;
 - 9.7.6.2 Authorizing or denying transactions;
 - 9.7.6.3 Sending timely response messages back to the transaction acquirer authorizing or rejecting cardholder transactions; and
 - 9.7.6.4 Logging the authorized/denied transactions for subsequent settlement and reconciliation processing, transaction reporting, and for viewing through transaction history.
- 9.7.7 The EBT system shall go through a series of checks and processes to determine whether a transaction being initiated by a cardholder should be approved. These checks should include determining whether:
 - 9.7.7.1 The merchant has a valid USDA FNS authorization number;
 - 9.7.7.2 The card number (PAN) is verified and the card is active;
 - 9.7.7.3 The number of consecutive failed PIN tries has not been exceeded (currently cardholders have four attempts from midnight to midnight, then it is reset);
 - 9.7.7.4 The PIN is verified as being entered correctly;
 - 9.7.7.5 The PAN and PIN are linked to only one case;
 - 9.7.7.6 The account is active; and
 - 9.7.7.7 The EBT account holds a sufficient balance in order to satisfy the transaction request.

- 9.7.8 If any one of the above conditions is not met, the Vendor shall deny the transaction.
- 9.7.9 The Vendor shall ensure that Cardholder-benefit accounts are not overdrawn and shall assume all liability if an account overdraft does occur.
- 9.7.10 The system shall return a message to the retailer/provider indicating the reason for denial (e.g., invalid PAN, invalid PIN, NSF, etc.). The State shall be provided with a description of all POS error codes.
- 9.7.11 USDA FNS System Performance and Technical Standards
 - 9.7.11.1 The Vendor shall ensure that the EBT system meets performance and technical standards and regulations, as found in 7 CFR 274.12 (h), entitled "Performance and Technical Standards", in the areas of:
 - 9.7.11.1.1 System processing speeds
 - 9.7.11.1.2 System availability and reliability
 - 9.7.11.1.3 System security
 - 9.7.11.1.4 System ease-of use
 - 9.7.11.1.5 TPPs
 - 9.7.11.1.6 Minimum card requirements
 - 9.7.11.1.7 POS terminals
 - 9.7.11.1.8 Performance bonding
 - 9.7.11.1.9 Minimum transaction set
 - 9.7.11.1.10 Interoperability
 - 9.7.11.1.11 Waivers
 - 9.7.11.2 In order of precedence, the Vendor shall use:
 - 9.7.11.2.1 Federal Regulations
 - 9.7.11.2.2 USDA FNS policy memos
 - 9.7.11.2.3 State requirements set out in the contract
 - 9.7.11.2.4 Prevailing industry performance standards

- 9.7.11.3 If there is a conflict within the governing regulations and guidelines regarding a specific standard, the State will determine the appropriate standard to which the EBT Vendor shall adhere. In determining the appropriate standard, the State will allow consultation and input from the Vendor, however the final decision will remain with the State.
- 9.7.11.4 The Vendor shall comply with all relevant processing speed requirements as stated in 7 CFR 274.12 (h)(1).
- 9.7.11.5 The Vendor shall describe its proposed back-up purchase procedures for USDA FNS authorized retailers when the EBT system is unavailable; both for unscheduled and planned outages and the method by which retailers will be notified that the back-up procedures are being utilized.
- 9.7.11.6 For leased line communications, 98% of EBT transactions shall be processed within ten (10) seconds or less and 100% shall be processed within fifteen (15) seconds.
- 9.7.11.7 For dial-up systems, 95% of the EBT transactions shall be processed within fifteen (15) seconds or less and 100% shall be processed within twenty (20) seconds.
- 9.7.11.8 The Vendor's EBT System Central Computer shall be available 99.9% of scheduled uptime, 24 hours a day, 7 days per week for the life of the contract. Scheduled up-time shall mean the time the database is available for transactions excluding scheduled downtime for routine maintenance. The EBT System Central Computer consists of all system functions over which the EBT Vendor has direct control, either directly or through a subcontractor relationship.
- 9.7.11.9 The total EBT System, including the system's central computer, any network or intermediate processing facilities and cardholder authorization processors, shall be available 98% of scheduled up-time, 24 hours a day, 7 days per week for the life of the contract. Scheduled downtime for routine maintenance shall occur during non-peak transaction periods. The State requires a report to show all down time monthly.
- 9.7.11.10 The State shall be notified at least seven (7) business days in advance of scheduled downtime for routine maintenance, which will occur during off-peak transaction periods. The Vendor shall provide the State with any scheduled downtime outside of the time required for routine maintenance. All scheduled downtime shall be arranged and approved by the State EBT Project Manager.

9.7.11.11 As defined in the federal regulations, the EBT System Central Computer 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:

9.7.11.11.1 All SNAP transactions occurring at POS terminals and processed through the host computer;

9.7.11.11.2 Manual transactions entered into the system;

9.7.11.11.3 Credits to EBT accounts; and

9.7.11.11.4 Fund transfers to retailer accounts.

9.7.11.11.5 The Vendor will resolve all errors in a prompt manner in accordance with the requirements listed in Liquidated Damages Section of this RFP, except where Federal regulations provide for shorter timeframes.

9.7.12 Interoperability Requirement

9.7.12.1 The Vendor shall support the federal requirement of processing interoperable SNAP transactions, including SNAP transactions acquired at a State of Mississippi retailer where the cardholder has benefits issued by a State other than the State of Mississippi.

9.7.12.2 In addition, the Vendor shall have the capability of accepting and processing cardholder transactions occurring at out-of-state (non-Mississippi) retailers. The Vendor shall outline its plan for supporting interoperable transactions for both Mississippi and non-Mississippi cardholders.

9.7.13 POS Transaction Sets

9.7.13.1 The EBT system shall be able to accept EBT transactions from POS devices for SNAP benefits.

9.7.13.2 SNAP Transactions

9.7.13.3 The Vendor shall be able to process, at a minimum, the following SNAP transaction types:

9.7.13.3.1 SNAP Purchase (swiped or manually keyed/entered)

9.7.13.3.2 SNAP Merchandise Return (swiped or manually keyed/entered)

- 9.7.13.3.3 SNAP Transactions using EMV technology (Chips in card) as deemed necessary by FNS.
- 9.7.13.3.4 Manual Voucher Authorization
- 9.7.13.3.5 Manual Voucher Clear
- 9.7.13.3.6 Balance Inquiry
- 9.7.13.3.7 Voids or Cancellations
- 9.7.13.3.8 Reversals
- 9.7.13.3.9 Adjustments
- 9.7.13.3.10 Manually Keyed/Entered Transactions
- 9.7.13.3.11 Settlement and Closeout Transactions
- 9.7.13.3.12 Claims Repayment
- 9.7.13.3.13 The Vendor shall support the State with any FNS-sponsored technology grants we participate in, including but not limited to online food purchasing and mobile POS devices.

9.7.14 SNAP Returns

- 9.7.14.1 The Vendor shall assure refunds to SNAP recipients can only be in the form of credits to the EBT account.
- 9.7.14.2 The Vendor shall provide safeguards that assure refunds and/or returns to recipients are reasonable and limited by designated amounts that when exceeded will be detectable. The designated return limit is \$200.00 for a calendar month per account unless the return or refund is provided through the dispute process.
- 9.7.14.3 The Vendor shall confirm, in real-time, there is an existing benefit linked to the account, or otherwise deny the transaction.
- 9.7.14.4 The Vendor also shall have in place a process to return funds to each individual benefit so the total value of each benefit does not exceed its original value, and the value of the refund does not exceed the total value of benefits previously debited. These safeguards shall protect the rights of retailers and recipients.
- 9.7.14.5 Refund requests, made outside the dispute process (requested by the retailer or State) due to duplicate authorizations, shall be returned to the cardholder (upon Vendor or State verification). The Vendor shall provide a detailed description of how it intends

to meet this requirement and the timelines for crediting cardholder accounts once verified.

9.7.15 Manual Authorizations

- 9.7.15.1 The Vendor shall process manual SNAP purchase (debit) transactions, but not manual SNAP merchandise return (credit) transactions.
- 9.7.15.2 A back-up purchase procedure shall be designed and distributed by the Vendor to USDA FNS-authorized retailers for use in manual processing SNAP transactions.
- 9.7.15.3 The Vendor may submit other alternative processes for SNAP transactions whenever the EBT system is inoperable. This process may be used for the manual processing of SNAP benefits by:
 - 9.7.15.3.1 Retailers without immediate access to a POS device at the time of purchase, including stationary food stores that choose to make home deliveries to USDA FNS certified households;
 - 9.7.15.3.2 House-to-house trade routes that operate on standing orders from customers;
 - 9.7.15.3.3 Food buying cooperatives, farmers markets, and other retailers authorized to participate in SNAP;
 - 9.7.15.3.4 Retailers without a POS terminal, such as those who do not qualify to receive State provided equipment based on their total monthly USDA FNS SNAP sales; and
 - 9.7.15.3.5 Retailers with POS equipment that is inoperable, problems with the telecommunications network between the POS terminal and the EBT host processor, or the EBT system is down or otherwise not available.
- 9.7.15.4 The Vendor will bear all liability for any losses resulting from back-up purchase procedures when the result of the loss is due to the Vendors or subcontractor's telecommunications, network or host processor system failures.
- 9.7.15.5 The Vendor shall provide to any requesting retailers an adequate supply of the forms for manual voucher voice authorizations. Retailers may also utilize their own forms as long as they meet the minimum data requirements specified by the State and Vendor.

9.7.15.6 The Vendor shall also provide retailers with a quick reference guide for manual vouchers.

9.7.15.7 SNAP Manual Voucher Voice Authorization

9.7.15.7.1 The retailer is required to complete the manual voucher and receive a voice authorization from the EBT system prior to completing the SNAP sale.

9.7.15.7.2 The cardholder is required to produce their EBT card and sign the paper manual voucher. The Vendor shall require the cardholder's signature on the manual voucher as a condition for processing. A toll-free telephone number shall be provided to retailers to obtain authorizations for the manual vouchers.

9.7.15.7.3 The authorization process shall be automated as part of the Retailer Help Desk ARU functionality. Each manual voucher should have an authorization number before it is submitted for settlement.

9.7.15.7.4 The retailer will be liable for declined transactions in the event the retailer fails to obtain prior authorization and the EBT account has insufficient funds to cover the purchase.

9.7.15.7.5 Upon providing a telephone authorization for a manual voucher SNAP transaction, the Vendor shall place a "hold" on the amount of benefits necessary to fund the transaction. The Vendor shall maintain the hold on the SNAP benefits until the voucher is "cleared", up to a maximum of 30 calendar days. A retailer has 30 calendar days to submit the manual voucher, either electronically or by paper copy, to complete the transaction. If the retailer fails to submit the manual voucher within the thirty (30) calendar days, the hold shall be released and the use of these funds shall revert back to the cardholder. See Attachment W SNAP-7 (Historical SNAP Manual Voucher Data), for more information regarding volumes.

9.7.15.7.6 The retailer or acquirer bears the liability for the transaction if the manual voucher is not cleared timely. If the acquirer pays the retailer for a manual voucher that has not cleared on a timely basis, the acquirer will be liable for the funds unless the acquirer can recover such funds from the retailer.

9.7.15.8 Stand-in Processing

- 9.7.15.8.1 If the retailer cannot access the Vendor system because it is unavailable, the Vendor shall allow for “stand-in” processing of SNAP purchases up to \$40.00 per day per individual EBT account for which the Vendor shall be liable for insufficient funds.
- 9.7.15.8.2 The Vendors shall define in their proposal under what circumstances they would consider their EBT system unavailable.
- 9.7.15.8.3 The Vendor shall modify the “stand-in” processing dollar limit per day per individual EBT account, at no cost to the State and at the State’s request, if a change is required either by the State or the USDA FNS during the life of this contract.
- 9.7.15.8.4 Vendors shall outline their procedures for how they would provide retailer notification of stand-in processing as well as the processing and settlement of these transactions. Re-presentation of a manual voucher is not allowed. The Vendor’s system shall be designed to prevent merchants from re-presenting manual vouchers in subsequent months. The State will make the decision for stand-in processing.

9.7.15.9 Manual Voucher Clear

- 9.7.15.9.1 There are two methods by which a manual voucher can be cleared. If the authorized retailer has a POS device, the retailer will convert the manual transaction to an electronic transaction for transmission to the Vendor when the POS device is again able to communicate with the EBT host. EBT-only devices shall be able to accept manual voucher clear transactions for all states’ BINs/IINs.
- 9.7.15.9.2 The EBT Vendor shall route these transactions to the cardholder’s State processor and settle funds to the retailer, in the same manner as any real-time interoperable transaction.
- 9.7.15.9.3 The Vendor shall accept, process, and settle electronic manual voucher clear transactions from all sources, including those originating from out-of-state retailers.
- 9.7.15.9.4 If the retailer is a non-traditional or low-volume (per USDA FNS waiver) USDA FNS authorized retailer who does not have a POS device, the manual

voucher will be mailed directly to the Vendor for the clearing and settlement of the manual voucher.

9.7.15.10 Store and Forward

- 9.7.15.10.1 At its option, a retailer that uses a TPP may electronically store a SNAP transaction, and forward it for authorization at a future time, provided the retailer's equipment is capable of storing a cardholder's encrypted PIN.
- 9.7.15.10.2 SNAP store and forward transactions are processed at the retailer's risk. If funds are not available at the time the transaction is forwarded, the transaction shall be denied.
- 9.7.15.10.3 Retailers may opt to use the one-step process described at 7 CFR 274.12(m) to collect the remaining balance. If the retailer and/or TPP have been authorized to use the process and the store and forward transaction is properly identified as such, the Vendor shall process the transaction and return the available balance, if any, using the single transaction method.

9.7.15.11 Void or Cancellations

- 9.7.15.11.1 A transaction may be voided/cancelled by a retailer at a POS device. The void/cancellation message shall include the trace number, the exact dollar amount, and other identifying information from the original transaction and shall be tied to the card, not a POS terminal.
- 9.7.15.11.2 The Vendor shall have the capability to accurately process the void or cancellation transaction, and have the effect of the void/cancelled transaction immediately and appropriately reflected in the cardholder's EBT account.

9.7.15.12 Balance Inquiry

Balance Inquiry is a part of the mandated transaction set. A SNAP cardholder shall be able to obtain a real-time account balance at a POS device or through the ARU or CSR. The balance inquiry transaction prints a receipt with the current available balance of a cardholder's SNAP benefits. The balance inquiry, if via the ARU, shall be listed in the transaction history of the administrative terminal. Benefits posted, but not yet available, shall not be included in the account balance total.

9.7.16 Reversals

A POS transaction may be reversed if for some reason the completion of the transaction cannot take place at the originating POS device (e.g., communication failure with the device and/or device malfunction, or a late response from the Vendor). The entity (specifically the TPP, authorized retailer/benefit acquirer, or the POS device) within the response chain where the transaction error is recognized will generate a reversal back to the Vendor. As defined within the EBT International Standards Organization (ISO) message specifications, the reversal message will include the trace number, the exact dollar amount, and other identifying information from the original transaction. The Vendor shall have the capability to accurately process the reversal transaction and have the results reflected immediately and appropriately in the cardholder's account.

9.7.17 Adjustment Processing

- 9.7.17.1 The Vendor or retailer/TPP can initiate an adjustment to resolve errors and out-of-balance conditions related to system problems. The Vendor, in response to a complaint directly from the cardholder or forwarded by the State, will initiate an adjustment to resolve a transaction error. The adjustment will reference an original settled transaction, which is partially or completely erroneous. The Vendor shall have the capability to process the adjustment and have this reflected in the cardholder's account consistent with 7 CFR Parts 272, 273, and 274.
- 9.7.17.2 The Vendor shall provide a mechanism for the State to comply with recipient notification requirements at 7 CFR 274.12(f)(4)(ii)(B).
- 9.7.17.3 Adjustments made by the Vendor shall be in compliance with USDA FNS regulations.
- 9.7.17.4 Adjustments made by the Vendor will cause money to be moved either to or from the recipient's EBT account, and will impact the daily settlement. Timely notification shall be provided to the State of pending debit adjustments to the recipient's account so that notification can be provided to the recipient in accordance with CFR 273.13. The Fair Hearing citation can be found at CFR 273.15.

9.7.18 Manually Entered/Key-Entered Transactions

- 9.7.18.1 The Vendor shall accept and process EBT transactions where the card number (PAN) has been manually entered (key-entered) into the POS device.

- 9.7.18.2 Transactions may be key-entered at times when a card presented by a cardholder is damaged and/or the POS device is unable to accurately read the magnetic stripe.
- 9.7.18.3 The validation of the Cardholder's PIN is still required on key-entered transactions. If a PIN pad is defective or for other reasons a PIN does not accompany the transaction to the EBT host for processing, the Vendor shall deny the transaction.
- 9.7.18.4 The Vendor shall adopt other security measures to prevent cardholder and retailer abuse/misuse of the key-enter feature.
- 9.7.18.5 The Vendor shall ensure that the PAN printed on the transaction receipt is truncated or masked, and the Vendor shall be able to selectively disable or deny the capability of an EBT-Only POS device from completing key-entered transactions as directed by the State.
- 9.7.18.6 The Vendor shall track key-entered transactions by card number and retailer site, providing the State with a cardholder alert report of suspicious and/or possible fraudulent purchase activities.
- 9.7.18.7 The Vendor shall propose procedures for responding to cardholder reports of malfunctioning or defective equipment at retailer sites, including both EBT-Only POS devices and retailer-owned devices.
- 9.7.18.8 The Vendor shall monitor and track key-entered transactions, providing a report to the State, which includes retailers by business type, with total transactions, total key-entered transactions and the percentage of key-entered transaction by terminal.
- 9.7.18.9 The Vendor shall work with the State to develop and implement a monitoring procedure to alert retailers of possible malfunctioning or defective POS devices.

9.7.19 Claims Repayment

- 9.7.19.1 The Vendor's EBT system shall have the capability to recover and account for non-settling overpayments to the SNAP recipients on behalf of the State.
- 9.7.19.2 The Vendor's response shall describe procedures for handling overpayments.

9.7.20 Settlement and Closeout Transactions

- 9.7.20.1 The Vendor shall have the capability to process and maintain an audit trail for any settlement and closeout transactions necessary

to transition in and out of the contract or as required during the life of the contract.

- 9.7.20.2 The Vendor shall provide these transactions to the State for written approval prior to their execution.

9.7.21 Transaction Fees

The Vendor shall agree that there will be no fees for any SNAP transaction, per USDA FNS regulations.

9.8 Retailer Management

- 9.8.1 The Vendor shall be responsible for managing retailer participation in the State of Mississippi EBT program. The Vendor's primary roles and responsibilities include:

9.8.1.1 Providing every USDA FNS authorized retailer with the opportunity to participate in the EBT system;

9.8.1.2 Ensuring the Mississippi EBT system is interoperable with other States' EBT systems as defined in 7 CFR 274.12(h)(10)(i);

9.8.1.3 Assuring that a sufficient number of retailers have agreed to participate in the system to allow cardholders adequate access to SNAP benefits and at "non-traditional" retailers such as farmers markets;

9.8.1.4 Assuring that the participating retailers understand their responsibilities in regards to the policy, operating rules, and operations of the EBT system;

9.8.1.5 The Vendor shall enter into an agreement with the retailer in accordance with 7 CFR 274.12 (g) (6). These agreements are subject to review and approval by the State and USDA FNS prior to execution;

9.8.1.6 Maximizing the use of the existing commercial POS terminals, consistent with 7 CFR 274.12(g);

9.8.1.7 Installing, maintaining and supporting Vendor provided EBT-Only POS equipment as necessary in accordance with USDA FNS policy for retailer participation as defined in 7 CFR 274.12. Support shall include, but is not limited to, reimbursing EBT-Only retailers for supplies and supplying, generation of retailer 1099s and telephone lines if requested; (Note: The new Vendor will be required to install the latest VeriFone Vx model-equipment for hardwired and for wireless retailers, or an equivalent or better POS devices, or a device of greater quality, in all the EBT-Only retailers as a requirement of the RFP;

- 9.8.1.8 Monitoring and automatically replacing EBT-Only POS equipment when a significant number of manually entered transactions are being processed, providing the State with a report on a monthly basis;
- 9.8.1.9 Providing Help Desk services to retailers for resolving issues/problems on Vendor supplied EBT-Only POS equipment and helping resolve settlement and dispute questions and issues;
- 9.8.1.10 Maintaining the retailer database;
- 9.8.1.11 Conducting an annual survey of lane coverage in retail stores;
- 9.8.1.12 Training retailers; and
- 9.8.1.13 Providing annual manual voucher training to retailers with a manual voucher training report provided to the State.
- 9.8.2 Current Environment Description - See Attachment Y SNAP-10 (USDA FNS Authorized Retailer Data by County) and Attachment Z SNAP-11 (USDA FNS Authorized Retailer Data by Business Type) for an overview of authorized Mississippi retailers as of February 29, 2016.
- 9.8.3 USDA FNS Standards for New Retailer Access and Processing Timeframes
 - 9.8.3.1 Federal regulation at 7 CFR 274.12(g)(1)(ii) requires that newly authorized retailers have access to the EBT system within two (2) weeks after receipt of the USDA FNS authorization notice. However, whenever a retailer chooses to employ a TPP to drive its terminals or elects to drive its own terminals, access to the system shall be accomplished within a 30 day period or a mutually agreed upon time, to enable any required functional certification to be performed by the Vendor.
 - 9.8.3.2 Federal regulation in 7 CFR 274.12(h)(1) requires that for leased line communications, 98% of EBT transactions shall be processed within ten (10) seconds or less and 100% shall be processed within fifteen (15) seconds. For dial-up systems, 95% of the EBT transactions shall be processed within fifteen (15) seconds or less and 100% shall be processed within twenty (20) seconds.
- 9.8.4 EBT-Only Retailers
 - 9.8.4.1 According to Federal regulations at 7 CFR 274.12(g)(4)(ii), POS terminals shall be deployed as follows:

- 9.8.4.1.1 For an authorized food retail store with SNAP benefit redemption amounting to 15 percent or more of total food sales, all checkout lanes shall be equipped.
 - 9.8.4.1.2 For an authorized food retail store with SNAP benefit redemption representing less than 15 percent of total food sales, supermarkets shall, at a minimum, receive one terminal for every \$11,000 in monthly redemption activity up to the number of lanes per store. All other food retailers shall receive one terminal for every \$8,000 in monthly redemption activity up to the number of lanes per store.
 - 9.8.4.1.3 For newly authorized food retailers, the Vendor and the food retailer shall negotiate a mutually agreed level of terminal deployment up to the number of lanes per store. If the Vendor and the food retailer are unable to reach a mutual agreement, the State will make the decision.
 - 9.8.4.1.4 Vendor shall acknowledge that the Vendor will be allowed to provide additional POS equipment to retailers that wish to obtain additional equipment from the Vendor. The Vendor is free to charge the retailer for providing and supporting this additional equipment. However, any agreement covering such an arrangement shall be between the Vendor and the retailer and the State will not be party to any such agreements.
- 9.8.4.2 Third Party Processors
- 9.8.4.2.1 To support retailers that deploy their own terminals, or those of a TPP, within 30 business days of the start of the contract, the Vendor shall provide the State with interface specifications that would enable these retailers and third party terminal drivers to interface with the Vendor to perform SNAP EBT transactions.
 - 9.8.4.2.2 The Vendor shall provide these interface specifications to retailers and third party terminal drivers as well.
 - 9.8.4.2.3 The Vendor shall certify TPPs. The Vendor shall not unduly withhold certification for retailers and third parties that enter into direct connect arrangements with the Vendor.

- 9.8.4.2.4 The Vendor shall certify and assure the State that TPPs connected to the EBT system comply with USDA FNS regulations.
- 9.8.4.2.5 The Vendor shall develop for State and USDA FNS review and approval an agreement to be executed with all TPPs and their retailers.
- 9.8.4.2.6 The Vendor shall make every effort to enforce the agreements at the request of the State when problems are identified in TPP activities. Requirements of TPPs shall include, but are not limited to:
 - 9.8.4.2.6.1 Terminal Identification - Each TPP shall give each terminal a unique identification number and include the unique identification number with every transaction submitted to the Vendor. The Vendor shall include the unique terminal identification number in the ALERT data submitted to USDA FNS.
 - 9.8.4.2.6.2 Transactions - Each TPP shall be able to support the entire transaction set included in USDA FNS regulations. The Vendor shall be able to process all of these transactions.
 - 9.8.4.2.6.3 Balance Information - Each TPP shall be able to display the cardholder's remaining balance on the printed receipt for all POS equipment they support.
 - 9.8.4.2.6.4 USDA FNS Authorized Retailers - Each TPP shall route SNAP transactions for retailers authorized by USDA FNS to redeem SNAP benefits.

9.8.5 Group Home Support

In addition to the traditional retail merchants, SNAP merchants may include drug/alcohol treatment centers, blind/disabled group living facilities, battered women and children shelters, homeless meal providers, restaurants, elderly/disabled communal dining facilities, meal delivery services, and route vendors. Being designated a SNAP merchant may not necessarily require the installation of POS equipment. However, group homes which meet the monthly minimum SNAP redemption total and

authorized by the USDA FNS, as a retailer in SNAP shall have the option to receive EBT-Only POS devices. To support these facilities, the Vendor shall install POS devices in the facilities. This allows the benefits from the cardholder's account to be deposited into the facility's bank account as is performed for any other authorized merchant.

9.8.6 Farmers Markets

9.8.6.1 The Vendor shall provide the State with a viable on-line solution to enable any current or future Farmers Market the opportunity to actively participate in the EBT system electronically. The Vendor shall fully describe how this online solution functions and how participation outreach can be achieved. The standard equipment shall be wireless EBT-Only POS devices

9.8.6.2 The Vendor is expected to work with USDA FNS, farmers' groups, and the State to encourage retailer participation.

9.8.7 EBT Administrative Terminal

In addition to POS transaction functionality, the Vendor shall support administrative transactions from an EBT Administrative Terminal. Transactions that originate at Administrative Terminals located in State and county offices will be sent to the Vendor in on-line processing mode. These transactions are subject to the requirements for a two (2) second response.

9.8.8 EBT Administrative Terminal Overview

Federal, State and county staffs primarily use the EBT Administrative Terminal application for inquiries in the EBT system; however, the EBT Administrative Terminal is currently used by designated State staff to establish and fund EBT accounts used for fraud investigation. To a limited extent, State staffs use the Administrative Terminal to change the status of a cardholder's EBT card and update cardholder's demographic information. Limited State staff shall also have the rights to add benefits, cancel benefits and set up cases on-line. The majority of card maintenance is performed by the Cardholder Help Desk maintained by the Vendor.

9.8.9 USDA FNS/OIG Administrative Terminal Access

9.8.9.1 Separately, the Vendor shall provide EBT Administrative Terminal access to Federal agencies as designated by the State of Mississippi and arrange for such access to be implemented when the State of Mississippi' EBT system is implemented.

9.8.9.2 USDA FNS will require on-line access to the administrative system, and support as required for USDA FNS staff. At a minimum, USDA FNS staff will require access in designated USDA FNS field offices, designated regional offices, the USDA

FNS Retailer Investigations Branch, and the USDA OIG investigative office.

- 9.8.9.3 The Vendor shall also provide USDA FNS communication protocols necessary to connect staff on the USDA FNS and OIG networks to the Vendor's administrative system by the Internet to a Secure Socket Layer or Virtual Private Network (VPN) protected application that is compatible with the standard USDA FNS/OIG desktop configurations and does not require installation of VPN client software.
- 9.8.9.4 The Vendor shall work with USDA FNS/OIG to ensure adequate firewall protection on each site. The Vendor shall detail its planned approach for supporting these requirements.

9.8.10 USDA FNS Administrative Terminal Security

- 9.8.10.1 The system shall allow USDA FNS/OIG to set up its own individual inquiry-only user accounts in a manner similar to that described above, including the functionality to add, delete, deactivate and reactivate IDs and to assign and reset passwords.
- 9.8.10.2 Rights to updated federal IDs shall be partitioned so that USDA FNS/OIG security administrators cannot access or affect State of Mississippi IDs.
- 9.8.10.3 USDA FNS/OIG shall be provided with at least two (2) user profiles, one for security administration and one with inquiry only access to all screens. This may be accomplished by adding access to the State of Mississippi administrative system to an existing centralized USDA FNS/OIG security process.
- 9.8.10.4 The Vendor shall provide administrative terminal access to State personnel.
- 9.8.10.5 The Vendor shall provide the State with a web-based Administrative Terminal with appropriate security access permissions.
- 9.8.10.6 The Vendor shall provide the State with an Administrative Terminal User profile/permission that allows for the audit of other Administrative Terminal User recipient account accesses, including the screen/function viewed by each user and recipient account, including the date and time of each viewing. The State will use this audit capability for internal user audit reviews to ensure program integrity and recipient account security.
- 9.8.10.7 The State shall have the flexibility to decide how to implement the Web browser application on Administrative Terminals.

Administrative Terminal functionality shall include multi-level access controls to ensure that only authorized individuals can access any function of the Administrative Terminal. Vendors shall clearly explain their proposal to provide Administrative Terminal functionality, including their access controls and shall specify requirements needed by the State to support this function, including but not limited to, the hardware and software that is necessary, communication protocols, VPN, firewall protection, Web-based internet, etc. The Vendor shall provide administrative terminal support through a browser-based administrative terminal that conforms to State communication protocols and is accessible through the current State equipment.

9.8.10.8 EBT Administrative Terminal User Profile

9.8.10.8.1 The Vendor shall provide a security system for the EBT Administrative Terminal whereby user profiles can be established based upon the specific Administrative Terminal functions required by the user to perform his/her respective job.

9.8.10.8.2 Each Administrative Terminal user, as he/she is granted access, shall be assigned a specific user profile based on the requirements for their job.

9.8.10.8.3 The State shall define the user profiles (i.e., groups and/or roles) with the assistance of the Vendor. It is estimated that approximately fifty (50) user profiles will be required by the State.

9.8.10.9 EBT Administrative Terminal Security Administration

9.8.10.9.1 The administration of the Administrative Terminal security system shall lie with the State's EBT Security Officer(s).

9.8.10.9.2 The Vendor is responsible for training the State's EBT Security Officer(s).

9.8.11 EBT Administrative Terminal Functionality

9.8.11.1 Vendors shall describe their Administrative Terminal functionality in terms of navigation and data presentation. At a minimum, the transaction set that shall be supported by the EBT Administrative Terminal includes:

9.8.11.1.1 EBT Account Set-up

9.8.11.1.2 EBT Account Maintenance

- 9.8.11.1.3 Benefit Authorization at program and sub-program levels
- 9.8.11.1.4 Benefit Cancellation (prior to availability date)
- 9.8.11.1.5 Card Status Change
- 9.8.11.1.6 Card Issuance and Replacement
- 9.8.11.1.7 Replacement Card tracking and card status
- 9.8.11.1.8 Recipient Search (by Name, SSN, PAN, and Case Number (EBT Account Number))
- 9.8.11.1.9 Recipient Account Information Inquiry (demographics inquiry and benefit data)
- 9.8.11.1.10 Retailer Search (by name, retailer ID number and 7-digit USDA FNS number)
- 9.8.11.1.11 Retailer enable/disable functionality
- 9.8.11.1.12 Card Inquiry
- 9.8.11.1.13 A History of all transactions, card issuance and changes
- 9.8.11.1.14 Repayment Functionality
- 9.8.11.1.15 Retrieval of all historical data
- 9.8.11.1.16 Administrative Terminal Security Actions
- 9.8.11.1.17 Case Number (EBT Account Number) shall be visible
- 9.8.11.1.18 Available Balance visible after each transaction in transaction history
- 9.8.11.1.19 Protected Password feature
- 9.8.11.1.20 Adjustments
- 9.8.11.1.21 User Management Audit Functionality, to the Case Number and screen level by User
- 9.8.11.2 Inquiry Screens
 - 9.8.11.2.1 The primary Administrative Terminal inquiry screens used by the State are the Recipient Demographic

Data screen, the Recipient Case Management screen, the Recipient Card Management screen and the Recipient Transaction History screen. Navigation and data formatting on these screens shall be easy to use and understand.

- 9.8.11.2.2 The State expects that all inquiry data shall be accessed from the Recipient Search screen once the appropriate recipient has been located.

9.8.11.3 Update Screens

- 9.8.11.3.1 Update screens shall be limited in access to the appropriate personnel within the State. Currently, EBT Account Set-up functionality is only used in production by the State to set-up fraud investigator's EBT accounts. The benefit authorization screen is used to add benefits to fraud investigator's EBT accounts, and to cardholder accounts in rare circumstances. Benefit cancellations are used in rare circumstances to resolve system errors.

- 9.8.11.3.2 Card status change, card issuance, and replacement screens have only been used by the State to correct unusual problems and issues. The majority of changes to the EBT card status shall be handled by the Cardholder Help Desk, as are card replacements. Initial card issuance is normally handled through the batch interface.

9.8.11.4 Password Management

- 9.8.11.4.1 Upon accessing the Administrative Terminal system for the first time a user will be required to change their password to ensure it is not compromised. The system shall feature a program that forces the changing of the passwords after a set timeframe has expired. The State will set this feature. The default password expiration timeframe shall be 30 days; however the State shall be able to change this parameter.

- 9.8.11.4.2 Password lockout shall be enforced after three (3) consecutive invalid password attempts; the password lockout threshold shall also be a settable parameter.

- 9.8.11.4.3 The Vendor shall provide an automated, user-driven password re-set process. The Vendor shall clearly describe its automated password re-set process,

including options and capability. This process shall be used for all password re-set needs, with the State Security Officer(s) having the option to override/reset any and all options.

9.8.11.5 Transaction History

9.8.11.5.1 All EBT account balances and transaction history shall be maintained online. The Vendor shall describe in the proposal how he/she plans to satisfy this requirement.

9.8.11.5.2 At a minimum, data within the transaction history inquiries shall include, but are not limited to:

9.8.11.5.2.1 PAN (16-digit Card Number)

9.8.11.5.2.2 EBT Account Number (Case Number)

9.8.11.5.2.3 Recipient Case Identification Numbers

9.8.11.5.2.4 Benefit Program Identifier

9.8.11.5.2.5 Retailer Identification Numbers (both USDA FNS and Acquirer) and Reg. E Data for Retailer Information

9.8.11.5.2.6 Terminal Identification Number

9.8.11.5.2.7 Transaction Date

9.8.11.5.2.8 Transaction Type

9.8.11.5.2.9 Transaction Amount

9.8.11.5.2.10 Beginning Balance by Benefit Type and With Each Transaction

9.8.11.5.2.11 Ending Balance by Benefit Type and With Each Transaction

9.8.11.5.2.12 Transaction Results (approval code or denial reason)

9.8.11.5.3 All reports shall be able to be downloaded in MS Excel, Text and Portable Document Format (PDF) from the admin terminal. In addition to the data

elements above, each manual voucher transaction shall include the following additional data elements:

- 9.8.11.5.3.1 Voucher Number
- 9.8.11.5.3.2 Approval Number
- 9.8.11.5.3.3 Date/Time Voucher Approval was Authorized or Denied
- 9.8.11.5.3.4 Date/Time Voucher Expired or Settled

9.9 EBT Reporting

- 9.9.1 The reporting package shall accommodate the information needs of the State and USDA FNS. This information shall be provided electronically (via the Administrative Terminal and electronic interface files transmitted to the State) or through other mutually agreed upon media.
- 9.9.2 The Vendor shall be responsible for distributing appropriate daily, weekly and monthly reports to the State and USDA FNS. The distribution of the reports shall be in an electronic format, via the Vendor's FTP server, for State retrieval via SFTP. The Vendor in its response to this RFP shall state its ability to comply along with providing other optional method(s) of distributing reports for State consideration.
- 9.9.3 The Vendor shall be able to support the retransmission of previously produced reports to the State as requested.
- 9.9.4 Reports provided to the State in a file transmission shall use standard ANSI carriage control for controlling the formatting of the reports being printed.
- 9.9.5 The Vendor shall provide report training and report manuals for the State staff prior to EBT operations as described under the Training Requirements.
- 9.9.6 The reporting system shall produce information at the program, sub-program and county summary levels. All financial reports, including settlement and reconciliation, shall be consolidated at the State level and the program and sub-program level.
- 9.9.7 The Vendor shall provide to the State a daily transaction history file (Daily Activity File (DAF)) of all transactions impacting benefit authorizations for reconciliation, audit and investigative purposes. The file structure for the file provided by the current EBT processor is defined in Attachment N SNAP-8 (MDHS EBT SNAP-DSNAP Interface File Formats).
- 9.9.8 The Vendor shall provide the same information for all interface files in the formats defined in Attachment N SNAP-8 (MDHS EBT SNAP-DSNAP

Interface File Formats). Other files received and processed by the State include the following files, with the exception of the Batch Processing Summary File, which does not contain a file layout as it is simply a data file which is exactly the same as the Batch Processing Summary daily report with a report identifying header and trailer record. The Batch Processing Summary File provides a summary of the file processed and will identify any records that were not processed, including the reason for the rejection:

- 9.9.8.1 Benefit Aging File
- 9.9.8.2 Daily Activity File
- 9.9.8.3 AMA File
- 9.9.8.4 STARS File
- 9.9.8.5 Settlement Day Report File
- 9.9.8.6 Calendar Day Report File
- 9.9.8.7 Adjustment Activity File
- 9.9.8.8 Batch Processing Summary File
- 9.9.8.9 Cardholder Recon File
- 9.9.8.10 Monthly Report File

- 9.9.9 General categories of State reports currently being received have been identified and are described below. Although it is not expected that the formatting of the reports will be duplicated, the Vendor shall duplicate the data being presented. These reports shall be provided to the State in both .pdf and .txt formats using the EBT Administrative Terminal and electronically through the batch interface. The identified reports are a representative list (not a final list). The State reserves the right to add to or subtract from the listed reports. The Vendor may include additional reports, as required, in support of its proposed EBT solution.
- 9.9.10 These reports should only list the current county office for all reports listing Administrative Terminal users and cardholder data.
- 9.9.11 The State shall have approval rights over all reports being provided by the EBT Vendor. All reports shall be available upon implementation.
- 9.9.12 All system generated reports are due as follows:
 - 9.9.12.1 Daily reports shall be available by 6:00 A.M. Central Time for the previous day's activity.

9.9.12.2 All weekly reports shall be available by close of business (5:00 P.M. Central Time) on Mondays.

9.9.12.3 All monthly reports that are system generated shall be available by 6:00 A.M. Central Time on the 5th calendar day of the following month.

9.9.12.4 Any manually produced monthly reports shall be provided to the State by close of business on the 5th day of the following month.

9.9.13 EBT Data Warehouse

9.9.13.1 The Vendor shall support the State's reporting requirements by providing a data warehouse solution. The Vendor's proposal shall fully describe the approach for providing reporting functionality including the data warehouse and its robust ad-hoc reporting capability (An EBT Data Warehouse will enhance the State's reporting toolset, but will not replace the standard reporting requirements as defined elsewhere in this RFP).

9.9.13.2 The proposed EBT Data Warehouse shall allow for multiple State users as approved by the State EBT Program Manager. Vendor shall break down the cost of this contract with and without and EBT Data Warehouse included.

9.9.14 Financial Audit Reports (to account, reconcile and balance, and audit the EBT system processing and operations)

9.9.14.1 Account Activity Reports

9.9.14.1.1 The Vendor shall provide daily Account Activity Reports reflecting all account actions received from the State through a batch and/or on-line during an EBT processing day, or taken on behalf of the State by the Vendor (i.e., account expungements).

9.9.14.1.2 The reports shall provide detail on every transaction that impacts an EBT account balance. The reports shall show the amount of the transaction (i.e., account action), type of transaction, date and time of transaction, and who originated the transaction (batch or on-line).

9.9.14.2 Terminal Activity Report

9.9.14.2.1 The Vendor shall provide daily terminal activity reports showing all transactions that will result in funds being moved (i.e., settled) to a retailer or TPP network.

9.9.14.2.2 The report shall list, at a minimum, the transaction type, amount, transaction date and type, settlement date, merchant and terminal identifier, and benefits impacted.

9.9.14.2.3 The report shall provide settlement totals for each entity for which funds will be moved, as well as suspense totals, if any, for transactions that will not be settled until the next processing day. Suspense totals for transactions not being settled in the current business day shall be reported by individual benefit types, and rolled up into the program and sub-program types.

9.9.14.3 Clearing Report

This report shall provide, at a summary level, the total funds that are being settled for the processing day by program and sub-program type, which require funding. This report shall balance with the totals from the Terminal Activity Reports.

9.9.14.4 Database Value Report

9.9.14.4.1 This report shall provide the value of the outstanding liability for unused benefits residing on the EBT system at the end of the processing day.

9.9.14.4.2 Totals shall be maintained by benefit type, and rolled up into the program types. State totals shall be reported by program and sub-program type.

9.9.14.5 The ending balance for the previous day shall become the beginning balance for the current processing day. The ending balance for the current processing day shall be reconciled by taking into account the beginning balance for the processing day (which is the ending balance from the previous day) and adding or subtracting as appropriate the account activity detailed from the Terminal Activity and Account Activity Reports.

9.9.14.6 Unsettled Funds Report (Rejected ACH Settlement Report)

9.9.14.6.1 ACH settlement, rejected due to inaccurate account information or closed accounts, shall be researched by the Vendor and, when possible, corrected and re-sent to the retailer or Third Party Processor account.

9.9.14.6.2 The Vendor shall provide an Unsettled Funds Report (Rejected ACH Settlement Report). This daily report shall show funds returned from a retailer that could not be settled to the retailer. At a minimum, the

report shall show the transfer type, total amount, SNAP amount, settlement date, attempted transfer date(s) and time(s), retailer/TPP name, USDA FNS retailer number, and bank account number (including the ABA bank number). If there is no information for any given day, the report shall be blank.

9.9.14.7 Support Reports

Support Reports are those reports used by the State to control and account for activity taking place on the EBT system, such as card issuance, but are not specifically used in the financial settlement and reconciliation process.

9.9.14.8 Administrative Action Reports

9.9.14.8.1 The Vendor shall provide a daily Administrative Action Report that lists all administrative actions attempted and completed either by the system or users logged onto the EBT system.

9.9.14.8.2 The report shall identify the transaction type and the EBT account affected. Administrative actions include changes to recipient, case, or account data (i.e., recipient name or address), account closure, and benefit expungements.

9.9.14.9 Card Issuance/Replacement Report

9.9.14.9.1 The Vendor shall provide daily audit and statistical reports of cards being issued and/or replaced for authorized cardholders.

9.9.14.9.2 Audit reports shall provide detail data by card issued, such as reason for issuance (i.e., initial issuance or replacement for lost/stolen card). Statistical reports shall provide data needed to manage the EBT program, such as the card replacement rate, the reasons for replacement (i.e., lost, stolen, damaged, returned), etc.

9.9.14.9.3 The Vendor shall recommend any additional statistical reports that will best help the State manage the card issuance process.

9.9.14.10 Returned Card Report

The Vendor shall provide a daily report of all EBT cards returned by the Post Office to the designated return address

on the envelope. The report shall contain county office name, case number, last name, first name, return reason, PAN, date and time for returned card status, and AT user name.

9.9.14.11 Batch Processing Reports

- 9.9.14.11.1 The Vendor shall propose a standard set of daily Batch Processing Reports to be used by the Vendor and the State to ensure the complete and accurate transfer of data during the nightly batch processing.
- 9.9.14.11.2 The reports shall include a Summary Report by file transmission that provides a confirmation for the processing of the batch file(s).
- 9.9.14.11.3 The Summary Report shall contain summary verification data, including the total number of records received in the batch and the number of records by record type (e.g., number of add, change and delete records).
- 9.9.14.11.4 The report shall contain a summary of the processing of the transmission (i.e., number of records accepted and number of records rejected).

9.9.14.12 Batch Exception Reports

- 9.9.14.12.1 The Vendor shall provide a daily Batch Exception Report for all batch files received from the State. Batch Exception Reports will contain a listing of all records received within a batch, which were not processed by the Vendor.
- 9.9.14.12.2 Each record included on the exception report shall have a corresponding reason code indicating the cause of the rejection. In particular, duplicate case exceptions shall be clearly identified.

9.9.14.13 Administrative Terminal Benefit Authorization Report

The Vendor shall provide a daily report of all benefit authorizations that are added to the EBT system through the Administrative Terminal functionality. This audit report shall include, at a minimum, the benefit amount, benefit type, and the User ID of the Administrative Terminal operator adding the benefit.

9.9.14.14 Manual Voucher Authorization Report

The Vendor shall provide a daily report of all manual voucher voice authorizations of SNAP transactions performed by retailers. The report shall include the manual voucher number, approval number, authorization date and time, the 7-digit USDA FNS number, retailer name, cardholder PAN, amount of purchase, type of purchase, and whether the merchant is an EBT-Only, Commercial/TPP or Manual Voucher-Only retailer.

9.9.14.15 Merchant Manual Voucher Settlement Report

The Vendor shall provide a daily report of all manual voucher settlements of SNAP transactions performed by retailers or on behalf of retailers. This report shall include the manual voucher number, manual voucher approval number, authorization date, settlement date, cardholder PAN, 7-digit USDA FNS number, retailer name, authorization amount, settlement amount, manual voucher type, and settlement type.

9.9.14.16 Manual Voucher Expiration Report

The Vendor shall provide a daily report of all manual voucher expirations of SNAP transactions performed by retailers. This report shall include the manual voucher number, approval number, authorization date, 7-digit USDA FNS number, retailer name, cardholder PAN, authorization amount, transaction type and expiration date.

9.9.14.17 Manual Voucher Non-Settled Report

The Vendor shall provide a daily report of all manual vouchers that are 14 days old and have not yet been settled. This report shall include the manual voucher number, approval number, authorization date, 7-digit USDA FNS number, retailer name, cardholder PAN, and authorization amount and transaction type.

9.9.14.18 Monthly Out-of-State Activity Report

The Vendor shall provide a monthly report of all cardholder transactions occurring outside of the State of Mississippi. This report shall include county, SSN, cardholder name, cardholder PAN, date and time of transaction, city, state, program type, transaction amount and transaction response reason, if not approved (i.e., denied, insufficient funds).

9.9.14.19 Report of Unauthorized Card Use

A daily report shall be provided by case number and cardholder name (last name, first name) of the caller reporting the unauthorized use.

9.9.14.20 Benefit Aging Reports

9.9.14.20.1 The Vendor shall provide a daily report of all recipients who have not accessed their benefit based on the State's aging requirement (90 days, and 365 days).

9.9.14.20.2 Details shall include the county office, caseworker, case name, program type, last benefit used date, remaining balance and aging category.

9.9.14.21 Expungement Report

9.9.14.21.1 The Vendor shall provide a daily report that lists details of all benefit authorizations and amounts that have been expunged from the system due to inactivity for a particular settlement date.

9.9.14.21.2 Details shall include the expungement date/time, settle date, case number, authorization number, program type, program sub-type, case name, and expunged amount.

9.9.14.21.3 A report summary shall be provided summarizing the expungement detail by program type and program sub-type.

9.9.14.22 Transaction Denial Summary Report

The Vendor shall provide a monthly statistical report that provides the number and percentage of cardholder transactions denied and the reason for the denials (for example, insufficient funds, invalid PIN, etc.).

9.9.14.23 Fraud Reports

The Vendor shall recommend a set of Fraud Reports that will help the State manage and detect fraud within SNAP. Examples of such reports the State requires are as follows:

9.9.14.23.1 Even Dollar Report - The Vendor shall provide a monthly report identifying approved even dollar SNAP transactions over \$40.00. Any even dollar

SNAP transaction of \$40.00 or more shall be on this report. A statewide summary shall be provided at the end of the report. This report can be used by Fraud Investigators to detect potential fraud at a retailer location.

- 9.9.14.23.2 Excessive Large Dollar Transaction Report - The Vendor shall provide a monthly report identifying all retailers with at least five (5) approved SNAP transactions in a month of \$100.00 or more as the minimum dollar amount for the transaction. When a retailer has at least five (5) transactions in a month that meet these criteria, all approved SNAP transactions \$100.00 and over for the month shall appear on this report. A statewide summary shall be provided at the end of the report. This report can be used by Fraud Investigators to detect potential fraud at a retailer location.
- 9.9.14.23.3 Multiple (Same Dollar) Transaction Within Five (5) Minutes Timeframe Report - The Vendor shall provide a monthly report which lists approved same dollar SNAP transactions within five (5) minutes of each other. Any cardholders with multiple same dollar transactions shall show up on the report. The report shall be used by the EBT Staff and Fraud Investigators to assist in identifying possible card theft or misuse of card.
- 9.9.14.23.4 Excessive Return Transaction Report - The Vendor shall provide a monthly report identifying all approved SNAP Return transactions. Any SNAP Return transaction shall appear on this report. A statewide summary shall be provided at the end of the report. This report can be used by Fraud Investigators to detect potential fraud at a retailer location.
- 9.9.14.23.5 Manual Card Entry Report - The Vendor shall provide a report identifying approved SNAP transactions where the EBT card number was manually entered in the POS terminal, not swiped. This report can be used by Fraud Investigators to detect potential fraud at a retailer location if an abnormal number of manual entries are occurring at the location. This report can also be used to identify possible problems with POS equipment.

- 9.9.14.23.6 Transactions Attempted on Invalid Card Report- The Vendor shall provide a monthly report identifying transactions performed using cards with a status other than active. A statewide summary shall be provided at the end of the report. This report can be used by Fraud Investigators to detect potential fraud at a retailer location.
- 9.9.14.23.7 Exceeded PIN Attempts Report-The Vendor shall provide a monthly report identifying the accounts that have exceeded four (4) invalid Personal Identification Number (PIN) attempts and have locked their cards. Only accounts that have locked their cards during the month due to exceeded invalid PIN attempts will be on the report. This report can be used by the EBT Staff and Fraud Investigators to assist in identifying possible card theft or misuse of the card.
- 9.9.14.23.8 Full SNAP Balance Withdrawal Report - The Vendor shall provide a monthly report that identifies transactions in which the full authorized SNAP amount is withdrawn in one transaction. This report can be used by EBT Staff and Fraud Investigators to assist in identifying possible card theft or misuse of card.
- 9.9.14.23.9 After Hours Transaction Report - The Vendor shall provide a monthly report identifying SNAP transactions that were performed between the hours of 2:00 A.M. Central Time and 5:00 A.M. Central Time. This report can be used by EBT Staff and Fraud Investigators to assist in identifying possible misuse of the card.
- 9.9.14.23.10 The Vendor shall also recommend other Fraud reports it anticipates the State would find valuable. The State and Vendor shall work together during the design phase to set requirements for suggested reports.

9.9.14.24 Host Response Time Report

- 9.9.14.24.1 The Vendor shall provide a monthly report providing a summary of Vendor host response times within pre-established tiers for both cardholder transactions (POS transactions) and for administrative terminal transactions.

- 9.9.14.24.2 The report shall be used to monitor the Vendor's compliance with Vendor host response times.

9.9.14.25 Daily Adjustment Report

The Vendor shall provide a daily report of all disputes (cardholder or retailer) filed with the Vendor. The report shall include the Case Number, Cardholder Name, County Office Code, Program Type, Claim Tracking Number, Transaction Date, Transaction Time, Credit/Debit Indicator, Transaction Amount, Claim Amount, Reason Type (reason for claim), Date of Claim, Claim Status, Claim Status Date, USDA FNS Number, Merchant Name, and Merchant Location.

9.9.14.26 Monthly Dispute Report

- 9.9.14.26.1 The Vendor shall provide a monthly report of all cardholder disputes filed with the Vendor. The report shall include the Case Number, Cardholder Name, County Office Code, Program Type, Claim Tracking Number, Transaction Date, Transaction Time, Transaction Amount, Claim Amount, Reason Type (reason for claim), Date of Claim, Claim Status, Claim Status Date, USDA FNS Number, Merchant Name, and Merchant Location.
- 9.9.14.26.2 The final resolution determination (either on behalf of the cardholder or on behalf of the retailer) shall also be provided. The State reserves the right to require the Vendor provide any and all documentation used to review and make a determination on a dispute. These documents shall be provided without cost and within 48 hours of formal request (e-mail shall be an acceptable form of request).

9.9.14.27 Statistical Reports

The Vendor shall recommend, in addition to the reports listed below, other Statistical Reports that will help with the management of the EBT system.

9.9.14.28 Monthly Utilization Report

The Vendor shall provide a report detailing the number and type of transactions performed from each EBT-Only terminal provided to SNAP retailers. The report shall include POS terminals with no activity.

9.9.14.29 Network Statistics Report

The Vendor shall provide a monthly report providing a summary of transactions by time of day and day of month, from which the peak processing time for the EBT system can be derived.

9.9.15 Management Statistics Report

The Vendor shall provide a monthly summary report of transaction activity on the EBT system at a county and State level. Statistics provided shall include, at a minimum, benefits authorized for the previous month, transactions performed by transaction type (i.e., SNAP purchase, SNAP return; etc.), the number of active cases on the system, number of active cards on the system and the number of cards issued during the month:

9.9.15.1 Administrative Terminal Security REPORTS

The following Administrative Security Reports shall be provided by the Vendor. Administrative Terminal Security reports are those reports that identify the users of the EBT Administrative Terminal; the access provided these users, and an audit trail of the transactions performed by the users.

9.9.15.1.1 Access Definition Report

The Vendor shall provide a monthly report detailing each authorized Administrative Terminal user with the ability to access the EBT data. The report shall also detail the level of access afforded the user through the EBT Administrative Terminal.

9.9.15.1.2 Failed Logon Report

The Vendor shall provide a daily report of all administrative terminal users who entered an invalid password for their user ID while attempting to logon to the administrative terminal system.

9.9.15.1.3 Administrative Terminal User Session Activity Report

The Vendor shall provide a daily audit report by User ID of all actions taken by the user on the EBT System from the EBT Administrative Terminal.

9.9.15.1.4 Administrative Terminal Last Access Report

The Vendor shall provide a monthly audit report detailing each authorized or de-authorized Administrative Terminal user by county, user name, user login, user status, last access date/time and the date it was authorized, de-authorized or disabled. The report shall be sorted by user status (i.e., authorized or de-authorized), county and user name.

9.9.15.2 Project Management Reports

The following project management reports shall be provided to the State on a weekly or monthly basis as specified herein.

9.9.15.2.1 Project Design/Conversion Development Report

9.9.15.2.1.1 This weekly report is a summary by task of completed major activities during the reporting period. The report shall include problem identification, required corrective action and timeframe for resolution.

9.9.15.2.1.2 The report shall also include tasks required by Federal and State agencies, as well as reports of delayed tasks, reason and revised completion date(s), and the scheduled activities for the next reporting period.

9.9.15.2.1.3 In addition, this report shall include a summary of major tasks to be completed in the month ahead.

9.9.15.2.2 Project Implementation/Conversion Report

This weekly report is a summary by task of major completed and scheduled activities during the reporting period for the implementation/conversion activities such as the status of:

9.9.15.2.2.1 POS Device Deployment and Installation

- 9.9.15.2.2.2 Training (State, county, cardholders and retailers)
- 9.9.15.2.2.3 Card Issuance
- 9.9.15.2.2.4 Retailer and Third Party Processor Agreements
- 9.9.15.2.3 Project Status Report
 - 9.9.15.2.3.1 This monthly report is a summary of significant events or accomplishments during the month, as well as outstanding issues and problems. Following the implementation/conversion to the Vendor's EBT system, the Vendor shall include in the Project Status Report the detailed data that documents the performance of the EBT system over the last month.
 - 9.9.15.2.3.2 The Vendor shall meet or exceed the standards, requirements and definitions specified in 7 CFR 274.12, et seq. Specifically, the Project Status Report shall detail the performance of the system against the following processing requirements:
 - 9.9.15.2.3.2.1. EBT central computer shall be available 99.9% of scheduled up time.
 - 9.9.15.2.3.2.2. The total system under the Vendor's control, either directly or contractually, including central computer, any network, intermediate facilities, or processor, shall be available 98% of scheduled up time.
 - 9.9.15.2.3.2.3. The host computer shall permit no more than two (2) inaccurate transactions per 10,000 transactions processed.

- 9.9.15.2.3.2.4. Benefit authorizations to EBT accounts and ACH settlement shall occur accurately and on schedule 100% of the time.

9.9.15.3 Customer Service Statistics Reports

The Vendor shall provide Statistical Reports on a monthly basis that report on the statistics and effectiveness of the customer service functions for both the Cardholder and Retailer Help Desks. Statistics for both the ARU and Customer Service Representatives (CSR) shall be reported. The Vendor shall deliver the following reports:

- 9.9.15.3.1 Monthly Cardholder Help Desk Statistics - This monthly report shall provide a summary of the number of calls received on the cardholder hotline by reason (lost/stolen card, balance inquiry, transaction history, etc.) for both ARU and CSR. Daily statistics regarding the Help Desk performance (i.e., number of calls, number of rings before answered, number of abandoned calls, number of busy signals received, and number of PIN selects, etc.) shall be collected and reported. Calls placed on "hold" shall not be counted as answered calls. Statistics regarding language selected for both ARU and CSR shall be provided.
- 9.9.15.3.2 Monthly Retailer Help Desk Statistics - This monthly report shall provide a summary of the number of calls received on the Retailer hotline by reason (SNAP authorization, terminal problems, bank account changes, settlement questions, etc.) for both ARU and CSR. Statistics regarding retailer help tickets, including the number of tickets opened, tickets closed, and reason for the ticket, shall be provided. Daily statistics regarding the Help Desk performance (i.e., number of calls, number of rings before answered, number of abandoned calls, number of busy signals received) shall be collected and reported. Calls placed on "hold" shall not be counted as answered calls. Statistics regarding language selected for both ARU and CSR shall be provided.
- 9.9.15.3.3 Monthly System Availability Report and/or File - To ensure compliance with the system availability requirements specified in this

document, the Vendor shall provide a monthly report of the system availability of each performance component (EBT Processor, transaction switch, EBT-Only Acquiring Third Party Processor (if subcontracted), Cardholder ARU and Retailer ARU; etc.), including documentation and explanation of both scheduled and unscheduled downtime or processing interruptions. The report shall include dates and times of outages and percentage of time each component was available for the month.

9.9.16 Retailer Management Reports

The Vendor shall provide a monthly report that lists all new USDA FNS authorized retailers detailing the following information:

9.9.16.1 Retailer Status Report

The Vendor shall provide a weekly report that lists all USDA FNS-authorized retailers. The following items shall be included: 7-digit USDA FNS number, site name, site address, telephone number, USDA FNS REDE file record date, agreement date, enrolled date, ACH form date, and number of EBT-Only POS terminals.

9.9.16.2 Retailer Problem Report

The Vendor shall prepare a weekly report of all non-active retailers including 7-digit USDA FNS number, site name, site address, telephone number, redemption value, retailer status, problem identifier and date reported.

9.9.16.3 POS Terminal Inactivity Report

The Vendor shall provide a monthly report of POS terminal inactivity based on calendar days. The report shall identify inactivity by retailer, including 7-digit USDA FNS number, site name, site address, and number of days the retailer has been inactive. The count is reset upon use of the POS equipment and starts over.

9.9.17 Billing Reports

The Vendor shall provide detail reports substantiating the monthly billing for EBT services to the State in an electronic format. The Billing Reports shall include detail information to allow the State to validate the bill for EBT services, as well as any pass through expenses being charged to the State.

9.9.18 Ad-Hoc Reports

The Vendor shall support requests for ad-hoc reports on a timely basis. The Vendor shall provide in its response the process to be used to request ad-hoc reports and the expected timeframe in which the request will be satisfied.

9.9.19 Incident Reports

9.9.19.1 Incident reports shall be produced by the Vendor and shall provide to the State an explanation of outages with the EBT system.

9.9.19.2 The incident reports shall also include retailer complaints and other operational issues. Incident reports will include the following information:

9.9.19.2.1 EBT program affected

9.9.19.2.2 Date of problem

9.9.19.2.3 Start time

9.9.19.2.4 End time

9.9.19.2.5 Other states impacted, if any

9.9.19.2.6 Problem type

9.9.19.2.7 Detailed problem description

9.9.19.2.8 Detailed problem resolution

9.9.19.2.9 Prevention of future occurrences

9.9.19.2.10 Name of individual completing report

9.9.19.3 Initial reports are due within 48 hours of the problem. Final incident reports are due within 24 hours of problem resolution. Daily status reports shall be made until the final incident report is received.

9.9.20 Disaster Reports

The Vendor shall provide the following disaster reports. The Disaster Reports shall only be provided during the designated disaster period.

9.9.20.1 Daily Disaster Report

The Vendor shall provide a daily disaster report specific to each disaster, as there may be concurrent disasters within the State at the same time.

9.9.20.2 Monthly Disaster Report

The Vendor shall provide a monthly disaster report. The report is like the summary section of the Daily Disaster report, but includes all available days for the given month.

9.9.20.3 End of Disaster Report

The Vendor shall provide an End of Disaster report. The report is like the summary section of the Daily Disaster Report, but includes all available days for the entire disaster period. This report shall be available the day after the report is requested.

9.9.21 State Data Files

The Vendor shall provide the following data files to the State:

9.9.21.1 Daily Activity File

9.9.21.2 Benefit Aging File

9.9.21.3 AMA File

9.9.21.4 STARS File

9.9.21.5 Settlement Day Report File

9.9.21.6 Calendar Day Report File

9.9.21.7 Batch Processing Summary File

9.9.21.8 Adjustment File

9.9.21.9 Cardholder Recon File

9.9.21.10 Monthly Report File

The formats of these files are defined in Attachment N SNAP-8 (MDHS EBT SNAP-DSNAP Interface File Formats).

9.9.22 The Vendor shall provide the State with a monthly file of all retailers paid for EBT/SNAP/DSNAP purchase activity. This file shall include the retailer's FNS#, current Tax Identification Number (TIN) on file with the Vendor or retailer's TPP along with the total amount paid/settled to the retailer. This file is considered a calendar end-of-month response file as related to the performance-service level requirement schedule.

9.9.23 USDA FNS Data Files

The EBT Vendor is required to support the data requirements of the Federal government, and specifically USDA FNS, for the SNAP/DSNAP EBT program. The three (3) data files described below shall be provided to the Federal government on a periodic basis as defined by USDA FNS.

9.9.23.1 AMA File

9.9.23.1.1 Each settlement day, the EBT Vendor shall provide data necessary to support increases/decreases to the State's ASAP account balance to the Federal Reserve Bank of Richmond. The Federal Reserve Bank will serve as the Account Management Agent (AMA) for the USDA FNS SNAP EBT benefit account. The AMA will interface with the Treasury Department's Automated Standard Application for Payments (ASAP), and will establish ASAP account funding limits for the State for SNAP EBT activity. Consequently, it will be necessary for the EBT Vendor to interface with the AMA and provide the necessary data.

9.9.23.1.2 The data shall be provided in a formatted file.

9.9.23.1.3 The data elements and file format for this data is specified by USDA FNS and provided in Attachment Q SNAP-9 (USDA FNS Interface File Formats).

9.9.23.2 STARS File

On a weekly basis, the EBT Vendor shall provide detailed net daily SNAP redemption data by retailer identification number to STARS, the USDA FNS SNAP redemption database, through the Benefit Redemption Systems Branch (BRSB) in Minneapolis. The data elements and file format for this data are specified by USDA FNS and provided in Attachment Q SNAP-9 (USDA FNS Interface File Formats). STARS provides data to USDA FNS field offices, area offices, regional offices and the national office to monitor compliance with regulations by retailers, Federal Reserve Bank member institutions, and EBT Vendors that participate in SNAP.

9.9.23.3 ALERT File

9.9.23.3.1 The EBT Vendor shall provide transaction data, starting at implementation of operations, of store transaction history on a daily basis to USDA FNS

through the Anti-fraud Locator of EBT Retailer Transaction (ALERT) file.

- 9.9.23.3.2 The Vendor shall be responsible for settling and reporting any manual vouchers that carry over from the previous system. The data element requirements and file layout for the ALERT file can be found in Attachment Q SNAP-9 (USDA FNS Interface File Formats).

9.9.23.4 REDE File

- 9.9.23.4.1 The EBT Vendor shall access and process the USDA FNS REDE system daily, Monday through Friday, for the exchange of retailer data. The file contains notification of newly authorized EBT retailers and EBT retailers who have been withdrawn or disqualified as participants in SNAP.
- 9.9.23.4.2 The EBT processor will also be responsible for removing a withdrawn or disqualified retailer from the EBT redemption process within two (2) days of notification from USDA FNS. The file also contains updated changes to the data for the retailers. The file layout for the REDE file can be found in Attachment Q SNAP-9 (USDA FNS Interface File Formats).

9.10 Transition

Transition from the current Vendor to the new Vendor will consist of three (3) phases as described below.

9.10.1 Conversion of EBT-Only POS Terminals

- 9.10.1.1 During the conversion of EBT-Only equipment, it is critical that cardholders not be negatively impacted in their ability to redeem their benefits due to conversion, and that business operations of stores using EBT-Only terminals not be negatively impacted due to the conversion to new terminals (VeriFone Vx 510/VeriFone Vx 610, (for wireless retailers – Farmers Markets, etc.) or equivalent or better POS devices, or a device of greater quality) and terminal drivers. Therefore, the Vendor shall convert all existing EBT-Only terminals and associated software prior to the database conversion.

9.10.2 Conversion of EBT Database

9.10.2.1 The Vendor shall perform the database conversion (conversion from existing database to new database) overnight and on the weekend. The State will analyze monthly transaction volumes and select a weekend when the fewest number of retailers and cardholders would be impacted. The State shall have final approval of the overall approach to conversion, including the date and time selected. The entire conversion shall be completed in six (6) hours or less. During conversion, no stand-in, manual vouchers or transactions of any type will be allowed.

9.10.2.2 The Vendor shall:

9.10.2.2.1 Perform significant testing of the conversion process, including performing test transactions against the converted database in the Test System. Testing shall also validate the PINs have been successfully converted. USDA FNS requires at least two (2) trial runs (mock conversions).

9.10.2.2.2 Receive all of the transaction, benefit and card history from the current EBT Vendor.

9.10.2.2.3 Provide for conversion of the most recent 5 years of online transaction history onto the new system.

9.10.2.2.4 Provide for conversion of the most recent 5 years of benefit history, including both debits and credits.

9.10.2.2.5 Have checkpoints and reconciliation procedures built into the conversion process to ensure that no benefits or records are dropped.

9.10.2.2.6 Have a contingency fallback plan in case the conversion cannot be completed in a timely manner due to problems.

9.10.2.2.7 Send two notices to retailers. The first notice may be sent two (2) or three (3) months before the conversion and the second shall be sent two weeks before conversion. The USDA FNS will review the notices and mail them if asked to do so.

9.10.3 Conversion of EBT Card Issuance

9.10.3.1 The Vendor shall come up with a solution to create new cards with a new design approved by the State to be issued without

disruption to the cardholders' benefit access and services. If the cardholder needs a replacement card, the PIN for the cardholder shall be transferred from the old card to the new (replacement) card. Once a new card is requested the old card will be deactivated.

- 9.10.3.2 The Vendor shall maintain an additional supply of Mississippi card stock over and beyond the usual stock for disaster purposes. In addition, the Vendor shall store the current inventory of pre-embossed "Mississippi Disaster Cards" in a secure location for use during a disaster event (current inventory as of January 1, 2016 is estimated at 200,000).

9.10.4 Transfer of Call Center Phone Numbers

The Vendor shall utilize the existing cardholder and retailer toll-free phone numbers to the Vendor's call centers.

9.11 Disaster Preparation and Contingency Planning

Disaster preparation and contingency planning covers the following three areas: Vendor's system; the State's eligibility systems; and natural disasters impacting a large number of the State's population. The Vendor shall provide disaster preparation and contingency planning as follows:

9.11.1 Disaster Vendor Systems

- 9.11.1.1 The Vendor shall provide an alternate means of authorization of EBT transactions during short-term outages, when switching over to the back-up site is not considered appropriate. The response to this requirement shall also include how the Vendor will notify both the State and retailer community that an outage is occurring and alternate means of authorizations are currently in place.
- 9.11.1.2 In the event of a disaster impacting the availability of the Vendor's primary data processing site, the Vendor shall have available a back-up site for host processing and telecommunications network services. The Vendor shall have the EBT hot back-up site begin processing transactions within one (1) hour of a disaster declaration.
- 9.11.1.3 The Vendor's disaster recovery plan shall include a State notification process as well as disaster declaration criteria and timeframes that are acceptable to the State. The Vendor shall notify the State immediately upon the Vendor's decision to move to a disaster back-up site to provide EBT services. If the Vendor is providing EBT services to multiple States, the disaster recovery plan shall address the timing and order of recovery of the State as compared to the other agencies being processed.

The recovery of the State of Mississippi' EBT system shall not be delayed because the Vendor is recovering other States' EBT systems.

- 9.11.1.4 The disaster back-up site shall be tested annually, and the Vendor shall provide the State with copies of such test results within 30 calendar days of receipt of the test results. The Disaster Solution needs to directly interface with the National Accuracy Clearinghouse (NAC.) This is the State's dual participation program, which is a real time match validation system. See Attachment AA SNAP-15 (NAC Interface File Formats) for more information regarding interfacing with the NAC.

9.11.2 State Systems

- 9.11.2.1 The Vendor shall support the recovery of the State's eligibility and EBT interface systems at a back-up site in the event of a disaster at the State's primary data center. This support shall consist of providing connectivity to the State's back-up site to support the transmission of data files and reports between the State and the EBT Vendor.
- 9.11.2.2 Initial support may consist of only dial-up access until a more robust solution can be implemented. The connectivity during the initial days of a disaster may also consist of passing CDs (or other mutually agreed upon means) between the Vendor and the State. In either case, the Vendor shall provide support to the State in ensuring the benefits are still being provided to recipients through the EBT system during the recovery of the State's data processing systems.
- 9.11.2.3 Following the declaration of a disaster by the State and movement to a back-up data center, the Vendor shall work with the State's technical staff to provide EBT Administrative Terminal support. This site is subject to an annual test and the Vendor shall support all EBT connectivity activities (i.e., EBT Interface Systems; EBT Administrative Terminal Systems; etc.) of the annual test.

9.11.3 Natural or Other (Pandemic or Man-Made) Disasters within the State

- 9.11.3.1 The EBT Vendor shall support providing benefits to the State's recipients subsequent to the occurrence of a natural or man-made disaster or pandemic within the State. The basic assumption in this scenario is that there is sufficient infrastructure available within the retailer community to support EBT as a means for benefit payments.

- 9.11.3.2 The State's plan in supporting a natural or other (pandemic or man-made) disaster is to use pre-embossed Mississippi Disaster Cards created using the current EBT card stock (200,000 cards on hand). Mississippi Disaster Card cardholders will call the Cardholder Help Desk for PIN selection upon receipt of their cards. Any replacement of the pre-embossed Mississippi Disaster Cards will follow the normal card replacement process, with the cardholder being mailed their replacement card to the last known address on the EBT system. The Vendor shall provide for the creation and/or drop shipping of pre-embossed Mississippi Disaster Cards within five (5) business days as requested by the State. The number of cards to be embossed along with the drop ship address will be provided by the State when requested. The Vendor shall be responsible for the production of the plastic EBT card stock used in the creation of the pre-embossed Mississippi Disaster Cards.
- 9.11.3.3 The Vendor shall store the State's current and future supply of Mississippi Disaster EBT Cards in a secure climate controlled facility for retrieval and drop shipment within twenty-four (24) hours of receiving request.
- 9.11.3.4 The State's primary plan is to utilize its current eligibility system to create Disaster Supplemental Nutrition Assistance Program (DSNAP) accounts and benefits for eligible recipients. The Vendor's system shall provide the ability to accept and process DSNAP Account Maintenance and DSNAP Benefit Maintenance Interface Files from the State for disaster recipients in support of the Mississippi DSNAP.
- 9.11.3.5 The State will create and update the disaster EBT account through the batch DSNAP Account Maintenance interface, including the assigned case number, PAN of the Mississippi Disaster Card issued to the household, cardholder name, address, county and number in household. DSNAP Benefits will be added to the EBT account through the batch DSNAP Benefit Maintenance interface. In the event the State's primary plan is not a viable plan, the State's backup plan will be to utilize the Vendor's system and its online disaster module to create DSNAP accounts and benefits for eligible recipients. The Vendor's system shall provide the following functionality in support of this plan:
- 9.11.3.5.1 The capability for authorized State Personnel (for example, Disaster Administrator) to update (through an Administrative Terminal Function) the maximum benefit amount for each given Household Size (HHS) by Federal Fiscal Year

(FFY), maintaining two (2) FFY Maximum Benefit Tables concurrently;

- 9.11.3.5.2 The capability for authorized State Personnel to define and maintain multiple disaster events. This disaster event specific master record would include disaster event name, disaster date (such as, Hurricane Gordon – August 30, 2006; Montgomery County Tornado – November 27, 2006; North Mississippi Ice Storm 2007 – January 31, 2007; Easter Flood of 2007 – April 10, 2007), declared disaster counties included in the disaster event, benefit month and benefit percentage (for example, 0.00% – 100.00%). The disaster date and benefit percentage would be used to calculate the appropriate disaster benefit for the given HHS and FFY;
- 9.11.3.5.3 The capability for authorized State Personnel to assign each Administrative Terminal User (for example, Disaster Worker) to a single disaster event;
- 9.11.3.5.4 The capability for authorized State Personnel to assign specified disaster county codes to be active during a given disaster event (such as, 010 – Adams, 030 – Amite, 240 – Harrison, 300 – Jackson, 230 – Hancock, and 550 – Pearl River would be the only county codes available during the declared disaster). This functionality would limit the Administrative Terminal User's ability to select the appropriate disaster county code from the dropdown list of only the declared disaster county codes (for example, only the county codes associated with the disaster event);
- 9.11.3.5.5 The functionality to prompt the Administrative Terminal User (using a dialog box) to capture and re-enter/confirm the disaster account HHS when the HHS entered is greater than five (5). This will provide additional confirmation that the data has not been erroneously entered prior to the actual issuance of the online DSNAP benefits;
- 9.11.3.5.6 The functionality to capture the demographic data on each household member for the specified HHS, including the each member's name, Social Security Number (SSN), Date-of-

Birth (DOB) and relationship to the head of household;

- 9.11.3.5.7 The functionality to prompt the Administrative Terminal User (using a dialog box) to re-enter/confirm each member's SSN and DOB. This will provide additional confirmation that the data has not been erroneously entered. This will reduce the number of incidents where the disaster recipient/cardholder is unable to activate/PIN their Mississippi Disaster Cards and will also reduce the volume of calls to the Vendor's Cardholder Help Desk and/or the State's EBT Help Desk due to incorrect SSN and DOB combination being entered preventing the recipient/cardholder the means to activate their disaster card without intervention;
- 9.11.3.5.8 The capability to edit/validate the Mississippi Disaster Card PAN(s) entered by the Administrative Terminal User to the actual disaster PAN(s) that have been created/pre-embossed and remain available for issuance. This will prevent any non-disaster and/or duplicate PAN(s) from being assigned, further increasing the probability that the PAN being assigned is the PAN/Card in the disaster recipient's possession;
- 9.11.3.5.9 The capability for authorized State Personnel to request the issuance of additional monthly DSNAP benefits, by disaster event and benefit month, to disaster recipients based on selected disaster counties. This would include the capability to select, by the declared disaster county codes, the counties to be included in the additional benefit issuance, the benefit month for the benefits being issued and the percentage of maximum benefit per HHS to be issued. This information may be used by the Vendor's system disaster module to automate the benefit re-issuance process;
- 9.11.3.5.10 The capability for authorized State Personnel to override the benefit month date (with date edits) when issuing additional monthly benefits in the Administrative Terminal mode. This privilege may be used by the Help Desk staff to resolve disaster issuance issues (this privilege will

require a Disaster Manager role for this security access); and

9.11.3.5.11 The capability to identify dual participation within SNAP/DSNAP prior to benefit issuance, by performing real-time validation within the Vendor's system, the National Accuracy Clearinghouse (NAC) and any other national SNAP/DSNAP recipient database as required by the State and/or the USDA FNS; see Attachment AA SNAP-15 (NAC interface File Formats) for more information regarding the interfacing requirements to the NAC.

9.11.3.6 The Vendor shall provide assessment input from its technicians in the field relating to retailer availability and capabilities. In the normal course of business, the Vendor is to ensure retailers are supplied with and trained in the use of manual vouchers. The Vendor shall provide retailers with the quick reference guide for executing manual vouchers. Each year by March 1, the Vendor will be required to contact all USDA FNS certified retailers to confirm that an adequate stock of manual vouchers is on hand and to provide manual voucher refresher training.

9.11.3.7 The Vendor is expected to support State disaster relief operations for all aspects surrounding disaster operations including customer assistance (recipients, cardholders and retailers), and any disaster reporting deemed necessary by the State; see Attachment DD SNAP-13A (MDHS DSNAP Operation Plan) and Attachment EE SNAP-13B (MDHS DSNAP Operation Plan) Approval, for more information regarding the State's disaster plans.

9.11.4 Cooperation with Detection and Investigation of Abuse

9.11.4.1 The Vendor shall advise, assist and appropriately act to aid the State in detection and investigation of abuses by retailers, recipients or workers, including but not limited to, reporting unusual activity. This may entail cooperation with various authorities of the State and Federal agencies that are responsible for compliance with laws and regulations. Retailers authorized by the USDA FNS to accept SNAP benefits may become subject to monitoring and investigations by State investigators, USDA/Retailer Investigations, OIG, Secret Service, or local police departments. Recipients are subject to investigation by State investigators. USDA FNS and OIG shall have access to the system for the purposes of investigation.

9.11.4.2 The Vendor's EBT system shall support the following minimum investigative functions:

- 9.11.4.2.1 Provide information from the system within 24 hours, as requested, for evidentiary purposes, and
- 9.11.4.2.2 Retain records under investigation or litigation indefinitely, as requested.

9.12 Training

9.12.1 Cardholder Training - The Vendor shall provide ongoing training for cardholders and retailers. The Vendor has sole responsibility for training of retailers.

9.12.1.1 All EBT cardholders shall be provided with training materials when they receive their EBT card (new or replacement).

9.12.1.2 All cards mailed to new EBT cardholders shall contain training material. The training materials shall be written in easy to understand language-at a seventh grade reading level and in compliance with Supplemental Nutrition Assistance Program (SNAP) Regulations.

9.12.1.3 Printed training materials shall be provided in pamphlet format. Training materials shall be prepared in English, Spanish, and Vietnamese. At a minimum, the training pamphlet shall include the following topics:

- 9.12.1.3.1 Use of the Mississippi EBT card at the POS, including benefit transactions that can be processed at POS terminals;
- 9.12.1.3.2 Use and safeguarding of the card and PIN;
- 9.12.1.3.3 Card replacement and PIN change method and procedures;
- 9.12.1.3.4 Manual SNAP transaction processing;
- 9.12.1.3.5 Guidance on reporting problems with the card or its use and on reporting a lost or stolen Mississippi EBT card;
- 9.12.1.3.6 Use of transaction receipt to track balances;
- 9.12.1.3.7 Use of the ARU
- 9.12.1.3.8 Use of smartphone application, if applicable.

- 9.12.1.3.9 Customer service functions, including a prominent display of the toll-free Help Desk number and Cardholder Web Site;
- 9.12.1.3.10 Nondiscrimination statement per 7 CFR 274.12(h)(6)(B);
- 9.12.1.3.11 Process for requesting adjustments;
- 9.12.1.3.12 Safeguarding of confidential information;
- 9.12.1.3.13 Interoperability information;
- 9.12.1.3.14 Expungement information;
- 9.12.1.3.15 Fraud statement regarding the selling of SNAP benefits; and
- 9.12.1.3.16 Disqualification of a person who has been found by a court or administrative agency to have intentionally obtained cash by purchasing products with SNAP benefits that have containers requiring return deposits, discarding the products, and returning the container for the deposit amount, or intentionally sold food purchased using SNAP benefits or any other fraudulent activities. This requirement will not be implemented until federal rule-making occurs.

9.12.2 Retailer Training

- 9.12.2.1 The Vendor shall provide initial and ongoing training and training material to retailers participating in the Mississippi EBT program. Training shall cover the SNAP program.
- 9.12.2.2 USDA FNS Federal Regulation 274.12(e)(4)(vi) requires that retail store employees shall be trained in system operation prior to implementation. Such training shall include the provision of appropriate written and program specific materials. Training material shall include, but are not limited to:
 - 9.12.2.2.1 Retailer Help Desk toll-free number;
 - 9.12.2.2.2 Use of the ARU
 - 9.12.2.2.3 Use of smartphone application, if applicable
 - 9.12.2.2.4 Manual voucher processing procedures (this shall be done on a yearly basis for ongoing retailers, prior to June 1st (Hurricane Season));

- 9.12.2.2.5 Dispute resolution;
 - 9.12.2.2.6 Signage;
 - 9.12.2.2.7 Adjustments;
 - 9.12.2.2.8 Processing of merchant transactions including, but not limited to key-entered transactions;
 - 9.12.2.2.9 Settlement;
 - 9.12.2.2.10 Interoperability;
 - 9.12.2.2.11 Use of POS equipment for state-supplied EBT-Only retailers;
 - 9.12.2.2.12 Notification procedures for reporting changes in ownership or bank account numbers;
 - 9.12.2.2.13 Requirements for retailers to safeguard confidential cardholder information;
 - 9.12.2.2.14 Assurance that the State and Vendor will safeguard retailer data consistent with 7 CFR 278.1(q);
 - 9.12.2.2.15 Fraud training regarding the trafficking of EBT cards;
 - 9.12.2.2.16 Store and Forward;
 - 9.12.2.2.17 Unsettled funds notification; and
 - 9.12.2.2.18 Quick Reference Guide.
- 9.12.3 State and County Worker Training on EBT - The Vendor shall be responsible for providing training information on the EBT card and SNAP for State and County workers with training for State workers as requested.
- 9.12.3.1 State Office training shall be provided in a minimum of two (2) training sessions. The sessions will focus on the administrative terminal software, cardholder and transaction data, and reporting available through the system.
 - 9.12.3.2 The Vendor shall provide training material that covers all of the functionality supported by the administrative terminal. The material shall cover accessing the administrative terminal functions, security features within the system, and detailed explanation of the screens and functions supported by the administrative terminal application.

9.12.3.3 The training material shall include an administrative terminal manual. In addition, updates and revisions of the training materials shall be provided within thirty (30) calendar days to the State whenever the Vendor modifies functionality of the administrative terminal. Sufficient copies for each authorized administrative terminal user (including federal users) plus ten (10) additional copies shall be provided to the State.

9.12.3.4 The Vendor shall provide a training module describing the detail and use of the reports generated by the system. In addition, the Vendor shall provide on-site training for state office systems staff on field definitions and file layouts of data files transmitted to the State for reporting purposes.

9.12.3.5 The Vendor shall provide written training materials for the EBT SNAP System.

9.12.4 If the Vendor modifies functionality of the EBT SNAP System, updates and revisions of the training materials shall be provided to the State for approval within thirty (30) calendar days prior to the EBT System modification.

10. Debit Card Program Requirements

This Section is intended to provide details on the specific functional and technical requirements to develop, test, implement, and operate a Debit Card program in conformance with federal regulations, applicable national standards, and the State's performance expectations. Within this Section are the specifications and requirements for equipment, software functionality, telecommunications, debit card production and issuance, reporting, training, settlement and reconciliation and on-going operational support.

10.1 The Debit Card system shall be an industry standard application, primarily using the existing commercial networks and retailers' POS devices. The Vendor and/or its banking partner shall have the capability to perform Electronic Funds Transfer (EFT) using National Automated Clearinghouse Association (NACHA) standards.

10.2 The Vendor shall propose services using either a Visa or MasterCard® branded program. However, additional points will be awarded to a Vendor that provides services under the MasterCard® brand in order to mitigate the need to convert this program (The State of Mississippi currently delivers Temporary Assistance for Needy Children (TANF), TANF Supportive Service, SNAP Employment and Training, Adoption Subsidy, Foster Care payments, Unemployment Insurance (UI) benefits and Child Support payments to recipients through a MasterCard® Debit Card system). In addition, UI and Child Support cardholders are also offered the option of receiving payments via direct deposit to their bank accounts. The Vendor shall identify which of the networks it is proposing and fully explain its or its banking partner's network affiliation. The Vendor shall propose debit card services that provide the State with the ability (via an administration terminal) to restrict purchase and cash access by benefit program, merchant type and access

(ATM/POS) location. The administrative terminal shall include a single sign on by state agency with security profiles for access to one or all benefit programs managed by that agency. The State desires the Vendor propose services using a single debit card (or the fewest number of cards) for all cash benefit programs. The Vendor shall clearly outline how the proposed debit card services will satisfy these requirements. If the Vendor's proposed debit card services include multiple debit cards (i.e., by program or state agency), the Vendor shall provide different card images for each program and/or state agency for ease of identification.

- 10.3 In addition, the Vendor shall propose debit card services for individual payees thirteen (13) years of age or older and for any business-related payees the State may decide to make payment.
- 10.4 Each state agency will control their own Account and Benefit Maintenance files when their respective systems are updated. The data on the State systems are not integrated. If a recipient receives deposits from each agency (MDHS, MDES, etc.), they will be set up and maintained independently on each state system, thus generating independent Account and Benefit Maintenance File records to the Vendor's Debit Card System. The Vendor shall clearly outline how the proposed debit card services will satisfy and manage this multi-state system interface requirement and issue deposits to the correct cardholder account.
- 10.5 The Vendor and the Debit Card system shall comply with 12 CFR 205 Regulation E: Electronic Funds Transfers, and assume all responsibility for the product, including any requirements that apply specifically to government programs. The Vendor shall fully explain Regulation E and how its program meets these requirements. The Vendor must also discuss any liability to the State or cardholder under Regulation E.
- 10.6 Each cardholder's account balance shall be Federal Deposit Insurance Corporation (FDIC) insured up to \$250,000. A "zero liability" policy shall be provided to cardholders and the State. The Vendor and/or its banking partner shall provide evidence of certification, membership and/or compliance with FDIC rules and regulations.
- 10.7 The Vendor shall allow enrollment to any cardholder referred by the State for participation in the program. In instances of program abuse by cardholders, the State Agency which owns the cardholder's account will work cooperatively with the Vendor to determine a mutually acceptable resolution.
- 10.8 The Vendor shall provide all manuals for State staff prior to Debit Card system operations as described in this RFP.
- 10.9 File Transmissions - MDHS has an integrated electronic payment (ePayment) account "driver" system known as the Master Client Tracking System (MCTS). MDHS uses this system to control the account set-up and maintenance record creation and submission for each program (i.e., TANF, Child Support) so an MDHS client only has one ePayment Account and Debit Card for all MDHS cash program deposits. In addition, the MDHS has an integrated Financial Interface Tracking System (FITS) that tracks the deposits from each program to ensure deposits are

posted in a timely fashion; FITS also performs daily automated financial reconciliation.

10.10 MDHS will transmit all account and deposit data to the Vendor nightly in batch via a secure connection to the Vendor's system.

10.10.1 The Vendor shall process and edit files, based on design requirements, and correctly apply deposits to the proper account.

10.10.2 A processing return file shall be provided to the State confirming the accounts that were successfully created and providing error information for any accounts and deposits that could not be processed due to problems with the transmission or files. In addition to the daily files, the TANF program will produce monthly deposit files.

10.10.3 In the future, the State may decide to transmit all account and deposit data via an on-line real-time process using a secure connection to the Vendor's system. The Vendor shall process and edit files, based on design requirements, correctly maintain accounts and apply deposits to the proper account.

10.11 Required Files - The following table represents the files to be sent between the State and the Vendor:

File/Data	Frequency	MS to Contractor	Contractor to MS
Account Maintenance File	Conversion and Daily	X	
Account Maintenance Reject File	Conversion and Daily		X
Account Maintenance Summary File	Conversion and Daily		X
Deposit File	Daily	X	
Deposit Reject File	Daily		X
Account Status File	Daily		X
Account Change File	Daily		X
Deposit Confirmation File	Daily		X
Undelivered Card File	Daily	X	X
Address Change Alert File	Daily		X
Card Mailer File	Daily		X
Cardholder Reconciliation File	Monthly		X

10.11.1 Account Maintenance File: The data records contained in this file will be used to set up and establish new accounts in the Vendor's Debit Card transaction processing environment and to perform maintenance action(s) on established accounts, which includes the changing of personal demographic information.

- 10.11.2 Account Maintenance Reject File: The data records contained in this file identify any account maintenance records that were rejected by the Vendor during processing of the Account Maintenance File received from the State.
- 10.11.3 Account Maintenance Summary File: The data records contained in this file are the actual Account Maintenance File processing summary report generated by the Vendor during processing of the Account Maintenance File received from the State.
- 10.11.4 Deposit File: The data records contained in this file identify detail information for deposits to be posted to the Vendor's Debit Card system.
- 10.11.5 Deposit Reject File: The data records contained in this file identify any deposit records that were rejected by the Vendor during processing of the Deposit File received from the State.
- 10.11.6 Account Status File: Every calendar day, the Vendor shall provide to the State an Account Status File for each division within each state agency. The data records contained in this file identify newly established accounts and Cardholder PIN selection activities (both initial PIN and any subsequent PIN activity).
- 10.11.7 Account Change File: Every calendar day, the Vendor shall provide to the State an Account Change File for each division within each state agency. The data records contained in this file identify any change to a recipient's demographic record processed via the Vendor's System Administrative Terminal, including the user identifying information of the user that made the change.
- 10.11.8 Deposit Confirmation File: Every calendar day, the Vendor shall provide to the State a Deposit Confirmation File for each division within each state agency. The data records contained in this file identify detail information for each individual deposit posted and available to the cardholder on the Vendor's Debit Card System on the prior settlement day.
- 10.11.9 Undeliverable Card File: Every calendar day, the Vendor shall provide to the State an Undeliverable Card File for each division within each state agency. The data records contained in this file identify any debit cards that have been mailed and later determined to be undeliverable by the USPS, whereby the Vendor has given the card a status "returned" and destroyed it.
- 10.11.10 Address Change Alert File: Every calendar day, the Vendor shall provide to the State an Address Change Alert File for each division within each state agency. The data records contained in this file provide the State with the USPS forwarding address information found on "returned" card envelopes processed by the Vendor, whereby the Vendor has captured this forwarding address information prior to the "returned" card envelope being destroyed.

10.11.11 Card Mailer File: Every calendar day, the Vendor shall provide to the State a Card Mailer File for each division within each state agency. The data records contained in this file identify any cards requests processed by the Vendor (i.e., initial or replacement cards) as the result of the processing of the Account Maintenance File or a Cardholder's request via the Vendor's Cardholder Help Desk. This file is a copy of the file submitted to the Vendor's Card Production Unit.

10.11.12 Cardholder Reconciliation File: On the 1st day of each calendar month, the Vendor shall provide to the State a Cardholder Reconciliation File. The data records contained in this file identify the detail of each cardholder account established on the Vendor's Debit Card system as of midnight Central Time on the last day of each calendar month (i.e., December 31, 2008 @ 23:59:59 + 1 second).

10.12 File Layouts

10.12.1 The Vendor shall develop an Interface Control Document (ICD) detailing the required format for each file that is sent between the State and the Vendor as specified in this RFP.

10.12.2 The Vendor shall also include with each file a discussion of the processing rules that apply to that file.

10.12.3 The Vendor shall utilize current file formats and processing rules that apply to each file in order to minimize the need for the State to change file formats or any internal processing rules. Attachment O Debit Card-6 (MDHS Debit Card Interface File Formats), contains the current file formats the Vendor shall utilize.

10.13 Card Specifications - The State of Mississippi's current Bank Identification Number/Issuer Identification Number (BIN/IIN) for debit card is 515478.

10.13.1 The Vendor shall utilize the current Mississippi Debit Card design and specifications, including artwork, and print. During the contract, the Vendor may be required to provide the State with a redesigned debit card. The copyright for the design of the card, including all artwork and print, shall be owned by the State of Mississippi in perpetuity.

10.13.2 The State will provide input to the design process and shall approve the card design. The State retains the right to rename the new debit card.

10.13.3 The card shall be a branded VISA or MasterCard® card, shall operate via the VISA or MasterCard® network and shall be accepted by any participating merchant.

10.13.4 The card shall allow for PIN-based and signature-based purchases.

10.13.5 The card shall operate as a debit card or another electronic payment-type card and have no line of credit associated with it. The cardholder, or any

other entities not authorized by the State, shall not be able to make deposits or add value to the Debit Card, with the exception of merchants making refunds or adjustments.

10.13.6 The Vendor's proposal shall describe in detail its capabilities to design the State's debit card and identify any third party vendor or subcontractor involvement in the process.

10.13.7 In addition, the Vendor may be required to provide the State with a co-branded card with both a QUEST® and a commercial (for example, Visa or MasterCard®) brand.

10.13.7.1 The co-branded card could be used to access both SNAP (via USDA FNS rules) and cash (via the Visa/MasterCard® rules) benefits and/or payments.

10.13.7.2 The State reserves the right to issue co-branded cards through this contract if policy and operational issues are resolved.

10.13.7.3 The Vendor's proposal shall describe in detail its capabilities to design the State's co-branded card and identify any third party vendor or subcontractor involvement in the process.

10.14 Card Production and Distribution

Attachment GG Debit Card-4 (Historical Debit Card Issuance and Replacement Data) for Mississippi's Debit Card program. The historic card issuance and replacement data contained in Attachment Debit Card-4 is no indication or guarantee of future Mississippi Debit Card Program activity. The stated figures are no indication or guarantee of future Mississippi Debit Card Program requirements. Mississippi Debit Card Program activities may change based on economic conditions, changes in federal law and regulations, changes in State law and policies, and other factors. However, the card produced and distributed shall meet or exceed the following requirements:

10.14.1 The State requires a magnetic card which is fully compliant with all federal laws and regulations, which meets industry standards for quality.

10.14.2 The card shall be similar in design and technology to any bank-issued ATM card.

10.14.3 The card shall include security features to activate the card and to prevent counterfeiting.

10.14.4 The primary individual's name and Personal Account Number (PAN) shall be embossed on the face of the card. The primary cardholders name to be embossed will be identified in the account maintenance file sent by the State.

- 10.14.5 A statement that clearly states, "Do Not Write PIN on Card" shall be reflected on the back of the card.
- 10.14.6 A toll-free telephone number for cardholders to contact the 24-hour Help Desk for card and account assistance shall be reflected on the back of the card.
- 10.14.7 A statement that directs the cardholder to the Vendor's Cardholder Web Site to check their account balance shall be reflected on the back of the card.
- 10.14.8 A tamper-evident signature panel shall be reflected on the back of the card for the cardholder signature.
- 10.14.9 The card's expiration or "Good Thru" date shall be embossed on the face of the card.
- 10.14.10 The Vendor shall be responsible for card production and issuance of both initial and replacement cards. An initial card shall be provided to the cardholder when their account is established at no cost to the State or cardholder.
- 10.14.11 Once the cardholder has selected a PIN activating their initial card, the first replacement card requested each year thereafter (i.e., based on their initial card activation date) shall be provided to the cardholder at no cost to the State or cardholder, if requested by the cardholder. Any subsequent replacement card requested during the year shall be subject to a card replacement fee assessed to the cardholder.
- 10.14.12 Initial and replacement cards shall be issued to the cardholder within 48 hours after receipt of account maintenance files from the State.
- 10.14.13 The Vendor shall include a description of the card distribution process and how it will meet this timeframe.
- 10.14.14 The State shall have final approval for the design and content of the card mailer and instructional materials associated with the usage of the account and card, including the card activation sticker.
- 10.14.15 The Vendor shall describe its card activation sticker. The card activation sticker shall be in English, Spanish, and Vietnamese and shall indicate that receipt of the debit card does not guarantee that the cardholder meets State program eligibility criteria or that the cardholder will receive a benefit or payment.
- 10.14.16 The Vendor shall clearly describe what constitutes a replacement card (e.g., lost; stolen or damaged card) and the policy for replacement and re-issuance, including how cardholders can report a lost, stolen or damaged card. In addition, the Vendor shall clearly describe the

procedures for expediting a replacement card at the request of a cardholder and any associated fee to the cardholder.

10.15 Returned Cards

- 10.15.1 Returned/undeliverable cards shall be forwarded to a secure location selected by the Vendor for handling in the United States. The Vendor shall describe how it intends to meet the returned card requirement and the geographic location of where the function will be performed.
- 10.15.2 All returned cards shall be given a status of "returned" by the Vendor and destroyed. This may be accomplished manually through the Administrative Terminal of the Vendor's Debit Card System or in an automated fashion.
- 10.15.3 The Vendor shall status a card as "returned" by the card's Personal Account Number (PAN), which may or may not be the latest or current card PAN on the cardholder's account. This requirement is meant to prevent the wrong Debit Card from being given a status of "returned" in error in the event the cardholder has since updated their address and has been issued a replacement Debit Card prior to the Vendor receiving the "returned" card.
- 10.15.4 The Vendor shall provide the Undeliverable Card File to the State on a daily basis which contains notifications of account numbers that were given a PAN status as "returned" the prior day; this includes any new or replacement cards that are given a "returned" status.
- 10.15.5 The Vendor shall capture and provide USPS forwarding address information in electronic format from an Address Change Alert File when provided on "returned" card envelopes; this file shall follow the same batch file interface requirements as any other Vendor supplied batch interface file. The State will use this file to "alert" the appropriate caseworker of their recipient's address change as reported by the USPS (The State shall determine the recipient's correct address and send any address updates via an Account Maintenance File to the Vendor.)
- 10.15.6 The Vendor shall not update the account's address in its Debit Card system based on USPS forwarding address information provided on "returned" card envelopes. The State may, at its option, elect to allow the Vendor to update an account's mailing address via the Vendor's Debit Card system's Administrative Terminal in the future based on State approved procedures if it is determined to be in the best interest of the State or its recipients.
- 10.15.7 The Vendor shall automatically issue a replacement card based on an incoming Account Maintenance File record when all of the following conditions exist:

10.15.7.1 The address in the account update record is different than the address on the Vendor's database; and

10.15.7.2 The current card on the account has a status of "returned".

10.15.8 Vendor shall not assess a replacement card fee for replacement cards generated by an incoming Account Maintenance File record with an account update action code.

10.16 Expired Cards

The Vendor shall automatically track the card expiration date for all cards and mail a new replacement card with a new "unique" PAN to each cardholder prior to the card expiration date that meet the following minimum replacement criteria:

10.16.1 The current card status is REGISTERED or EXPIRED.

10.16.2 The current card account address status is GOOD.

10.16.3 The current date is greater than the replacement period start date (i.e., card expiration date or "Good Thru" date minus 30 days).

10.16.4 The cardholder's account balance is greater than \$0.00 or there has been activity within the last 365 days; activity is defined as having at least one (1) of the following transaction types:

10.16.4.1 ATM Cash Withdrawal

10.16.4.2 ATM Balance Inquiry

10.16.4.3 Cash Purchase

10.16.4.4 Cash Purchase with Cash Back

10.16.4.5 Cash Withdrawal

10.16.4.6 Pre-Authorization

10.16.4.7 Deposit

10.16.5 The Vendor shall keep the existing card active while a new card with a new "unique" PAN is mailed (prior to existing card's expiration date).

10.16.6 The new cards shall be mailed 30 days before the existing card's expiration date.

10.16.7 The new cards shall be deactivated upon activation of the new card.

10.16.8 The new card shall be provided without a card replacement fee when replacement is due to expiration.

- 10.16.9 The Vendor shall clearly describe its card replacement process and state the number of years a card is valid before expiration.
- 10.17 Secondary Cardholders - The Vendor shall issue a card to the primary account holder or their designated protective payee only. Currently, the State does not require support for the set-up and issuance of secondary cardholders on a primary cardholder's account, but reserves the right to request the addition of a secondary cardholder process in the future if it is determined to be in the best interest of the State or its recipients. Any future secondary cardholder process would require State approval before implementation.
- 10.18 Personal Identification Number (PIN) Management
 - 10.18.1 The State requires that each cardholder have a PIN to ensure that only the intended cardholder can obtain the authorized deposits.
 - 10.18.2 The PIN shall be a series of four numeric characters.
 - 10.18.3 The Vendor will validate the PIN at the host for all electronic transactions processed as cash back transactions and ATM's. Signature-based transactions will not require the validation of a PIN.
- 10.19 Automated Response Unit (ARU) PIN Selection
 - 10.19.1 Cards shall be created without an assigned PIN. However, the cardholder shall be required to select their PIN before the card can be used.
 - 10.19.2 The Vendor shall provide cardholders with the ability to select their PIN using an ARU PIN selection option.
 - 10.19.3 The Vendor shall allow a PIN to be changed by allowing the cardholder to enter the last four digits of their Social Security Number (SSN) and Date of Birth (DOB) to validate a caller's identity.
 - 10.19.4 The Vendor is encouraged to propose additional options to ensure the security of the ARU process.
- 10.20 PIN Fails
 - 10.20.1 The cardholder shall be allowed four (4) consecutive invalid PIN attempts before the card is locked.
 - 10.20.2 Access shall then be denied due to excessive PIN fails, and the cardholder shall not be allowed access even if the cardholder enters the correct PIN.
 - 10.20.3 The card lock shall be reset at midnight each day, allowing the cardholder open access to the posted deposits using the existing PIN. The cardholder may unlock the card by selecting a new PIN, if immediate access is needed.

10.21 Account Set-up and Maintenance

10.21.1 An account record shall be established prior to receipt of any deposit records.

10.21.2 The Vendor shall issue a replacement card if it determines the record is an address update and the existing card on the account is given in "returned" status.

10.21.3 The Vendor shall not assess a replacement card fee for replacement cards generated by an incoming Account Maintenance File record update for "returned" cards.

10.22 Account Update

The State will send Account Maintenance File records to trigger updates to recipient's demographic information. The update record will contain the entire recipient demographic information. The Vendor's system shall overlay the information on the database for the recipient with the information in the record.

10.23 Account Maintenance and Closure

The Vendor shall clearly describe the cardholder account maintenance and closure process. The description should detail a process that:

10.23.1 Assures each cardholder account remains available for deposits until the State advises that it no longer intends to make deposits to that cardholder account; and

10.23.2 Shall not have charges or fees associated with the level of cardholder account activity or inactivity.

10.24 Family Violence Indicator - The State will transmit a Family Violence Indicator (FVI) for all accounts. The Vendor shall display the indicator prominently for Cardholder Help Desk staff to insure the address is never given to any person. The FVI will be maintained by the State and shall not be removed unless removed by the State.

10.25 International Addresses - The Vendor shall accept, process, and distribute cards for international addresses utilizing the same requirements in effect for domestic addresses.

10.26 Deposits

10.26.1 The Vendor shall receive and process all deposit records transmitted by the State and shall have procedures in place to prevent duplicate deposit posting.

10.26.2 The Vendor shall enforce duplicate deposit validation at the unique document identifier/authorization number level across all accounts in the

Vendor's Debit Card system (not just a single account but across all accounts).

10.26.3 Should a duplicate deposit occur, the Vendor shall be responsible for restoring deposit amounts to their approved levels within 48 hours and any funds expended prior to restoration of authorized deposit levels prior to availability date.

10.26.4 The Vendor shall process deposits and post the deposit amounts to the appropriate debit card accounts, based on the unique account numbers, program type, and unique document identifier/authorization number generated by the State for each payment/benefit authorization.

10.26.5 The Vendor shall provide the State and/or federal auditors with bank statements, and any other relevant documents detailing all deposits that have been made into the Vendor's Demand Deposit Account (DDA) in support of the Mississippi Debit Card Program.

10.27 Availability

10.27.1 The State will provide an availability date and time, which is included in the deposit detail record submitted to the Vendor, in the nightly batch files. The Vendor shall clearly state the timeframe after receipt of the deposit files when funds will be loaded to the debit card accounts and available for cardholder use.

10.27.2 Availability dates and times can be in the past or the future. The Vendor shall post all deposits with a date and time in the past upon receipt and settlement.

10.27.3 All deposits with a future availability date and time shall be made available at the specified date and time in Central Time.

10.28 Expungements

The State currently does not have an expungement requirement, but should the State decide in the future to include this requirement due to State and/or federal mandates, the Vendor shall agree to provide this requirement as defined and approved by the State. Any costs associated with meeting this requirement must be detailed in Section VIII: *Cost Information Submission*.

10.29 Unclaimed Property

10.29.1 The State currently does not have an unclaimed property requirement, but should the State decide in the future to include this requirement due to State and/or federal mandates, the Vendor shall agree to provide this requirement as defined and approved by the State. Any costs associated with meeting this requirement must be detailed in Section VIII: *Cost Information Submission*.

10.30 Cardholder Requirements

10.30.1 Use of Cardholder Information - All cardholder information and cardholder account information created as a result of any Contract that results from this RFP shall remain confidential and shall not be sold or otherwise shared with any other entity not associated with the Contract, or for any purpose other than the execution of the Contract, unless required by law. In addition, the Vendor shall not use cardholder information or cardholder account information to solicit other business, and must ensure that cardholder information and cardholder account information is protected and kept confidential.

10.30.2 Cardholder Changes

10.30.2.1 The Vendor shall provide a 90-calendar day advance written notice to the State of changes affecting cardholders.

10.30.2.2 The Vendor shall provide a 30-calendar day advance written notice to cardholders of changes affecting them.

10.30.2.3 The State shall have final approval of the contents of all notifications to its cardholders. Cardholder changes include any changes made by the Vendor to the debit card policies or procedures, program rules or any adjustments to the cardholder's account balance.

10.30.3 Cardholder Portal

10.30.3.1 The Vendor shall provide cardholders with a secure web-based management tool to obtain on-line statements of detailed financial transactions posted to their account.

10.30.3.2 The site shall give detailed deposit information by program and shall be free of charge.

10.30.3.3 The site shall also include all cardholder notification materials, collaterals, Frequently Asked Questions (FAQs), Cardholder Help Desk contact information, links to the State, and shall be available to all cardholders.

10.30.3.4 The State shall have final approval of the design and contents of the website.

10.30.4 Additional Cardholder Services - The Vendor shall describe how they will meet the following requirements:

10.30.4.1 How the State is notified of changes in policy or procedures affecting the Cardholders;

- 10.30.4.2 How Cardholders are notified of changes in policy or procedures that affect them;
- 10.30.4.3 How Cardholders are notified of adjustments to their account balances when adjustments are required and performed by the Vendor;
- 10.30.4.4 How Cardholder complaints and disputes are resolved and the timeframes associated with the process. List the types of issues anticipated and explain how each will be resolved;
- 10.30.4.5 How errors (provide specific examples of errors) are resolved and timeframes associated with the process;
- 10.30.4.6 Provide detail of all other services the Vendor will provide to Cardholder;
- 10.30.4.7 Describe the process for accessing the cardholder portal and how Cardholder's will navigate through the portal; and
- 10.30.4.8 Describe any limitations placed on the Cardholder, such as amount available to withdraw daily, number of transactions permitted daily and minimum withdrawal amounts at teller windows.

10.31 Access

10.31.1 ATM Access

- 10.31.1.1 The Debit Card shall perform through an operating ATM network and allow for nationwide and international ATM access and the withdrawal of cash through a normal ATM transaction.
- 10.31.1.2 The system shall allow at least three (3) free ATM transactions per month. However, it is desirable that at least (4) free transactions be allowed per month. Vendor shall specify the number of free transactions allowed per month.
- 10.31.1.3 For additional consideration, the Vendor shall describe other options available that benefit the Cardholder like banking unused no-charge ATM withdrawal rights for future use.
- 10.31.1.4 The Vendor shall describe its ATM network and provide the total number of network ATM locations (i.e., by county in the State of Mississippi; by state in the United States; by country). In addition, the Vendor shall provide a map identifying its entire network ATMs.
- 10.31.1.5 The Vendor shall describe any fees or surcharges that will apply to a Cardholder or indicate if there are no fees or surcharges.

- 10.31.1.6 The Vendor shall describe the extent of surcharge-free ATM access available to the Cardholders. The Vendor shall describe where cardholders can use their card without incurring an ATM surcharge and provide the total number of surcharge free ATM locations (i.e., by county in the State of Mississippi; by state in the United States; by country). In addition, the Vendor shall provide a map identifying each surcharge-free ATM location.
- 10.31.1.7 The Vendor shall identify and describe the costs and/or surcharges imposed for use of non-network ATMs that would be passed on to Cardholders.
- 10.31.1.8 The Vendor shall describe how it will offer ATM access to cardholders who reside outside the State of Mississippi or outside of the United States, and cardholders who live within the State but will need access while visiting outside of the State of Mississippi or outside of the United States. The Vendor should include maps and/or tables showing national or international ATM access using the proposed network.
- 10.31.1.9 The Vendor shall clearly describe how cardholders can withdraw amounts under the ATM minimum withdrawal amount or amounts less than one (1) dollar.

10.31.2 POS Access

- 10.31.2.1 Cardholder shall be able to use the Debit Card to purchase goods and services anywhere the brand (Visa/MasterCard®) is accepted, including internet, mail order, and telephone order.
- 10.31.2.2 The operating network shall query the Cardholder's available balance at the time of any PIN-based POS transaction and disallow those that would exceed the Cardholder's balance.
- 10.31.2.3 The Cardholder shall be able receive cash back with a POS transaction based on either the store limit or the negotiated cash-back withdrawal limit.
- 10.31.2.4 The Vendor shall describe how its Debit Card solution will allow PIN-based and signature-based purchases and/or transactions. There shall not be any fee to a cardholder or the State for any POS transaction.
- 10.31.2.5 The Vendor shall describe how its Debit Card will be accepted by any participating merchant or service provider network using a POS device, including the total number of POS merchants and service locations (for example, by county in the State of Mississippi, by state in the United States, or by country).

10.31.3 Bank Teller Cash Advance Access

10.31.3.1 The Vendor shall provide for bank teller cash advance access. Vendor should clearly describe this process.

10.31.3.2 The Vendor shall describe how its Debit Card will be accepted by any participating bank location for bank teller cash advance access, including any minimum withdrawal limits that would be imposed and the total number of bank locations (for example, by county in the State of Mississippi, by state in the United States, or by country).

10.31.4 Transaction Processing

10.31.4.1 The Vendor shall describe its transaction processing process. The following minimum transactions shall be supported:

10.31.4.1.1 Accepting transactions coming from an authorized transaction acquirer;

10.31.4.1.2 Authorizing or denying transactions including any transactions that will be disallowed, or transactions that may cause the cardholder to exceed the amount available in their account;

10.31.4.1.3 Sending response messages back to the transaction acquirer authorizing or rejecting cardholder transactions; and

10.31.4.1.4 Logging the authorized/denied transactions for subsequent settlement and reconciliation processing, transaction reporting, and viewing through transaction history.

10.31.4.2 The Vendor shall validate the following minimum information before processing a transaction:

10.31.4.2.1 Verify recipient card number (PAN) is active;

10.31.4.2.2 Verify PIN is correctly entered;

10.31.4.2.3 Verify number of consecutive failed PIN tries (maximum of four) has not been exceeded; and

10.31.4.2.4 Verify sufficient recipient balance to complete transaction to ensure that each deposit is properly posted based upon availability of funds.

10.31.4.2.5 The transaction shall be denied if any of the conditions listed above are not met.

10.31.5 Administrative Terminal

10.31.5.1 The Vendor shall provide administrative terminal software and communication protocols to State staff.

10.31.5.2 The Vendor shall fully describe the Administrative Terminal functionality and who will have access to each of the functions and shall include multi-level access controls to ensure that only authorized individuals can access reports and/or settlement reports as dictated by the MDHS EBT Project Director.

10.31.5.3 The Vendor shall clearly explain its proposal to provide administrative terminal functionality, including its multi-level access controls, and shall specify the hardware (terminals) and software that is necessary to support this function.

10.31.5.4 The system shall conform to State communications protocols and shall be accessible through the current state equipment. Attachment BB – (MDHS Technical Environment Overview).

10.31.6 Access - The State understands that the access to Debit Card information is restricted; however, the Vendor shall secure the necessary permissions to allow up to seven (7) State Office staff access to assist in problem resolution when recipients contact members of the Legislature, the Governor's Office or any State Agency participating in this EBT Services contract (i.e., MDHS; MDES; etc.). These permissions shall include viewing of the recipient's, deposit history, card issuance history and transaction activity.

10.31.7 Security Administration - The entry, update and maintenance of State users will be the responsibility of the State Administrative Terminal Security Officer(s) and designated staff. The Vendor will be responsible for the entry, update and maintenance of all State and Vendor Security Officer(s) on the Vendor's Debit Card system.

10.31.8 History - The Vendor shall provide details on the how long data will remain on-line and when and what data will be moved off-line.

10.32 Customer Services

10.32.1 Cardholder Help Desk

10.32.1.1 The Vendor shall provide a Cardholder Help Desk that is available 24 hours a day, 7 days per week to provide current debit card account, deposit and transaction history information via a toll-free, "1-800" number and shall provide a toll-free international number. See Attachment CC Debit Card-5 (Historical Debit Card Cardholder Help Desk Data).

- 10.32.1.2 It is the State's desire that all Help Desks (primary and secondary sites) be in the United States. Attachment CC Debit Card-5 (Historical Debit Card Cardholder Help Desk Data.)
- 10.32.1.3 The Vendor shall have the capability to provide Cardholder customer services in English, Spanish, and Vietnamese at a minimum. The individuals providing customer services shall be proficient in spoken and written English; and have a clear comprehension of the English language.
- 10.32.1.4 The Vendor shall provide Teletypewriter (TTY) capability to Cardholders with hearing disabilities. The Vendor shall describe how its customer services include the TTY and communications relay capability as described in the Americans with Disabilities Act.
- 10.32.1.5 Performance standards regarding number of rings prior to answer and average time on hold shall be consistent with call center industry standards.
- 10.32.1.6 The Vendor shall provide CSR's to resolve cardholder issues that cannot be resolved by the ARU, including requests for adjustments and disputes.
- 10.32.1.7 The Vendor shall provide sufficient CSR capacity to meet the contractual service standards for cardholder calls referred to a CSR and shall provide English, Spanish, and Vietnamese speaking CSR's.
- 10.32.1.8 The Vendor shall describe the procedures it employs to verify the identity of the Cardholder using the Cardholder Help Desk or by the Cardholder On-line Web Portal.
- 10.32.1.9 The Vendor shall clearly describe its monitoring capabilities for both live CSR and ARU calls to ensure quality customer service, including how the State EBT Program Manager (or designee) may access live CSR and ARU calls for monitoring purposes (unlimited, 24 hours a day, or 365 days a year). The Vendor shall define and include sample information that it will provide to enable the State to review any cardholder related service complaints.

10.32.2 Automated Response Unit (ARU)

- 10.32.2.1 Performance standards regarding number of rings prior to answer and average time on hold for the ARU shall be consistent with call center industry standards.
- 10.32.2.2 In its proposal, the Vendor shall describe how it will achieve these standards. In addition, the Vendor's proposal shall

describe exception reports used to monitor compliance with these standards and proposed procedures to handle exceptions.

10.32.2.3 For reporting purposes, the Vendor shall provide the State with monthly Automated Response Unit (ARU), Cardholder Help Desk activity data reports and Cardholder Dispute Reports.

10.32.2.4 The State reserves the right to review and approve the transaction flow and content of all ARU messages, prompts, and customer service scripts prior to their implementation.

10.32.2.5 The Vendor shall not change ARU messages or menu functions without prior approval of the State.

10.32.2.6 The ARU shall contain the ability for cardholders to opt out to a CSR at any time.

10.32.3 The ARU and Cardholder Help Desk shall support the following functions:

10.32.3.1 Card Activation

10.32.3.1.1 Cardholders shall select their PIN by using a PIN select ARU.

10.32.3.1.2 The Vendor is required to propose a secure ARU PIN select procedure.

10.32.3.1.3 The Vendor may offer the capability to provide Cardholders the option of establishing a password, when requested. The Vendor shall clearly describe its card activation process.

10.32.3.2 Report a Lost/Stolen/Damaged Card

10.32.3.2.1 Prior to disabling the card, the Cardholder's identity shall be confirmed. The Vendor shall describe its procedures for determining the identity of a caller prior to providing account information.

10.32.3.2.2 The Vendor shall also display the date and local time that the Cardholder made the report.

10.32.3.3 Current Balance Inquiry - Current Balance shall provide real-time account balance information but shall not include deposits with a future availability date.

10.32.3.4 On-Line Transaction History - Transaction History shall provide information about the last ten (10) transactions (i.e. transaction number, amount and deposits by program).

10.32.3.5 Additional Transaction History - In addition to the on-line transaction history, a Cardholder shall be able to request statements, at no charge, of transaction history by account for their debit card account to be mailed to the Cardholder mailing address on the Vendor's Debit Card system within two (2) business days.

10.32.3.6 PIN Change - PIN Change callers shall be given information needed about PIN re-selection procedures. The Vendor shall clearly describe how the cardholder is able to choose or change their PIN using the ARU.

10.32.3.7 Report Unauthorized Card Use - Cardholders selecting this option shall be transferred to a Customer Service Representative (CSR) for assistance in reporting unauthorized card use.

10.32.4 Other Services

10.32.4.1 The Vendor shall clearly describe how funds remaining in accounts of deceased cardholders are processed, including how the accounts are frozen.

10.32.4.2 The Vendor shall clearly describe how and when the funds are made available to the deceased cardholder's estates or next of kin, and how the State will be notified of such transactions.

10.32.4.3 The Vendor shall clearly describe its fraud detection processes and procedures, including how potential fraudulent transactions are identified and the procedures for handling and reporting any potential fraudulent transactions.

10.33 Reporting

The Vendor shall clearly describe its reporting process and capabilities as well as experience in providing reports in other state Debit Card programs. The Vendor shall provide the State with detailed reporting to the extent permissible under 12 CFR 205 Regulation E and industry guidelines. General categories of State reports currently being received have been identified and are described below, including financial, support, statistical, administrative terminal security, customer service statistics, and ad hoc reports. Although it is not expected that the formatting of the reports be duplicated, it is expected and required that the new Vendor duplicate the data currently provided.

10.33.1 The Vendor shall be able to generate management and statistical reports to the State related to Cardholder accounts.

10.33.2 The reporting system shall produce information at the program, state agency, and local office (e.g., county) summary levels.

10.33.3 Settlement and reconciliation reports shall be consolidated at the state level by program.

10.33.4 The Vendor shall provide sample summary and detailed reports by program, both individual and aggregate.

10.33.5 Financial

Financial audit reports are needed by the State in order to reconcile and balance accounts and to audit the debit card system operations. All daily reports shall be provided by 6:00 A.M. Central Time for the previous day's activity.

10.33.5.1 All weekly financial reports shall be provided by close of business on Mondays.

10.33.5.2 All monthly financial reports shall be provided by close of business on the 5th calendar day of the following month.

10.33.5.3 System Accounting Report - This daily report shows the settlement activity for the selected settlement date by Program (i.e. DFO Programs; DFCS Programs; etc.). A report shall be created for each program.

10.33.5.4 Deposit File Summary Report - This report is generated each time a deposit file is transmitted and identifies the count and dollar value of the deposit records posted in the Vendor's system and the count and dollar value of the records rejected.

10.33.6 Support

10.33.6.1 These reports are used by the State to review and account for file activity taking place on the Vendor's Debit Card system. All daily reports shall be provided by 6:00 A.M. Central Time for the previous day's activity.

10.33.6.2 All weekly reports shall be provided by close of business on Mondays. All monthly, quarterly and yearly reports shall be due by close of business on the 5th calendar day of the month following the end of the reporting period.

10.33.6.3 Account Activity Reports - The Vendor shall provide daily account activity reports reflecting all account actions received from the State via batch or on-line during a debit card processing day, or taken on behalf of the State by the Vendor. The reports shall provide detail on such activities as card

issuance, providing a status, and PIN activity that impacts the debit card account.

10.33.6.4 Batch Processing Reports - The Vendor shall propose a standard set of daily batch processing reports to be used by the Vendor and the State to ensure the complete and accurate transfer of data during nightly batch processing.

10.33.6.4.1 The reports shall include a Summary Report by file transmission that provides a confirmation for the processing of the batch file(s).

10.33.6.4.2 The Summary Report shall contain summary verification data, including the total number of records received in the batch and the number of records by record type (e.g., number of add, change, and delete records).

10.33.6.4.3 The report shall contain a summary of the processing of the transmission (i.e., number of records accepted and number of records rejected; etc.).

10.33.6.4.4 A separate report shall be created for each batch and each program.

10.33.6.5 Batch Exception Reports - The Vendor shall provide a daily batch exception report for all batch files sent by the State.

10.33.6.5.1 Batch exception reports will contain a listing of all records received within a batch, which were not processed by the Vendor.

10.33.6.5.2 Each record included on the exception report will have a corresponding reason code indicating the cause of the rejection.

10.33.6.5.3 The Vendor shall clearly identify duplicate case exceptions.

10.33.6.5.4 A separate report shall be created for each batch and each program.

10.33.6.6 Account Maintenance File Summary Report - This report is generated each time an Account Maintenance file is received.

10.33.6.6.1 The report shall identify counts of processed and rejected records in the incoming file.

10.33.6.6.2 In the event of an error, the error record shall be identified as well as the reject reason.

10.33.7 Statistical - Statistical Reports are those reports that assist with the management of the Vendor's Debit Card system.

10.33.7.1 The Vendor shall also suggest, in addition to the reports detailed below, other statistical reports that will help with the management of the system.

10.33.7.2 All daily reports shall be provided by 6:00 A.M. Central Time for the previous day's activity. All weekly reports shall be provided by close of business on Mondays of the following week.

10.33.7.3 All monthly, quarterly and yearly reports shall be provided by close of business on the 5th calendar day of the month following the end of the reporting period.

10.33.7.4 Management Statistics Report

10.33.7.4.1 This report shall be provided on a quarterly, yearly and State Fiscal Year (July – June) basis.

10.33.7.4.2 These reports will provide an overview of the number and value of the transactions conducted during the period and shall also include statistics on accounts and cards. This report shall be broken down by agency and program in order to provide summary management statistical data at the program level within each division within a state agency.

10.33.8 Administrative Terminal Security Reports (ATS) - ATS Reports identify the users of the debit card administrative terminal application, the access provided these users, and an audit trail of the transactions performed by the users.

10.33.8.1 The Vendor shall provide a monthly access definition report detailing each currently authorized administrative terminal user with the ability to access the debit card data, including identifying users with multiple profiles. The report shall also detail the level of access afforded the user through the administrative terminal.

10.33.8.2 All daily reports shall be provided by 6:00 A.M. Central Time for the previous day's activity. All weekly reports shall be provided by close of business on Mondays of the following week. All monthly reports shall be provided by close of business on the 5th calendar day of the following month.

10.33.9 Customer Service Statistics Reports

10.33.9.1 The Vendor shall provide on a monthly basis statistical reports that report on the statistics and effectiveness of the customer service functions for Cardholder Help Desk lines by customer service levels identified in this RFP. Statistics for both the ARU and Customer Service Representatives (CSR) shall be reported.

10.33.9.2 The Vendor shall deliver the Monthly Customer Service Help Desk Statistics report that provides a summary of the number of calls received on the Cardholder Help Desk by reason (such as lost card, stolen card, balance inquiry, transaction history, etc.) for both ARU and CSR.

10.33.9.3 Daily statistics regarding the Cardholder Help Desk performance (i.e., number of calls, number of rings before answered, number of abandoned calls, number of busy signals received and length of time calls are placed on hold) shall be collected and reported.

10.33.10 Ad-Hoc Reports

10.33.10.1 The Vendor shall support requests for ad-hoc reports within one (1) business day after receiving all information needed to produce the report, or within five (5) business days if development is required.

10.33.10.2 Reports required to resolve issues surrounding deposits, transactions or system failures will be the responsibility of the Vendor.

10.33.10.3 The Vendor shall provide in its response the process to be used to request ad-hoc reports and the expected timeframe in which the request will be satisfied.

10.34 Training Material

10.34.1 The Vendor shall provide instructional materials to the Cardholders written in English, Spanish, and Vietnamese at a reading level no higher than the 7th grade. The State shall have final approval of instructional materials provided with the debit card.

10.34.2 The Vendor shall fully describe and submit examples of all materials that will be sent to the Cardholder at card issuance.

10.34.3 Training materials shall be included in the card issuance packet to ensure that the Cardholder understands how to activate the account, their rights and responsibilities, how to use the card, identification of any associated

fees, and where to call in case of questions for reporting of disputes, claims or issues.

10.34.4 The Vendor shall fully describe and include samples of all Web Pages, instructional materials, marketing materials, statements, dispute forms and any other forms related to the Debit Card process in its proposal response.

10.35 Settlement and Reconciliation

10.35.1 The Vendor shall, to the greatest extent possible, replicate the State's current Debit Card settlement and reconciliation processes described below:

10.35.1.1 TANF

Authorized TANF benefits are disbursed on a daily basis to newly eligible households and on a monthly basis for on-going eligible households. The Vendor's Debit Card System loads each deposit file and provides a reject and summary file for each deposit file processed. The MDHS Financial Interface Tracking System (FITS) processes the deposit files along with the associated reject and summary files to perform automated daily deposit settlement and reconciliation verification; any exceptions are researched and resolved working directly with the Vendor.

The MDHS Budgets & Accounting Staff performs daily deposit settlement and reconciliation verification for each settlement day reviewing the Vendor's Debit Card System reports and the FITS reports. Upon deposit verification, the MDHS Budgets & Accounting Staff initiates a cash funding request via the Payment Management System and notifies the Mississippi Department of Treasury with a request for wire transfer in the amount of the TANF deposit from the State of Mississippi's bank account to the Vendor's Demand Deposit Account (DDA). TANF deposits are available date and time sensitive, with daily deposits available the next business day at 10:00 A.M. Central Time and monthly deposits available at 23:59:59 plus 1 second Central Time (midnight) the morning of the 1st day of each month. The daily deposit available time requirement allows the MDHS time to verify the deposit and perform the wire transfer before deposited funds are made available to the Cardholders. Monthly deposits are created on the 23rd of each calendar month (or the prior business day) to allow the MDHS time for any internal funding activities. These deposits are funded the last business day prior to the 1st day of the next month. The MDHS Budgets & Accounting Staff performs a Journal Voucher transaction in Mississippi's Accountability System for

Government Information and Collaboration (MAGIC) to record the reconciled distribution of TANF funds.

10.35.1.2 Child Support

Child Support payments which have been receipted and processed for distribution are disbursed each business day to Custodial Parents (CPs). The Vendor's Debit Card System loads each deposit file and provides a reject and summary file for each deposit file processed. The MDHS Financial Interface Tracking System (FITS) processes the deposit files along with the associated reject and summary files to perform automated daily deposit settlement and reconciliation verification; any exceptions are researched and resolved working directly with the Vendor.

The MDHS Budgets & Accounting Staff performs daily deposit settlement and reconciliation verification for each settlement day reviewing the Vendor's Debit Card System reports and the FITS reports. Upon deposit verification, the MDHS Budgets & Accounting Staff initiates a request for wire transfer in the amount of the Child Support deposit from the MDHS Child Support bank account to the Vendor's Demand Deposit Account (DDA). Child Support deposits are available date and time sensitive, with all deposits available the next business day at 10:00 A.M. Central Time. The daily deposit available time requirement allows the MDHS time to verify the deposit and perform the wire transfer before deposited funds are made available to the Cardholders. The MDHS Budgets & Accounting Staff performs a Journal Voucher transaction in Mississippi's Accountability System for Government Information and Collaboration (MAGIC) to record the reconciled distribution of Child Support funds.

10.35.2 The Vendor shall thoroughly describe its settlement and reconciliation processes and state the system cut-off time for Debit Cards.

10.35.3 Further, the Vendor shall describe its settlement and reconciliation processes with any sub-contractors and with Visa or MasterCard® whichever is proposed by the Vendor.

10.35.4 Vendor shall provide a Settlement and Reconciliation manual.

10.36 Telecommunications Network

The Vendor shall describe the number of lines, types of modems, flexibility in responding to changes in inquiry, input and output volumes, redundancy, transmission rates, security features, and protocols supported. The network description shall include the number of other network uses and how the project will be prioritized.

10.37 Fraud and Abuse

The Vendor shall describe methods it employs to protect information pertaining to payee accounts and the methods it employs to detect attempts to gain unauthorized access to its systems with intent to committing fraud upon the State or its Cardholders. This shall include security features associated with Debit Card activation, counterfeit prevention and fraud prevention, including procedures for preventing identity theft.

10.38 Confidentiality

10.39 The Vendor shall clearly describe its processes and procedures used to ensure the confidentiality and protection of cardholder account information.

10.40 State Responsibilities

The Vendor shall describe his/her expectation of State responsibilities in all areas of this program, where applicable.

11. Warranty

11.1 The Vendor shall warrant that the software system(s) will function according to all specifications and be operationally correct and error free for at least one (1) year after MDHS acceptance of the system.

11.2 This warranty shall cover all components of the systems, including all programs, screens, reports, subroutines, utilities, file structures, documentation, interfaces, or other items provided by the Vendor.

11.2.1 This warranty shall apply to the base package, plus any customized programs, screens, reports, subroutines, interfaces, utilities, file structures, documentation, or other items proposed and delivered by the Vendor specifically for this procurement.

11.3 This warranty shall guarantee remedial services to be performed by Vendor during the coverage period. Such services shall be performed in a timely and effective manner, either remotely or on-site at the State's preference depending on the State's assessment of the criticality of any operational failure.

11.3.1 The Vendor represents and warrants that all work performed hereunder shall be performed by competent personnel and shall be of professional quality consistent with generally accepted industry standards for the performance of such services and shall comply in all respects with the requirements of the contract. For any breach of this warranty, the Vendor shall, for a period of ninety (90) days from the performance of service, perform the services again, at no cost to the State, or if the Vendor is unable to perform the services as warranted, the Vendor shall reimburse the State all fees paid to the Vendor for the unsatisfactory services.

12. Project Work Plan

A project work plan is a mandatory component of the Vendor's response to this RFP. The Vendor shall use the detail in this section as an outline for preparing the initial project work plan to be included with the proposal.

- 12.1 The initial project work plan shall include a schedule of all tasks and deliverables required from beginning to completion of the project.
- 12.2 The initial plan should identify the individual tasks and deliverables by project phase, as defined below.
- 12.3 The initial plan shall identify all critical path and dependency tasks.
- 12.4 The initial plan shall delineate the responsibilities of the Vendor, the State and federal agencies in person-estimate for each deliverable and work activity. Show Vendor, State, and Federal project team effort separately.
- 12.5 The initial plan shall include detailed narrative descriptions and calendar-based Gantt charts that summarize the level of effort for the entire project including any due dates, plans, reports, quality assurance checkpoints, and milestones.
- 12.6 The Vendor's narrative shall also include significant detail describing and explaining its rationale for conversion strategies, conversion risks and risk mitigation measures throughout the project work plan, as well as assumptions and constraints.
- 12.7 The Vendor shall define the anticipated timelines and estimated completion dates for the project deliverables within each phase in the initial work plan submitted with the Vendor's response. The timeline shall clearly specify the timeframes required for each task to ensure that the Vendor can successfully begin operations no later than February 1, 2018, including adequate time for all required state and federal approvals.
- 12.8 The conversion from the current Vendor to the new Vendor, including but not limited to system design, development and transition, shall be completed so that operations may begin as soon as possible, but no later than February 1, 2018, without disruption of service to cardholders, retailers or MDHS state and county offices.
- 12.9 The Vendor shall be subject to penalties described in Article 38 of the Standard Contract attached as Exhibit A, if the Vendor fails to meet this deadline.
- 12.10 After contract signing but prior to the contract begin date, the selected Vendor will meet with the current Vendor and the State EBT Program Manager to develop a written agreement describing how the entities will cooperate to ensure a smooth transition. The State shall review and approve this agreement prior to its execution. The plan will include:
 - 12.10.1 Contact information for the designated point of contact for each entity;

- 12.10.2 A calendar of regularly scheduled meetings;
- 12.10.3 A mechanism and timeframes for transmitting documentation of the current system;
- 12.10.4 A detailed list of documentation and test data that will be shared; and
- 12.10.5 A clear description of the mutual needs and expectations of both entities.
- 12.11 The Vendor will be required to submit a revised, mutually agreed upon project work plan after final contract negotiations. The Vendor shall submit the revised project work plan no later than fifteen (15) business days after the contract begin date. The State shall review and comment on the plan within ten (10) business days. The final project work plan shall be provided five (5) business days following the receipt of the comments from the State.
- 12.12 The revised project work plan shall be based on the work plan submitted with the Vendor's proposal and shall be updated by the Vendor and approved by the State as necessary prior to the beginning of each major project phase.
- 12.13 The State envisions the EBT project consisting of the following five (5) sequential (may be overlap) phases:
 - 12.13.1 Design
 - 12.13.2 Development
 - 12.13.3 Transition In
 - 12.13.4 Operations
 - 12.13.5 End-of-Contract Transition Out
- 12.14 Design Phase

The timeframes and deliverables from the Project Design Phase shall be based on tasks and deliverables identified within the Project Work Plan. The Design Phase shall commence with the contract begin date and shall continue for the timeframe identified within the Vendor's response and proposed work plan and mutually agreed upon by the State and the Vendor. All deliverables identified within the project plan are subject to State and federal review and approval. The Vendor shall not commence work until it receives written approval and comments from the appropriate State and federal agencies.

 - 12.14.1 Transition-in Plan - The Vendor shall migrate all recipient, cardholder, and retailer databases from the current Vendor's EBT system to the new Vendor's EBT system, as well as replacement of EBT-Only POS terminals and Mississippi EBT card transition. The Vendor shall prepare a detailed transition-in (migration) plan that describes the following minimum activities:

- 12.14.1.1 Migration of transaction acquirers;
- 12.14.1.2 Migration of recipient and cardholder databases;
- 12.14.1.3 Migration of retailer database;
- 12.14.1.4 Executing retailer and third-party processing agreements;
- 12.14.1.5 Replacement of EBT-Only POS terminals and software;
- 12.14.1.6 Transition of current Mississippi EBT and Electronic Payment Card (EPC)/Debit Card cards to the new/replacement cards with the current cards being cancelled at transition; the Vendor must provide monitoring report and/or data to support cardholders have received and PIN'd their new/replacement cards prior to and after the transition.
- 12.14.1.7 Transition of call center operations, including the transition of existing call center (both cardholder and retailer) toll-free phone numbers;
- 12.14.1.8 Transition of administrative terminals; and
- 12.14.1.9 Transition of appropriate liability and settlement amounts.

12.14.2 The plan shall also address:

- 12.14.2.1 The processes to be used for the migration;
- 12.14.2.2 How the processes shall be tested and how the test results will be provided to the State for approval;
- 12.14.2.3 Timeframes for completion;
- 12.14.2.4 Contingency plans for problems and issues that may occur during the migration;
- 12.14.2.5 Processes planned for the verification and validation of the migration process, in particular, the validation of the recipients' account balances that are converted to the new system;
- 12.14.2.6 Processes planned to identify and settle transactions incurred prior to conversion (e.g., manual vouchers);
- 12.14.2.7 Support/coordination required from the current Vendor and its subcontractors;
- 12.14.2.8 Support/coordination required from the State;

- 12.14.2.9 Risk assessment and risk mitigation strategies;
 - 12.14.2.10 Expungement process (The last used date for each individual benefit issuance has to remain the same so that the timing for expungement for each benefit continues as if there were no database conversion). The plan shall also address the expungement process for the night of conversion;
 - 12.14.2.11 Transfer of encryption key;
 - 12.14.2.12 Transfer of algorithm used for CAV;
 - 12.14.2.13 Conversion of complete benefit history from the current Vendor;
 - 12.14.2.14 Conversion of complete card history from the current Vendor; and
 - 12.14.2.15 Conversion of complete transaction history from the current Vendor.
- 12.14.3 Functional Design Document - This document shall minimally provide a functional overview and a description of the operating environment, procedures and workflow of the system consistent with the requirements found in Section VII.
- 12.14.4 Detailed Design Document - The Detailed Design Document shall describe the total system configuration, including system hardware, functionality, file layouts, message and file flows, data elements, system interfaces, settlement and reconciliation functions, reports, ad hoc reporting capabilities, and the system security plan.
- 12.14.5 Interface Control Document - The Interface Control Document shall describe details between Mississippi and the Vendor's EBT system. This document shall detail interface functionality requirements, file layouts and specifications. This document shall be used to develop the interface files between the State and the Vendor's EBT system.
- 12.14.6 The Life Cycle Testing Plan - The Vendor shall provide a system Life Cycle Testing Plan. Any changes made, whether it is by the Vendor's system or the State's system, shall be properly tested prior to being introduced into a production environment. The plan shall include, at a minimum and as appropriate, the tests identified in Item 12.14.7, Test Plan, for each of the project's phases. The plan shall address the nature and extent of integration testing that will occur to ensure that all systems properly interface with each other and operate as designed.
- 12.14.7 Test Plan - The Vendor shall develop system test plans during the Design Phase for SNAP and Cash Programs (i.e., TANF, Child Support, etc.) and shall be approved by the State prior to testing. Test plans shall, at a

minimum, outline the test purpose, scripts, methodology, environment, expected outcomes and approval rating system. Test plans shall be developed for regression testing, the State system acceptance test, system and network capacity test, ARU test, call center test, system interface tests for interfaces with state eligibility systems and Federal interfaces, and field tests. Test plan timelines shall be based on production timeframes.

12.14.8 Business and Continuity Planning - The Vendor shall provide an evaluation of the types of service interruptions that may impact the Vendor's EBT system's operation and therefore necessitate the use of backup and recovery processes, including a disaster recovery plan. The Vendor shall specify where the back-up site is located. For each potential interruption type, the Vendor shall, at a minimum, detail steps to be taken to survive and recover from the interruption. The plan shall include provisions to ensure that benefits continue to be accessible to Cardholders. In addition, the Vendor shall outline the resources committed to each proposed contingency plan (for example, people, systems, telephone lines, and operation sites) and indicate whether the contingency plan has been tested annually under real or simulated conditions. The Vendor shall define and explain the conditions that would warrant a move to the back-up data center. This shall also be applicable to all sub-contractors and/or vendors.

12.14.9 System Security Plan

12.14.9.1 EBT security systems shall be designed to protect the systems and its resources from unauthorized access, modification, disclosure, and destruction. The Vendor shall prepare a security plan consistent with 7 CFR Section 277.18.

12.14.9.2 In addition, the plan shall provide security measures for storage and procedural controls, communications access controls, message validation, administrative and operational procedures, periodic checks of access for Vendor employees who have terminated their employment or who no longer require access, annual security training for Vendor employees, security risk analysis of the USDA system, and a USDA contingency plan. Detailed requirements can be found at 7 CFR 274.12(h) (3). Information on USDA Information Systems Security Policy can also be found at: <http://www.usda.gov>.

12.14.9.3 The Vendor shall describe the timeframe and procedure by which it will notify the State and its cardholder(s) of any data breaches that might expose cardholders' individual account information, including any assistance it will provide the cardholder in the event their individual account information is comprised.

12.14.10 Training Plan - The Vendor shall prepare and submit a comprehensive Training Plan that identifies the proposed deadlines and supportive tasks for the planning, design, development, production and distribution of all training materials to support conversion and ongoing operations. The training plan shall address the timeline for creation of all deliverables outlined in this RFP, including the timeframe for training the State and local office staff and retailers. The Vendor shall provide initial and ongoing training of cardholders and be the sole trainer of retailers. The plan shall outline deliverable dates of training products with sufficient time allowed for State review and approval.

12.15 Development Phase

The Development Phase shall commence following the successful completion of the Design Phase. The Vendor shall notify the State in writing that all of the requirements of the Design Phase have been completed. The State will respond in writing with a list of unresolved issues, or a statement that the State is satisfied that the Design Phase has been successfully completed. During the Development Phase of the project, the Vendor shall configure and test the Mississippi EBT system according to the system specifications defined and agreed upon during the Design Phase, consistent with federal regulations. All deliverables for the Development Phase identified within the Project Work Plan are subject to State review and approval. Many deliverables also require Federal review and approval. The EBT Vendor shall allow an appropriate time for state and federal review and comments concerning the deliverable prior to commencement of work. The Vendor shall complete system testing, as well as provide the final training materials during the Development Phase.

12.15.1 System Testing - Upon completion and approval of the design documents, the Vendor shall update the System Test Plan as appropriate. The Vendor shall also develop system test criteria and produce test scripts for approval. Test criteria shall describe the desired system outcomes and performance measures. Test scripts shall provide detailed, step-by-step instructions on the actual test and system functions to be demonstrated. The Vendor shall also establish and control test data in consultation with the State and representatives of the USDA FNS, as appropriate.

System testing shall be performed on all components and functional areas of the EBT application system before delivery of the system. The Vendor shall provide system test scripts detailing step-by-step instructions on the actual test and system functions to be demonstrated. Test scripts shall also describe the desired system outcomes and test results. Test scripts are subject to review and approval by the State and the USDA FNS.

The USDA FNS shall give written approval before the Mississippi EBT system is considered operational. Required system tests and demonstrations, which shall be conducted by the Vendor and approved by the State and USDA-FNS during the Development Phase, include:

- 12.15.1.1 Functional Demonstration - The functional demonstration shall provide the State and Federal representatives the opportunity to review and observe planned EBT system operations. The Vendor shall prepare a report of the demonstration results including any recommended and required system modifications that were identified. The Functional Demonstration shall occur as early as possible but no later than six weeks prior to the System Acceptance Test to ensure the design is proceeding according to the expectations of the State and Vendor.
- 12.15.1.2 Interface Testing - Tests shall be conducted between the State eligibility systems and the Vendor's EBT system to ensure that all files sent between the two systems are properly received, accepted and processed. Tests also shall be conducted between the Vendor's EBT system and the AMA, ALERT, STARS, and REDE systems to ensure that all files sent between systems are properly received, accepted and processed.
- 12.15.1.3 Transition Testing - The Vendor will be responsible for demonstrating to the State, the conversion process of the EBT system from the current Vendor' solution to its EBT system. Part of the conversion test is a validation of conversion results, and the ability to perform test transactions against the converted database. Test transactions performed against the converted database shall include both cardholder transactions (such as SNAP transactions via the EBT Card; Cash transactions via the Mississippi Debit Card) and administrative transactions (such as adding benefits; adding deposits; and card replacement transactions). The Vendor shall perform a minimum of two (2) mock conversions during the transition period.
- 12.15.1.4 System Acceptance Test - The system acceptance tests will provide both State and Federal representatives the opportunity to test the EBT system functionality and ensure compliance with the system design requirements.
 - 12.15.1.4.1 This test shall include a live end-to-end test, a test of the TPP that is driving the EBT-Only POS terminals in Mississippi, a test of the return of unsettled funds, and an interoperability test including cards from other states shopping in Mississippi, plus Mississippi cards shopping in other states. The test shall run on the Vendor's test system. The test shall also consist minimally of functional requirements, security, recovery, system controls, and "what if" testing. In addition,

as part of the system acceptance testing the Vendor shall demonstrate the methods and processes for performing daily reconciliation between the State and Vendor interface and processing activities including issuance balancing and retailer financial settlement. During the formal test-script portion of the acceptance test, testing representatives shall follow detailed test scripts developed by the Vendor and approved by the State and USDA FNS. The test scripts shall cover all facets of the system's operations and test all of the system processing options and environmental conditions (such as POS hardware and communications failure, and entry of erroneous data).

- 12.15.1.4.2 The ad hoc or "what if" portion of the acceptance test will provide the State and Federal representatives the opportunity to include various transaction sets and sequences that have not been included in the test scripts, and will challenge the system's operations and design.
- 12.15.1.5 Performance/Stress Test - The purpose of this test is to ensure that there is sufficient capacity within the EBT system being provided to the State to handle the expected transaction volume. Test results from the stress test shall be used to formulate a system capacity model to determine the appropriate hardware/software requirements and configuration so the Mississippi EBT system can accommodate the anticipated transaction volumes. The Vendor may, as an option, choose to use current production data in order to develop a system capacity model for modeling the anticipated transaction volumes. If the Vendor is anticipating they will utilize this option, the Vendor shall provide a description on how the modeling will be performed, and how the results of the modeling exercise will be reported to the State. Stress testing shall be done prior to the federal acceptance test and the Vendor shall make the results available to the State agency.
- 12.15.1.6 ARU Testing - The ARU system shall be tested to ensure the system properly accepts, processes, and transfers both retailer and cardholder calls consistent with the system requirements, and within the specifications in the RFP. The ARU testing will be a part of the federal acceptance test.

- 12.15.1.7 Call Center Testing - The Call Center shall be tested to ensure the CSRs respond appropriately to customer inquiries, and that calls are answered within the specifications defined in this RFP.
- 12.15.1.8 Field Testing - Test cards shall be made available by the Vendor for field testing the system at various retailer locations. The State will participate in field testing.
- 12.15.2 Test Reports - The Vendor shall provide written test reports that describe the results of each test that is performed, as well as any regression testing and additional retesting that is required to satisfy the test objectives. The test reports shall also describe the intended scope and results from the tests, and any system modifications that are identified as necessary to resolve system errors and deficiencies found during the testing. The Vendor shall submit interim test reports no later than two (2) weeks following the completion of the respective test being performed. The Vendor's Mississippi EBT system will not be approved for operations until the State gives its approval in writing.
- 12.15.3 Updates to All Documents - The Vendor shall revise all documents to reflect any system modifications identified and made as a result of the system testing. If revisions are required, the updated documents shall be completed within thirty (30) calendar days of the change, and are subject to State approval. Federal approval may also be required.
- 12.15.4 Development of Procedural Manuals - The Vendor shall develop comprehensive procedural manuals that document the system and its operation in a form acceptable to the State. The State shall review and approve procedural manuals. The Vendor will develop and describe the manual format for the following manuals:
 - 12.15.4.1 The Vendor shall provide a manual on Systems Operations/Interface Procedures for State and federal interfaces that shall include an introduction giving the purpose, audience, organization, procedures, and documentation. This manual shall include, but is not limited to:
 - 12.15.4.1.1 Federal and State batch files and the times of transmission;
 - 12.15.4.1.2 On-line file transmission;
 - 12.15.4.1.3 Procedures for balancing and confirming file transmissions sent/received;
 - 12.15.4.1.4 Administrative terminal configuration;
 - 12.15.4.1.5 Problem resolution and escalation procedures;

12.15.4.1.6 Change order approval procedures; and

12.15.4.1.7 Batch maintenance record formats and conventions.

12.15.4.2 A Reports Manual shall be provided describing all standard reports to be generated by the System, the frequency they are produced, and how the State will access them. The Reports Manual shall also provide a brief description of the data files provided to the State for internal report generation, including file format and frequency. The manual shall also describe the Vendor's capability to provide ad hoc reports within 24 hours of request.

12.15.4.3 The Vendor shall provide a Settlement/Reconciliation Manual for SNAP benefits and Cash deposits (i.e., TANF, Child Support, etc.) that provides guidance and procedures to the State on performing a daily reconciliation of the Vendor's EBT System as defined within 7 CFR 274.12(j). The manual shall identify the specific EBT reports from the Vendor's system that are required for settlement and reconciliation of the Vendor's EBT system. In addition, the Manual shall describe in detail any reports the State shall generate to complete reconciliation.

12.15.4.4 The Vendor shall provide an Administrative Terminal Users Manual that provides guidance and procedures for State and county office staff on the functionality of the Administrative Terminal. The manual shall also include a quick reference guide for Administrative Terminal Users.

12.15.4.5 The Vendor shall provide help-desk scripts and a procedures manual describing the operations of the cardholder and retailer help desks consistent with the technical requirements found in this RFP.

12.15.4.6 The Vendor shall provide a Retailer Operations Manual describing their problem resolution procedures and escalation process. The manual shall also include a quick reference guide for manual vouchers.

12.15.4.7 The Vendor shall provide a Facility Security Manual describing the Vendor's data facilities and security measures.

12.15.4.8 The Vendor shall provide a Business Continuity Manual describing the practices and measures to be applied to insure the continuation of business for such issues as cross-training of critical functions including Project staff and programmers with specific knowledge of the Mississippi systems. The manual shall also include disaster recovery for not only the Vendor's

Project Office and Data Center operations but also for such events as a pandemic.

12.15.4.9 The Vendor shall provide a Dispute and Resolution Procedural Manual describing the dispute process for the EBT systems in Mississippi. The manual shall detail the framework to resolve issues that arise from the day-to-day operations of the EBT system (both SNAP and Cash transaction disputes). Depending on what party initiates the dispute, the Vendor shall provide actions that shall be taken to resolve the dispute.

12.15.4.10 The Vendor shall provide a State Office Help Desk Operations Manual describing the level of support the State Office Help Desk shall provide to assist State EBT Project and Computer Operations staff with any online or offline issue. This document shall include defined communication channels for escalation, acknowledgment and notification based on type of assistance requested and its severity, the expected resolution timeframes and the type of incident reporting and notification the State should expect.

12.16 Transition Phase

The Transition Phase consists of the activities required to convert the EBT processing from the current Vendor to the new Vendor. The new Vendor shall take the lead in the transition phase. It is anticipated that some of the Transition Phase activities, specifically the EBT-Only retailer conversion, will begin prior to the end of the Development Phase. However, it is expected that none of the database conversion activities shall occur until the development activities have been completed and all testing described above has been successful. No database conversion shall be conducted until written approval has been received from the State and USDA FNS, as required. The activities within the Transition Phase shall include but are not limited to the following:

- 12.16.1 Implementing new agreements with ATM networks (i.e., to waive ATM surcharges; etc.), TPPs, EBT-Only retailers, self-processed retailers, the Call Center and networks, including gateways and switches. A copy of the signed agreements shall be provided to the State upon request;
- 12.16.2 Providing a cash access plan for State approval to be updated annually;
- 12.16.3 Ensuring that subcontractors/vendors, TPPs, retailers, state and county offices, USDA FNS (as needed), financial institutions and recipients are adequately trained consistent with the requirements of this RFP;
- 12.16.4 Preparing for transition of Call Centers and ARUs;
- 12.16.5 Certifying TPPs;

- 12.16.6 Establishing and implementing procedures for financial transition of settlement and reconciliation processes from the current Vendor to the new Vendor, including but not limited to establishing cut-offs, required reports and documentation, transition of ASAP balance, transfer of outstanding manual vouchers for settlement, and dispute resolution procedures;
- 12.16.7 Installation of EBT-Only POS terminals 30 days prior to conversion;
- 12.16.8 EBT-Only retailer conversion, including non-traditional retailers;
- 12.16.9 Administrative Terminal software conversion;
- 12.16.10 Cardholder Database Conversion, which includes but is not limited to:
 - 12.16.10.1 Transaction history - all history contained in current system;
 - 12.16.10.2 Cardholder card and demographic data - all history contained in current system;
 - 12.16.10.3 Benefit Aging history;
 - 12.16.10.4 Expungement history;
 - 12.16.10.5 Benefit data - all history contained in current system; and
 - 12.16.10.6 Card replacement history - all history contained in current system.
- 12.16.11 The latest 365 days of transaction and benefit history shall be required due to the State's expungement process. The state currently expunges benefits daily; and
- 12.16.12 The activities taking place during the Transition Phase shall follow the process defined within the State approved Transition Plan submitted during the Design Phase.

12.17 Operations Phase

The Operations Phase begins after the database has been converted from the previous Vendor to the selected Vendor. During the Operations Phase, the Vendor shall maintain ongoing communication to the State on EBT operations and immediately notify the State of any issues or system problems or changes. This includes changes in what entity performs critical system functions. The Vendor shall maintain a Program Manager, acceptable to the State, for ongoing communications and overall program support. The Program Manager shall maintain regular and frequent contact with the State EBT Program Manager and designated staff members. The Vendor's Program Manager shall be available by telephone within one (1) hour and on-site in the State within twenty-four (24) hours

upon request by the State through the life of the contract at no additional cost to the State.

The ongoing communications and support required from the Vendor includes, but is not limited to, a monthly status report by close of business on the third business day of the following month containing open and closed issues, monthly status meeting between the State staff and the Vendor, and other state reports/meetings requested by the State. Of particular importance is the advance notification of scheduled system downtime to the State by the Vendor. The Vendor shall communicate to the State EBT Program Manager any scheduled system downtime at least five (5) business days prior to the scheduled down time.

During the Operations Phase, the Vendor shall maintain and update as required the key design and operational manuals delivered during the Design and Development Phase, which shall include, but is not limited to, the following procedures, policies and design documents:

- 12.17.1 Detailed Design Document
- 12.17.2 Business and Continuity Plans
- 12.17.3 System Security Plan
- 12.17.4 System Operations/Interface Procedures Manual
- 12.17.5 Reports Manual
- 12.17.6 Settlement/Reconciliation Manual
- 12.17.7 Administrative Terminal Manual
- 12.17.8 Call Center Scripts and Procedures Manual
- 12.17.9 Third-Party Processor Certifications
- 12.17.10 Training Manual
- 12.17.11 Retailer Operations Manual
- 12.17.12 Retailer, Third-Party Processor, ATM, and other agreements
- 12.17.13 Major Disaster Operations Plan (MDOP)
- 12.17.14 State Office Help Desk Operations Manual
- 12.18 Major Disaster Operations Plan (MDOP)
 - 12.18.1 The Vendor shall be responsible for developing and implementing a Major Disaster Operations Plan (MDOP) to support both the distribution

of DSNAP benefits for exception situations, where the State may encounter disruption of life style for Mississippi residents.

MDHS' approach to conducting the MDOP is controlled by the Declaration of Disaster determined either by the Governor's Office or in coordination with the Governor's Office and the sponsoring Federal Agencies. There are two (2) distinct declarations:

- Declaration A, provides increased benefits to recipients already established in the MDHS' SNAP; or
- Declaration B, provides increased benefits to recipients already established in the MDHS' SNAP and DSNAP benefits to private citizens proving need through a request to MDHS at Disaster Issuance Centers.

The business model envisioned includes the MDHS being fully responsible for the operational processes and administration of Declaration A. Declaration B services include the MDHS managing increased benefits to existing SNAP recipients and first-time benefits to eligible DSNAP recipients through its benefit eligibility system (i.e., MAVERICS). As a backup, the Vendor's Disaster Module will be the method of setting up DSNAP accounts and issuing DSNAP benefits in the event the MAVERIC System is unavailable.

MDHS, or designated State Staff, will establish the operating procedures for the Disaster Issuance Centers and the inventory and management of the EBT card inventory. It is the intent of the MDHS to process the MDOP in a manner similar to the core processing rules of the EBT program and to execute the start-up and shut-down of the services as one-time events.

- 12.18.2 The MDHS' plan shall include PIN selection via the ARU as the primary method and PIN selection via a PIN select device as a backup. The Vendor shall be required to assist the MDHS with both methods as deemed required by the MDHS.
- 12.18.3 The Vendor shall set-up disaster accounts and process benefit postings as needed by the MDHS.
- 12.18.4 The Vendor shall perform disaster reporting as defined in this RFP.
- 12.18.5 The Vendor shall provide online access to disaster account records through the administrative terminal as with another account.
- 12.18.6 The Vendor shall describe their approach to this business requirement and any recommendations for ensuring a smooth delivery of the one-time services. The MDOP must include the following details:

12.18.6.1 Task components;

12.18.6.2 Sequence of activities;

12.18.6.3 Participants roles (State staff, retailers, recipients, TPPs, and other State/Vendor project staff); and

12.18.6.4 Escalation procedures.

12.18.7 The Vendor shall provide documentation that outlines the proper types and sequences of activities and tasks to be performed by system participant groups and EBT stakeholders.

12.18.8 The Vendor shall provide updated manuals and design documents to the State prior to implementing system and operational modifications into production.

12.19 Transition-Out Phase

Planning for the end-of-contract transition out is as critical to the success of the new Vendor as the beginning-of-contract transition in. As part of the Work Plan, the Vendor shall lay the groundwork for the transition out at the end of the contract. While the replacement Vendor shall have the lead responsibility, the incumbent Vendor shall at a minimum cooperate in the following manner:

12.19.1 Meeting with the selected Vendor monthly for the purposes of planning and coordinating an orderly transition;

12.19.2 Developing an agreement with the selected Vendor laying out timeframes, work products, mutual expectations during transition;

12.19.3 Maintaining staffing levels consistent with levels during the operational phase of the contract through the end of the contract;

12.19.4 Providing test data for conversion testing;

12.19.5 Providing up-to-date agreements, design documents and procedural manuals;

12.19.6 Coordinating with the selected Vendor to minimize suspense accounting during the final settlement;

12.19.7 Documenting the reconciliation of account balances and final settlement so that there is a clear and transparent audit trail;

12.19.8 Coordinating the swap of all Call Center numbers to the selected Vendor;

12.19.9 Transferring of encryption keys if the State continues to use their existing EBT card;

12.19.10 Conducting a minimum of two (2) dry runs when transitioning to a selected Vendor;

- 12.19.11 Managing of all State-owned EBT equipment including the maintenance and repair history of all equipment;
 - 12.19.12 Providing for conversion of all online transaction history onto the selected system;
 - 12.19.13 Purging of Mississippi recipient/cardholder data remaining on the incumbent Vendor's database; and
 - 12.19.14 Ensuring data privacy.
- 12.20 Specifically, the Work Plan shall include timeframes and deliverables the Vendor shall perform, and project documents the Vendor shall provide, to ease the transition to a new Vendor. In addition, the Vendor shall propose a process to ensure adequate coordination between the existing and new Vendor to minimize the risk of any disruption of service to cardholders, retailers or the State. The Vendor shall provide specific assurances that it will cooperate fully and maintain staffing levels during the transition out. At the end of the contract, the State will hold back the final payment until the Vendor successfully completes all transition requirements, including but not limited to transferring project documentation that accurately describes the EBT system on the date of transition to the new Vendor (for example, end of the incumbent Vendor's contract).
13. **Additional Requirements/Terms and Conditions**
- 13.1 Billing
- 13.1.1 The Vendor shall submit invoices on the schedule determined by the State for approved and payable items, such as equipment, supplies provided, or services performed during the period covered by the schedule. Each invoice shall be itemized with the detail required by the State and the amount shown on each invoice shall be in accordance with the rates established in the contract. This detail shall include listing all services billed by date and all associated expenses. All such invoices shall be signed by the Vendor; shall set out the Vendor's Taxpayer Identification Number (TIN), and shall contain a statement that reads substantially as follows: "The Vendor hereby certifies that the supplies provided and services performed and expenses incurred as stated in the attached invoice have met all of the required standards set forth in the Contract."
 - 13.1.2 All record keeping shall be in accordance with generally accepted accounting principles.
 - 13.1.3 All invoices for supplies ordered or services performed and expenses incurred by the Vendor prior to July 1st of each year shall be presented to the State no later than August 10th of each year in order to ensure payment.

13.2 Payment

- 13.2.1 The State will not pay Vendor for any equipment, supplies provided, services performed, or expenses incurred, prior to the term of the Contract. The Vendor acknowledges that out-of-pocket expenses that the Vendor expects to incur in performing the Services (such as, but not limited to, travel and lodging, document reproduction and shipping, and long distance telephone) are included in the Vendor's charges and rates set forth in the Vendor's Proposal. Accordingly, the Vendor's out-of-pocket expenses are not separately reimbursable by the State unless, on a case-by-case basis for unusual expenses, the State has agreed in advance in writing to reimburse the Vendor for the expense.
- 13.2.2 The State will pay when due, in accordance with State law, all undisputed charges invoiced in accordance with the Contract, but may withhold payment of any particular charges that the State disputes in good faith. The State will notify the Vendor in writing of any disputed charges for which the State is withholding payment.
- 13.2.3 Payment will be made in the amount earned to date of invoice less previous partial payments and any agreed retainage.
- 13.2.4 Final payment shall be made upon determination by MDHS that all requirements under the Contract have been completed, which determination shall not be unreasonably withheld. Such final payment will be made subject to adjustment after completion of an audit of the Vendor's records as provided for in the Contract.

13.3 Tax Compliance

Vendor shall be in compliance with applicable tax requirements and shall be current in the payment of such taxes.

13.4 Consultation and Performance Reviews

- 13.4.1 Vendor shall consult with and keep the State fully informed as to the progress of all matters covered by the Contract. Where time permits, Vendor shall offer the State the opportunity to review documents prior to filing with any public body or adversarial party. Vendor shall promptly furnish the State with copies of all correspondence and all documents prepared in connection with the services rendered under the Contract.
- 13.4.2 The State may conduct a post-performance review of the Vendor's performance under the Contract. Any professional and artistic services performed under the Contract shall be subject to a post-performance review. The Vendor shall cooperate with the State in this review, which may require the Vendor to provide records of its performance, including expense information. The post-performance review may be used by State agencies in determining whether to enter into other contract relationships with the Vendor.

13.5 Audit/Retention of Records

- 13.5.1 The State and the Federal Government shall have the right to inspect, review, investigate, and audit all parts of the Vendor's or any subcontractor's (including third party processors) facilities engaged in performing EBT services. In such capacity, the State, or its representatives, shall have access to facilities, records, reports, personnel and other appropriate aspects of the EBT system. In addition, the Vendor shall conduct an annual Statement of Standards for Attestation Engagements 16, SSAE 16 examination, formerly known as SAS 70, in accordance with Supplemental Nutrition Assistance Program (SNAP) regulations at 7 CFR 274.12 (j)(5) as amended February 29, 2000. The SSAE 16 is an audit of the service processor's controls over the Mississippi EBT Program to examine and assess the policies and procedures placed in operation, testing the operating effectiveness of those controls.
- 13.5.2 The areas subject to review include, but are not limited to, those included in the Service Organization Control (SOC1) Report on the Suitability of the Design and Operating Effectiveness of Controls: of the SSAE 16 examination.
- 13.5.3 The Vendor shall provide each State Agency participating in this contract with an electronic copy of the SSAE16 audit report as related to their particular program(s) within ninety (90) days from the end of the examination period.
- 13.6 Compliance Requirements for Supplemental Nutrition Assistance Program (SNAP)
 - 13.6.1 The selected Vendor shall advise, assist and appropriately act to aid the State in detection and investigations of abuses by retail stores, recipients or workers, including but not limited to, reporting unusual maintenance. This may entail cooperation with various authorities of the State and Federal agencies that are responsible for compliance with laws and regulations surrounding the programs. Stores authorized by the Food and Nutrition Service (FNS) to accept Supplemental Nutrition Assistance Program (SNAP) benefits may become subject to monitoring and investigations by the State, SNAP Retailer Investigations Branch, USDA OIG, IRS, Secret Service, or local police departments. Recipients are subject to investigation by the State program authorities and occasionally others. Because the State shall cooperate with Federal agencies in creating cases, providing cards, and providing information, it will also impact the Vendor. The State and the Vendor will determine an orderly process for these responsibilities to be conveyed to the Vendor. Access to information concerning these matters will be restricted both at the State and Vendor levels so that the investigations are not compromised. It should be assumed that these needs shall be addressed in the design phase, tested as necessary in acceptance testing, and available at implementation.
 - 13.6.2 Minimally, the following are required:

- 13.6.2.1 Creation of cases and cards to be used by investigators;
- 13.6.2.2 Posting benefit amounts to the investigative cases, possibly on an irregular basis as needed by the investigators;
- 13.6.2.3 Training, card issuance, and PIN selection for investigators using the cases;
- 13.6.2.4 Providing reports on the investigative cases showing the amounts funded to the cases and the transaction histories of the funds on a monthly basis;
- 13.6.2.5 Providing information from the system, as needed, for evidentiary purposes within 24 hours;
- 13.6.2.6 Providing extract files, starting at implementation, of store transaction history on a regular basis to the Food and Nutrition Service (See ALERT requirements in Attachment Q SNAP-9 (USDA FNS Interface File Formats for more information); and
- 13.6.2.7 Retention of all records for a period of four (4) years or longer if notified.

13.7 Schedule of Work

Any work performed on State premises shall be done during the hours designated by the State and shall in any event be performed so as to minimize inconvenience to the State and its personnel and minimize interference with the State's operations.

13.8 Required Licenses

Vendor, by signing the Contract, warrants that Vendor, or its employees, who would perform services requiring a license, have and will maintain any required license. However, Vendor may meet the license requirement through use of a subcontractor; provided however, Vendor's use of a subcontractor in that circumstance does not relieve Vendor of any obligations under the Contract.

13.9 Background Checks and Inability to Perform

- 13.9.1 The State reserves the right to conduct background checks of the Vendor's officers, employees or agents who would directly supervise the project or physically perform the project requirements at State facilities to determine their suitability for performing the contracted services. If the State finds such officer, employee or agent to be unsuitable, the State reserves the right to require the Vendor to provide a suitable replacement immediately.
- 13.9.2 The Vendor shall acknowledge that in the event the Vendor is unable or unwilling for any reason to provide any materials, services, supplies,

products or other items of any type or variety to the State as required in this RFP, including but not limited to, any such materials, services, supplies, etc. available from any other party (such as subcontractors) supplying said materials, services, etc. to Vendor, the State will have the right to deal directly with the other supplier without penalty or interference from the Vendor. Further, any additional costs to the State arising as a result of the circumstances set forth in this paragraph shall be borne by the Vendor.

13.10 Sale or Takeover of EBT Vendor

In the event of any sale or takeover of a majority ownership of the Vendor by a person or entity that did not have such ownership interest on the day before the effective date of the Contract, the Vendor shall ensure that it or its successor organization continues to perform its duties under the contract. The Vendor shall inform all parties interested in buying or taking majority control of its business of its obligation to continue performing under the Contract, and shall not agree to any sale or takeover of its business without assuring that this project will continue to be performed until the term has expired.

13.11 Subcontract Agreements

All subcontracting agreements shall be signed and delivered to the State EBT Program Manager within five (5) working days following the effective date of the contract.

13.12 Limited Distribution or Use of Certain Data and Information

13.12.1 Performance of the contracted services may require the Vendor to have access to, and use of, documents and data which may be confidential or considered proprietary to the State or to a State vendor, or which may otherwise be of such a nature that its dissemination or use, other than in performance of the contracted services, would be adverse to the interest of the State or others. Any documents or data obtained by Vendor from the State in connection with carrying out the services under this contract shall be kept confidential and not provided to any party unless disclosure is approved in writing by the State.

13.12.2 Except as may be otherwise agreed to in writing with the State, upon the completion or termination of the contract, all work products, including without limitation, documents, reports, data, information and ideas specially produced, developed or designed by Vendor or its subcontractors under the contract for the State, whether preliminary or final, shall become and remain the property of the State, including any copyright. The State shall have the right to use all such work product without restriction or limitation and without further compensation to Vendor. The Vendor shall not acquire, or have any right to use, disclose, or reproduce, the work product or any equipment, data, information, media software, or know-how obtained from the State except in performance of the contract. Nothing herein shall be construed as

precluding the use of any data or information independently acquired by Vendor without such limitation.

- 13.12.3 The United States Department of Health and Human Services (HHS) and the United States Department of Agriculture (USDA), Food and Nutrition Service (FNS) reserves a royalty-free, nonexclusive, and irrevocable license to reproduce, publish, or otherwise use and to authorize others to use for Federal Government purposes, such software, modifications, and documentation developed with Federal financial participation.
- 13.12.4 Upon completion or at the termination of the project, all such documents and data shall, at the option of the State, be appropriately arranged, indexed and delivered to the State by Vendor within thirty (30) calendar days of the States' request.

13.13 Rights Upon Termination

- 13.13.1 In no event shall the State be obligated to pay or otherwise compensate the Vendor for any lost expected future profits, or costs or expenses incurred with respect to, services not actually performed or Deliverables not actually provided to the State.
- 13.13.2 Upon notice of termination, the Vendor will be required to prepare an EBT Termination and Transition Plan to support the termination process and transition to a new vendor. The Plan shall include:
 - 13.13.2.1 Scope of events planned for the sixty (60) day turn-over period of transition;
 - 13.13.2.2 Schedule of events and technical training requirements;
 - 13.13.2.3 Business processes and functional operational requirements;
 - 13.13.2.4 Interface Connectivity and file specifications for data exchanged;
 - 13.13.2.5 Inventory of POS devices deployed in the private government equipment network;
 - 13.13.2.6 Process recommendations for turn-over of POS equipment and the re-loading of software to prevent disruption of merchant services;
 - 13.13.2.7 Procedures or re-signing of merchants and administration of merchant contracts;
 - 13.13.2.8 Notification procedures and management of retailer requests for information;

13.13.2.9 Procedures for card production and close out of State service contracts for plastic vault stock, postage and/or over-night delivery processes; and

13.13.2.10 Transition of all key business processes and procedures as to how the functions will be addressed with the new service provider.

13.13.3 The Vendor shall promptly deliver to the State in a manner reasonably specified by the State, all documents and other tangible items furnished by or owned, leased or licensed by the State.

13.14 Execution of the Termination and Transition Plan

The Vendor shall execute the transition of the EBT services to the new vendor. The following services shall be delivered:

13.14.1 Conduct training and orientation of services and operational processes as they relate to the Mississippi processing environment for the new Project Team;

13.14.2 Review and document the commercial and private network of service providers supporting the EBT environment and determining transition operational steps for activating the new environment;

13.14.3 Turn-over all contacts held by the participating network/TPP entities;

13.14.4 Provide on-site support during transition and implementation cycle;

13.14.5 Provide central support and technical assistance for 30 days after the contract ends;

13.14.6 Transition management information and statistics for partial reporting periods to ensure the State's ability to accurately report EBT Information to the Federal Agencies;

13.14.7 Support the Agency in preparation of project close-out reporting and Federal reporting requirements to support the roll-over of funds; and

13.14.8 Be responsible for the effective transition to the new contract environment.

13.15 Change Orders

13.15.1 The State retains the flexibility, until approval of the Detailed Design Deliverable, to define performance or management reporting formats, develop additional reports, and identify or modify the frequency of all reports issued by the Vendor, at no additional cost to the Agency. At the State's discretion, any report shall be delivered in either data file format (electronic), or formatted-for-printing. At the State's request, any report

shall be delivered in a form and at such time as to render the data elements of that report readily usable. For changes outside the parameters stated, change order procedures will be in effect.

13.15.2 After System Acceptance the State reserves the right to request from, time to time, any changes to the requirements and specifications of the Contract and the work to be performed by the Vendor under the Contract, including the timing of Deliverables. Vendor shall provide up to 10 reports to the State without having to fill out and review a change order.

13.15.3 All change requests resulting in contractual modifications shall be approved by the State, and may require the approval of the U.S. Department of Health and Human Services (HHS), Administration for Children and Families (ACF) and/or the United States Department of Agriculture (USDA), Food and Nutrition Service (FNS).

13.16 Deliverables Review Process

13.16.1 The State and the Vendor will develop an agreed upon process for reviewing deliverables. It is anticipated the process will include the following steps. Vendor shall agree to the deliverable review process stated below:

13.16.1.1 Identification during contract negotiation all deliverables, the schedule and preliminary outlines of their content;

13.16.1.2 A review and approval of the deliverable outline prior to the initiation of work on the deliverable;

13.16.1.3 Periodic, informal check points during the deliverable development;

13.16.1.4 Submission of deliverables in draft to team leaders and managers for review and feedback;

13.16.1.5 Formal submission of deliverable, documented by memo or letter from the Vendor to the State; and

13.16.1.6 Acknowledgment by the State to the Vendor of receipt of the deliverable, which officially denotes start of the agreed upon review period by the State.

13.16.2 The State will have fifteen (15) business days to review each deliverable, with one of the following occurring as a result of the review:

13.16.2.1 The States' acceptance of the deliverable with documentation by memo or letter;

13.16.2.2 The States' partial acceptance of the deliverable with exceptions delineated by memo or letter;

13.16.2.3 The States' conditional acceptance of the deliverable with conditions delineated by memo or letter; and

13.16.2.4 The States' rejection of deliverable with the reasons for rejection delineated by memo or letter.

13.16.3 This process will be formalized during contract negotiations using this section as a guideline for the development of the review process.

13.16.4 Certain Deliverables to be provided by the Vendor will require testing and acceptance by the State. These Deliverables, shall be identified in the contract, resulting from this RFP, and will include acceptance test criteria and acceptance test periods for those deliverables. The State will perform acceptance tests to determine whether the deliverables conform in all respects to the specifications as set forth in the Contract, as measured by mutually agreed acceptance test criteria.

13.17 Coordination of Project

13.17.1 The Vendor acknowledges that the State will be actively involved in the day-to-day progress of the Project.

13.17.2 The Vendor agrees to (a) obtain the States' approval of all tasks and the time schedule for completion of said tasks prior to commencing performance, if not already contained in the approved Project Work Plan; (b) notify the State EBT Program Manager of all meetings related to the Project so as to allow their State participation in said meetings, and (c) meet with MDHS EBT Project Director on a regular basis and as otherwise requested to discuss the status of the Project.

13.18 Department Contact with Federal Agencies

The State shall be the sole source of contact for all matters relating to this Project with all officials of USDA/FNS and HHS/ACF. MDHS will keep appropriate federal officials informed of the progress of the Project as provided in funding regulations.

14. Performance Standards

The following table defines the performance requirements for the delivery of EBT services along with performance deficiencies that may trigger the MDHS to invoke liquidated damages described below. For a more detailed description of the liquidated damages see Exhibit B: Performance Standards & Liquidated Damages. Unless specified otherwise, a month shall be defined as a calendar month for the purposes of monitoring performance standards.

<u>ID</u>	<u>Performance Requirement</u>	<u>Deficiency That May Trigger Liquidated Damages</u>
1	<u>EBT System Central Computer Availability:</u>	Failure to meet the EBT System Central Computer Availability performance requirement 100% of the time as

<u>ID</u>	<u>Performance Requirement</u>	<u>Deficiency That May Trigger Liquidated Damages</u>
	The EBT System Central Computer shall be available 99.9% of scheduled uptime, 24 hours a day, 7 days per week. Scheduled uptime shall mean the time the database is available for transactions excluding scheduled downtime for routine maintenance. The EBT System Central Computer consists of all system functions over which the EBT Vendor has direct control, either directly or through a subcontractor relationship.	measured on a calendar month basis. The EBT Vendor shall provide a report or other verifiable proof of this compliance on a calendar month basis.
2	<u>Total EBT System Up Time:</u> The total EBT System, including the system's central computer, any network or intermediate processing facilities and cardholder authorization processors, shall be available 98% of scheduled up-time, 24 hours a day, 7 days per week. Scheduled downtime for routine maintenance shall occur during non-peak transaction periods.	Failure to meet up-time for the Total EBT System 100% of the time as measured on a calendar month basis. The EBT Vendor shall provide a report or other verifiable proof of this compliance on a calendar month basis.
3	<u>Government ACH Settlement:</u> Transactions will be settled in two (2) business days consistent with federal regulations at 7 CFR §274.12 (g) (5).	Failure to meet the Government ACH Settlement performance requirement 100% of the time measured on a calendar month basis. The EBT Vendor shall provide a report or other verifiable proof of this compliance on a calendar month basis.
4	<u>Benefit/Deposit Availability:</u> Daily benefits/deposits received by 11:59 P.M. Central Time will be in the recipients' accounts by 12:01 A.M. Central Time of the available day.	Failure to meet Benefit/Deposit Availability performance requirement 100% of the time as measured on a calendar month basis. The EBT Vendor shall provide a report or other verifiable proof of this compliance on a calendar month basis.
5	<u>EBT Switching Services:</u> The Debit Switch service shall be available 99.8% in any calendar month after deducting for scheduled downtime or failure of communication lines or telecommunications equipment out of the control of the EBT Vendor.	Failure to meet Debit Switch Availability timeframe 100% as measured on a calendar month basis. The EBT Vendor shall provide a report or other verifiable proof of this compliance on a calendar month basis.

<u>ID</u>	<u>Performance Requirement</u>	<u>Deficiency That May Trigger Liquidated Damages</u>
6	<p><u>Transaction Response Time:</u></p> <p>Cardholder EBT-Only POS and TPP transactions shall be completed as follows measured on a monthly basis.</p> <ul style="list-style-type: none"> For leased line communications, 98% of EBT transactions shall be processed within ten (10) seconds or less and 100% shall be processed within fifteen (15) seconds. For dial-up systems, 95% of EBT transactions shall be processed within fifteen (15) seconds or less and 100% shall be processed within twenty (20) seconds. 	<p>Failure to meet Transaction Response Time timeframes 100% of the time as measured on a calendar month basis.</p> <p>The EBT Vendor shall provide a report or other verifiable proof of this compliance on a calendar month basis.</p>
7	<p><u>Inaccurate Transactions:</u></p> <p>The system central computer shall permit no more than two (2) inaccurate EBT transactions for every 10,000 EBT transactions processed.</p>	<p>Failure to meet standard 100% of the time as measured on a calendar month basis.</p> <p>The EBT Vendor shall provide a report or other verifiable proof of this compliance on a calendar month basis.</p>
8	<p><u>Customer Service Help Desks:</u></p> <p>1. Customer Service Representatives (CSRs) – Average Speed of Answer (ASA) shall <u>not</u> exceed twenty (20) seconds and the Abandoned Call Rate (ACR) shall <u>not</u> exceed 3% as measured over a calendar month.</p> <p>2. Interactive Voice Response (IVR) system – 99% of all calls shall be answered within two (2) seconds measured over a calendar month; 100% of all IVR menu selections shall respond with the correct option within two (2) seconds after menu selection.</p> <p>3. Calls to a CSR – 100% of all calls to a CSR shall be documented, including the date, time, nature and resolution of the call; 100% of all calls to a CSR shall be recorded and retrievable for</p>	<p>Failure to meet standards 100% of the time as measured on a calendar month basis.</p> <p>The EBT Vendor shall provide a report or other verifiable proof of this compliance on a calendar month basis.</p>

<u>ID</u>	<u>Performance Requirement</u>	<u>Deficiency That May Trigger Liquidated Damages</u>
	<p>investigative and/or monitoring purposes.</p> <p>This performance standard applies to both cardholder and retailer Customer Service Help Desks.</p>	
9	<p><u>Host Response Time for Administrative Terminal Transactions:</u></p> <p>Transactions that originate at Administrative Terminals located in State and county offices will be sent to the EBT Vendor in on-line processing mode. These transactions are subject to the requirements for a two (2) second response.</p>	<p>Failure to meet Host Response Time for Administrative Terminal Transactions 100% of the time as measured on a calendar month basis.</p> <p>The EBT Vendor shall provide a report or other verifiable proof of this compliance on a calendar month basis.</p>
10	<p><u>Equipment Installation for EBT Only Retailers:</u></p> <p>100% of all EBT Only Point of Sale (POS) terminals shall be installed within fourteen (14) days of the EBT Vendor receiving the USDA FNS authorization numbers through the REDE interface.</p> <p>The fourteen (14) days are calculated as follows:</p> <ul style="list-style-type: none"> • Number of business days from receipt of retailer authorization on the REDE interface until the date a contract is mailed; and • Number of business days from receipt of a completed contract from the retailer until the date the EBT Only POS terminal is shipped to the retailer. <p>Delays caused by the retailer or the mail system are not included in the fourteen (14) day calculation.</p> <p>100% of all new retailers shall be contacted via phone and/or mailed a contract within two (2) business days of receiving the USDA FNS authorization through the REDE interface.</p>	<p>Failure to install 100% of the POS terminals within fourteen (14) days of the EBT Vendor receiving the USDA FNS authorization through the REDE interface as defined and measured on a calendar month basis.</p> <p>Failure to contact 100% of all new retailers via phone and/or mail a contract within two (2) business days of receiving the USDA FNS authorization through the REDE interface as measured on a calendar month basis.</p> <p>The EBT Vendor shall provide a report or other verifiable proof of this compliance on a calendar month basis.</p>

<u>ID</u>	<u>Performance Requirement</u>	<u>Deficiency That May Trigger Liquidated Damages</u>
11	<p><u>Card Issuance:</u></p> <p>For card issuance requests received by the EBT Vendor by 11:59 P.M. Central Time, 100% of all cards will be mailed no later than noon Central Time the following business day.</p>	<p>Failure to meet the card issuance requirement 100% of the time as measured on a calendar month basis.</p> <p>The EBT Vendor shall provide verifiable proof of this compliance on a calendar month basis.</p>
12	<p><u>Project Status Reporting:</u></p> <p>1. The Management Reports defined in this RFP shall be provided on a timely basis to the State. Weekly reports shall be provided by close of business on the following Monday. System generated daily reports shall be available by 6:00 A.M. Central Time the following day. System generated monthly reports shall be available by 6:00 A.M. Central Time the first calendar day of the following month. Manual monthly reports shall be provided by close of business on the 5th calendar day of the following month.</p> <p>2. Help Desk Statistics Reports shall be provided by close of business on the 5th calendar day of the following month.</p>	<p>Failure to meet Management Reporting timeframes 100% of the time as measured on a calendar month basis.</p> <p>Failure to meet Help Desk Statistics Reporting timeframes 100% of the time as measured on a calendar month basis.</p>
13	<p><u>Response to Change Order and/or Enhancement Requests:</u></p> <p>The EBT Vendor shall respond to Change Order and/or Enhancement requests within twenty (20) business days of receiving the request. If additional time is required to complete the estimate, the EBT Vendor shall provide the date within the same time period of receipt of the Change Order and/or Enhancement request of when the estimate will be completed.</p>	<p>Failure to provide a response to any Change Order and/or Enhancement request within the promised timeframe.</p>

15. Liquidated Damages

- 15.1 For any failure by the Vendor to meet any contract requirement, performance standard, project task, project deliverable date or timeframes specified in any section of the contract, damage shall be sustained by the MDHS and it may be impractical and extremely difficult to ascertain and determine the actual damages

which the MDHS will sustain by reason of such failure. It is therefore agreed that the MDHS, at its sole option, may require the Vendor to pay liquidated damages in the amount specified below per occurrence, per business day, per hour, per file, per task, per deliverable, performance standard or timeframe for each and every business/settlement day thereafter until such task, deliverable or performance standard is completed and accepted by the MDHS.

- 15.2 The EBT Vendor agrees that there are some failures that so negatively impact the State's recipients that no advance notification will be provided before damages are imposed. For all other standards and tasks, the MDHS EBT Project Director shall provide written notification to the Vendor after damages have been imposed; e-mail shall be an acceptable form of notification.
- 15.3 The MDHS will notify the Vendor of the first incident of failure to meet one or more of the defined standards and request a Corrective Action Plan (CAP). The MDHS will set a date for submission of the CAP. If the MDHS does not receive the CAP by the due date and no extension has been granted, the MDHS may, at its sole discretion, invoke the appropriate remedy per this schedule.
- 15.4 If the MDHS receives the CAP by the due date, it will cooperate with the EBT Vendor to achieve a mutually agreed upon final CAP and schedule. The MDHS may, at its sole discretion, invoke the appropriate remedy if the Vendor does not meet the schedule and no extension has been granted.
- 15.5 The Vendor shall have:

Five (5) business days to correct any delayed project task or project deliverable related to the transition to the new EBT system. The MDHS may impose liquidated damages of \$5,000 per deliverable after five (5) business days;
Five (5) business days to correct any delayed task related to the on-going maintenance of the EBT system. The MDHS may impose liquidated damages of \$5,000 per task after five (5) business days;
Twenty-four (24) hours to provide required reports or to correct reports that contained inaccurate information. The MDHS may impose liquidated damages of \$1,000 per report, per day after twenty-four (24) hours;
Four (4) hours to generate missing data files not accessible on the schedule agreed upon between the EBT Vendor and the MDHS. The MDHS may impose liquidated damages of \$5,000 per file, per hour after four (4) hours;
Twenty-four (24) hours to generate corrected files for previously generated files that contained inaccurate information. The MDHS may impose liquidated damages of \$5,000 per file, per day after twenty-four (24) hours;
Four (4) hours to transmit missing data files not received on the schedule agreed upon between the EBT Vendor and the MDHS. The MDHS may impose liquidated damages of \$5,000 per file, per hour after four (4) hours; and
Twenty-four (24) hours to transmit corrected files for previously transmitted files that contained inaccurate information. The MDHS may impose liquidated damages of \$5,000 per file, per day after twenty-four (24) hours

- 15.6 The MDHS and the Vendor agree that the following figures represent the reasonable pre-breach estimate of probable loss that will be sustained by the MDHS for each EBT Program impacted:

\$25,000 if EBT Vendor changes Project Managers during transition or conversion without good cause as determined by the MDHS;
\$5,000 for each percentage point or proportional dollar amount for each fraction of a percentage point below the tolerance levels on response times;
\$5,000 for each percentage point or proportional dollar amount for each fraction of a percentage point below the tolerance levels on system availability requirements;
\$10,000 per occurrence, per Help Desk, for failure to meet the defined Help Desk performance requirements;
\$1,000 per day for all manuals or documents not updated within thirty (30) days of changes;
\$1,000 per day for failure to install 100% of the POS terminals within fourteen (14) days of the EBT Vendor receiving the USDA FNS authorization number through the REDE interface as defined and measured on a calendar month basis;
\$1,000 per day for failure to contact 100% of all new retailers via phone and/or mail a contract within two (2) business days of receiving the USDA FNS authorization number through the REDE interface as measured on a calendar month basis;
\$1,000 per day for failure to submit Change Order and/or enhancement estimates and impact statements within agreed upon timeframes;
\$1,000 per day for failure to mail cards based on the defined performance standards;
\$1,000 per occurrence for failure to notify the MDHS EBT Project Director of any system outage or other incident that may negatively impact the MDHS, including recipients, cardholders and retailers;
\$10,000 per occurrence for making any changes in the production system without the express written approval of the MDHS EBT Project Director. Further, the MDHS shall reduce EBT Vendor invoices to offset any MDHS costs incurred while resolving the issues arising from this action; MDHS costs may include but are not limited to personnel time, computer processing time and any associated materials;
\$10,000 per occurrence for any system or operator error that results in inaccurate payments or the inability to access benefits. Further, the MDHS shall reduce EBT Vendor invoices to offset any MDHS costs incurred while resolving the issues arising from this action; MDHS costs may include but are not limited to personnel time, computer processing time and any associated materials;
\$10,000 per occurrence for any negative impact to the MDHS or its recipients/cardholders resulting from a production system software release or upgrade. Further, the MDHS shall reduce EBT Vendor invoices to offset any MDHS costs incurred while resolving the issues arising from this action; MDHS costs may include but are not limited to personnel time, computer processing time and any associated materials; and
\$2,500 per day for any item listed in the contract and not specifically stated above.

16. Vendor Qualifications

The Vendor shall provide a description of its organization. This description shall contain all pertinent data relating to the Vendor's experience, organization, personnel and product that would substantiate the qualifications and capabilities of the Vendor's company to perform the services described herein. At minimum, the depiction shall describe the following:

16.1 Experience in the Field

- 16.1.1 The Vendor shall provide information on the Vendor's background and experience in implementing and maintaining EBT systems.
- 16.1.2 Vendor shall have experience and understanding of state and local government contracting and be responsive to its unique requirements.
- 16.1.3 To merit any consideration regarding this RFP, the Vendor shall have experience in the installation of the application system being proposed to the State.
- 16.1.4 Vendor shall list any clients with whom they have ended their business relationship within the past twenty-four (24) months and provide an explanation. Vendor shall include a full address, contact person, title, e-mail address, and telephone number for each client.

16.2 Organization Size and Structure

- 16.2.1 The Vendor shall describe the organizational size and structure, and state whether the Vendor is based locally, regionally, nationally, or internationally as well as its relationship to any parent firms, sister firms or subsidiaries.
- 16.2.2 The Vendor shall give the location of his/her principal office and the number of executive and professional personnel employed at this office.
- 16.2.3 The Vendor shall indicate what percentage of revenue and expense is represented in the company by the EBT line of business.
- 16.2.4 The Vendor shall describe other lines of business in addition to EBT for which his company is engaged (indicate approximate percentages).
- 16.2.5 The Vendor shall provide the percentage of revenue budgeted for research and development of EBT software.
- 16.2.6 The Vendor shall provide its strategy for developing new products and enhancements to existing products.
- 16.2.7 The Vendor shall provide a copy of the most recent annual report, credit rating number from an industry-accepted credit rating firm, and a report of an independent auditor's opinion of the financial stability of the firm.

Financial statements should include the following: Auditor's report, balance sheet, income statement, statement of cash flow, and notes to financial statements.

- 16.2.8 The Vendor shall document its organization's affiliations through any fiduciary ownership or partnership relationship with any insurance company or third party administrator.

16.3 Qualifications of Staff

- 16.3.1 The Vendor shall identify the executive and professional personnel who will be assigned to this project and state their duties and responsibilities. Resumes shall be provided that include, for each individual identified, the relevant experience in the area of the project they will undertake.
- 16.3.2 The proposed project staff should include at least the following positions: Project Manager, Retail and Network Infrastructure Manager, Technical Application Manager, Implementation Manager, and Training and Communications Manager.

16.4 Background Information about Subcontractors

- 16.4.1 The Vendor shall provide the same information as above for each subcontractor whom the Vendor proposes to perform any of the functions under this RFP. This provision is included in this RFP to facilitate full disclosure of the offerings of the Vendor.
- 16.4.2 Vendor Product/Company Procedures Information

16.5 Software History

- 16.5.1 The Vendor shall furnish information regarding the developmental and operational product history of the proposed package.
 - 16.5.1.1 The Vendor shall provide details on any current enhancements that are planned for future releases and provide estimated target dates of availability.
 - 16.5.1.2 The Vendor shall specify any governmental or industry certifications or standards compliance information related to the system.
 - 16.5.1.3 The Vendor shall discuss any aspects of the proposed software that differentiate it from competing packages in the marketplace.
 - 16.5.1.4 Product shall be recognized as being both viable and successful by the industry.
- 16.5.2 Hardware/Software

- 16.5.2.1 Indicate the hardware configuration currently supporting the proposed EBT application including capacity and access time.
- 16.5.2.2 If the Commercial Off-the-Shelf (COTS) vendor has an existing product ready to install, then the product shall meet or exceed 80% of the specifications in Sections VII with minimal modification.

17. Project Staffing and Staffing References

- 17.1 Vendor shall furnish an organizational chart identifying personnel proposed for the project and the chain of command inside the Vendor's organization for that designated staff.
- 17.2 The Vendor shall provide a full-time Project Manager for project oversight. Project management activities will include, at a minimum:
 - 17.2.1 Establishing and administering controls to ensure the quality of deliverables is acceptable to the State;
 - 17.2.2 Developing and maintaining a detailed work plan and schedule in conjunction with the State;
 - 17.2.3 Monitoring project activities to ensure project schedules are met; and
 - 17.2.4 Providing weekly and/or monthly status reports including the following:
 - 17.2.4.1 Recap of the previous period's work;
 - 17.2.4.2 Preview of the next period's tasks;
 - 17.2.4.3 Status of major activities/milestones;
 - 17.2.4.4 Any potential delays in reaching target dates and supporting information about the delays;
 - 17.2.4.5 Any proposed revisions to the overall work schedule;
 - 17.2.4.6 Presenting weekly reports orally when requested and written monthly reports; and
 - 17.2.4.7 Facilitating and escalating (i.e. increasing the priority of) any problems or issues that arise during the contract.
- 17.3 The Vendor shall propose appropriate quantity and quality of staff to ensure successful completion of this project (including pre-implementation analysis and planning, project management, data conversion, implementation, data base administration, and training). Vendor shall clearly define all individuals and their proposed roles for the duration of this project.

- 17.4 All individuals proposed for this project shall have a minimum of two (2) years' experience in their proposed role. Additional consideration may be given to the Vendors whose proposed staff exceeds the minimum requirements.
- 17.5 The Vendor shall provide resumes and references for each key individual to be assigned to the project. MDHS reserves the right to approve all individuals assigned to this project.
 - 17.5.1 Resumes shall reflect qualifications and recent experience relevant to the scope of the work indicated in this RFP.
 - 17.5.2 Resumes shall include at least three (3) references that can be contacted to verify the individual's qualifications and experience.
 - 17.5.3 Resumes should list the following information for each project reference provided by individual:
 - 17.5.3.1 Company Name;
 - 17.5.3.2 Immediate Supervisor's Name;
 - 17.5.3.3 Immediate Supervisor's Title;
 - 17.5.3.4 Supervisor's Telephone Number;
 - 17.5.3.5 Supervisor's Fax Number;
 - 17.5.3.6 Supervisor's E-mail address;
 - 17.5.3.7 Duration of Project;
 - 17.5.3.8 Individual's role in the project; and
 - 17.5.3.9 Reason the individual left the project.
- 17.6 Vendor will be required to provide, and/or certify, the following for each individual included in the vendor's proposal:
 - 17.6.1 That the individual is proficient in spoken and written English and has a clear comprehension of the English language.
 - 17.6.2 That the individual is a United States citizen, or that the individual meets and will maintain employment eligibility in compliance with all INS regulations. The vendor shall provide evidence of identification and employment eligibility prior to the award of a contract that includes any personnel who are not United States citizens.
 - 17.6.3 That the personnel assigned to a project will remain a part of the project throughout the duration of the contract, as long as the personnel are employed by the vendor, unless replaced by the vendor at the request of

the State EBT Program Manager. This requirement includes the responsibility for ensuring all non-citizens maintain current INS eligibility throughout the duration of the contract.

- 17.7 Upon contract award, the Contractor shall commit the key personnel named in the proposal and shall specify the percentage of time each person will commit to the project. The proposed individuals should possess the necessary skills and certifications for the roles they are fulfilling.
- 17.8 Key individuals shall be available to work on the project once an award is made and a contract is signed. All Vendors' key staff members proposed shall be approved by the State prior to the start of the project. Any replacement or substitution of staff as proposed requires written approval from the State EBT Program Manager prior to replacement or substitution.
- 17.9 Any replacement personnel assigned by the Vendor to perform services under the contract shall have qualifications for the assigned position that equal or exceed those of the person being replaced.

18. Documentation

- 18.1 The State shall have the right to reproduce at no charge, but at the State's cost for reproduction any documentation for software owned by the Vendor or any of its subcontractors that is used to perform services under the Contract for use by State employees.
- 18.2 If the Vendor is legally prohibited from granting such rights to the State with respect to any software that will be used by the Vendor, or any of its subcontractors to perform services under the Contract, the Vendor's proposal shall state so in express terms.

19. Schedule of Work

Any work performed on State premises shall be done during the hours designated by the State and shall in any event be performed so as to minimize inconvenience to the State and its personnel and minimize interference with the State's operations.

20. Change Order Rate

- 20.1 Vendor shall submit, in Section VIII, Cost Information Summary, an hourly rate, or rate schedule for performing any Change Orders requested by the State.
- 20.2 Vendor shall submit a fully-loaded rate to include any travel or per diem costs, and a base rate that does not include travel or per diem costs. The fully loaded rate would be used only when travel is required. These rates shall remain in effect for the duration of the contract.
- 20.3 Vendor Staff related travel expenses as required and approved by the State for a Change Order shall be covered by and invoiced as part of the "fully loaded" rate (or less) as travel expenses will not be reimbursed; Change Order hours for any

Vendor Staff where travel is not required or approved by the State shall be invoiced at the "base" rate (or less).

- 20.4 The Vendor shall acknowledge that Vendor will not have the right to make changes to any software used to perform services under the contract, without the prior written approval of the State, if the changes would require the State to incur costs to modify or upgrade other software or equipment used by the State or for which the State is financially responsible. In addition, the EBT Vendor shall not make changes to any software used to perform services under the contract without prior written approval of the State.

21. Cost Proposal

The Vendor shall submit all cost in Section VIII, Cost Information Summary. The Vendor shall include and complete all parts of the cost proposal form in a comprehensible and accurate manner. Any errors in the required detail of the vendor's cost proposal may be grounds for rejection of the vendor's proposal.

21.1 EBT SNAP Services Cost

- 21.1.1 The Vendor shall submit a total fixed dollar cost for all services and products requested in this RFP based on a Cost-Per-Case-Month (CPCM) price. One-time and recurring costs for installation and licensing of software, interfaces, training of staff, software modifications, programming, and other costs shall be enumerated item by item and a total price quoted for the entire project as supporting information, but shall be included in the CPCM price.
- 21.1.2 The cost proposal shall additionally include a fully itemized breakdown of all costs included in the CPCM price and the Debit Card services. This itemization shall include, but is not limited to, transaction processing, call-center services, card-management services, retailer-management services, and disaster services.

21.2 Debit Card Services Cost

- 21.2.1 The State is interested in its cardholders receiving, at no cost or the lowest possible cost, the set of services associated with use of the debit card. These services would include: point of sale use, point of sale with cash-back use, ATM access to cash, teller access to cash and balance inquiry by telephone and ATM.
- 21.2.2 The State will not accept cost proposals that specify costs to the State to implement or operate the Debit Card program.
- 21.2.3 The Vendor shall provide a pricing schedule that itemizes the individual costs and fees associated with this program that will be borne by the cardholder (e.g., ATM withdrawal fee; etc.).

- 21.2.4 The Vendor shall clearly describe any terms associated with how the fee would be assessed. For example, whether a particular fee would only be charged after a certain number of withdrawal transactions or whether a particular fee would be waived under certain conditions or situations.
- 21.2.5 The Vendor shall also indicate any changes to the amount of the fee depending on volume.
- 21.2.6 The price breaks shall be stated in terms of total dollars loaded to all debit card accounts in use by the State.
- 21.2.7 The Vendor shall include any pricing options considered as alternative pricing schedules.
- 21.2.8 The State will consider any suggestions or recommendations the Vendor wishes to propose to reduce costs to the State and its cardholders.
- 21.2.9 Cost proposals that include fees to the State will not be accepted.

22. Additional Requirements

ITS acknowledges that the specifications within this RFP are not exhaustive. Rather, they reflect the known requirements that must be met by the proposed system. Vendors must specify, here, what additional components may be needed and are proposed in order to complete each configuration.

23. Scoring Methodology

- 23.1 An Evaluation Team composed of State Staff will review and evaluate all proposals. All information provided by the Vendors, as well as any other information available to evaluation team, will be used to evaluate the proposals.
 - 23.1.1 Each category included in the scoring mechanism is assigned a weight between one and 100.
 - 23.1.2 The sum of all categories, other than Value-Add, equals 100 possible points.
 - 23.1.3 Value-Add is defined as product(s) or service(s), exclusive of the stated functional and technical requirements and provided to the State at no additional charge, which, in the sole judgment of the State, provide both benefit and value to the State significant enough to distinguish the proposal and merit the award of additional points. A Value-Add rating between 0 and 5 may be assigned based on the assessment of the evaluation team. These points will be added to the total score.
 - 23.1.4 For the evaluation of this RFP, the Evaluation Team will use the following categories and possible points:

Category	Possible Points
Non-Cost Categories:	
SNAP Requirements	25
Debit Card Requirements	20
Qualification and Service Requirements	15
Total Non-Cost Points	60
Cost	40
Total Base Points	100
Value Add	5
Maximum Possible Points	105

23.2 The evaluation will be conducted in four stages as follows:

23.2.1 Stage 1 – Selection of Responsive/Valid Proposals – Each proposal will be reviewed to determine if it is sufficiently responsive to the RFP requirements to permit a complete evaluation. A responsive proposal must comply with the instructions stated in this RFP with regard to content, organization/format, Vendor experience, number of copies, bond requirement, timely delivery, and must be responsive to all mandatory requirements. No evaluation points will be awarded in this stage. Failure to submit a complete proposal may result in rejection of the proposal.

23.2.2 Stage 2 – Non-cost Evaluation (all requirements excluding cost)

23.2.2.1 Non-cost categories and possible point values are as follows:

Non-Cost Categories	Possible Points
SNAP Requirements	25
Debit Card Requirements	20
Qualification and Service Requirements	15
Maximum Possible Points	60

23.2.2.2 Proposals meeting fewer than 80% of the requirements in the non-cost categories may be eliminated from further consideration.

23.2.2.3 **ITS** scores the non-cost categories on a 10-point scale, with 9 points for meeting the requirement. The 'Meets Specs' score for each category is 90% of the total points allocated for that category. For example, the 'SNAP Requirements' category was allocated 25 points; a proposal that fully met all requirements in that section would have scored 22.5 points. The additional 10% is used for a proposal that exceeds the requirement for an item in a way that provides additional benefits to the state.

23.2.3 Stage 3 – Cost Evaluation

23.2.3.1 Points will be assigned using the following formula:

$$(1 - ((B - A) / A))^n$$

Where:

A = Total lifecycle cost of lowest valid proposal

B = Total lifecycle cost of proposal being scored

n = Maximum number of points allocated to cost for acquisition

23.2.3.2 Cost categories and maximum point values are as follows:

Cost Category	Possible Points
Lifecycle Cost	40
Maximum Possible Points	40

23.2.4 Stage 4 – Selection of the successful Vendor

23.2.4.1 On-site Demonstrations and Interviews

23.2.4.2 At the discretion of the State, evaluators may request interviews, on-site presentations, demonstrations or discussions with any and all Vendors for the purpose of system overview and/or clarification or amplification of information presented in any part of the proposal.

23.2.4.3 If requested, Vendors must be prepared to make on-site demonstrations of system functionality and/or proposal clarifications to the evaluation team and its affiliates within seven calendar days of notification. Each presentation must be made by the project manager being proposed by the Vendor to oversee implementation of this project.

23.2.4.4 Proposed key team members must be present at the on-site demonstration. The evaluation team reserves the right to interview the proposed key team members during this onsite visit.

23.2.4.5 Although on-site demonstrations may be requested, the demonstration will not be allowed in lieu of a written proposal.

23.2.4.6 Site Visits

23.2.4.6.1 At the State's option, Vendors that remain within a competitive range must be prepared to provide a reference site within seven calendar days of

notification. If possible, the reference site should be in the Southeastern region of the United States. Vendor must list potential reference sites in the proposal.

- 23.3 Final Quantitative Evaluation - Following any requested presentations, demonstrations, and/or site visits, the Evaluation Team will re-evaluate any technical/functional scores as necessary. The technical/functional and cost scores will then be combined to determine the Vendor's final score.

SECTION VIII COST INFORMATION SUBMISSION

Vendors must propose a summary of all applicable project costs in the matrix that follows. The matrix must be supplemented by a cost itemization fully detailing the basis of each cost category. The level of detail must address the following elements as applicable: item, description, quantity, retail, discount, extension, and deliverable. Any cost not listed in this section may result in the Vendor providing those products or services at no charge to the State or face disqualification.

1.1 Tables 1a-1e – Cost Per Case Month (CPCM) for EBT SNAP/DSNAP Services

Vendors shall provide cost information for the initial five (5) years of the contract and for each of the five (5) one-year optional renewal years. This cost shall be based on a CPCM rate basis for provision of a turnkey EBT SNAP/DSNAP system, fully installed and operational including, but not limited to, software, system modifications and development, documentation, implementation, data conversion, interfaces, training, warranty, fees, interoperability, phase-in/phase-out activities, etc. (including all work performed during transition periods before contract start date and after contract end date) and maintenance as specified by the RFP.

1.2 Tables 4a-4e – Cost Per Case Month (CPCM) for EBT WIC Services

Vendors shall provide cost information for the initial five (5) years of the contract and for each of the five (5) one-year optional renewal years. This cost shall be based on a CPCM rate basis for provision of a turnkey EBT WIC system, fully installed and operational including, but not limited to, software, system modifications and development, documentation, implementation, data conversion, interfaces, training, warranty, fees, interoperability, phase-in/phase-out activities, etc. (including all work performed during transition periods before contract start date and after contract end date) and maintenance as specified by the RFP.

1.3 Tables 5a-5e – Cost Per Child Per Month (CPCPCM) for Electronic Child Care Services

Vendors shall provide cost information for the initial five (5) years of the contract and for each of the five (5) one-year optional renewal years. This cost shall be based on a CPCPCM rate basis for provision of a turnkey Electronic Child Care system, fully installed and operational including, but not limited to, software, system modifications and development, documentation, implementation, data conversion, interfaces, training, warranty, phase-in/phase-out activities (including all work performed during transition periods before contract start date and after contract end date) and maintenance as specified by the RFP.

1.4 CPCM for the EBT SNAP/DSNAP Services and EBT WIC Services are based on an active case during the billing month (i.e., a calendar month). The definition of an “active” case is as follows:

Definition of Active Case:

Active cases are those for which a benefit authorization has been posted and made available during the billing month. A “case” is defined as a single household unit receiving benefits through a single recipient EBT account. The State shall not be charged for cases that have had no benefit authorization activity (credits) posted and made available during the billing month. An adjustment (credit) to a recipient’s account does not make it an active case if there were no other credits to the same account for the billable month. Monthly benefits posted prior to the end of the month shall not constitute a billable case until the benefit has been made available to the recipient (e.g., availability date of the benefit has been reached). A “holdover” which occurs when a recipient accesses his/her benefits from a previous month and no new benefits have been authorized and made available for the current month is not an active case.

Vendors shall complete all blank spaces in the following Cost Tables. If the cost is zero, the Vendor shall insert a “0” in the space.

- 1.5 **CPCPM for the Electronic Child Care Services are based on an active child during the billing month (i.e., a calendar month). The definition of an “active” child is as follows:**

Definition of an Active Child

Active Children are the unduplicated count of children for which an authorized certificate for child care has been issued and time and attendance activity has been captured and recorded for dates within the “billable” calendar month.

- 1.6 **Table 2 – Fee Schedule for Debit Card Services**
- 1.7 **Table 3 – Change Order Pricing**
- 1.8 **Table 6 – Performance Bond**

Table 1a – CPCM for EBT SNAP/DSNAP Services with Primary Call Center On-Shore/Secondary Call Center On-Shore

Active Cases for Billing Month	Year 1	Year 2	Year 3	Year 4	Year 5	Option Year 1	Option Year 2	Option Year 3	Option Year 4	Option Year 5
<180,001										
180,001-185,000										
185,001-190,000										
190,001-195,000										
195,001-200,000										
200,001-205,000										
205,001-210,000										
210,001-215,000										
215,001-220,000										
220,001-225,000										
225,001-230,000										
230,001-235,000										
235,001-240,000										
240,001-245,000										
245,001-250,000										
250,001-255,000										
255,001-260,000										
260,001-265,000										
265,001-270,000										
270,001-275,000										
275,001-280,000										
>280,000										

Table 1b – CPCM for EBT SNAP/DSNAP Services with Primary Call Center On-Shore/Secondary Call Center Near-Shore

Active Cases for Billing Month	Year 1	Year 2	Year 3	Year 4	Year 5	Option Year 1	Option Year 2	Option Year 3	Option Year 4	Option Year 5
<180,001										
180,001-185,000										
185,001-190,000										
190,001-195,000										
195,001-200,000										
200,001-205,000										
205,001-210,000										
210,001-215,000										
215,001-220,000										
220,001-225,000										
225,001-230,000										
230,001-235,000										
235,001-240,000										
240,001-245,000										
245,001-250,000										
250,001-255,000										
255,001-260,000										
260,001-265,000										
265,001-270,000										
270,001-275,000										
275,001-280,000										
>280,000										

Table 1c – CPCM for EBT SNAP/DSNAP Services with Primary Call Center In-State (Mississippi)/Secondary Call Center On-Shore

Active Cases for Billing Month	Year 1	Year 2	Year 3	Year 4	Year 5	Option Year 1	Option Year 2	Option Year 3	Option Year 4	Option Year 5
<180,001										
180,001-185,000										
185,001-190,000										
190,001-195,000										
195,001-200,000										
200,001-205,000										
205,001-210,000										
210,001-215,000										
215,001-220,000										
220,001-225,000										
225,001-230,000										
230,001-235,000										
235,001-240,000										
240,001-245,000										
245,001-250,000										
250,001-255,000										
255,001-260,000										
260,001-265,000										
265,001-270,000										
270,001-275,000										
275,001-280,000										
>280,000										

Table 1d – CPCM for EBT SNAP/DSNAP Services with Primary Call Center On-Shore/Secondary Call Center Off-Shore

Active Cases for Billing Month	Year 1	Year 2	Year 3	Year 4	Year 5	Option Year 1	Option Year 2	Option Year 3	Option Year 4	Option Year 5
<180,001										
180,001-185,000										
185,001-190,000										
190,001-195,000										
195,001-200,000										
200,001-205,000										
205,001-210,000										
210,001-215,000										
215,001-220,000										
220,001-225,000										
225,001-230,000										
230,001-235,000										
235,001-240,000										
240,001-245,000										
245,001-250,000										
250,001-255,000										
255,001-260,000										
260,001-265,000										
265,001-270,000										
270,001-275,000										
275,001-280,000										
>280,000										

Table 1e – CPCM Breakdown for EBT SNAP/DSNAP Services

Category	Percentage of CPCM for Table 1a	Percentage of CPCM for Table 1b	Percentage of CPCM for Table 1c	Percentage of CPCM for Table 1d
Transaction Processing				
Call Center Services				
Card Management Services				
Retailer Management Services				
Disaster Services				
Implementation Cost				
Software License Cost				
Other Cost				
Other Cost				
Other Cost				
Other Cost				
Other Cost				

Table 2 – Fee Schedule for Debit Card Services

Cost proposals that include fees to the State (or any State Agency) will not be accepted. The Debit Card Program shall be a turnkey system, fully installed and operational including, but not limited to, software, system modifications and development, documentation, implementation, data conversion, interfaces, training, warranty, phase-in/phase-out activities (including all work performed during transition periods before contract start date and after contract end date) and maintenance as specified by the RFP.

Vendors shall provide Debit Card Service information and any associated Cardholder fee information for the initial five (5) years of the contract and the two (2) one-year option years.

Item	Fee	Description of Proposed Debit Card Services and any Associated Cardholder Fee(s)
ATM Withdrawals (after at least three (3) free per calendar month; <i>shall specify when and where surcharges will be applied</i>)		
ATM Balance Inquiry (after at least three (3) free per calendar month; <i>shall specify when and where surcharges will be applied</i>)		
ATM Transaction Denial for Insufficient Funds (after at least three (3) free per calendar month; <i>shall specify when and where surcharges will be applied</i>)		
ATM Withdrawals (international) (after at least three (3) free per calendar month; <i>shall specify when and where surcharges will be applied</i>)		
ATM Balance Inquiry (international) (after at least three (3) free per calendar month; <i>shall specify when and where surcharges will be applied</i>)		

ATM Transaction Denial for Insufficient Funds (international) (after at least three (3) free per calendar month; <i>shall specify when and where surcharges will be applied</i>)		
Bank/Credit Union Branch Teller Cash Withdrawal	Free	
PIN-based POS Transactions	Free	
Signature-based POS Transactions	Free	
POS Denial Transactions	Free	
Interactive Voice Response (IVR) System Funds Transfer		
Cardholder call to the IVR that is not transferred to a Customer Service Representative (CSR) (after at least five (5) free per calendar month; <i>shall specify type of inquiry and the charge associated</i>)		
Cardholder call to the IVR that is transferred to a (CSR) (i.e., card replacement request; dispute request; etc.)	Free	
Account Enrollment/Set-up	Free	
Account Inactivity	Free	
Overdraft	Free	
Debit Card (Initial)	Free	
Debit Card Replacement (shall provide one (1) free replacement per twelve (12) month period, if requested by the Cardholder; twelve (12) month period is calculated from the issuance date of the prior Debit Card)		

Debit Card Express Delivery		
Online Bill Pay		
Online Account Access via Cardholder Web Site, including current balance inquiry, transaction history reports, email or phone deposit notification set-up and maintenance, debit card program collaterals in both English and Spanish, etc. The Vendor is encouraged to propose any additional functionality that may be beneficial to the Debit Card Cardholder.	Free	
Monthly Account Service	Free	
OTHER CHARGES THAT MAY APPLY		
Other Charges – be specific		
Other Charges – be specific		
Other Charges – be specific		
Other Charges – be specific		
Other Charges – be specific		
Other Charges – be specific		

Table 3 – Change Order Pricing

Vendors shall provide two (2) Change Order Rates per Staff Level Position:

Change Order Rate defined as a “base” rate, that is, it includes, the cost of all materials and incidentals incurred by the Vendor in the performance of the Change Order while located at the Vendor’s work site(s); this Change Order Rate does not include travel expenses, per diem or any other travel related expenses as they are not required for work performed while located at the Vendor’s work site(s); and

Change Order Rate defined as a “fully loaded” rate, that is, it includes, but is not limited to the cost of all materials, travel expenses, per diem, and all other expenses and incidentals incurred by the Vendor in the performance of the Change Order while located at the State’s work site(s).

Staff Level Position	\$rate/hour (base)	\$rate/hour (fully loaded)
Technical Director		
Technical Project Manager		
Data Base Administrator		
Network Administrator		
Technical Team Leader		
Functional Team Leader		
Business Consultant/Analyst		
Documentation Specialist		
Training Specialist		
Programmer		
Other:		

Table 4a – CPCM for EBT WIC Services with Primary Call Center On-Shore/Secondary Call Center On-Shore

Active Cases for Billing Month	Year 1	Year 2	Year 3	Year 4	Year 5	Option Year 1	Option Year 2	Option Year 3	Option Year 4	Option Year 5
<80,000										
80,000-85,000										
85,000-90,000										
90,000-95,000										
95,000-100,000										
100,000-105,000										
105,000-110,000										
110,000-115,000										
115,000-120,000										
120,000-125,000										
125,000-130,000										
130,000-135,000										
135,000-140,000										
140,000-145,000										
145,000-150,000										
150,000-155,000										
>155,000										

Table 4b – CPCM for EBT WIC Services Summary with Primary Call Center On-Shore/Secondary Call Center Near-Shore

Active Cases for Billing Month	Year 1	Year 2	Year 3	Year 4	Year 5	Option Year 1	Option Year 2	Option Year 3	Option Year 4	Option Year 5
<80,000										
80,000-85,000										
85,000-90,000										
90,000-95,000										
95,000-100,000										
100,000-105,000										
105,000-110,000										
110,000-115,000										
115,000-120,000										
120,000-125,000										
125,000-130,000										
130,000-135,000										
135,000-140,000										
140,000-145,000										
145,000-150,000										
150,000-155,000										
>155,000										

Table 4c – CPCM for EBT WIC Services with Primary Call Center In-State (Mississippi)/Secondary Call Center On-Shore

Active Cases for Billing Month	Year 1	Year 2	Year 3	Year 4	Year 5	Option Year 1	Option Year 2	Option Year 3	Option Year 4	Option Year 5
<80,000										
80,000-85,000										
85,000-90,000										
90,000-95,000										
95,000-100,000										
100,000-105,000										
105,000-110,000										
110,000-115,000										
115,000-120,000										
120,000-125,000										
125,000-130,000										
130,000-135,000										
135,000-140,000										
140,000-145,000										
145,000-150,000										
150,000-155,000										
>155,000										

Table 4d – CPCM for EBT WIC Services with Primary Call Center On-Shore/Secondary Call Center Off-Shore

Active Cases for Billing Month	Year 1	Year 2	Year 3	Year 4	Year 5	Option Year 1	Option Year 2	Option Year 3	Option Year 4	Option Year 5
<80,000										
80,000-85,000										
85,000-90,000										
90,000-95,000										
95,000-100,000										
100,000-105,000										
105,000-110,000										
110,000-115,000										
115,000-120,000										
120,000-125,000										
125,000-130,000										
130,000-135,000										
135,000-140,000										
140,000-145,000										
145,000-150,000										
150,000-155,000										
>155,000										

Table 4e – CPCM Breakdown for EBT WIC Services

Category	Percentage of CPCM for Table 4a	Percentage of CPCM for Table 4b	Percentage of CPCM for Table 4c	Percentage of CPCM for Table 4d
Transaction Processing				
Call Center Services				
Card Management Services				
Retailer Management Services				
Disaster Services				
Implementation Cost				
Software License Cost				
Other Cost				
Other Cost				
Other Cost				
Other Cost				
Other Cost				

Table 5a – CPCPM for Electronic Child Care Services with Primary Call Center On-Shore/Secondary Call Center On-Shore

Active Cases for Billing Month	Year 1	Year 2	Year 3	Year 4	Year 5	Option Year 1	Option Year 2	Option Year 3	Option Year 4	Option Year 5
<5,000										
5,000-10,000										
10,000-15,000										
15,000-20,000										
20,000-25,000										
25,000-30,000										
30,000-35,000										
35,000-40,000										
>40,000										

Table 5b – CPCPM for Electronic Child Care Services with Primary Call Center On-Shore/Secondary Call Center Near-Shore

Active Cases for Billing Month	Year 1	Year 2	Year 3	Year 4	Year 5	Option Year 1	Option Year 2	Option Year 3	Option Year 4	Option Year 5
<5,000										
5,000-10,000										
10,000-15,000										
15,000-20,000										
20,000-25,000										
25,000-30,000										
30,000-35,000										
35,000-40,000										
>40,000										

Table 5c – CPCPM for Electronic Child Care Services with Primary Call Center In-State (Mississippi)/Secondary Call Center On-Shore

Active Cases for Billing Month	Year 1	Year 2	Year 3	Year 4	Year 5	Option Year 1	Option Year 2	Option Year 3	Option Year 4	Option Year 5
<5,000										
5,000-10,000										
10,000-15,000										
15,000-20,000										
20,000-25,000										
25,000-30,000										
30,000-35,000										
35,000-40,000										
>40,000										

Table 5d – CPCPM for Electronic Child Care Services with Primary Call Center On-Shore/Secondary Call Center Off-Shore

Active Cases for Billing Month	Year 1	Year 2	Year 3	Year 4	Year 5	Option Year 1	Option Year 2	Option Year 3	Option Year 4	Option Year 5
<5,000										
5,000-10,000										
10,000-15,000										
15,000-20,000										
20,000-25,000										
25,000-30,000										
30,000-35,000										
35,000-40,000										
>40,000										

Table 5e – CPCPM Breakdown for Electronic Child Care Services

Category	Percentage of CPCPM for Table 5a	Percentage of CPCPM for Table 5b	Percentage of CPCPM for Table 5c	Percentage of CPCPM for Table 5d
Transaction Processing				
Call Center Services				
Time and Attendance Management Services				
Provider Management Services				
Payment Processing Services				
Implementation Cost				
Software License Cost				
Other Cost				
Other Cost				
Other Cost				
Other Cost				
Other Cost				

Table 6 – Performance Bond/Irrevocable Bank Letter of Credit

See Section VI Item 37, Performance Bond/Irrevocable Bank Letter of Credit

Performance Bond

SECTION IX REFERENCES

- 1.1 Any of the following may subject the Vendor's proposal to being rated unfavorably relative to these criteria or removed from further consideration, at the State's sole discretion:

Please return the following Reference Forms, and if applicable, Subcontractor Reference Forms.

1. References

- 1.2 The Vendor must provide at least five (5) references consisting of Vendor accounts that the State may contact. Required information includes customer contact name, address, telephone number, email address, and engagement starting and ending dates. Forms for providing reference information are included later in this RFP section. The Vendor must make arrangements in advance with the account references so that they may be contacted at the Project team's convenience without further clearance or Vendor intercession.
- 1.2.1 Failure to provide reference information in the manner described;
- 1.2.2 Inability of the State to substantiate minimum experience or other requirements from the references provided;
- 1.2.3 Non-responsiveness of references to the State's attempts to contact them; or
- 1.2.4 Unfavorable references that raise serious concerns about material risks to the State in contracting with the Vendor for the proposed products or services.
- 1.3 References should be based on the following profiles and be able to substantiate the following information from both management and technical viewpoints:
- 1.3.1 The reference installation must be for a project similar in scope and size to the project for which this RFP is issued;
- 1.3.2 The reference installation must have been operational for at least six (6) months.
- 1.4 The State reserves the right to request information about the Vendor from any previous customer of the Vendor of whom the State is aware, including the procuring agency and/or other agencies or institutions of the State, even if that customer is not included in the Vendor's list of references, and to utilize such information in the evaluation of the Vendor's proposal.
- 1.5 Unless otherwise indicated in the Scoring Methodology in Section VII, reference information available to the State will be used as follows:

- 1.5.1 As documentation supporting mandatory experience requirements for companies, products, and/or individuals, as required in this RFP; and
- 1.5.2 To confirm the capabilities and quality of a Vendor, product, or individual for the proposal deemed lowest and best, prior to finalizing the award.
- 1.6 The State reserves the right to forego reference checking when, at the State's sole discretion, the evaluation team determines that the capabilities of the recommended Vendor are known to the State.

2. **Subcontractors**

The Vendor's proposal must identify any subcontractor that will be used and include the name of the company, telephone number, contact person, type of work subcontractor will perform, number of certified employees to perform said work, and three (3) references for whom the subcontractor has performed work that the State may contact. Forms for providing subcontractor information and references are included at the end of this section.

Unless otherwise noted, the requirements found in the References section may be met through a combination of Vendor and subcontractor references and experience. Vendor's proposal should clearly indicate any mandatory experience requirements met by subcontractors. NOTE: The State reserves the right to eliminate from further consideration proposals in which the prime Vendor does not, in the State's sole opinion, provide substantive value or investment in the total solution proposed (i.e. the State does not typically accept proposals in which the prime Vendor is only a brokering agent).

REFERENCE FORM

Complete five (5) Reference Forms.

Contact Name:

Company Name:

Address:

Phone #:

E-Mail:

Project Start Date:

Project End Date:

Description of product/services/project, including start and end dates:

--

SUBCONTRACTOR REFERENCE FORM

Complete a separate form for each subcontractor proposed.

Contact Name:
Company name:
Address:
Phone #:
E-Mail:

Scope of services/products to be provided by subcontractor:

--

Complete three (3) Reference Forms for each Subcontractor.

Contact Name:
Company name:
Address:
Phone #:
E-Mail:
Description of product/services/project, including start and end dates:

--

EXHIBIT A STANDARD CONTRACT

A properly executed contract is a requirement of this RFP. After an award has been made, it will be necessary for the winning Vendor to execute a contract with **ITS**. The inclusion of this contract does not preclude **ITS** from, at **ITS** sole discretion, negotiating additional terms and conditions with the selected Vendor(s) specific to the projects covered by this RFP.

If Vendor cannot comply with any term or condition of this Standard Contract, the Vendor must list and explain each specific exception on the *Proposal Exception Summary Form* included in Section V.

**PROJECT NUMBER 42408
ELECTRONIC BENEFITS TRANSFER AGREEMENT
BETWEEN
INSERT VENDOR NAME
MISSISSIPPI DEPARTMENT OF INFORMATION TECHNOLOGY SERVICES
AS CONTRACTING AGENT FOR THE
MISSISSIPPI DEPARTMENT OF HUMAN SERVICES**

This Electronic Benefits Transfer ("EBT") Agreement (hereinafter referred to as "Agreement") is entered into by and between **INSERT VENDOR NAME**, which is incorporated in **INSERT STATE** and has its principal place of business at **INSERT VENDOR STREET ADDRESS** (hereinafter referred to as "Contractor"), and Mississippi Department of Information Technology Services having its principal place of business at 3771 Eastwood Drive, Jackson, Mississippi 39211 (hereinafter referred to as "ITS"), as contracting agent for the Mississippi Department of Human Services at 750 North State Street, Jackson, Mississippi 39202 (hereinafter referred to as "Customer" and/or "MDHS"). ITS and Customer are sometimes collectively referred to herein as "State".

WHEREAS, Customer, pursuant to Request for Proposals ("RFP") No. 3884 requested proposals for the acquisition of a second generation Electronic Benefit Transfer ("EBT") system for the delivery of public assistance benefits and services, and

WHEREAS, Contractor was the successful proposer in an open, fair and competitive procurement process to provide the services described herein;

NOW THEREFORE, in consideration of the mutual understandings, promises and agreements set forth, the parties hereto agree as follows:

ARTICLE 1 PERIOD OF PERFORMANCE

1.1 Unless this Agreement is extended by mutual agreement or terminated as prescribed elsewhere herein, this Agreement shall begin on the date it is signed by all parties and shall continue in effect until **INSERT DATE** (hereinafter referred to as "Initial Term"). At the end of the Initial Term, this Agreement may, upon the written agreement of the parties, be renewed for an additional term, the length of which will be agreed upon by the parties. Sixty (60) days prior to the expiration of the Initial Term or any renewal term of this Agreement, Contractor shall notify Customer and ITS of the impending expiration and Customer shall have thirty (30) days in which

to notify Contractor of its intention to either renew or permit the Agreement to expire.

1.2 This Agreement will become a binding obligation on the State only upon the issuance of a valid purchase order by the Customer following contract execution and the issuance by ITS of the CP-1 Acquisition Approval Document.

ARTICLE 2 SCOPE OF SERVICES AND ACCEPTANCE OF DELIVERABLES

2.1 Contractor shall provide all deliverables, equipment and software, and perform all services as specified in this Agreement and in RFP No. 3884 and Contractor's Proposal, as accepted by Customer, in response thereto. Also, for purposes of this Agreement, the Contractor shall be responsible for the acts and omissions of any subcontractors engaged for this project and for ensuring that all deliverables, equipment, software and services that are required to be provided under this Agreement shall be provided in accordance with the terms of this Agreement. Contractor shall also agree to provide to the Customer any technical services or enhancements related to their EBT/SNAP or EPC/debit card program or system that have been implemented for commercial customers or other governmental entities at no charge should the Customer decide to acquire the services. It is understood by the parties that "SNAP" refers to the federal Supplemental Nutrition Assistance Program and "EPC" refers to Electronic Payment Card.

2.2 The Contractor acknowledges that Customer will be actively involved in the day-to-day operations of the project. The Contractor agrees to (a) obtain Customer's approval of all tasks and the time schedule for completion of said tasks prior to commencing performance, if not already contained in the approved project work plan; (b) notify Customer's technical and project managers of all meetings related to the project so as to allow their participation in said meetings, and (c) meet with Customer on a regular basis and as otherwise requested by Customer to discuss the status of the project. The Contractor agrees that all activities for the Transition-in/Conversion Phase as referenced in the mutually agreed upon project work plan shall be completed no later than January 31, 2018, with new operations beginning February 1, 2018.

2.3 Customer shall have fifteen (15) working days to review each deliverable and to either notify Contractor of acceptance or to provide Contractor a detailed list of deficiencies that must be remedied prior to payment being made. In the event the Customer notifies the Contractor of deficiencies, the Contractor shall correct such deficiencies within fifteen (15) calendar days unless the Customer consents in writing to a longer period of time.

2.4 In the event the Contractor fails to correct any deficiencies in the deliverable within the fifteen (15) day period, or such longer period as the parties may mutually agree upon, the Customer, at its option, may do any one or more of the following: (a) extend the period of time for the Contractor to make corrections; (b) directly or by use of a third party contractor make the necessary corrections or otherwise furnish the deliverable and charge the Contractor an amount equal to the costs incurred by Customer in making such correction or furnishing the deliverable itself or through a third party contractor; or (c) terminate this Agreement in whole or in part for cause, as of a date specified in a written notice of termination from the Customer to the Contractor with no obligation to provide the Contractor any further opportunity to cure. The remedies set forth herein are in addition to and not in lieu of any other legal and equitable remedies available to the Customer.

2.5 Customer, upon determining it to be in its best interest, may add Foster Care and Adoption payments to the Mississippi e-Payment Program as part of this Agreement. The addition of these

payments will not require an amendment to the Agreement unless the scope of services changes or the Customer deems it necessary to do so.

ARTICLE 3 CONSIDERATION AND METHOD OF PAYMENT

3.1 The total compensation to be paid to the Contractor by Customer for all products, services, deliverables, travel, performances and expenses under this Agreement shall not exceed the specified sum of \$**INSERT AMOUNT** for the Initial Term. The parties understand and agree that all such costs are included in the cost per case month ("CPCM") fees set forth in the attached Exhibit A which is incorporated herein by reference, and that Contractor will derive payment solely from the CPCM fees specified in Exhibit A. It is understood and agreed that both the CPCM fees and the Debit Card fees specified in Exhibit A are effective February 1, 2018.

3.2 Contractor shall submit invoices with the appropriate documentation monthly to Customer for any month in which services are rendered. Contractor shall submit invoices and supporting documentation electronically to Customer during the term of this Agreement using the processes and procedures identified by the State. Customer agrees to make payment in accordance with Mississippi law on "Timely Payments for Purchases by Public Bodies", Section 31-7-301, et seq. of the 1972 Mississippi Code Annotated, as amended, which generally provides for payment of undisputed amounts by Customer within forty-five (45) days of receipt of the invoice. Contractor understands and agrees that Customer is exempt from the payment of taxes. All payments shall be in United States currency. Payments by state agencies using Mississippi's Accountability System for Government Information and Collaboration (MAGIC) shall be made and remittance information provided electronically as directed by the State. The payments by these agencies shall be deposited into the bank account of the Contractor's choice. No payment, including final payment, shall be construed as acceptance of defective or incomplete work, and the Contractor shall remain responsible and liable for full performance.

3.3 If payment of undisputed amounts is not made to Contractor within forty-five (45) days of Customer's receipt of the invoice, Customer shall be liable to Contractor for interest at a rate of one and one-half percent (1 ½ %) per month (or such lesser rate as may be the maximum permissible rate under the law) on the unpaid balance from the expiration of such forty-five (45) day period until such time as payment is made. This provision for late payments shall apply only to undisputed amounts for which payment has been authorized.

3.4 Acceptance by the Contractor of the last payment from the Customer shall operate as a release of all claims against the State by the Contractor and any subcontractors or other persons supplying labor or materials used in the performance of the work under this Agreement.

ARTICLE 4 WARRANTIES

4.1 The Contractor represents and warrants that its services hereunder shall be performed by competent personnel and shall be of professional quality consistent with generally accepted industry standards for the performance of such services and shall comply in all respects with the requirements of this Agreement. For any breach of this warranty, the Contractor shall, for a period of ninety (90) days from performance of the service, perform the services again, at no cost to Customer, or if Contractor is unable to perform the services as warranted, Contractor shall reimburse Customer the fees paid to Contractor for the unsatisfactory services.

4.2 If applicable under the given circumstances, Contractor represents and warrants that it will ensure its compliance with the Mississippi Employment Protection Act, Section 71-11-1, et seq.

of the Mississippi Code Annotated (Supp2008), and will register and participate in the status verification system for all newly hired employees. The term "employee" as used herein means any person that is hired to perform work within the State of Mississippi. As used herein, "status verification system" means the Illegal Immigration Reform and Immigration Responsibility Act of 1996 that is operated by the United States Department of Homeland Security, also known as the E-Verify Program, or any other successor electronic verification system replacing the E-Verify Program. Contractor agrees to maintain records of such compliance and, upon request of the State and approval of the Social Security Administration or Department of Homeland Security where required, to provide a copy of each such verification to the State. Contractor further represents and warrants that any person assigned to perform services hereunder meets the employment eligibility requirements of all immigration laws of the State of Mississippi. Contractor understands and agrees that any breach of these warranties may subject Contractor to the following: (a) termination of this Agreement and ineligibility for any state or public contract in Mississippi for up to three (3) years, with notice of such cancellation/termination being made public, or (b) the loss of any license, permit, certification or other document granted to Contractor by an agency, department or governmental entity for the right to do business in Mississippi for up to one (1) year, or (c) both. In the event of such termination/cancellation, Contractor would also be liable for any additional costs incurred by the State due to contract cancellation or loss of license or permit.

4.3 Contractor represents and warrants that it has title to, or the right to allow the Customer to use, any equipment, software, services and information being provided and that the Customer will have use of those items without suit, trouble or hindrance so long as the Customer is performing its obligations.

4.4 The Contractor represents and warrants that it has not employed any company or person, other than a *bona fide* employee working solely for the Contractor or for a company regularly employed as its marketing agent, to solicit or secure this Agreement. The Contractor also warrants that it has not paid or agreed to pay any company or person, other than a *bona fide* employee working solely for the Contractor or for a company regularly employed by the Contractor as its marketing agency, any fee, commission, percentage, brokerage fee, gift or any other consideration contingent upon or resulting from the award of this Agreement. For breach or violation of this warranty, the Customer shall have the right to cancel this Agreement without liability, or, in its discretion, to deduct from the contract price or consideration, or otherwise recover the full amount of such fee, commission, percentage, brokerage fee, gift, or contingent fees.

4.5 Contractor represents and warrants that no official or employee of Customer or of ITS, and no other public official of the State of Mississippi who exercises any functions or responsibilities in the review or approval of the undertaking or carrying out of the project shall, prior to the completion of said project, voluntarily acquire any personal interest, direct or indirect, in this Agreement. The Contractor warrants that it has removed any material conflict of interest prior to the signing of this Agreement, and that it shall not acquire any interest, direct or indirect, which would conflict in any manner or degree with the performance of its responsibilities under this Agreement. The Contractor also warrants that in the performance of this Agreement no person having any such known interests shall be employed.

4.6 The Contractor represents and warrants that no elected or appointed officer or other employee of the State of Mississippi, nor any member of or delegate to Congress has or shall benefit financially or materially from this Agreement. No individual employed by the State of

Mississippi shall be admitted to any share or part of the Agreement or to any benefit that may arise therefrom. The State of Mississippi may, by written notice to the Contractor, terminate the right of the Contractor to proceed under this Agreement if it is found, after notice and hearing by the Executive Directors or the duly authorized representatives of ITS and Customer, that gratuities in the form of entertainment, gifts, or otherwise were offered or given by the Contractor to any officer or employee of the State of Mississippi with a view toward securing this Agreement or securing favorable treatment with respect to the award, or amending or making of any determinations with respect to the performing of such contract, provided that the existence of the facts upon which the Executive Directors of ITS and Customer make such findings shall be in issue and may be reviewed in any competent court. In the event this Agreement is terminated under this article, the State of Mississippi shall be entitled to pursue the same remedies against the Contractor as it would pursue in the event of a breach of contract by the Contractor, including punitive damages, in addition to any other damages to which it may be entitled at law or in equity.

4.7 The Contractor further represents and warrants that it will: (a) use adequate numbers of qualified individuals with suitable training, education, experience and skill to perform the services hereunder; (b) maintain all equipment and software for which it has maintenance responsibilities in good operating condition and will undertake all repairs and preventive maintenance in accordance with applicable manufacturer's recommendations; (c) use its best efforts to use efficiently any resources or services necessary to provide the services that are separately chargeable to Customer, and (d) use its best efforts to perform the services in the most cost effective manner consistent with the required level of quality and performance.

4.8 Contractor represents and warrants that as federal and state regulations are changed, the EBT system will be modified by Contractor to meet the new requirements, with said modifications being done at no cost to Customer.

ARTICLE 5 EMPLOYMENT STATUS

5.1 Contractor shall, during the entire term of this Agreement, be construed to be an independent contractor. Nothing in this Agreement is intended to nor shall be construed to create an employer-employee relationship, or a joint venture relationship.

5.2 Contractor represents that it is qualified to perform the duties to be performed under this Agreement and that it has, or will secure, if needed, at its own expense, applicable personnel who shall be qualified to perform the duties required under this Agreement. Such personnel shall not be deemed in any way, directly or indirectly, expressly or by implication, to be employees of Customer.

5.3 Any person assigned by Contractor to perform the services hereunder shall be the employee of Contractor, who shall have the sole right to hire and discharge its employee. Customer may, however, direct Contractor to replace any of its employees providing services pursuant to this Agreement.

5.4 Contractor shall pay when due, all salaries and wages of its employees and it accepts exclusive responsibility for the payment of federal income tax, state income tax, social security, unemployment compensation and any other withholdings that may be required. Neither Contractor nor employees of Contractor are entitled to state retirement or leave benefits.

ARTICLE 6 BEHAVIOR OF EMPLOYEES/SUBCONTRACTORS

Contractor will be responsible for the behavior of all its employees and subcontractors while on the premises of any Customer location. Any employee or subcontractor acting in a manner determined by the administration of that location to be detrimental, abusive or offensive to any of the staff will be asked to leave the premises and may be suspended from further work on the premises. All Contractor employees and subcontractors who will be working at such locations shall be covered by Contractor's comprehensive general liability insurance policy.

ARTICLE 7 MODIFICATION OR RENEGOTIATION

This Agreement may be modified only by written agreement signed by the parties hereto, and any attempt at oral modification shall be void and of no effect. The parties agree to renegotiate the Agreement if federal and/or state revisions of any applicable laws or regulations make changes in this Agreement necessary.

ARTICLE 8 AUTHORITY, ASSIGNMENT AND SUBCONTRACTS

8.1 In matters of proposals, negotiations, contracts, and resolution of issues and/or disputes, the parties agree that Contractor represents all contractors, third parties, and/or subcontractors Contractor has assembled for this project. The Customer is required to negotiate only with Contractor, as Contractor's commitments are binding on all proposed contractors, third parties, and subcontractors.

8.2 Neither party may assign or otherwise transfer this Agreement or its obligations hereunder without the prior written consent of the other party, which consent shall not be unreasonably withheld. Any attempted assignment or transfer of its obligations without such consent shall be null and void. This Agreement shall be binding upon the parties' respective successors and assigns.

8.3 Contractor must obtain the written approval of Customer before subcontracting any portion of this Agreement. No such approval by Customer of any subcontract shall be deemed in any way to provide for the incurrence of any obligation of Customer in addition to the total fixed price agreed upon in this Agreement. All subcontracts shall incorporate the terms of this Agreement and shall be subject to the terms and conditions of this Agreement and to any conditions of approval that Customer may deem necessary.

8.4 Contractor represents and warrants that any subcontract agreement Contractor enters into shall contain a provision advising the subcontractor that the subcontractor shall have no lien and no legal right to assert control over any funds held by the Customer, and that the subcontractor acknowledges that no privity of contract exists between the Customer and the subcontractor and that the Contractor is solely liable for any and all payments which may be due to the subcontractor pursuant to its subcontract agreement with the Contractor. The Contractor shall indemnify and hold harmless the State from and against any and all claims, demands, liabilities, suits, actions, damages, losses, costs and expenses of every kind and nature whatsoever arising as a result of Contractor's failure to pay any and all amounts due by Contractor to any subcontractor, materialman, laborer or the like.

8.5 All subcontractors shall be bound by any negotiation, arbitration, appeal, adjudication or settlement of any dispute between the Contractor and the Customer, where such dispute affects the subcontract.

ARTICLE 9 AVAILABILITY OF FUNDS

It is expressly understood and agreed that the obligation of Customer to proceed under this Agreement is conditioned upon the appropriation of funds by the Mississippi State Legislature and the receipt of state and/or federal funds for the performances required under this Agreement. If the funds anticipated for the fulfillment of this Agreement are not forthcoming, or are insufficient, either through the failure of the federal government to provide funds or of the State of Mississippi to appropriate funds, or if there is a discontinuance or material alteration of the program under which funds were available to Customer for the payments or performance due under this Agreement, Customer shall have the right to immediately terminate this Agreement, without damage, penalty, cost or expense to Customer of any kind whatsoever. The effective date of termination shall be as specified in the notice of termination. Customer shall have the sole right to determine whether funds are available for the payments or performances due under this Agreement.

ARTICLE 10 TERMINATION

10.1 Notwithstanding any other provision of this Agreement to the contrary, this Agreement may be terminated, in whole or in part, as follows: (a) due to unavailability of funds as set forth in the "Availability of Funds" article herein; (b) upon the mutual, written agreement of the parties; (c) If either party fails to comply with the terms of this Agreement, the non-defaulting party may terminate the Agreement upon the giving of thirty (30) days' written notice unless the breach is cured within said thirty (30) day period; (d) Customer may terminate the Agreement in whole or in part without the assessment of any penalties upon thirty (30) days' written notice to Contractor if Contractor becomes the subject of bankruptcy, reorganization, liquidation or receivership proceedings, whether voluntary or involuntary, or (e) Customer may terminate the Agreement for any reason without the assessment of any penalties after giving thirty (30) days' written notice specifying the effective date thereof to Contractor. The provisions of this Article do not limit either party's right to pursue any other remedy available at law or in equity.

10.2 Default by Contractor: If the Contractor fails to fulfill in a timely manner its obligations under this Agreement, or if the Contractor violates any of the material terms of this Agreement, the Contractor shall be deemed in default and the State shall have the right to terminate this Agreement, in whole or in part and without the assessment of any penalties for cause. The Contractor agrees to forgo any payments in excess of fair compensation for work already completed and accepted by the State. The Contractor shall repay to the State any funds expended in violation of such conditions.

10.3 Rights Upon Termination: In the event the Customer terminates this Agreement in whole or in part, the Customer may procure, upon such terms and in such manner, as the Customer may deem appropriate, services similar to those so terminated. The Contractor shall be liable to the Customer for any excess costs for such similar services, provided that the Contractor shall continue the performance of this Agreement to the extent not terminated under the provisions of this article. The Customer shall have the right to assume, at its option, any and all subcontracts for services and materials provided exclusively under this agreement with the Customer and may further pursue completion of the work as set forth in this Agreement by replacement contract or as the Customer may in its sole judgment deem expedient. Further, the Customer may withhold from amounts otherwise due the Contractor for such completed work, any sum as the State determines necessary to protect the State against loss. The rights and remedies provided for in this article shall not be exclusive and are in addition to any other rights and remedies that may be available to it in law or in equity.

10.4 In the event Customer terminates this Agreement, Contractor shall be paid for satisfactory work completed by Contractor and accepted by Customer prior to the termination. Such compensation shall be based upon the amounts set forth in the Article herein on "Consideration and Method of Payment", but in no case shall said compensation exceed the total fixed price of this Agreement, and in no event, shall the Contractor be paid for loss of anticipated profits.

10.5 Notwithstanding the above, Contractor shall not be relieved of liability to Customer for damages sustained by Customer by virtue of any breach of this Agreement by Contractor, and Customer may withhold any payments to Contractor for the purpose of set off until such time as the exact amount of damages due Customer from Contractor are determined.

10.6 Termination Assistance: If this Agreement is terminated for any reason, the Contractor shall provide for up to one (1) year after the expiration or termination of the Agreement, all reasonable termination assistance requested by the Customer to allow the services provided by the Contractor to continue without interruption or adverse effect and to facilitate the orderly transfer of such services to the Customer or its designee. Such termination assistance will be as further detailed in RFP No. 3884. If the Customer terminates this Agreement for cause, then the Customer will not be required to pay the Contractor for providing termination assistance.

ARTICLE 11 GOVERNING LAW

This Agreement shall be construed and governed in accordance with the laws of the State of Mississippi and venue for the resolution of any dispute shall be Jackson, Hinds County, Mississippi. Contractor expressly agrees that under no circumstances shall the State be obligated to pay an attorney's fee, prejudgment interest or the cost of legal action to Contractor. Further, nothing in this Agreement shall affect any statutory rights either party may have that cannot be waived or limited by contract.

ARTICLE 12 WAIVER

Failure of either party hereto to insist upon strict compliance with any of the terms, covenants and conditions hereof shall not be deemed a waiver or relinquishment of any similar right or power hereunder at any subsequent time or of any other provision hereof, nor shall it be construed to be a modification of the terms of this Agreement. A waiver by the State, to be effective, must be in writing, must set out the specifics of what is being waived, and must be signed by an authorized representative of the State.

ARTICLE 13 SEVERABILITY

If any term or provision of this Agreement is prohibited by the laws of the State of Mississippi or declared invalid or void by a court of competent jurisdiction, the remainder of this Agreement shall be valid and enforceable to the fullest extent permitted by law provided that the State's purpose for entering into this Agreement can be fully achieved by the remaining portions of the Agreement that have not been severed.

ARTICLE 14 CAPTIONS

The captions or headings in this Agreement are for convenience only, and in no way define, limit or describe the scope or intent of any provision or Article in this Agreement.

ARTICLE 15 HOLD HARMLESS

To the fullest extent allowed by law, Contractor shall indemnify, defend, save and hold harmless, protect and exonerate Customer, ITS and the State, its Board Members, officers, employees,

agents and representatives from and against any and all claims, demands, liabilities, suits, actions, damages, losses, costs and expenses of every kind and nature whatsoever, including without limitation, court costs, investigative fees and expenses, attorney fees and claims for damages arising out of or caused by Contractor and/or its partners, principals, agents, employees or subcontractors in the performance of or failure to perform this Agreement.

ARTICLE 16 THIRD PARTY ACTION NOTIFICATION

Contractor shall notify Customer in writing within five (5) business days of Contractor's filing bankruptcy, reorganization, liquidation or receivership proceedings or within five (5) business days of its receipt of notification of any action or suit being filed or any claim being made against Contractor or Customer by any entity that may result in litigation related in any way to this Agreement and/or which may affect the Contractor's performance under this Agreement. Failure of the Contractor to provide such written notice to Customer shall be considered a material breach of this Agreement and the Customer may, at its sole discretion, pursue its rights as set forth in the Termination Article herein and any other rights and remedies it may have at law or in equity.

ARTICLE 17 AUTHORITY TO CONTRACT

Contractor warrants that it is a validly organized business with valid authority to enter into this Agreement; that entry into and performance under this Agreement is not restricted or prohibited by any loan, security, financing, contractual or other agreement of any kind, and notwithstanding any other provision of this Agreement to the contrary, that there are no existing legal proceedings, or prospective legal proceedings, either voluntary or otherwise, which may adversely affect its ability to perform its obligations under this Agreement.

ARTICLE 18 NOTICE

Any notice required or permitted to be given under this Agreement shall be in writing and personally delivered or sent by electronic means provided that the original of such notice is sent by certified United States mail, postage prepaid, return receipt requested, or overnight courier with signed receipt, to the party to whom the notice should be given at their business address listed herein. ITS' address for notice is: Craig P. Orgeron, Ph.D., Executive Director, Mississippi Department of Information Technology Services, 3771 Eastwood Drive, Jackson, Mississippi 39211. Customer's address for notice is: Mr. Tim Ragland, Chief Systems Information Officer, Mississippi Department of Human Services, 750 North State Street, Jackson, Mississippi 39202. The Contractor's address for notice is: INSERT NAME, TITLE & ADDRESS OF VENDOR PERSON FOR NOTICE. Notice shall be deemed given when actually received or when refused. The parties agree to promptly notify each other in writing of any change of address.

ARTICLE 19 RECORD RETENTION AND ACCESS TO RECORDS

Contractor shall establish and maintain financial records, supporting documents, statistical records and such other records as may be necessary to reflect its performance of the provisions of this Agreement. The Customer, ITS, any state or federal agency authorized to audit Customer, and/or any of their duly authorized representatives, shall, during normal business hours, have unimpeded, prompt access to this Agreement and to any of the Contractor's proposals, books, documents, papers and/or records that are pertinent to this Agreement to make audits, copies, examinations, excerpts and transcriptions at the State's or Contractor's office as applicable where such records are kept during normal business hours. All records relating to this Agreement shall be retained by the Contractor for four (4) years from the date of receipt of final payment under this Agreement. However, if any litigation or other legal action, by or for the state or federal government has begun that is not completed at the end of the four (4) year period, or if an audit

finding, litigation or other legal action has not been resolved at the end of the four (4) year period, the records shall be retained until resolution.

ARTICLE 20 INSURANCE

20.1 Contractor and all subcontractors shall maintain, at their own expense, the following insurance coverages in the amounts specified, insuring the Contractor, its employees, agents, designees, subcontractors, and any indemnities as required herein:

- A.** Professional liability insurance in an amount not less than five million dollars (\$5,000,000.00) per claim, including personal injury, bodily injury (including both disease or death), property damages, and blanket contractual liability; and
- B.** Comprehensive general liability insurance in an amount not less than two million dollars (\$2,000,000.00) per occurrence, including coverage for blanket contractual liability, broad form property damage, personal injury and bodily injury (including illness, disease, and death); and
- C.** Comprehensive automobile liability insurance, including hired and non-owned vehicles, in an amount not less than one million dollars (\$1,000,000.00), covering bodily injury and property damage; and
- D.** Employee fidelity bond insurance in an amount not less than three hundred thousand dollars (\$300,000.00); and
- E.** Workers' compensation insurance in the amounts required pursuant to the laws of the State of Mississippi.

20.2 DURATION: All insurance policies required herein shall be issued by an insurance company or companies registered/qualified and licensed to do business in the State of Mississippi and acceptable to the State and shall be written on an occurrence basis. The Contractor/subcontractor shall provide coverage to the State during the term of this Agreement. The Contractor/subcontractor shall name ITS, the Customer, and the State of Mississippi as additional insured on all insurance policies and coverages, excepting only the professional liability coverage, and all such policies shall include the following endorsement: "It is hereby agreed and understood that ITS, the Customer, and the State of Mississippi are named as additional insured and that the coverage afforded to ITS, the Customer, and the State of Mississippi under this policy shall be primary insurance. If ITS, the Customer, and the State of Mississippi have other insurance which is applicable to the loss, such other insurance shall be on an excess or contingent basis. The amount of the Insurer's liability under this policy shall not be reduced by the existence of such other insurance."

20.3 NO CANCELLATION: No policy of insurance may be canceled, modified, or reduced during the course of this Agreement.

20.4 DEDUCTIBLES: Contractor/subcontractor shall be liable for payment of all deductibles and for any inadequacy or absence of coverage, and the Contractor/subcontractor shall have no claim or other recourse against the State for any costs or loss attributable to such deductibles or to coverage limitations, exclusions, or unavailability, all of which shall be borne solely by the Contractor/subcontractor.

20.5 CERTIFICATE OF INSURANCE: At the time of the execution of this Agreement, and at the beginning of each renewal period, the Contractor/subcontractor shall deliver to the State a Certificate or Certificates of Insurance certifying the types and the amounts of coverage, certifying

that said insurance is in force before the Contractor/subcontractor starts work, certifying that said insurance applies to the Project and to all activities and liability of the Contractor/subcontractor pursuant to this Agreement, and certifying that ITS, the Customer, and the State of Mississippi are named as additional insureds on the Contractor/subcontractor's policies of insurance by endorsement as required herein. The Contractor/subcontractor shall simultaneously deliver to ITS, the Customer, and the State of Mississippi one duplicate original of each entire insurance policy.

20.6 NON-DELEGABLE: The insurance and indemnity obligations of this Agreement are non-delegable. The Contractor shall not subcontract any part of this Agreement without retaining absolute responsibility for requiring the same insurance coverage from its subcontractors.

20.7 PAYMENT OF PREMIUMS: The Contractor/subcontractor shall be responsible for payment of all premiums for insurance required by this Agreement, but the Contractor's/subcontractor's obligations shall not be limited to the purchase of insurance. The Contractor's indemnity obligations under this Agreement shall not be restricted to amounts available under insurance, whether actually obtained or which should have been obtained, but shall extend to the fullest extent, as set forth in Article 15 of this Agreement.

20.8 The Contractor's and any subcontractor's failure to maintain complete insurance shall be a material breach of this Agreement authorizing the State, at the State's sole election, either to terminate this Agreement for cause or to provide full insurance coverage at the Contractor's sole expense; however, in neither case shall the Contractor's liability be lessened.

20.9 In the event the Contractor or any subcontractors fail to obtain and maintain insurance required by this Agreement, the State shall be entitled, at its sole discretion and without waiving any rights hereunder, to purchase said insurance and deduct the premium costs from any amounts owed the Contractor; however, the State shall have no obligation to purchase said insurance, and failure to do so shall not constitute a waiver of the Contractor's and/or subcontractor's obligations with respect to insurance as set forth in this Agreement.

20.10 The State shall not be required to purchase any insurance under this Agreement.

ARTICLE 21 DISPUTES

21.1 Any claim, counterclaim, or dispute between the Customer and Contractor arising out of or relating to this Agreement shall be resolved as set forth herein. Any claim not submitted by the Contractor within ten (10) calendar days from the occurrence of the event which gives rise to the dispute, shall be deemed waived.

21.2 Should disputes arise with respect to this Agreement, Contractor and Customer agree to act immediately to resolve such disputes. Time is of the essence in the resolution of disputes. Contractor agrees that, the existence of a dispute notwithstanding, it will continue without delay to carry out all of its responsibilities under this Agreement. Should the Contractor fail to continue without delay to perform its responsibilities under this Agreement in the accomplishment of all work, any additional costs incurred by the Contractor or Customer as a result of such failure to proceed shall be borne by the Contractor and the Contractor shall make no claim against Customer for such costs.

21.3 If the Contractor and Customer cannot resolve a dispute within ten (10) calendar days

following written notification by either party of the existence of said dispute, then the following procedure shall apply:

- A.** The parties agree to resolve such matters through submission of their dispute to the Executive Director of ITS, who shall reduce his/her decision to writing and mail or otherwise furnish a copy thereof to the parties within ten (10) business days after presentation of such dispute for his/her decision.
- B.** Customer may withhold payments on disputed items pending resolution of the dispute. The withholding of such payments shall not constitute cause for termination or suspension of the contract by the Contractor.
- C.** Disagreement with the ITS Executive Director's decision by either party shall not constitute a breach under the terms of the contract. Such disagreeing party shall be entitled to seek such other rights and remedies it may have at law or in equity.

ARTICLE 22 COMPLIANCE WITH LAWS

22.1 Contractor shall comply with, and all activities under this Agreement shall be subject to, all Customer policies and procedures, and all applicable federal, state, and local laws, regulations, policies and procedures as now existing and as may be amended or modified. Specifically, but not limited to, Contractor shall not discriminate against any employee nor shall any party be subject to discrimination in the performance of this Agreement because of race, creed, color, sex, age, national origin or disability.

22.2 It is understood and agreed that Contractor shall comply with the following federal laws:

- (a) Drug-free Workplace regulations, Section 7 CFR 3021;
- (b) Clean Air, Clean Water, and EPA regulations, Section 7 CFR 277.14(j)(8);
- (c) Electronic Benefit Transfer Issuance System Approval Standards, Section 7 CFR 274.12;
- (d) Energy Policy and Conservation Act (P.L. 94-163), as amended by the National Energy Conservation Policy Act (Public Law 95-619);
- (e) Americans with Disabilities Act (42 U.S.C. 12101 et seq.), and the
- (f) Anti-Lobbying laws (45 CFR 93).

ARTICLE 23 CONFLICT OF INTEREST

Contractor shall notify the Customer of any potential conflict of interest resulting from the representation of or service to other customers. If such conflict cannot be resolved to the Customer's satisfaction, the Customer reserves the right to terminate this Agreement.

ARTICLE 24 SOVEREIGN IMMUNITY

By entering into this Agreement with Contractor, the State of Mississippi does in no way waive its sovereign immunities or defenses as provided by law.

ARTICLE 25 CONFIDENTIAL INFORMATION

25.1 Contractor shall treat all Customer and recipient data and information to which it has access by its performance under this Agreement as confidential and shall not disclose such data or information to a third party without specific written consent of Customer. In the event that Contractor receives notice that a third party requests divulgence of confidential or otherwise protected information and/or has served upon it a subpoena or other validly issued administrative or judicial process ordering divulgence of such information, Contractor shall promptly inform

Customer and thereafter respond in conformity with such subpoena to the extent mandated by state and/or federal laws, rules and regulations. This Article shall survive the termination or completion of this Agreement and shall continue in full force and effect and shall be binding upon the Contractor and its agents, employees, successors, assigns, subcontractors or any party or entity claiming an interest in this Agreement on behalf of, or under the rights of the Contractor following any termination or completion of this Agreement.

25.2 Neither the State nor the Contractor shall be obligated to treat as confidential and proprietary any information disclosed by the other party ("the Disclosing Party") which: (a) is or becomes known to the public without fault or breach of the party receiving confidential information of the Disclosing Party ("the Recipient"); (b) is furnished by the Disclosing Party to third parties without restriction on subsequent disclosure; (c) the Recipient obtains from a third party without restriction on disclosure and without breach of a non-disclosure obligation; (d) is already in the Recipient's possession without an obligation of confidentiality, or (e) is independently developed by Recipient without reliance on the confidential information.

25.3 With the exception of any attached exhibits which are labeled as "confidential", the parties understand and agree that this Agreement does not constitute confidential information, and may be reproduced and distributed by the State without notification to Contractor. ITS will provide third party notice to Contractor of any requests received by ITS for any such confidential exhibits so as to allow Contractor the opportunity to protect the information by court order as outlined in ITS Public Records Procedures.

25.4 The parties understand and agree that pursuant to §25-61-9(7) of the Mississippi Code of 1972, as amended, the contract provisions specifying the commodities purchased or the services provided; the price to be paid; and the term of this Agreement shall not be deemed confidential information.

ARTICLE 26 EFFECT OF SIGNATURE

Each person signing this Agreement represents that he or she has read the Agreement in its entirety, understands its terms, is duly authorized to execute this Agreement on behalf of the parties and agrees to be bound by the terms contained herein. Accordingly, this Agreement shall not be construed or interpreted in favor of or against the State or the Contractor on the basis of draftsmanship or preparation hereof.

ARTICLE 27 OWNERSHIP OF DOCUMENTS AND WORK PRODUCTS

All software developed specifically under this Agreement and all data, electronic or otherwise, developed or collected by Contractor specifically under this Agreement and all documents, notes, programs, data bases (and all applications thereof), files, reports, studies, and/or other material collected and prepared by Contractor in connection with this Agreement, whether completed or in progress, shall be the property of Customer upon completion of this Agreement or upon termination of this Agreement. Customer hereby reserves all rights to the databases and all applications thereof developed specifically under this Agreement and to any and all information and/or materials developed specifically under this Agreement. Contractor is prohibited from use of the above described information and/or materials without the express written approval of Customer. It is understood and agreed that the United States Department of Agriculture ("USDA") Food and Nutrition Service ("FNS") shall be and hereby is granted a royalty-free, non-exclusive, and irrevocable license to reproduce, publish, or otherwise use and to authorize others to use for Federal Government purposes, such software, modifications, and documentation developed

specifically under this Agreement pursuant to 7 CFR 277.18 (1)(ii).

ARTICLE 28 NON-SOLICITATION OF EMPLOYEES

Contractor agrees not to employ or to solicit for employment, directly or indirectly, any of the Customer's employees until at least one (1) year after the expiration/termination of this Agreement unless mutually agreed to the contrary in writing by the Customer and the Contractor and provided that such an agreement between these two entities is not a violation of the laws of the State of Mississippi or the federal government.

ARTICLE 29 ENTIRE AGREEMENT

29.1 This Contract constitutes the entire agreement of the parties with respect to the subject matter contained herein and supersedes and replaces any and all prior negotiations, understandings and agreements, written or oral, between the parties relating thereto. The RFP No. 3884 and Contractor's Proposal in response thereto are hereby incorporated into and made a part of this Contract.

29.2 The Contract made by and between the parties hereto shall consist of, and precedence is hereby established by the order of the following:

- A.** This Agreement signed by the parties hereto;
- B.** Any exhibits attached to this Agreement;
- C.** RFP No. 3884 and written addenda; and
- D.** Contractor's Proposal, as accepted by Customer, in response to RFP No. 3884.

29.3 The intent of the above listed documents is to include all items necessary for the proper execution and completion of the services by the Contractor. The documents are complementary, and what is required by one shall be binding as if required by all. A higher order document shall supersede a lower order document to the extent necessary to resolve any conflict or inconsistency arising under the various provisions thereof; provided, however, that in the event an issue is addressed in one of the above mentioned documents but is not addressed in another of such documents, no conflict or inconsistency shall be deemed to occur by reason thereof. The documents listed above are shown in descending order of priority, that is, the highest document begins with the first listed document ("A. This Agreement") and the lowest document is listed last ("D. Contractor's Proposal").

ARTICLE 30 STATE PROPERTY AND NEWS RELEASES

30.1 Contractor shall be responsible for the proper custody of any Customer-owned property furnished for Contractor's use in connection with work performed pursuant to this Agreement. Contractor shall reimburse the Customer for any loss or damage, normal wear and tear excepted.

30.2 News releases pertaining to this project will not be made without prior written approval from the Customer.

ARTICLE 31 SURVIVAL

Articles 4, 11, 15, 19, 24, 25, 27, 28, and all other articles which, by their express terms so survive or which should so reasonably survive, shall survive any termination or expiration of this Agreement.

ARTICLE 32 DEBARMENT AND SUSPENSION CERTIFICATION

Contractor certifies that neither it nor its principals: (a) are presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from covered transactions by any federal department or agency; (b) have, within a three (3) year period preceding this Agreement, been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain or performing a public (federal, state or local) transaction or contract under a public transaction; violation of federal or state anti-trust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements or receiving stolen property; (c) are presently indicted of or otherwise criminally or civilly charged by a governmental entity with the commission of fraud or a criminal offense in connection with obtaining, attempting to obtain or performing a public (federal, state or local) transaction or contract under a public transaction; violation of federal or state anti-trust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements or receiving stolen property, and/or (d) have, within a three (3) year period preceding this Agreement, had one or more public transaction (federal, state or local) terminated for cause or default.

ARTICLE 33 SPECIAL TERMS AND CONDITIONS

It is understood and agreed by the parties to this Agreement that there are no special terms and conditions.

ARTICLE 34 COMPLIANCE WITH ENTERPRISE SECURITY POLICY

Contractor and Customer understand and agree that all products and services provided by Contractor under this Agreement must be and remain in compliance with the State of Mississippi's Enterprise Security Policy. The parties understand and agree that the State's Enterprise Security Policy is based on industry-standard best practices, policy, and guidelines at the time of contract execution. The State reserves the right to introduce a new policy during the term of this Agreement and require the Contractor to comply with same in the event the industry introduces more secure, robust solutions or practices that facilitate a more secure posture for the State of Mississippi.

ARTICLE 35 STATUTORY AUTHORITY

By virtue of Section 25-53-21 of the Mississippi Code Annotated, as amended, the executive director of ITS is the purchasing and contracting agent for the State of Mississippi in the negotiation and execution of all contracts for the acquisition of information technology equipment, software and services. The parties understand and agree that ITS as contracting agent is not responsible or liable for the performance or non-performance of any of Customer's or Contractor's contractual obligations, financial or otherwise, contained within this Agreement. The parties further acknowledge that ITS is not responsible for ensuring compliance with any guidelines, conditions, or requirements mandated by Customer's funding source.

ARTICLE 36 FORCE MAJEURE

36.1 Neither party will be liable for any default or delay in the performance of its obligations under this Agreement if and to the extent such default or delay is caused, directly or indirectly, by: fire, flood, earthquake, elements of nature or acts of God; riots, civil disorders, acts of terrorism, rebellions or revolutions in any country which affect the provisions of this Agreement; or any other cause beyond the reasonable control of such party; provided the non-performing party and its subcontractors are without fault in causing such default or delay, and such default or delay could not have been prevented by reasonable precautions and cannot reasonably be circumvented by the non-performing party through the use of alternate sources, workaround plans or other means,

including disaster recovery plans. In such event, the non-performing party will be excused from any further performance or observance of the obligations so affected for as long as such circumstances prevail and such party continues to use its best efforts to recommence performance or observance whenever and to whatever extent possible without delay provided such party promptly notifies the other party in writing of the inception of the force majeure occurrence, and also of its abatement or cessation. If any of the above-enumerated circumstances substantially prevent, hinder, or delay performance of the services necessary for the performance of the State's functions for more than three (3) consecutive days, then at the State's option:

- (a) The State may procure such services from an alternate source, and the Contractor will be liable for payment for such services for so long as the delay in performance shall continue;
- (b) The State may terminate any portion of this Agreement so affected and the charges payable thereunder shall be equitably adjusted to reflect those terminated services; or
- (c) The Agreement will terminate without liability of the State to the Contractor as of a date specified by the State in a written notice of termination to the Contractor.

36.2 The Contractor shall not have the right to any additional payments from the State as a result of any force majeure occurrence or to payments for services not rendered as a result of the force majeure condition. Defaults or delays in performance by the Contractor which are caused by acts or omissions of its subcontractors will not relieve the Contractor of its obligations under this Agreement except to the extent that a subcontractor is itself subject to a force majeure condition described above and the Contractor cannot reasonably circumvent the effect of the subcontractor's default or delay in performance through the use of alternate sources, workaround plans or other means.

ARTICLE 37 PERSONNEL ASSIGNMENT GUARANTEE

37.1 Contractor guarantees that the key personnel assigned to this project will remain a part of the project through the completion of EBT system implementation as long as the key personnel are employed by the Contractor and are not replaced by Contractor pursuant to the third paragraph of the Article herein titled "Employment Status". Contractor further agrees that the assigned key personnel will function in the capacity for which their services were acquired throughout the life of the Agreement, and any failure by Contractor to so provide these persons shall be grounds for the State to terminate this Agreement for cause in accordance with Article 10 herein. Contractor agrees to pay the Customer \$100,000.00 for each occurrence of Contractor removing any of the assigned key personnel from the project prior to the completion of statewide rollout for reasons other than departure from Contractor's employment or replacement by Contractor pursuant to the third paragraph of the Article herein titled "Employment Status". Subject to the State's written approval, the Contractor may substitute qualified persons in the event of the separation of the incumbents therein from employment with Contractor or for other compelling reasons that are acceptable to the State, and in such event, will be expected to assign additional staff to provide technical support to Customer within thirty (30) calendar days or within such other mutually agreed upon period of time, or the Customer may, in its sole discretion, terminate this Agreement immediately without the necessity of providing thirty (30) days' notice. The replacement personnel shall have equal or greater ability, experience and qualifications than the departing personnel, and shall be subject to the prior written approval of the Customer. The Contractor shall not permanently divert any staff member from meeting work schedules developed

and approved under this Agreement unless approved in writing by the Customer. In the event of Contractor personnel loss or redirection, the services performed by the Contractor shall be uninterrupted and the Contractor shall report in required status reports its efforts and progress in finding replacements and the effect of the absence of those personnel.

37.2 The Customer shall have the right to approve the assignment and replacement by the Contractor of key personnel assigned to the development, implementation and operational phase of the Mississippi EBT project or to provide on-site Contractor representation for the project, including, without limitation, the overall project manager, individuals named or described in a schedule to the Agreement, and individuals assigned significant managerial responsibilities as mutually agreed by the parties. Before assigning an individual to any of these positions, the Contractor will notify the Customer of the proposed assignment, will introduce the individual to the appropriate Customer representatives, and will provide the Customer with a resume and any other information about the individual reasonably requested by the Customer. The Customer reserves the right to interview the individual before granting approval.

37.3 The Customer reserves the right to notify and require the Contractor to replace Contractor employees whom the Customer judges to be unqualified, unsuitable or otherwise objectionable, or whose continued use is deemed contrary to the best interests of the State. Before a written request is issued, authorized representatives of the Customer and the Contractor will discuss the circumstance. Upon receipt of a written request from an authorized representative of the Customer, the Contractor shall be required to proceed with the replacement. The replacement request will include the desired replacement date and the reason for the request. The Contractor shall use its best efforts to effect the replacement in a manner that does not degrade service quality. This provision is intended to give only the Customer the right to require that the Contractor discontinue using an employee in the performance of services for the Customer.

ARTICLE 38 LIQUIDATED DAMAGES & PERFORMANCE STANDARDS

The liquidated damages and performance standards are set forth in Exhibit B, which is attached hereto and incorporated herein by reference.

ARTICLE 39 PERFORMANCE BOND

As a condition precedent to the formation of this Agreement, the Contractor shall provide a performance bond as herein described. To secure the Contractor's performance, the Contractor shall procure, submit to the State with this executed Agreement, and maintain in effect at all times from execution of this Agreement through the Initial Term, a performance bond for the total amount (one hundred percent (100%) of the Agreement. Thereafter, Contractor shall maintain a performance bond for one hundred percent (100%) of the total amount of the Agreement for any renewal term. The Customer may, at any time during the Agreement, review Contractor's performance and performance of the products/services delivered and determine whether or not the Contractor's performance bond may be reduced. The bond shall be accompanied by a duly authenticated or certified document evidencing that the person executing the bond is a licensed Mississippi agent for the bonding company. This certified document shall identify the name and address of the person or entity holding the performance bond, and shall identify a contact person to be notified in the event the Customer is required to take action against the bond. The performance bond shall be procured at Contractor's expense and be payable to the Customer. Prior to approval of the performance bond, the State reserves the right to review the bond and require Contractor to substitute an acceptable bond in such form as the State may reasonably require. The premiums on such bond shall be paid by Contractor. The bond must specifically refer

to this Agreement and shall bind the surety to all of the terms and conditions of this Agreement. The Customer may make a claim by contacting the bonding company issuing the performance bond and making a written claim for payment. The bonding company is required to respond to any written claim made by the Customer, or provide notice to the Customer it is disputing claims made by the Customer, or cure the Contractor's default within sixty (60) days of its receipt of written notification from the Customer. Further, if the Agreement is terminated due to Contractor's failure to comply with the terms thereof, Customer may claim against the performance bond.

ARTICLE 40 MOST FAVORED NATIONS

40.1 In the event that the Contractor's charges to any commercial customer, or to any other federal, state or local governmental entity, which purchases Comparable Levels or Types of Services (as those terms are defined herein) from the Contractor are more favorable to such commercial customer or other governmental entity than the Contractor's charges to Customer under this Agreement, the Contractor shall immediately notify Customer of same and reduce its charges to the same level as the charges to such commercial customer or other governmental entity. Such reduction in charges shall be retroactive to the date on which the more favorable charges to such commercial customer or other governmental entity became effective. Any failure by the Contractor to comply with this Article shall be considered a material breach of the Agreement. The Contractor shall furnish the Customer annually, on or before February 15 of each year, with a certification of its compliance with this Article, which certification shall be signed by an officer of the Contractor.

40.2 Types of Services include, but are not limited to, the following services:

- (a) account set-up and maintenance;
- (b) benefit/deposit maintenance;
- (c) transaction processing (i.e., with retailers, merchants, gateways, Third Party Processors (TPPs) and other entities that provide transaction processing and support);
- (d) card management (i.e., card generation, embossing, encoding and mailing);
- (e) retailer management (i.e., retailer agreement and EBT Only POS Device management services); and
- (f) help desk management ((i.e., Interactive Voice Response (IVR) system administration and Customer Service Representative (CSR) assistance for clients requesting new cards; filing disputes; retailers requesting information/assistance, manual voucher authorizations; etc.).

40.3 Comparable Levels include, but are not limited to, the following:

- (a) entities that have a comparable SNAP Caseload volume (i.e., in the range of 80% - 120% of the Mississippi SNAP Caseload volume); or
- (b) entities that have a comparable SNAP transaction volume (i.e., in the range of 80% - 120% of the Mississippi SNAP Transaction volume).

ARTICLE 41 CHANGE ORDER RATE AND PROCEDURE

41.1 It is understood that the Customer may, at any time, by a written order, make changes in the scope of the project. No changes in scope are to be conducted or performed by the Contractor except by the express written approval of the Customer. The Contractor shall be obligated to perform all changes requested by the Customer which have no price or schedule effect.

41.2 The Contractor shall have no obligation to proceed with any change that has a price or schedule effect until the parties have mutually agreed in writing thereto. Neither the Customer nor the Contractor shall be obligated to execute such a change order; if no such change order is

executed, the Contractor shall not be obliged or authorized to perform services beyond the scope of this Agreement and the contract documents. All executed change orders shall be incorporated into previously defined deliverables.

41.3 With respect to any change orders issued in accordance with this Article, the Contractor shall be compensated for work performed under a change order according to the hourly change-order rate specified in Contractor's Proposal in response to RFP No. 3884. If there is a service that is not defined in the change order rate, the Contractor and the Customer will negotiate the rate. The Contractor shall be compensated for work performed under a change order based on one of the following rates: (1) a "fully loaded" rate that includes the cost of all materials, travel expenses, per diem, and all other expenses and incidentals incurred by the Contractor in the performance of the change order; and (2) a non "fully loaded" rate that includes only the cost of all materials incurred by the Contractor in the performance of the change order (i.e., rate does not include travel related expenses when travel is not required). The Contractor shall invoice the Customer upon acceptance by the Customer of all work documented in the change order, and the Customer shall pay invoice amounts on the terms set forth in this Agreement.

41.4 Upon agreement of the parties to enter into a change order, the parties will execute such a change order setting forth in reasonable detail the work to be performed thereunder, the revisions necessary to the specifications or performance schedules of any affected project work plan, and the estimated number of professional services hours that will be necessary to implement the work contemplated therein. The price of the work to be performed under any change order will be determined based upon the change order rate; however, the change order will be issued for a total fixed dollar amount and may not be exceeded regardless of the number of hours actually expended by the Contractor to complete the work required by that change order. The project work plan will be revised as necessary.

41.5 The Contractor shall include in the progress reports delivered under this Agreement the status of work performed under all then current change orders.

41.6 In the event the Contractor and the Customer enter into a change order which increases or decreases the time required for the performance of any part of the work under this Agreement, the Contractor shall submit to the Customer a revised version of the project work plan, clearly indicating all changes, at least five (5) working days prior to implementing any such changes.

41.7 The Customer shall promptly review all revised project work plans submitted under this Agreement and shall notify the Contractor of its approval or disapproval, in whole or in part, of the proposed revisions, stating with particularity all grounds for any disapproval, within ten (10) working days of receiving the revisions from the Contractor. If the Customer fails to respond in such time period or any extension thereof, the Customer shall be deemed to have approved the revised project work plan.

41.8 If the Customer requests or directs the Contractor to perform any service or function that is consistent with and similar to the services being provided by the Contractor under this Agreement, but which the Contractor reasonably and in good faith believes is not included within the scope of the Contractor's responsibilities and charges as set forth in this Agreement, then prior to performing such services or function, the Contractor shall promptly notify the Customer in writing that it considers the services or function to be an "Additional Service" for which the Contractor should receive additional compensation. If the Contractor does not so notify the

Customer, the Contractor shall have no right to claim thereafter that it is entitled to additional compensation for performing such services or function. If the Contractor does so notify the Customer, then such service or function shall be governed by the change order request procedure as set forth in this Article 41.

ARTICLE 42 TRANSPARENCY

In accordance with the Mississippi Accountability and Transparency Act of 2008, §27-104-151, et seq., of the Mississippi Code of 1972, as Amended, the American Accountability and Transparency Act of 2009 (P.L. 111-5), where applicable, and §31-7-13 of the Mississippi Code of 1972, as amended, where applicable, a fully executed copy of this Agreement and any subsequent amendments and change orders shall be posted to the State of Mississippi's accountability website at: <https://www.transparency.mississippi.gov>. Prior to ITS posting the Agreement and any subsequent amendments and change orders to the website, any attached exhibits which contain trade secrets or other proprietary information and are labeled as "confidential" will be redacted by ITS. Notwithstanding the preceding, however, it is understood and agreed that pursuant to §25-61-9(7) of the Mississippi Code of 1972, as amended, the contract provisions specifying the commodities purchased or the services provided; the price to be paid; and the term of this Agreement shall not be deemed a trade secret or confidential commercial or financial information and shall thus not be redacted.

ARTICLE 43 LIABILITY

Unless jointly agreed otherwise in writing, Contractor's liability shall not exceed twenty-one million dollars (\$21,000,000.00) for the Initial Term and five million dollars (\$5,000,000.00) for each year during a renewal term. Except for the Customer's loss of federal financial participation, in no event will Contractor be liable to Customer for special, indirect, consequential or incidental damages including lost profits, lost savings or lost revenues of any kind unless Contractor was advised of the possibility of such loss or damage or unless such loss or damage could have been reasonably foreseen. Excluded from this or any liability limitation are claims related to fraud, bad faith, infringement issues, bodily injury, death, physical damage to tangible personal property and real property, and the intentional and willful misconduct or gross negligent acts of Contractor. The language contained herein tending to limit the liability of the Contractor will apply to Customer to the extent it is permitted and not prohibited by the laws or constitution of Mississippi. Further, the parties understand and agree that the Contractor is precluded from relying on any contractual damages limitation language within this Agreement where the Contractor acts fraudulently or in bad faith.

For the faithful performance of the terms of this Agreement, the parties hereto have caused this Agreement to be executed by their undersigned authorized representatives.

State of Mississippi, Department of
Information Technology Services, on
behalf of Mississippi Department of
Human Services

INSERT VENDOR NAME

By: _____
Authorized Signature

By: _____
Authorized Signature

Printed Name: Craig P. Orgeron, Ph.D.

Printed Name: _____

Title: Executive Director

Title: _____

Date: _____

Date: _____

Mississippi Department of Human Services

By: _____
Authorized Signature

Printed Name: _____

Title: _____

Date: _____

EXHIBIT B

LIQUIDATED DAMAGES & PERFORMANCE STANDARDS

Liquidated Damages

The Contractor agrees to the importance of this Agreement and the performance standards agreed to herein. For any failure by the Contractor to meet any contract requirement, performance standard, project task, project deliverable date or timeframes specified in any section of the Agreement or mutually agreed upon project work plan, damage shall be sustained by the MDHS and it may be impractical and extremely difficult to ascertain and determine the actual damages which the MDHS will sustain by reason of such failure. It is therefore agreed that the MDHS, at its sole option, may require the Contractor to pay liquidated damages in the amount specified below per occurrence, per business day, per hour, per file, per task, per deliverable, performance standard or timeframe for each and every business/settlement day thereafter until such task, deliverable or performance standard is completed and accepted by the MDHS.

MDHS may waive the assessment of liquidated damages on a case-by-case basis at its sole discretion.

MDHS will provide Contractor with written notices of its intent to assess liquidated damages. Liquidated damages shall not apply to the extent they are caused, excluded, excused, or induced either by the State or by force majeure events. The assessment of liquidated damages shall not constitute a waiver or release of any other remedy the State may have under this Agreement for Contractor's breach of the Agreement, including without limitation, the State's right to terminate the Agreement. The State may recover actual damages in excess of the liquidated damages, subject to the terms of Article 42. Any assessment of liquidated damages, however, shall be credited to any subsequent assessment of actual damages for the same event. Liquidated damages due to the State from the Contractor hereunder may be deducted from monies due or to become due to Contractor in connection with this Agreement.

Written notification of failure to meet a requirement shall be given by the MDHS EBT/ePayment Services Coordinator (e-mail shall be an acceptable form of notification). The MDHS will notify the Contractor of the first incident of failure to meet one or more of the defined standards and request a Corrective Action Plan ("CAP"). The MDHS will set a date for submission of the CAP. If the MDHS does not receive the CAP by the due date and no extension has been granted, the MDHS may, at its sole discretion invoke the appropriate remedy per this schedule.

If the MDHS receives the CAP by the due date, it will cooperate with the Contractor to achieve a mutually agreed upon final CAP and schedule. The MDHS may, at its sole discretion, invoke the appropriate remedy if the Contractor does not meet the schedule and no extension has been granted.

The Contractor shall have:

- Five (5) business days to correct any delayed project task or project deliverable related to the transition to the new EBT system. The MDHS may impose liquidated damages of \$5,000.00 per deliverable after five (5) business days;
- Five (5) business days to correct any delayed task related to the on-going maintenance of the EBT system. The MDHS may impose liquidated damages of \$5,000.00 per task after five (5) business days;

- Twenty-four (24) hours to provide required reports or to correct reports that contained inaccurate information. The MDHS may impose liquidated damages of \$1,000.00 per report, per day after twenty-four (24) hours;
- One (1) hour from the receipt of any daily account maintenance, benefit maintenance or deposit maintenance file to generate and provide access to the associated reject and summary files. The MDHS may impose liquidated damages of \$5,000.00 per file, per hour after one (1) hour;
- Two (2) hours from the agreed upon SNAP settlement cutoff time (currently 2:30 P.M. Central Time) to generate and provide access to the daily settlement files (i.e., AMA; STARS; DAF; and the CUTOFF report file). The MDHS may impose liquidated damages of \$5,000.00 per file, per hour after two (2) hours;
- Four (4) hours from the end of the calendar day time of midnight Central Time (i.e., by 4:00 A.M. Central Time) to generate and provide access to any other daily file (i.e., Benefit Aging File; Adjustment File; Undeliverable Card File; Deposit Confirmation File; Account Status File; etc.). The MDHS may impose liquidated damages of \$5,000.00 per file, per hour after four (4) hours;
- Twelve (12) hours from the end of the calendar month time of midnight Central Time (i.e., by 12:00 Noon Central Time on the first day of each calendar month) to generate and provide access to all monthly files (i.e., Cardholder Recon File; Monthly Report File; etc.). The MDHS may impose liquidated damages of \$5,000.00 per file, per hour after twelve (12) hours;
- Four (4) hours to generate and provide access to any other file not previously identified above based on the schedule agreed upon between the Contractor and the MDHS. The MDHS may impose liquidated damages of \$5,000.00 per file, per hour after four (4) hours; and
- Twenty-four (24) hours to generate and provide access to corrected files for previously generated files that contained inaccurate information. The MDHS may impose liquidated damages of \$5,000.00 per file, per day after twenty-four (24) hours.

The MDHS and the Contractor agree that the following figures represent the reasonable pre-breach estimate of probable loss that will be sustained by the MDHS for each EBT Program impacted:

- \$5,000.00 for each percentage point below the tolerance levels on response times;
- \$5,000.00 for each percentage point below the tolerance levels on system availability requirements;
- \$10,000.00 per occurrence, per Help Desk, for failure to meet the defined Help Desk performance requirements;
- \$1,000.00 per day for all manuals or documents not updated within thirty (30) days of changes;
- \$1,000.00 per day for failure to install 100% of the POS terminals within fourteen (14) days of the Contractor receiving the FNS authorization number through the REDE interface as defined and measured on a calendar month basis;
- \$1,000.00 per day for failure to contact 100% of all new retailers via phone and/or mail a contract within two (2) business days of receiving the FNS authorization number through the REDE interface as measured on a calendar month basis;
- \$1,000.00 per day for failure to submit Change Order and/or enhancement estimates and impact statements within agreed upon timeframes;
- \$1,000.00 per day for failure to mail cards based on the defined performance standards;

- \$1,000.00 per occurrence for failure to notify the MDHS EBT/ePayment Coordinator of any system outage or other incident that may negatively impact the MDHS, including clients and retailers;
- \$10,000.00 per occurrence for making any changes in the production system without the express written approval of the MDHS EBT/ePayment Services Coordinator. Further, the MDHS shall reduce Contractor invoices to offset any MDHS costs incurred while resolving the issues arising from this action; MDHS costs may include but are not limited to personnel time, computer processing time and any associated materials;
- \$10,000.00 per occurrence for any system or operator error that results in inaccurate payments or the inability to access benefits. Further, the MDHS shall reduce Contractor invoices to offset any MDHS costs incurred while resolving the issues arising from this action; MDHS costs may include but are not limited to personnel time, computer processing time and any associated materials;
- \$10,000.00 per occurrence for any negative impact to the MDHS or its clients resulting from a production system software release or upgrade. Further, the MDHS shall reduce Contractor invoices to offset any MDHS costs incurred while resolving the issues arising from this action; MDHS costs may include but are not limited to personnel time, computer processing time and any associated materials; and
- \$2,500.00 per day for any item listed in the Agreement and not specifically stated above.

The parties may elect to use any or all remedies available to them on default whether set forth above or otherwise available to them by law. In those instances where the failure is the sole and exclusive fault of the MDHS or the State, no liquidated damages shall be imposed.

Performance Standards

The following table defines the performance requirements for the delivery of EBT services along with performance deficiencies that may trigger the MDHS to invoke liquidated damages as described above. Unless specified otherwise, a month shall be defined as a calendar month for the purposes of monitoring performance standards.

<u>ID</u>	<u>Performance Requirement</u>	<u>Deficiency That May Trigger Liquidated Damages</u>
1	<u>EBT System Central Computer Availability:</u> The EBT System Central Computer shall be available 99.9% of scheduled uptime, 24 hours a day, 7 days per week. Schedule up-time shall mean the time the database is available for transactions excluding scheduled downtime for routine maintenance. The EBT System Central Computer consists of all system functions over which the Contractor has direct control, either directly or through a subcontractor relationship.	Failure to meet the EBT System Central Computer Availability performance requirement 100% of the time as measured on a calendar month basis. The Contractor must provide a report or other verifiable proof of this compliance on a calendar month basis.
2	<u>Total EBT System Up Time:</u>	

	<p>The total EBT System, including the system's central computer, any network or intermediate processing facilities and cardholder authorization processors, shall be available 98% of scheduled up-time, 24 hours a day, 7 days per week. Scheduled downtime for routine maintenance shall occur during non-peak transaction periods.</p>	<p>Failure to meet up-time for the Total EBT System performance requirement 100% of the time as measured on a calendar month basis.</p> <p>The Contractor must provide a report or other verifiable proof of this compliance on a calendar month basis.</p>
3	<p><u>Government ACH Settlement:</u></p> <p>Transactions will be settled in two (2) business days consistent with federal regulations at 7 CFR §274.12 (g) (5).</p>	<p>Failure to meet the Government ACH Settlement performance requirement 100% of the time measured on a calendar month basis.</p> <p>The Contractor must provide a report or other verifiable proof of this compliance on a calendar month basis.</p>
4	<p><u>Benefit/Deposit Availability:</u></p> <p>Performance Requirement" column is being modified to read: "Monthly ongoing SNAP benefits shall be accessible by the recipient no later than 12:01 A.M. Central Time on the specified availability date. Daily SNAP benefits shall be made available to the recipient no later than 6:00 A.M. Central Time on the day of benefit availability or immediately if the batch update file is received by the Contractor after 6:00 A.M. Central Time on the date of availability.</p>	<p>Failure to meet Benefit/Deposit Availability performance requirement 100% of the time as measured on a calendar month basis.</p> <p>The Contractor must provide a report or other verifiable proof of this compliance on a calendar month basis.</p>
5	<p><u>EBT Switching Services:</u></p> <p>The Debit Switch service shall be available 99.8% in any calendar month after deducting for scheduled downtime or failure of communication lines or telecommunications equipment out of the control of the Contractor.</p>	<p>Failure to meet Debit Switch Availability timeframe 100% as measured on a calendar month basis.</p> <p>The Contractor must provide a report or other verifiable proof of this compliance on a calendar month basis.</p>
6	<p><u>Transaction Response Time:</u></p> <p>100% of client EBT-Only POS and TPP transactions shall be completed as follows measured on a monthly basis.</p>	<p>Failure to meet Transaction Response Time timeframes 100% of the time as measured on a calendar month basis.</p>

	<ul style="list-style-type: none"> For leased line communications, 98% of EBT transactions shall be processed within ten (10) seconds or less and 100% will be processed within fifteen (15) seconds For dial-up systems, 98% of EBT transactions shall be processed within 15 seconds or less and 100% shall be processed within twenty (20) seconds. 	<p>The Contractor must provide a report or other verifiable proof of this compliance on a calendar month basis.</p>
	<p><u>Inaccurate Transactions:</u></p> <p>The system central computer shall permit no more than two (2) inaccurate EBT transactions for every 10,000 EBT transactions processed.</p>	<p>Failure to meet standard 100% of the time as measured on a calendar month basis.</p> <p>The Contractor must provide a report or other verifiable proof of this compliance on a calendar month basis.</p>
	<p><u>Customer Service Help Desks:</u></p> <p>1. Customer Service Representatives (CSRs) – Average Speed of Answer (ASA) shall not exceed twenty (20) seconds and the Abandoned Call Rate (ACR) shall not exceed 3% as measured over a calendar month.</p> <p>2. Interactive Voice Response (IVR) system – 99% of all calls shall be answered within two (2) seconds measured over a calendar month; 100% of all IVR menu selections shall respond with the correct option within two (2) seconds after menu selection.</p> <p>3. Calls to a CSR – 100% of all calls to a CSR shall be documented, including the date, time, nature and resolution of the call; 100% of all calls to a CSR shall be recorded and retrievable for investigative and/or monitoring purposes.</p> <p>This performance standard applies to both client and retailer Customer Service Help Desks.</p>	<p>Failure to meet standards 100% of the time as measured on a calendar month basis.</p> <p>The Contractor must provide a report or other verifiable proof of this compliance on a calendar month basis.</p>

	<p><u>Host Response Time for Administrative Terminal Transactions:</u></p> <p>Transactions that originate at Administrative Terminals located in State and county offices will be sent to the Contractor in on-line processing mode. These transactions are subject to the requirements for two (2) second response.</p>	<p>Failure to meet Host Response Time for Administrative Terminal Transactions 100% of the time as measured on a calendar month basis.</p> <p>The Contractor must provide a report or other verifiable proof of this compliance on a calendar month basis.</p>
	<p><u>Equipment Installation for EBT Only Retailers:</u></p> <p>100% of all EBT Only Point of Sale (POS) terminals shall be installed within fourteen (14) days of the Contractor receiving the FNS authorization numbers through the REDE interface.</p> <p>The fourteen (14) days are calculated as follows:</p> <ul style="list-style-type: none"> • Number of business days from receipt of retailer authorization on the REDE interface until the date a contact is mailed; • Number of business days from receipt of a completed contract from the retailer until the date the EBT Only POS terminal is shipped to the retailer. <p>Delays caused by the retailer or the mail system are not included in the fourteen (14) day calculation.</p> <p>100% of all new retailers shall be contacted via phone and/or mailed a contract within two (2) business days of receiving the FNS authorization number through the REDE interface.</p>	<p>Failure to install 100% of the POS terminals within fourteen (14) days of the Contractor receiving the FNS authorization number through the REDE interface as defined and measured on a calendar month basis.</p> <p>Failure to contact 100% of all new retailers via phone and/or mail a contract within two (2) business days of receiving the FNS authorization number through the REDE interface as measured on a calendar month basis.</p> <p>The Contractor must provide a report or other verifiable proof of this compliance on a calendar month basis.</p>
	<p><u>Card Issuance:</u></p> <p>For card issuance requests received by the Contractor by 11:59 P.M. CT, 100% of all cards will be mailed no later than noon CT the following business day.</p>	<p>Failure to meet the card issuance requirement 100% of the time as measured on a calendar month basis.</p> <p>The Contractor must provide verifiable</p>

		proof of this compliance on a calendar month basis.
	<p><u>Project Status Reporting:</u></p> <p>1. The Management Reports defined in Section 7.10 of this RFP shall be provided on a timely basis to the State. Weekly reports shall be provided by close of business on the following Monday. System generated daily reports shall be available by 6:00 am the following day. System generated monthly reports shall be available by 6:00 am the first calendar day of the following month. Manual monthly reports shall be provided by the 3rd business day of the following month.</p> <p>2. Customer Service Statistics Reports shall be provided by the 3rd business day of the following month.</p>	<p>Failure to meet Management Reporting timeframes 100% of the time as measured on a calendar month basis.</p> <p>Failure to meet Customer Service Statistics Reporting timeframes 100% of the time as measured on a calendar month basis.</p>
	<p><u>Response to Change Order and/or Enhancement Requests:</u></p> <p>The Contractor shall respond to Change Order and/or Enhancement requests within twenty (20) business days of receiving the request. If additional time is required to complete the estimate, the Contractor shall provide the date within the same time period of receipt of the Change Order and/or Enhancement request of when the estimate will be completed.</p>	<p>Failure to provide a response to any Change Order and/or Enhancement request within the promised timeframe.</p>

EXHIBIT C
REQUIREMENTS FOR WIC

WIC Requirements can be downloaded at:

http://www.its.ms.gov/Procurement/Pages/RFPS_Awaiting_tables.aspx

EXHIBIT D: SUPPORTING ATTACHMENTS

Attachment A: MDHS Agency Organizational Chart
Attachment B: MDHS DFO Organizational Chart
Attachment C: MDHS-DFCS Organizational Charts
Attachment D: MDHS DECCD Organizational Chart
Attachment E: SNAP-1 contains Historical SNAP Caseload Data for Mississippi
Attachment F: Debit Card-1 Historical Debit Card Caseload Data for Mississippi's TANF
Attachment G: Debit Card-2 Historical Debit Card Deposit Data for Mississippi's TANF
Attachment H: TANF-1 TANF Restriction Notice
Attachment I: Debit Card-3 Historical Debit Card Cardholder Transaction Data
Attachment J: MSDH WIC EBT Organization Chart
Attachment K: WIC-1, Historical Participation/Household/Benefit Data
Attachment L: Child Care-1 Historical Child Care Participation Data
Attachment M: Child Care-2 Child Care Provider Data
Attachment N: SNAP-8 MDHS EBT SNAP-DSNAP Interface File Formats
Attachment O: Debit Card-6, MDHS Debit Card Interface File Formats
Attachment P: SNAP-14, EBT DSWG Generic Interface File Formats
Attachment Q: SNAP-9, USDA FNS Interface File Formats, of this RFP
Attachment R: SNAP-4, Historical SNAP Card Issuance and Replacement Data
Attachment S: SNAP-13-C, MDHS DSNAP Label Manifest
Attachment T: SNAP-2, Historical SNAP Benefit Issuance Data
Attachment U: SNAP-5, Historical SNAP Cardholder Help Desk Data
Attachment V: SNAP-6, Historical SNAP Retailer Help Desk Data
Attachment W: SNAP-7, Historical SNAP Manual Voucher Data
Attachment X: SNAP-3 for Historical SNAP Cardholder Transaction Data
Attachment Y: SNAP-10, USDA FNS Authorized Retailer Data by County
Attachment Z: SNAP-11: USDA FNS Authorized Retailer Data by Business Type
Attachment AA: SNAP-15, NAC Interface File Formats, interfacing with the NAC
Attachment BB: MDHS Technical Environment Overview
Attachment CC: Debit Card-5 for Historical Debit Card Cardholder Help Desk Data
Attachment DD: SNAP-13A, MDHS DSNAP Operation Plan
Attachment EE: SNAP-13B, MDHS DSNAP Operation Plan Approval
Attachment FF: SNAP-12 USDA FNS SNAP Waivers
Attachment GG: Debit-4 Historical Debit Card Issuance and Replacement Data