

# REQUEST FOR PROPOSALS

RFP NUMBER: 0A1076  
DATE ISSUED: October 21, 2011

The State of Ohio, through the Department of Administrative Services, Information Technology Procurement Services, for the Ohio Department of Job and Family Services is requesting proposals for:

## Electronic Benefit Transfer System

INQUIRY PERIOD BEGINS: October 21, 2011  
INQUIRY PERIOD ENDS: January 4, 2012  
OPENING DATE: January 13, 2012  
OPENING TIME: 1:00 P.M.  
OPENING LOCATION: Department of Administrative Services  
I.T. Procurement Services  
Bid Room  
4200 Surface Road  
Columbus, Ohio 43228

PRE-PROPOSAL CONFERENCE DATE: November 16, 2011

This RFP consists of five parts and ten attachments, totaling 115 consecutively numbered pages. Supplements also are attached to this RFP with a beginning header page and an ending trailer page. Please verify that you have a complete copy.

## PART ONE: EXECUTIVE SUMMARY

**Purpose.** This is a Request for Competitive Sealed Proposals (“RFP”) under Sections 125.071 and 125.18 of the Ohio Revised Code (the “Revised Code”) and Section 123:5-1-8 of the Ohio Administrative Code (the “Administrative Code”). The Ohio Department of Job and Family Services (ODJFS) has asked the Department of Administrative Services to solicit competitive sealed proposals (“Proposals”) for the Electronic Benefit Transfer (EBT) System (the “Work”), and this RFP is the result of that request.

If a suitable offer is made in response to this RFP, the State of Ohio (the “State”), through the Department of Administrative Services, may enter into a contract (the “Contract”) to have the selected offeror (the “Contractor”) perform all or part of the Work. This RFP provides details on what is required to submit a Proposal for the Work, how the State will evaluate the Proposals, and what will be required of the Contractor in performing the Work.

This RFP also gives the estimated dates for the various events in the submission process, selection process, and performance of the Work. While these dates are subject to change, prospective offerors must be prepared to meet them as they currently stand.

Once awarded, the term of the Contract will be from the award date until the Work is completed to the satisfaction of the State and the Contractor is paid or June 30, 2013, whichever is sooner. The State may renew this Contract for up to four additional two-year term(s), ending on June 30, 2021, subject to and contingent on the discretionary decision of the Ohio General Assembly to appropriate funds for this Contract in each new biennium. Any such renewal of all or part of the Contract also is subject to the satisfactory performance of the Contractor and the needs of ODJFS.

**The State may reject any Proposal if the offeror fails to meet a deadline in the submission or evaluation phases of the selection process or objects to the dates for performance of the Work or the terms and conditions in this RFP.**

**Suspension and Debarments.** The Department of Administrative Services will not award a contract for goods or services, funded in whole or in part with Federal funds, to a person who has been suspended or debarred from doing business with the State of Ohio or who appears on the Federal List of Excluded Parties Listing System <http://www.epls.gov/>.

### **Background.**

**Electronic Benefit Transfer (EBT)** The United States Department of Agriculture (USDA) – Food and Nutrition Services (FNS) administers Food Stamp (FS) Benefit(s) in compliance with the Food Stamp Act of 1977, as amended. The USDA - FNS is responsible for program planning and implementation, dissemination of regulations, technical assistance to States, and compliance monitoring. USDA - FNS is solely responsible for authorizing and disqualifying retailer/merchants.

On June 18, 2008, Congress enacted The Food, Conservation and Energy Act of 2008 (FCEA) reauthorizing the Food Stamp Program. Section 4001 of the Act officially changed the name of the Food Stamp Program to the Supplemental Nutrition Assistance Program (SNAP) effective October 1, 2008. With the longstanding change in benefit delivery from food stamps to electronic benefit transfer, a change to the program name more accurately reflects this conversion and further assists to reduce the stigma associated with the program.

The USDA - (FNS) instructed states to either adopt the Federal name “SNAP” or use a different name other than the Food Stamp Program. On October 1, 2008, ODJFS adopted the name “Food Assistance (FA) Program.”

The Ohio Department of Job and Family Services (ODJFS) is charged with the responsibility of administering FA benefit(s) in accordance with both State and Federal laws. The Office of Information Services (OIS) is responsible for all data processing activities for ODJFS.

Administrative authority (i.e. responsibility for the verification of household information, and benefits issuance to certified households) is vested in ODJFS. The USDA - FNS regulations allow administrative authority and responsibility for issuance to be exercised directly by the State or transferred to local jurisdictions. These jurisdictions are referred to as project areas and usually correspond to the County Departments of Job and Family Services (CDJFS) or predetermined areas established by ODJFS.

In the State of Ohio, administrative authority and responsibility for issuance is transferred to the eighty-eight (88) CDJFS. ODJFS acts in a supervisory capacity, granting the day-to-day operation of FA benefit(s) to the CDJFS.

The Federal Government bears the entire cost of FA benefit(s); however, it reimburses the States for 50% of the cost of program administration and operation. These latter costs include the issuance of program benefits.

The State of Ohio, as well as USDA - FNS, continuously seeks ways to enhance the program's effectiveness and integrity. As part of this mission, USDA - FNS explored the use of Electronic Funds Transfer (EFT) technology to replace paper food stamp coupons.

Many types of payment systems in the United States currently rely on EFT technology. Most attractive from the perspective of FA benefit(s) are point-of-sale (POS) debit card systems. In recent years these have been introduced in retailer/merchants including some supermarkets and convenience stores. With these systems customers use magnetic stripe cards in terminals at the checkout counters, electronically transferring funds from their bank accounts to a store's account to pay for their purchase.

In May 1989, USDA - FNS released a request for proposal to the private sector for a Contractor to conduct a demonstration of an EBT system. The USDA - FNS request for proposal was released and the Montgomery County Department of Job and Family Services contacted ODJFS, requesting participation in this effort. A partnership was formed consisting of the Montgomery County Department of Job and Family Services, ODJFS and an independent contractor committing the necessary resources in preparing a response to the request for proposal. The proposal was successful; USDA - FNS awarded the demonstration project on September 5, 1990.

ODJFS, USDA - FNS, the independent contractor, and the Montgomery County Department of Job and Family Services, began operating a demonstration project in the city of Dayton, Ohio. The size of the demonstration population was eight thousand (plus or minus 25%) households participating in the food assistance program. The demonstration area was a well-defined geographical area in west Dayton. It consisted of six zip codes. The demonstration was operational from June 1992 to January 1, 1997, served between 10,000 and 11,000 clients and ninety-three (93) retailer/merchants, and entailed the distribution of food assistance (FA) benefit(s) via use of an integrated circuit chip, or "smart card" technology.

In June 1994, the State released a solicitation to expand this pilot program statewide. The expansion began January 1, 1997 and was completed in February of 2000. The system continues to operate to this day.

In March 2006, Ohio transitioned its EBT system from an off-line, "smart card" technology platform to an on-line, magnetic swipe card platform. Affiliated Computer Services (ACS), based in Dallas, was awarded the Contract through the Ohio Office of Information Technology. The Contract started July 13, 2005 and is renewable through June 30, 2013.

**Electronic Payment Card (EPC).** Ohio Amended the EBT Contract with ACS to implement the Electronic Payment Card (EPC) program known as the Ohio EPPICard™, which is a prepaid debit MasterCard®. The EPC program assists the State in improving services for certain cash programs, enhances the programs' efficiency and effectiveness, and reduces fraud and abuse. The Ohio EPPICard™ can be used at ATMs, MasterCard® member banks, and any retailer that accepts MasterCard® such as grocery stores, retail establishments, and pharmacies. The EPC program is a separate card from the EBT program that delivers FA benefits, known as the Ohio Direction Card.

Beginning in February 2009, clients had the option to receive their cash assistance benefits on the "Ohio EPPICard™." In August 2009, the Ohio EPPICard™ and direct deposit became the primary methods of issuance for cash assistance in the State, and paper warrants were phased out. The current EPPICard™ issuing bank is with Comerica. The current EPC Contract has three in-network banks: Fifth Third, Alliance One, and PNC.

The State switched from issuing cash assistance payments by means of paper warrants to the Ohio EPPICard™ to provide a more secure and expedient manner to deliver cash assistance benefits. Clients receive benefits more timely than through the mail by paper warrant, avoid issues in cashing warrants, use ATMs to access benefits, and have thousands of locations at which they can use the Ohio EPPICard™. The State benefited from a reduction in printing and mailing costs and the counties benefited from reduced administrative actions that are necessary to replace benefits.

The following Ohio cash assistance benefits are available on the Ohio EPPICard™ or through direct deposit:

- Ohio Works First Cash Assistance,
- Ohio Works First Work Allowance,
- Refugee Cash Assistance, and
- Disability Financial Assistance.

**Objectives.** The State has the following objectives that it wants the Work to fulfill, and it will be the Contractor's obligation to ensure that the Work meets these objectives:

ODJFS is seeking to enter into a contract agreement with a Contractor who can deliver the full scope of EBT and Electronic Payment Card (EPC) services described and specified in this RFP.

The primary objectives of the Ohio EBT and EPC systems are to deliver accurate benefits to cardholders certified as eligible in a dependable and timely manner while operating efficiently and maintaining internal control of and accountability for the benefits.

#### **Overview of the Work's Scope. EBT ONLY**

The scope of the Work is provided in Attachment Two of this RFP. This section only gives a summary of the Work. If there is any inconsistency between this summary and the attachment's description of the Work, the attachment will govern.

The Contractor must implement and operate a system that delivers the full scope of EBT services described and specified in this RFP.

The Food Assistance Program enhances food purchasing power to alleviate hunger, provide a more nutritious diet, and to improve food security for low-income families. Rather than providing the food directly, the program provides benefits that have nearly the same flexibility as cash. Cardholders use FA benefit(s) at retailer/merchants authorized to participate in the program to purchase eligible food items. The program has shopping and payment procedures that resemble the patterns of the non-food assistance population as closely as possible.

Any Contractor's EBT system for FA benefit(s) must provide cardholders with benefits in a form they can use to purchase eligible food items at authorized retailer/merchants. Much of the activity of the Contractor's EBT system is devoted to getting the benefits into the cardholder's possession and, after retailer/merchants accept the benefits as payment, translating the benefits into dollar credits to the retailer/merchants.

In order to provide eligible households with benefits they can use to buy food, the Contractor must perform five (5) central functions:

1. Manage cardholder participation;
2. Manage retailer/merchant participation;
3. Credit retailer/merchants and their financial institutions for benefits redeemed;
4. Reconcile and monitor benefit flow and system activity; and
5. Interface with the State Client's Registry Information System - Enhanced (CRIS-E).

**Overview of the Work's Scope. EPC ONLY**

The scope of the Work is provided in Attachment Two of this RFP. This section only gives a summary of the Work. If there is any inconsistency between this summary and the attachment's description of the Work, the attachment will govern.

The Scope of Work for EPC includes providing both business and technology support to implement electronic payment services to the Agency's recipients that are eligible for cash assistance from various State and Federal funding sources. Electronic payment services include a payment option using co-branded card debit cards to replace paper checks.

The electronic payment services to be provided incorporate the customization of a number of business processes in accord with those set forth in this RFP.

The work includes customization of the Contractor's system environment, creating an independent database platform, integrating the Agency's services into the existing co-branded card processing environment, and managing the Agency's funds and cardholder services. Customization includes the modifications to the environment to reflect State interface files, unique banking and bank identification numbering, plastics, materials, co-branded card transaction routing schema, financial accounting, and unique demand deposit accounts for managing and disbursing State funds to recipients referred for debit card services.

**Calendar of Events.** The schedule for the RFP process and the Work is given below. The State may change this schedule at anytime. If the State changes the schedule before the Proposal due date, it will do so through an announcement on the State Procurement Website's question and answer area for this RFP. The Website announcement will be followed by an amendment to this RFP, also available through the State's Procurement Website. After the Proposal due date and before the award of the Contract, the State will make schedule changes through the RFP amendment process. Additionally, the State will make changes in the Work schedule after the Contract award through the change order provisions in the General Terms and Conditions Attachment to this RFP. It is each prospective offeror's responsibility to check the Website question and answer area for this RFP for current information regarding this RFP and its Calendar of Events through award of the Contract.

**Dates:**

Firm Dates

RFP Issued:	October 21, 2011
Inquiry Period Begins:	October 21, 2011
Pre-Proposal Conference Date:	November 16, 2011, at 9:30 a.m.
Inquiry Period Ends:	January 4, 2012, at 8:00 a.m.
Proposal Due Date:	January 13, 2012, at 1:00 p.m.

Estimated Dates

Award Date:	June 15, 2012
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Estimated Work Dates

Work Begins:	July 1, 2012
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There are references in this RFP to the Proposal due date. Unless it is clearly provided to the contrary in this RFP, any such reference means the date and time (Columbus, Ohio local time) that the Proposals are due and not just the date.

## PART TWO: STRUCTURE OF THIS RFP

**Organization.** This RFP is organized into five parts and has ten attachments. The parts and attachments are listed below. There also may be one or more supplements to this RFP listed below.

### Parts:

- Part 1 Executive Summary
- Part 2 Structure of this RFP
- Part 3 General Instructions
- Part 4 Evaluation of Proposals
- Part 5 Award of the Contract

### Attachments:

- |                  |  |
|------------------|--|
| Attachment One   | Evaluation Criteria  |
| Attachment Two   | Work Requirements and Special Provisions                                     |
| Attachment Three | Requirements for Proposals   |
| Attachment Four  | General Terms and Conditions   |
| Attachment Five  | Sample Contract  |
| Attachment Six   | Sample Deliverable / Milestone Submittal Form                                |
| Attachment Seven | Offeror Certification Form   |
| Attachment Eight | Offeror Profile Summary  |
| Attachment Nine  | Standard Affirmation and Disclosure Form, including Executive Order 2011-12K |
| Attachment Ten   | Cost Summary   |

### Supplements:

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|-------------------------|--|
| Supplement One          | W-9 Form   |
| Supplement Two          | EBT-EPC Requirements                               |
| Supplement Three        | Glossary   |
| Supplement Four         | County Chart of Staggered Issuance                 |
| Supplement Five         | ODJFS EBT Organizational Chart                     |
| Supplement Six          | Ohio Caseload Statistics                           |
| Supplement Seven        | EBT Food Assistance Issuance Statistics            |
| Supplement Eight        | EBT Food Assistance Transaction Statistics         |
| Supplement Nine         | FNS Certified EBT Retailers 2010                   |
| Supplement Ten          | Ohio Retailers and Terminals Jan2010 – Dec2010     |
| Supplement Eleven       | 2011 Farmer's Market County Projected Participants |
| Supplement Twelve       | EBT Batch Interface and File Layouts               |
| Supplement Thirteen     | Computer Center Coverage Operating Environment     |
| Supplement Fourteen     | EBT Card Production Replacement Statistics         |
| Supplement Fifteen      | EBT Card Decal Artwork                             |
| Supplement Sixteen      | EBT Customer Service Statistics                    |
| Supplement Seventeen    | Ohio Disaster SNAP EBT Card Log                    |
| Supplement Eighteen     | EBT Liquidated damages                             |
| Supplement Nineteen     | EPC Batch Interface and File Layouts               |
| Supplement Twenty       | EPC Card Production Replacement Statistics         |
| Supplement Twenty One   | EPC Card Decal Artwork                             |
| Supplement Twenty Two   | EPC Customer Service Statistics                    |
| Supplement Twenty Three | EPC Liquidated Damages                             |
| Supplement Twenty Four  | Data Sharing Agreement Model                       |

### PART THREE: GENERAL INSTRUCTIONS

The following sections provide details on how to get more information about this RFP and how to respond to it. All responses must be complete and in the prescribed format.

**Contacts.** The following person will represent the State during the RFP process:

Procurement Representative:

Margaret Owens  
Computer Acquisition Analyst  
Department of Administrative Services  
Office of Information Technology  
30 E. Broad Street, 39<sup>th</sup> Floor  
Columbus, OH 43215

During the performance of the Work, a State representative (the "Work Representative") will represent the ODJFS and be the primary contact for the Work. The State will designate the Work Representative in writing after the Contract award.

**Inquiries.** Offerors may make inquiries regarding this RFP anytime during the inquiry period listed in the Calendar of Events. To make an inquiry, offerors must use the following process:

- Access the State's Procurement Website at <http://procure.ohio.gov/>;
- From the Navigation Bar on the left, select "**Find It Fast**";
- Select "Doc/Bid/Schedule #" as the Type;
- Enter the RFP number found on the first page of this RFP (the RFP number begins with zero followed by the letter "A");
- Click the "Find It Fast" button;
- On the document information page, click the "Submit Inquiry" button;
- On the document inquiry page, complete the required "Personal Information" section by providing:
  - First and last name of the prospective offeror's representative who is responsible for the inquiry,
  - Name of the prospective offeror,
  - Representative's business phone number, and
  - Representative's email address;
- Type the inquiry in the space provided including:
  - A reference to the relevant part of this RFP,
  - The heading for the provision under question, and
  - The page number of the RFP where the provision can be found; and
- Click the "Submit" button.

An offeror submitting an inquiry will receive an immediate acknowledgement that the State has received the inquiry as well as an email acknowledging receipt. The offeror will not receive a personalized response to the question nor notification when the State has answered the question.

Offerors may view inquiries and responses on the State's Procurement Website by using the "Find It Fast" feature described above and by clicking the "View Q & A" button on the document information page.

The State usually responds to all inquiries within three business days of receipt, excluding weekends and State holidays. But the State will not respond to any inquiries received after 8:00 a.m. on the inquiry end date.

The State does not consider questions asked during the inquiry period through the inquiry process as exceptions to the terms and conditions of this RFP.

**Additional Information.** In addition to the contents of this RFP, the State has provided web links to materials of State and Federal regulations that are related to the Project. The following websites contain materials that are relevant to the Project but are not practical to include as part of this RFP:

- Ohio Food Assistance Certification Handbook - [http://emanuals.odjfs.state.oh.us/emanuals/GetTocDescendants.do?nodeId=%23node-id\(229\)&maxChildrenInLevel=100&version=8.0.0](http://emanuals.odjfs.state.oh.us/emanuals/GetTocDescendants.do?nodeId=%23node-id(229)&maxChildrenInLevel=100&version=8.0.0)
- Ohio Cash Assistance Manual - [http://emanuals.odjfs.state.oh.us/emanuals/GetTocDescendants.do?nodeId=%23node-id\(199\)&maxChildrenInLevel=100&version=8.0.0](http://emanuals.odjfs.state.oh.us/emanuals/GetTocDescendants.do?nodeId=%23node-id(199)&maxChildrenInLevel=100&version=8.0.0)
- ISO - <http://www.iso.org/iso/home.htm>
- ANSI - <http://www.ansi.org/>
- NACHA - <http://www.nacha.org/>
- QUEST - <http://www.nacha.org/s/quest/index.html>
- ASAP - <http://www.fms.treas.gov/asap>
- Americans with Disabilities Act (ADA) - <http://www.ada.gov/>

**Pre-Proposal Conference.** The State will hold a Pre-Proposal Conference on November 16, 2011, at 9:30 a.m., in the Lobby Hearing Room of the James Rhodes building, 30 E. Broad St., Columbus OH 43215. The purpose of this conference is to discuss the RFP and the Work with prospective offerors and to allow them to ask questions arising from their initial review of this RFP.

Attendance at the Pre-Proposal Conference is not a prerequisite to submitting a Proposal.

**Amendments to the RFP.** If the State revises this RFP before the Proposals are due, it will announce any amendments on the State Procurement Website.

Offerors may view amendments by using the "Find It Fast" function of the State's Procurement Webpage (described in the Inquiries Section above) and then clicking on the amendment number to display the amendment.

When an amendment to this RFP is necessary, the State may extend the Proposal due date through an announcement on the State Procurement Website. The State may issue amendment announcements any time before 5:00 p.m. on the day before Proposals are due, and it is each prospective offeror's responsibility to check for announcements and other current information regarding this RFP.

After the Proposal due date, the State will distribute amendments only to those offerors whose Proposals are under active consideration. When the State amends the RFP after the due date for Proposals, the State will permit offerors to withdraw their Proposals within five business days after the amendment is issued. This withdrawal option will allow any offeror to remove its Proposal from active consideration should the offeror feel that the amendment changes the nature of the transaction so much that the

offeror's Proposal is no longer in its interest. Alternatively, the State may allow offerors that have Proposals under active consideration to modify their Proposals in response to the amendment.

If the State allows offerors to modify their Proposals in response to an amendment, the State may limit the nature and scope of the modifications. Unless otherwise provided in the State's notice, offerors must make any modifications or withdrawals in writing and submit them to the State within five business days after the amendment is issued at the address and in the same manner required for the submission of the original Proposals. If this RFP provides for a negotiation phase, this submission procedure will not apply to changes negotiated during that phase. The State may reject any modification that is broader in scope than the State has authorized in the announcement of the amendment and treat it as a withdrawal of the offeror's Proposal.

**Proposal Submittal.** Each offeror must submit a technical section and a cost section as part of its total Proposal before the opening time on the Proposal due date. The offeror must submit the technical section as a separate package from the cost section of its Proposal, and each section must be submitted in its own separate, opaque package. The package with the technical section of the Proposal must be sealed and contain one originally signed technical section and six (6) copies of the technical section, and the package with the cost section also must be sealed and contain three (3) complete copies of the cost section of the Proposal. Further, the offeror must mark the outside of each package with either "JFS – Electronic Benefits Transfer RFP – Technical Proposal" or "RFP Electronic Benefits Transfer – Cost Summary," as appropriate.

Included in each sealed package, the offeror also must provide an electronic copy of everything contained within the package on CD-ROM in Microsoft Office, Microsoft Project, and Adobe Acrobat format, as appropriate. If there is a discrepancy between the hard copy and the electronic copy of the Proposal, the hard copy will control, and the State will base its evaluation of the offeror's Proposal on the hard copy.

Proposals are due no later than 11:00 a.m. on the Proposal due date. Proposals submitted by email, fax, or other electronic means are not acceptable, and the State may reject them. Offerors must submit their Proposals to:

Department of Administrative Services  
I.T. Procurement Services  
Attn: Bid Room  
4200 Surface Road  
Columbus, Ohio 43228

The State may reject any Proposals or unsolicited modifications it receives after the deadline. An offeror that mails its Proposal must allow for adequate mailing time to ensure its timely receipt. Offerors also must allow for potential delays due to increased security. The Bid Room accepts packages between the hours of 7:30 A.M. to 5:00 P.M. Monday through Friday, excluding State Holidays. No deliveries will be accepted before or after these hours without prior arrangements. Offerors must allow sufficient time since the State may reject late Proposals regardless of the cause for the delay.

Each offeror must carefully review the requirements of this RFP and the contents of its Proposal. Once opened, Proposals cannot be altered or withdrawn, except as allowed by this RFP.

By submitting a Proposal, the offeror acknowledges it has read this RFP, understands it, and agrees to be bound by its requirements. The State is not responsible for the accuracy of any information regarding this RFP that was gathered through a source other than the inquiry process described in the RFP.

Revised Code Section 9.24 prohibits the State from awarding a contract to any entity against whom the Auditor of State has issued a finding for recovery (a "Finding"), if the Finding is unresolved at the time of the award. This also applies to renewals of contracts. By submitting a Proposal, the offeror warrants it is not subject to an unresolved Finding under Section 9.24 at the time of its submission. Additionally, the offeror warrants it will notify the Department of Administrative Services in writing immediately upon

becoming subject to such an unresolved Finding after submitting its Proposal and before the award of a Contract under this RFP. Should the State select the offeror's Proposal for award of a Contract, this warranty of immediate written notice will apply during the term of the Contract, including any renewals or extensions. Further, the State may treat any unresolved Finding against the Contractor that prevents a renewal of the Contract as a breach, in accordance with the provisions of Attachment Four, General Terms and Conditions.

The State may reject any Proposal if the offeror takes exception to the terms and conditions of this RFP, includes unacceptable assumptions or conditions in its Proposal, fails to comply with the procedure for participating in the RFP process, or fails to meet any requirement of this RFP. The State also may reject any Proposal it believes is not in its interest to accept and may decide not to award a contract to any or all of the offerors responding to this RFP.

Offerors may not prepare or modify their Proposals on State premises.

All Proposals and other material offerors submit will become the property of the State and may be returned only at the State's option. Offerors should not include any confidential information in a Proposal or other material submitted as part of the evaluation process. All Proposals will be open to the public after the State has awarded the Contract.

The State will retain all Proposals, or a copy of them, as part of the Contract file for at least three years. After the three-year retention period, the State may return, destroy, or otherwise dispose of the Proposals and any copies of them.

**Waiver of Defects.** The State may waive any defects in any Proposal or in the submission process followed by an offeror, but the State will only do so if it believes it is in the State's interest and will not cause any material unfairness to other offerors.

**Multiple or Alternate Proposals.** The State will not accept multiple Proposals from a single offeror or any alternative solutions or options to the requirements of this RFP. Additionally, any offeror that disregards a requirement in this RFP simply by proposing an alternative to it will have submitted a defective Proposal the State may reject. Further, any offeror that submits multiple Proposals may have all its Proposals rejected.

**Changes to Proposals.** The State will allow modifications or withdrawals of Proposals only if the State receives them before the Proposal due date. No modifications or withdrawals will be permitted after the due date, except as authorized by this RFP.

**Proposal Instructions.** Each Proposal must be organized in an indexed binder ordered in the same manner as the response items are ordered in the applicable attachments to this RFP. The requirements for a Proposal's contents and formatting are contained in the attachments to this RFP. The State wants clear and concise Proposals, but offerors must answer questions completely and meet all the RFP's requirements.

The State is not liable for any costs an offeror incurs in responding to this RFP or from participating in the evaluation process, regardless of whether the State awards the Contract through this process, decides not to go forward with the Work, cancels this RFP for any reason, or contracts for the Work through some other process or through another RFP.

**Protests.** Any prospective or actual offeror may file a protest of the award of the Contract or any other matter relating to the process of soliciting the Proposals.

A protest based on alleged improprieties in the process of soliciting Proposals or in the issuance of the RFP or any other event that occurs before the due date for Proposals, which is apparent or should be apparent before the Proposal due date, must be filed no later than five business days after the Proposal due date.

A protest based upon the evaluation committee's recommendation for the award of the Contract must be filed no later than 10 business days after the award date of the Contract.

Protest must be in writing and contain the following information:

- a) The name, address and telephone number of the protestor
- b) The name and number of the RFP being protested;
- c) The name, phone number, fax number, email address, and mailing address of a person who is authorized represent the protestor;
- d) A detailed statement of the legal and factual grounds for the protest, including copies of any relevant documents;
- e) The form of relief requested from DAS; and
- f) Any other information the protestor believes to be essential to the determination of the factual and legal questions raised.

All protests must be filed at the following location:

DAS – Office of Information Technology  
Attn: Margaret Owens  
30 E. Broad Street, 39<sup>th</sup> floor  
Columbus, OH 43215

**Location of Data.**

**The selected offeror must perform all work on the Project and keep all State data within the United States, and the State may reject any Proposal that proposes to do any work or make State data available outside the United States. The State also may reject any Proposal for which the offeror has not submitted an appropriate certification representing that it will ensure that all work on the Project will be done in the United States and all State data will remain in the United States.**

## PART FOUR: EVALUATION OF PROPOSALS

**Disclosure of Proposal Contents.** The State will seek to open the Proposals in a manner that avoids disclosing their contents. Additionally, the State will seek to keep the contents of all Proposals confidential until the Contract is awarded. But the State will prepare a registry of Proposals that contains the name of each offeror. The public may inspect that registry after the State opens the Proposals.

**Rejection of Proposals.** The State may reject any Proposal that is not in the required format, does not address all the requirements of this RFP, objects to the terms or conditions of this RFP, or that the State determines is excessive in price or otherwise not in the State's interest to accept. In addition, the State may cancel this RFP, reject all the Proposals, and seek to do the Work through a new RFP or other means.

**Evaluation of Proposals Generally.** The evaluation process may consist of up to six distinct phases:

1. Initial review;
2. Technical evaluation;
3. Evaluation of costs;
4. Requests for more information;
5. Determination of responsibility; and
6. Contract Negotiations.

The State may decide whether phases four and six are necessary, and the State may rearrange the order in which it proceeds with the phases. The State also may add or remove sub-phases to any phase at any time, if the State believes doing so will improve the evaluation process.

**Clarifications and Corrections.** During the evaluation process, in the State's sole discretion, it may request clarifications from any offeror under active consideration and may give any offeror the opportunity to correct defects in its Proposal, if the State believes doing so would not result in an unfair advantage for the offeror, and it is in the State's interest. The State may reject any clarification that is non-responsive or broader in scope than what the State requested. If the State does so, or if the offeror fails to respond to the request for clarification, the State then may request a corrected clarification, consider the offeror's Proposal without the clarification, or disqualify the offeror's Proposal.

Corrections and clarifications must be completed off State premises.

**Initial Review.** The State will review all Proposals for their format and completeness. The State normally rejects incomplete or incorrectly formatted Proposals, though it may waive any defects or allow an offeror to submit a correction, if the State believes doing so would not result in an unfair advantage for the offeror and it is in the State's interest. Further, if the Auditor of State does not certify a Proposal due to lateness, the State will not open it. After the initial review, the State will forward all timely, complete, and properly formatted Proposals to an evaluation team, which the Procurement Representative will lead.

**Technical Evaluation.** The State will evaluate each Proposal that it has determined is timely, complete, and properly formatted. The evaluation will be scored according to the requirements identified in this RFP, including the requirements in Attachment One. Other attachments to this RFP may further refine these requirements, and the State has a right to break these requirements into components and weight any components of a requirement according to their perceived importance.

The State also may have the Proposals or portions of them reviewed and evaluated by independent third parties or various State personnel with experience that relates to the Work or to a criterion in the evaluation process. Additionally, the State may seek reviews from end users of the Work or the advice or evaluations of various State personnel with subject matter expertise or an interest in the Work. The State may adopt or reject any recommendations it receives from such reviews and evaluations or give them such weight as the State believes is appropriate.

During the technical evaluation, the State will calculate a point total for each Proposal it evaluates. At the sole discretion of the State, it may reject any Proposal receiving a significant number of zeros for sections in the technical portions of the evaluation. The State may select those offerors submitting the highest rated Proposals for the next phase. The number of Proposals that advance to the next phase will be within the State's discretion, but regardless of the number of Proposals selected, they always will be the highest rated Proposals from this phase.

At any time during this phase, in the State's sole discretion, it may ask an offeror to correct, revise, or clarify any portions of its Proposal.

The State will document all major decisions and make these a part of the Contract file, along with the evaluation results for each Proposal considered.

**Requirements.** Attachment One provides requirements the State will use to evaluate the Proposals, including any mandatory requirements. If the offeror's Proposal meets all the mandatory requirements, the offeror's Proposal may be included in the next phase of the evaluation, which will consider other requirements described in a table in Attachment One.

In the case of any requirements for a team of people the offeror is proposing, the offeror must submit a team to do the Work that collectively meets all the team requirements. But the experience of multiple candidates may not be combined to meet a single requirement. Further, previous experience of the candidate submitted for a Work Manager position may not be used to meet any other team member requirements. Each candidate proposed for the Work team must meet at least one of the requirements.

This RFP asks for responses and submissions from offerors, most of which represent components of the requirements in Attachment One. While each requirement represents only a part of the total basis for a decision to award the Contract to an offeror, a failure by an offeror to make a required submission or meet a mandatory requirement normally will result in a rejection of that offeror's Proposal. The value assigned above to each requirement is only a value used to determine which Proposal is the most advantageous to the State in relation to the other Proposals that the State received. It is not a basis for determining the importance of meeting that requirement.

If the State does not receive any Proposal that meets all the mandatory requirements, the State may cancel this RFP. Alternatively, if the State believes it is in its interest, the State may continue to consider the highest-ranking Proposals despite their failure to meet all the mandatory requirements. In doing this, the State may consider one or more of the highest-ranking Proposals. But the State may not consider any lower-ranking Proposals unless all Proposals ranked above it are also considered, except as provided below.

In any case where no Proposal meets all the mandatory requirements, it may be that an upper ranking Proposal contains a failure to meet a mandatory requirement the State believes is critical to the success of the RFP's objectives. When this is so, the State may reject that Proposal and consider lower ranking Proposals. Before doing so, the State may notify the offeror of the situation and allow the offeror an opportunity to cure its failure to meet that mandatory requirement.

If the offeror cures its failure to meet a mandatory requirement the State has deemed critical to the success of the RFP's objectives, the State may continue to consider the offeror's Proposal. But if the offeror is unwilling or unable to cure the failure, its Proposal may be rejected. The State then may continue to consider the other remaining Proposals, including, if the State so chooses, Proposals that ranked lower than the rejected Proposal.

**Cost Evaluation.** Once the technical merits of the Proposals are considered, the State may consider the costs of one or more of the highest-ranking Proposals. But it is within the State's discretion to wait until after any interviews, presentations, and demonstrations to evaluate costs. Also, before evaluating the technical merits of the Proposals, the State may do an initial review of costs to determine if any Proposals should be rejected because of excessive cost. And the State may reconsider the excessiveness of any Proposal's cost at any time in the evaluation process.

The State may select one or more of the Proposals for further consideration in the next phase of the evaluation process based on the price performance formula contained in Attachment One. The Proposal(s) selected for consideration in the next phase always will be the highest-ranking Proposal(s) based on this analysis. That is, the State may not move a lower-ranking Proposal to the next phase unless all Proposals that rank above it also are moved to the next phase, excluding any Proposals the State disqualifies because of excessive cost or other irregularities.

If the State finds it should give one or more of the highest-ranking Proposals further consideration, the State may move the selected Proposals to the next phase. The State alternatively may choose to bypass any or all subsequent phases and make an award based solely on its scoring of the preceding phases, subject only to its review of the highest-ranking offeror's responsibility, as described below.

**Requests for More Information.** The State may require some offerors to interview, make a presentation about their Proposals, or demonstrate their products or services. If the presentations, demonstrations, or interviews are held as part of the technical evaluation phase, all offerors that have Proposals under evaluation may participate. Alternatively, if the presentations, demonstrations, or interviews are held after the technical evaluation, the State normally will limit them to one or more of the highest ranking offerors. The State normally will limit such presentations, demonstrations, and interviews to areas in which it seeks further information from the highest ranking offeror or offerors. Typically, these discussions provide an offeror with an opportunity to do one or more of the following:

1. Clarify its Proposal and ensure a mutual understanding of the Proposal's content;
2. Showcase its approach to the Work; and
3. Demonstrate the professionalism, qualifications, skills, and work knowledge of its proposed candidates.

The State will schedule the presentations, demonstrations, and interviews at its convenience and discretion. The State will determine the scope and format of any such presentations, demonstrations, and interviews and may record them. Additionally, if the State moves more than one offeror to this phase, the scope and format of these presentations, demonstrations, and interviews may vary from one offeror to the next, depending on the particular issues or concerns the State may have with each offeror's Proposal.

The State normally will not rank interviews, demonstrations, and presentations. Rather, if the State conducts the interviews, demonstrations, or presentations as part of the technical evaluation, the State may use the information it gathers during this process in evaluating the technical merits of the Proposals. If the State holds the demonstrations, presentations, or interviews only for one or more of the top-ranking offerors after the evaluation phase, the State may decide to revise its existing Proposal evaluations based on the results of this process.

**Determination of Responsibility.** The State may review the background of one or more of the highest-ranking offerors and its or their key team members and subcontractors to ensure their responsibility. For purposes of this RFP, a key team member is a person an offeror identifies by name in its Proposal as a member of its proposed team. The State will not award the Contract to an offeror it determines is not responsible or that has proposed candidates or subcontractors to do the Work that are not responsible. The State's determination of an offeror's responsibility may include the following factors: experience of the offeror and its key team members and subcontractors, its and their past conduct on previous contracts, past performance on previous contracts, ability to execute this Contract properly, and management skill. The State may make this determination of responsibility based on the offeror's Proposal, reference evaluations, a review of the offeror's financial ability, and any other information the State requests or determines is relevant.

Some of the factors used in determining an offeror's responsibility, such as reference checks, may also be used in the technical evaluation of Proposals in phase two of the evaluation process. In evaluating those factors in phase two, the weight the State assigns to them, if any, for purposes of the technical evaluation will not preclude the State from rejecting a Proposal based on a determination that an offeror is not responsible. For example, if the offeror's financial ability is adequate, the value, if any, assigned to

the offeror's relative financial ability in relation to other offerors in the technical evaluation phase may or may not be significant, depending on the nature of the Work. If the State believes the offeror's financial ability is inadequate, the State may reject the offeror's Proposal despite its other merits.

The State may make a responsibility determination at any time during the evaluation process, but it typically will do so only once it has evaluated the technical merits and costs of the Proposals. The State always will review the responsibility of an offeror selected for an award before making the award, if it has not already done so earlier in the evaluation process. If the State determines the offeror selected for award is not responsible, the State then may go down the line of remaining offerors, according to rank, and determine responsibility with the next highest-ranking offeror.

**Reference Checks.** As part of the State's determination of an offeror's responsibility, the State may conduct reference checks to verify and validate the offeror's and its proposed candidates' and subcontractors' past performance. Reference checks that indicate poor or failed performance by the offeror or a proposed candidate or subcontractor may be cause for rejection of the offeror's Proposal. Additionally, the State may reject an offeror's Proposal as non-responsive if the offeror fails to provide requested reference contact information.

The State may consider the quality of an offeror's and its candidates' and subcontractors' references as part of the technical evaluation phase, as well as in the State's determination of the offeror's responsibility. The State also may consider the information it receives from the references in weighing any requirement contained in the technical evaluation phase, if that information is relevant to the requirement. In checking an offeror's or any of its proposed candidates' or subcontractors' references, the State will seek information that relates to the offeror's previous contract performance. This may include performance with other governmental entities, as well as any other information the State deems important for the successful operation and management of the Work and a positive working relationship between the State and the offeror. In doing this, the State may check references other than those provided in the offeror's Proposal. The State also may use information from other sources, such as third-party reporting agencies.

**Financial Ability.** Part of State's determination of an offeror's responsibility may include the offeror's financial ability to perform the Contract. This RFP may expressly require the submission of audited financial statements from all offerors in their Proposals, but if this RFP does not make this an express requirement, the State still may insist an offeror submit audited financial statements for up to the past three years, if the State is concerned an offeror may not have the financial ability to carry out the Contract. Also, the State may consider financial information other than the information that this RFP requires as part of the offeror's Proposal, such as credit reports from third-party reporting agencies.

**Contract Negotiations.** The final phase of the evaluation process may be contract negotiations. It is entirely within the discretion of the State whether to permit negotiations. An offeror must not submit a Proposal assuming that there will be an opportunity to negotiate any aspect of the Proposal, and any Proposal that is contingent on the State negotiating with the offeror may be rejected. The State is free to limit negotiations to particular aspects of any Proposal or the RFP, to limit the offerors with whom the State negotiates, and to dispense with negotiations entirely. If negotiations are held, they will be scheduled at the convenience of the State, and the selected offeror or offerors must negotiate in good faith.

The State may limit negotiations to specific aspects of the RFP or the offeror's Proposal. Should the evaluation result in a top-ranked Proposal, the State may limit negotiations to only that offeror and not hold negotiations with any lower-ranking offeror. If negotiations are unsuccessful with the top-ranked offeror, the State then may go down the line of remaining offerors, according to rank, and negotiate with the next highest-ranking offeror. Lower-ranking offerors do not have a right to participate in negotiations conducted in such a manner.

If the State decides to negotiate simultaneously with more than one offeror, or decides that negotiations with the top-ranked offeror are not satisfactory and therefore negotiates with one or more of the lower-ranking offerors, the State then will determine if an adjustment in the ranking of the offerors with which it

held negotiations is appropriate based on the negotiations. The Contract award, if any, then will be based on the final ranking of offerors, as adjusted.

Auction techniques that reveal one offeror's price to another or disclose any other material information derived from competing Proposals are prohibited. Any oral modification of a Proposal will be reduced to writing by the offeror as described below.

Following negotiations, the State may set a date and time for the offeror(s) with which the State conducted negotiations to submit a best and final Proposal. If negotiations were limited and all changes were reduced to signed writings during negotiations, the State need not require a best and final Proposal.

If best and final Proposals are required, they may be submitted only once, unless the State determines that it is in the State's interest to conduct additional negotiations. In such cases, the State may require another submission of best and final Proposals. Otherwise, discussion of or changes in the best and final Proposals will not be allowed. If an offeror does not submit a best and final Proposal, the State will treat that offeror's previous Proposal as its best and final Proposal.

The State usually will not rank negotiations and normally will hold them only to correct deficiencies in or enhance the value of the highest-ranked offeror's Proposal.

From the opening of the Proposals to the award of the Contract, everyone evaluating Proposals on behalf of the State will seek to limit access to information contained in the Proposals solely to those people with a need to know the information. The State also will seek to keep this information away from other offerors, and the State may not tell one offeror about the contents of another offeror's Proposal in order to gain a negotiating advantage.

Before the award of the Contract or cancellation of the RFP, any offeror that seeks to gain access to the contents of another offeror's Proposal may be disqualified from further consideration.

Negotiated changes will be reduced to writing and become a part of the Contract file, which will be available for public inspection after award of the Contract or cancellation of the RFP, provided the State does not plan to reissue the RFP. If the State plans to reissue the RFP, the Contract file will not be available until the subsequent RFP process is completed. Unless the State agrees otherwise in writing, the offeror must draft and sign the written changes and submit them to the State within five business days. If the State accepts the changes, the State will give the offeror written notice of the State's acceptance, and the negotiated changes to the successful offer will become a part of the Contract.

**Failure to Negotiate.** If an offeror fails to provide the necessary information for negotiations in a timely manner, or fails to negotiate in good faith, the State may terminate negotiations with that offeror, remove the offeror's Proposal from further consideration, and seek such other remedies as may be available in law or in equity.

## PART FIVE: AWARD OF THE CONTRACT

**Contract Award.** The State plans to award the Contract based on the schedule in the RFP, if the State decides the Work is in its best interest and has not changed the award date.

Under Ohio's anti-terrorism legislation, effective April 14, 2006, the selected offeror must complete a Declaration Regarding Material Assistance/Non-assistance to a Terrorist Organization to certify that the offeror has not provided material assistance to any terrorist organization listed on the Terrorist Exclusion List. The form and the Terrorist Exclusion List are available on the Ohio Homeland Security Website. The form must be submitted with the offeror's Proposal. If an offeror answers yes or fails to answer any question on the form, the State may not award the Contract to that offeror. The offeror may request the Department of Public Safety to review such a denial of an award. More information concerning this law is available at: <http://www.publicsafety.ohio.gov/links/HLS0038.pdf>.

Included with this RFP, as Attachment Five, is a sample of the Contract for the RFP. The State will issue two originals of the Contract to the Contractor proposed for award. The offeror must sign and return the two originals to the Procurement Representative. The Contract will bind the State only when the State's duly authorized representative signs all copies and returns one to the Contractor with an award letter, the State issues a purchase order, and all other prerequisites identified in the Contract have occurred.

The Contractor must begin work within 15 business days after the State issues the award letter and signed Contract. If the State awards a Contract pursuant to this RFP, and the Contractor is unable or unwilling to begin the Work within the time specified above, the State may cancel the Contract, effective immediately on notice to the Contractor. The State then may return to the evaluation process under this RFP and resume the process without giving further consideration to the originally selected Proposal. Additionally, the State may seek such other remedies as may be available to the State in law or in equity for the selected offeror's failure to perform under the Contract.

**Contract.** If this RFP results in a Contract award, the Contract will consist of this RFP, including all attachments, written amendments to this RFP, the Contractor's accepted Proposal, and written, authorized amendments to the Contractor's Proposal. It also will include any materials incorporated by reference in the above documents and any purchase orders and change orders issued under the Contract. The form of the Contract is included as a one-page attachment to this RFP, but it incorporates all the documents identified above. The general terms and conditions for the Contract are contained in Attachment Four to this RFP. If there are conflicting provisions between the documents that make up the Contract, the order of precedence for the documents is as follows:

1. The one-page Contract (Attachment Five) in its final form;
2. This RFP, as amended;
3. The documents and materials incorporated by reference in the RFP;
4. The Executive Order, EO 2011-12K incorporated by reference in the RFP;
5. The Contractor's Proposal, as amended, clarified, and accepted by the State; and
6. The documents and materials incorporated by reference in the Contractor's Proposal.

Notwithstanding the order listed above, change orders, and amendments issued after the Contract is executed may expressly change the provisions of the Contract. If they do so expressly, then the most recent of them will take precedence over anything else that is part of the Contract. To be binding on the State, a duly authorized representative of the Department of Administrative Services must sign any change order under or amendment to the Contract.

**ATTACHMENT ONE: EVALUATION CRITERIA**

**Mandatory Requirements.** The first table lists this RFP's mandatory requirements. If the offeror's Proposal meets all the mandatory requirements, the offeror's Proposal may be included in the next part of the technical evaluation phase described in the scored criteria table.

<b>Offeror Mandatory Requirements</b>	<b>Reject</b>	<b>Accept</b>
<b>Past and Current Experience.</b> The offeror must have experience providing services to at least three (3) government or commercial customers for whom the offeror has provided or currently provides financial services similar in size and complexity to this project. One of these projects must have been as the prime contractor on the project.		
<b>Financial Network Management Services.</b> The offeror must have five (5) years experience in the operations and management of a large-scale, complex financial network involving commercial or proprietary transaction processing similar in size, complexity, and nature to this project.		
<b>Management and Delivery of Core EBT Services.</b> The offeror must have five (5) years experience in the delivery of core EBT services or services similar to core EBT services which include account setup, benefit authorization, account maintenance services, card and PIN issuance, uninterrupted transaction processing, settlement service, reconciliation service, cardholder and retailer/merchant customer service, POS deployment, and reporting services similar in size, complexity, and nature to this project. (In responding to this requirement offeror's must address each item listed above).		

**Scored Criteria.** With the exception of scoring the Offeror Mandatory Requirement and Offeror Requirements points will be awarded by the criteria listed in the following table with the best proposal in each category being awarded ten (10) points, the second best seven (7) points and the third best four (4) points and any proposal fourth best or lower that meets the criteria will receive two (2) points. Any offeror that does not meet the criteria receives zero points in that category. The standard for evaluation, consequently, is established by the competition.

Points for the following evaluation criteria: Mandatory Offeror Requirement will be awarded according to how well each Proposal addresses the requirement describe in the RFP. Note that the comparative approach is not being used for this criterion and points will be awarded as follows: nine (9) points for Greatly Exceeds, seven (7) points for Exceeds, and five (5) points for Meets. Proposals that do not meet the mandatory requirement will not be scored points and may be rejected.

However, in the event of ties or significant differences in the quality and content of the proposals, the evaluation committee reserves the right to rate the proposals accordingly.

<b>Scored Criteria</b>	<b>Weight</b>	<b>Does Not Meet</b>	<b>Meets</b>	<b>Exceeds</b>	<b>Greatly Exceeds</b>
<b>Offeror Mandatory Requirements</b>					
The offeror must have experience providing services to at least three (3) government or commercial customers for whom the offeror has provided or currently provides financial services similar in size and complexity to this project. One of these projects must have been as the prime contractor on the project.	<b>20</b>	<b>Reject</b>	<b>5</b>	<b>7</b>	<b>9</b>

The offeror must have five (5) years' experience in the operations and management of a large-scale, complex financial network involving commercial or proprietary transaction processing similar in size, complexity, and nature to this project.	20	Reject	5	7	9
The offeror must have five (5) years' experience in the delivery of core EBT services which include account setup, benefit authorization, account maintenance services, card and PIN issuance, uninterrupted transaction processing, settlement service, reconciliation service, cardholder and retailer/merchant customer service, POS deployment, and reporting services similar in size, complexity and nature to this project.	20	Reject	5	7	9
<b>Offeror Requirements</b>	<b>Weight</b>	<b>Does Not Meet</b>	<b>Meets</b>	<b>Exceeds</b>	<b>Greatly Exceeds</b>
The offeror must have five (5) years' experience in the delivery of ancillary EBT services to include card design and production; retailer/merchant and cardholder training materials; and marketing commercial POS deployment and services.	20	0	5	7	9

Proposed Solution	Weight	Best	2 <sup>nd</sup> Best	3 <sup>rd</sup> Best	Lower than 3 <sup>rd</sup> Best	Not Acceptable
<b>EBT System</b>						
<b>EBT System Interface Requirements</b>	20	10	7	4	2	0
<b>EBT Account Structure &amp; Maintenance</b>	20	10	7	4	2	0
<b>EBT Cards and Personal Identification Numbers (PINS)</b>	15	10	7	4	2	0
<b>EBT Administrative System Application</b>	20	10	7	4	2	0
<b>EBT Transaction Processing and Routing</b>	20	10	7	4	2	0
<b>EBT USDA-FNS Retailer/Merchant Database</b>	15	10	7	4	2	0
<b>EBT Retailer/Merchant and Acquirer/TPP Management</b>	15	10	7	4	2	0
<b>Settlement</b>	15	10	7	4	2	0
<b>Reconciliation</b>	15	10	7	4	2	0
<b>EBT Security Management</b>	15	10	7	4	2	0
<b>EBT Reporting</b>	10	10	7	4	2	0

EBT Investigations Support	10	10	7	4	2	0
EBT Custer Service/Automated Response Units	15	10	7	4	2	0
<b>EPC System</b>	<b>Weight</b>	<b>Best</b>	<b>2<sup>nd</sup> Best</b>	<b>3<sup>rd</sup> Best</b>	<b>Lower than 3<sup>rd</sup> Best</b>	<b>Not Acceptable</b>
EPC System Interfaces	20	10	7	4	2	0
EPC Account Structure and Maintenance	20	10	7	4	2	0
EPC Cards and Personal Identification Numbers (PINs)	15	10	7	4	2	0
EPC Administrative System Application	20	10	7	4	2	0
EPC Transaction Processing and Routing	20	10	7	4	2	0
EPC DEPOSIT SETTLEMENT & RECONCILIATION	15	10	7	4	2	0
EPC SYSTEM SECURITY AND ANNUAL CERTIFICATION OF	15	10	7	4	2	0
EPC REPORTS	10	10	7	4	2	0
EPC Customer Service / Automated Response Unit	15	10	7	4	2	0
<b>Implementation Work Plans</b>	<b>Weight</b>	<b>Best</b>	<b>2<sup>nd</sup> Best</b>	<b>3<sup>rd</sup> Best</b>	<b>Lower than 3<sup>rd</sup> Best</b>	<b>Not Acceptable</b>
Project Initiation Phase	10	10	7	4	2	0
Design Phase	15	10	7	4	2	0
Development Phase	15	10	7	4	2	0
Transition-In Phase	20	10	7	4	2	0
Operations Phase	20	10	7	4	2	0
End-of-Contract Transition	10	10	7	4	2	0
Project Management Plan	15	10	7	4	2	0
<b>Staffing</b>	<b>Weight</b>	<b>Best</b>	<b>2<sup>nd</sup> Best</b>	<b>3<sup>rd</sup> Best</b>	<b>Lower than 3<sup>rd</sup> Best</b>	<b>Not Acceptable</b>
Key Staff	30	10	7	4	2	0
Staffing Plan	25	10	7	4	2	0
Escalation Plan	10	10	7	4	2	0

**Price Performance Formula.** The evaluation team will rate the Proposals that meet the Mandatory Requirements based on the following criteria and respective weights.

<b><i>Criteria</i></b>	<b><i>Percentage</i></b>
Technical Proposal	70%
Cost Summary	30%

To ensure the scoring ratio is maintained, the State will use the following formulas to adjust the points awarded to each offeror.

The offeror with the highest point total for the Technical Proposal will receive 700 points. The remaining offerors will receive a percentage of the maximum points available based upon the following formula:

Technical Proposal Points = (Offeror's Technical Proposal Points/Highest Number of Technical Proposal Points Obtained) x 700

The offeror with the lowest proposed Total Evaluation Price will receive 300 points. The remaining offerors will receive a percentage of the maximum cost points available based upon the following formula:

Cost Summary Points = (Lowest Total Evaluation Price/Offeror's Not-To-Exceed Fixed Price) x 300

Total Points Score: The total points score is calculated using the following formula:  
Total Points = Technical Proposal Points + Cost Summary Points

## **ATTACHMENT TWO: WORK REQUIREMENTS AND SPECIAL PROVISIONS PART ONE: WORK REQUIREMENTS**

This attachment describes the scope of work of the EBT and EPC Systems and the processes in which this project will be completed by the Contractor.

The following scope of work will apply to both the EBT and EPC systems, unless otherwise noted by the words, "EBT ONLY" or "EPC ONLY."

### **Scope of Work.**

The State will provide oversight for the entire Project. However, the Contractor will provide overall project management for the tasks in this Contract, including the day-to-day management of its staff and assist the State staff as pertaining to their assignment to this RFP Project. The Contractor must provide administrative support for its staff and activities. Throughout the Project, the Contractor must employ ongoing project management techniques to ensure a comprehensive Project plan is developed, executed, monitored, reported on, and maintained.

### **Minimum Programmatic and Service Requirements**

The scope of services within this RFP reflects ODJFS' specific needs and requirements with regard to the EBT and EPC services to be provided by the Contractor. This section of the RFP provides a detailed description of the required EBT and EPC services and tasks and their accompanying performance standards and measures. Supplement 2 of the RFP provides detailed requirements of the programmatic, policy and service considerations required by the Ohio EBT and EPC Project.

### **Major Goals – EBT ONLY**

The major goal of ODJFS is to implement a new EBT system while maintaining the current EBT system functionality. The new EBT system must include all specifications listed in this RFP. The agency strives to enhance the efficiency and effectiveness of program administration/accountability and to reduce program fraud/abuse.

### **Major Goals – EPC ONLY**

The goals of the State for the EPC benefit delivery system includes:

- Provide timely and accurate delivery of cash benefits to cardholders;
- Enhance the efficiency and effectiveness of program administration and accountability; and
- Reduce program fraud and abuse

### **Project Organization**

The Ohio EBT section administers both the EBT and EPC programs and is located in the Ohio Department of Job and Family Services (ODJFS), Office of Families and Children (OFS), Bureau of Operations. The State Project Management Team is responsible for the day-to-day management and coordination of all State activities related to both EBT and EPC services which includes: overall program project management and contract administration; planning and coordination; training coordination; customer service and stakeholder relations; operational liaison responsibilities with CDJFS' and other State and Federal agencies and offices; public awareness; data communications and system interfaces.

An organization chart depicting the current organization and staffing of the Ohio EBT section is included as Supplement Five, ODJFS EBT Organizational Chart.

## **Future Program Considerations**

ODJFS reserves the right to add additional programs and services during the contract time period. The Contractor must provide the flexibility to add additional programs and services as mandated by law or as requested by ODJFS. The Contractor must assist ODJFS in evaluating and developing technical solutions and plans for expanded service delivery and must work cooperatively with ODJFS and others, as appropriate, to ensure the responsive and successful addition of programs and services.

The programs listed below are those under consideration for conversion to EBT or EPC in the future. These items are not to be included in the cost of this Contract. A Contract Amendment will be required if the State chooses to implement any of these additional options.

### **a. Programs Administered by ODJFS**

Programs administered by ODJFS may be added to EBT or EPC.

### **b. EBT-only Wireless POS Devices.**

EBT-only wireless terminals for Ohio farmers' markets and/or retailers may be added.

### **c. Additional Cash or Food Assistance Programs on a Co-branded Debit Card.**

Option to combine the Food Assistance Programs and/or other ODJFS programs on the current co-branded debit card or a separate co-branded debit card, including but not limited to Food Assistance Cash Out and Food Assistance Employment Training (FSET) Work Allowance.

### **d. Training Materials**

Option to provide additional languages for the EBT or EPC training materials.

## **Programmatic and Technical Services: Required Tasks**

The task and deliverable requirements for each of the five project phases, including initiation, design, development, transition/implementation, and ongoing operations, are specified below. Project phases, activities, and tasks are anticipated to overlap where necessary and appropriate. The Contractor must provide all required documentation and deliverables, drafts and final versions, in electronic media in the formats and software specified by ODJFS. Additionally, the Contractor must provide three (3) final hard copies of all documentation and deliverables for each phase to ODJFS. All documentation and deliverables are subject to State (and Federal, if required) review and approval. ODJFS will coordinate the review of documentation and deliverables, with other offices and agencies and provide comments to the Contractor within 60 calendar days from receipt of each draft document. After the incorporation of comments, copies of the final draft documentation must be provided by the Contractor for follow up review and approval. Final documentation must be provided by the Contractor following revision approval by ODJFS. The Contractor's project schedule must clearly identify a due date for each deliverable identified in the statement of work. All deliverables must be continually updated throughout the life of the Contract for all program modifications (system, policy, and business processes) and system enhancements.

The Contractor must deliver the draft documents to ODJFS in sufficient time to allow for a 60 calendar day comment period on the initial drafts. The Contractor must incorporate all revisions and deliver the final document within 10 business days of receipt.

**State Responsibilities.** For all implementation activities ODJFS will:

- Review for approval Deliverables according to the provisions of the Contract;
- Respond to questions, issues, and disputes raised by the Contractor;

- Participate in JAD sessions;
- Provide oversight for the Project;
- Manage effective participation of ODJFS staff; and
- Assign staff to perform testing for approval and acceptance.

## 1. Project Initiation Phase

The following tasks and deliverables are applicable to work for both the EBT and EPC implementations.

**Kick Off Meeting.** The Contractor and ODJFS will conduct a kick-off meeting within five (5) working days after project commencement. During the kick off meeting, the Contractor and ODJFS will discuss the details of the project plan including the project schedule.

**Update Project Schedule.** The Project schedule submitted with the Contractor's Proposal must be updated and submitted in electronic and hard copy format to the ODJFS Project Manager for approval within thirty (30) calendar days of the work start date. After ODJFS approval, the revised Project schedule will become the Contractor's baseline plan to fulfill the Contract. The Contractor must use Microsoft Project as the automated Project Management tool for the maintenance and presentation of the Project schedule during the Project.

Transition plan activities and deliverables must be included in the overall project schedule. The project schedule must identify all critical path and dependency tasks, milestones, and delineate the responsibilities of the Contractor, its subcontractors, ODJFS, and other involved entities.

The updated project schedule should be developed from information provided by State personnel who are assigned to this Project. These State personnel have varying percentages of their time devoted to this Project. The Contractor needs to be mindful of State staff time commitments to the Project in creating their Project schedule and when obtaining information from State staff to update the schedule.

The Project schedule must be formally updated in conjunction with the bi-weekly reporting requirements throughout the Project.

**Project Schedule Baseline.** The Project Schedule Baseline will be established in the early stages of the Project. Once established, the baseline will only be modified through the change management process. The approved baseline will be used for all Project metrics reported on a weekly status reporting schedule.

**Communication Plan.** The Contractor must develop a Communication Plan that ensures timely and appropriate generation, collection, and dissemination of Project information under the direction of the ODJFS Project Manager. The Communication Plan must at a minimum include the following:

- Revision history of the communication plan;
- Communication protocols and procedures for reporting to ODJFS stakeholders regarding Project issues;
- Project team roles and responsibilities;
- Communication channels in a Diagram; and
- Communication deliverables.

All materials generated as a result of the Communication plan must be turned over to ODJFS upon system acceptance.

**Change Management Plan.** The Contractor must work with ODJFS to develop a Change Management Plan that establishes the change management roles and responsibilities, policies, guidelines, processes, and procedures necessary for controlling and managing the changes during the life of the Project.

The Change Management Plan must include a process, including the use of a change management tool, addressing changes made on the existing production system during the project implementation ensuring the system incorporates all applicable changes at the time of deployment.

**Change Control Process.** The Contractor must work with ODJFS to provide a change control process within the Change Management Plan. Change control is the formal process for identifying the impact of any change or correction that modifies scope, deliverables, timeframes, or resource allocations, and determining the disposition of the requested change or correction.

The Change Control Process could be initiated by events such as the following:

- Legislative changes in State and Federal legislation;
- Changes in the ODJFS business processes or policies;
- New business requirements;
- Changes in the project plan; and

The Contractor must follow an ODJFS approved Change Control Process that:

- Spans the entire Project life cycle;
- Provides a clear scope of what is included and excluded from each change order request;
- Delineates the system downtime required to implement any change(s), if appropriate;
- Requires the successful completion of regression testing before the implementation of the change;
- Incorporates multiple levels of priority for change orders (e.g., critical, must-have, desired, etc.); and
- Supports the change control process by estimating impacts, investigating solutions, identifying alternatives, inputting appropriate information into Project tracking tools, participating in the decision-making process, and implementing the agreed upon solution.

**Configuration Control Planning and Execution.** The Contractor must develop a Configuration Control Plan that addresses their proposed methodology and tools for managing configuration control throughout the project. The methodology must include, at a minimum:

- Decision and communication processes required before configuration changes can be made in the various system environments at various times in the project; and
- Technical and security architecture, including
  - a) Server - physical and logical hardware, environments, capacities, and performance specifications;
  - b) Networking equipment and schema;
  - c) Software, including system/operational/utility/diagnostic, and application; and
  - d) Database.
- Indicate the version/release number of all proposed software and provide a schedule for the implementation of all architecture components.

The Contractor must execute the Configuration Control Plan throughout the project and any deviation from this plan must be approved in writing by the State prior to the change.

### **Project Status Reports and Meetings**

During each project phase, the Contractor must meet with ODJFS and provide written status reports to the Agency Project Representative every two (2) weeks. The status reports are due to the State 2

business days prior to the bi-weekly meeting, excluding State holidays, and must provide status information on all planned, ongoing, and completed project activities. Status reports must contain at a minimum descriptions of the following:

- Minutes from the previous status meeting;
- Updated GANTT chart, along with a copy of the corresponding Project work plan files (i.e. MS Project) on electronic media as mutually agreed upon by the State and the Contractor;
- Status of currently planned tasks, identifying specifically tasks not on schedule and a resolution plan to return to the planned schedule;
- Issues encountered, proposed resolutions and actual resolutions;
- The results of any tests;
- A Problem Tracking Report;
- Identification of risks and mitigation;
- Anticipated tasks to be completed in the next reporting period;
- Task and deliverable status, with percentage of completion and time ahead or behind schedule for tasks and milestones;
- Proposed changes to the Project Work Breakdown Structure (WBS) and Project schedule, if any;
- Identification of Contractor Project staff assigned to specific activities;
- Planned absence of key personnel and their expected return date;
- Modification of any known key staffing changes; and
- System integration activities.

The Contractor's proposed format and level of detail for the status report will be subject to State approval.

## 2. Design Phase

The project design is based on the requirements specified in this RFP. Development Phase activities may be performed concurrently with the Design Phase. During the Design Phase the Contractor is responsible for preparation of the project deliverables listed below. The Contractor and ODJFS will agree on the format and content to be included in each deliverable prior to submission.

**Review, Validate, and Refine Requirements.** The Contractor must thoroughly review, validate, and refine, as necessary, all requirements specified in this RFP. In addition, the Contractor must work with State staff to fully understand the scope, purpose, and implications of each requirement.

The Contractor must conduct joint application design (JAD) sessions to finalize requirements and ensure that responses to all RFP requirements are acceptable to ODJFS.

The Contractor must thoroughly review all appropriate Ohio and Federal programs and policies. The Contractor will reference the Ohio Revised Code (ORC), Ohio Administrative Code (OAC), and other associated documentation as it pertains to EBT and EPC. Additionally, the Contractor must ensure that the EBT and EPC systems adhere to all applicable ODJFS and State of Ohio IT Policies and State of Ohio IT Security Standards. The State's policies are at the following URL:  
<http://das.ohio.gov/Divisions/InformationTechnology/StateofOhioITPolicies.aspx>

The State's security standards are at the following URL:  
<http://das.ohio.gov/Divisions/InformationTechnology/StateofOhioITStandards.aspx>

### **Requirements Specification Document (RSD).**

The Contractor must develop and maintain a System Requirements Specification Document. This System Requirements Specification Document must include system functional, and non-functional requirements (e.g., quality attributes, legal and regulatory requirements, standards, performance requirements, and design constraints). The requirements covered in this RFP are the base requirements. They must be further refined to arrive at the detailed design requirements and traced

throughout the system development life cycle. These detailed requirements must be traceable back to the requirements specified in the RFP.

The specification for each requirement should include a means of measuring that the requirement has been satisfied.

The Contractor will review RFP requirements, validate them, and identify how and where the requirements are met by the Contractor's solution. Additionally, the RSD must include:

- A cross-walk or map of each RFP requirement;
- A listing of any open change orders, as well as any requirements subsequently identified in JAD sessions related to any functions and processes; and
- Identification of all internal and external interfaces.

### **Interface Control Document (ICD).**

The ICD must describe all internal and external interfaces and define the business rules for the data exchange between the State and Contractor, the telecommunications and security for exchanging data, transmission schedules, file formats and data content, Treasury Management interface for ACH deposit routing (**EPC Only**), and data transmission for card issuance.

### **Traceability Matrix**

The Contractor must develop a requirements traceability matrix to track all requirements specified in the Detailed System Design Document. Requirements must be tracked through each stage of the development life cycle from requirement specification through production deployment. The requirements must be stored in a requirements management repository that permits reporting of a specific requirement, selected requirements based on type or attributes, and a complete detailed listing of all requirements. The matrix and repository must be contained in one tracking tool. This matrix and the repository will be used throughout the Project to assure the design, development, test, and final production system meet the specified requirements.

### **General System Design Document**

The General System Design Document provides general descriptions of the system design components required to address the functional requirements of the system. This document must represent a high level description of the Contractor's systems and services.

### **Detailed System Design Document**

The Detailed System Design Document provides detailed descriptions of the total system configuration including hardware, functionality, data elements, file layouts, process flows, interfaces, reporting, transaction processing, the Administrative System, settlement and reconciliation, customer service, cardholder account maintenance, card/PIN issuance and training, and security.

### **System Test Plans**

System Test Plans are to be developed that define the test purpose, test scripts, methodology, and environment. The Contractor must develop test plans for a Functional Demonstration, Interface Test, System Acceptance Test, Performance (Stress) Test, Network Performance Test, Regression Test, Transition Test, and Interactive Voice Response (IVR) Tests. The Test Plans must also include a Life Cycle Testing component to ensure proper testing is conducted prior to changes being introduced into an interoperable production environment over the life of the Contract.

The Test Plan must include problem resolution and escalation procedures that define the process by which ODJFS will report system and operational problems to the Contractor in acceptance testing and on-going operations, the process by which these problems are resolved, and how the resolution

is reported back to ODJFS. The procedures must include a priority scheme for identifying the relevant severity of the problem, as well as the anticipated timeframe for resolution.

The Contractor must provide draft and final acceptance test plans with accompanying scripts for use in System Acceptance testing. State and Federal staff will complete System Acceptance testing prior to conversion to the new system. The plan must address all system components described in the Detailed System Design Document including:

- POS transaction processing and equipment;
- Interoperable transaction processing;
- Interface file editing and processing;
- Account set-up and benefit posting;
- Settlement and reconciliation;
- IVR and Customer Service functionality for cardholders and retailer/merchants;
- State Administrative System application and functionality; and
- Reporting.

ODJFS also requires that quality assurance (QA) and regression testing be performed on any and all changes made to coding and programs during acceptance testing and ongoing throughout the Operations Phase. The Contractor must ensure that changes are thoroughly tested end-to-end for impact on other system components, applications, and functionality prior to deployment. The test environment will operate under the same system requirements as the production system. The test plan must address the nature and extent of integration testing that is to occur to ensure that all systems properly interface with each other and operate as designed. QA and regression test results must be provided to ODJFS for approval prior to deployment.

### **Data Conversion Plan**

The Contractor must create a conversion plan that establishes the conversion environment and outlines strategies for the automated conversion of data. The data conversion plan at a minimum must:

- Identify how the conversion requirements will be confirmed and refined;
- Map the data elements in the current system;
- Identify the approach the Contractor will use for data conversion;
- Create the schedule for conversion activities; and
- Keep the data conversion consistent with the implementation schedule.

The conversion plan must elaborate how the integrity and confidentiality of the data will be protected throughout the conversion process. The Contractor will not be permitted to take or transmit any real data off-site for testing, cleansing, or any other processing.

### **Transition Plan**

The Transition Plan details steps and procedures to assist ODJFS, cardholders, acquirers/third party processors (TPPs), and retailer/merchants in a smooth and logical transition to the new system operating platforms and the Contractor's services. Smooth transition requires transition without disruption of access to or redemption of benefits by cardholders to the extent practicable. The Contractor must detail how they plan to interface with the current provider in order to address transfer

of data during the transition. The plan must provide a detailed time line for coordination and completion of the system conversion and services transition, including: recruitment and conversion of retailer/merchants and acquirers/TPPs, training, equipment deployment, card and PIN issuance, and the recommended transition for database conversion, as well as step by step process descriptions required for conversion to the new system platform. The plan must identify a process for sending two separate files of individual transaction data for the ALERT report to FNS for the conversion month (one from the incumbent Contractor for transactions occurring before the conversion date and one from the new Contractor for transactions occurring after the conversion date).

ODJFS and USDA FNS will provide written approval of the transition plan.

### **EBT Processor Interface Specifications (EBT Only)**

The Contractor must develop an EBT Processor Interface Specifications document to provide the financial transaction exchange with EFT institutions, Third Party Processor Networks, and EBT-only retailers/merchants. The Contractor must certify all acquirer's software and systems prior to processing transactions on their EBT Administrative System.

### **Retailer/Merchant Acquirers/TPP Conversion Management Plan (EBT ONLY)**

The Retailer/Merchant Acquirer/TPP Management Plan describes the Contractor's methods for retailer/merchant recruitment and marketing, execution of required agreements by all parties, EBT-only POS deployment, and ongoing support services. The document must include:

- Retailer/Merchant marketing and recruitment activities;
- Farmer's market/roadside stands/food cooperatives marketing materials and recruitment activities;
- Retailer/Merchant conversion;
- Retailer/Merchant and Acquirer/TPP agreements;
- Acquirer/TPP certification standards and process;
- Description of the type of POS equipment that will be deployed, if required;
- Plans for any onsite POS equipment testing;
- Plan to send at least two retailer notices regarding the database conversion and outage;
- Description of customer service that will be provided to all retailer/merchants;
- Ongoing support services for Retailers/Merchants who use a TPP and are unable to resolve issues with their TPP pertaining to EBT. ODJFS will report complaints to the Contractor if the TPP is unable to resolve the issue. The Contractor will work with the TPP to investigate the problem and provide a report to ODJFS on the outcome within 10 business days of the complaint; and
- Methods for retailer/merchant training and the training materials being used.

### **Acquirer/TPP and POS Certification Standards**

The Contractor must develop standards for certifying pre-existing commercial equipment and acquirers/TPPs. Certification standards must comply with the Quest® Operating Rules and the EBT

messaging standards promulgated by the American National Standards Institute (ANSI) based on International Standards Organization (ISO) Technical Standards.

### **Training Materials**

The Contractor must design, develop, and submit the following draft training materials in English, Spanish and Somali language formats. The English and Spanish versions must be combined into one document (front/back) and the Somali version will be a separate document. An indicator will be sent from CRIS-E to indicate the appropriate language format. The materials must include the household training requirements in 7CFR 274.2(e).

- Cardholder Training Pamphlet;
- Cardholder Training Tips Card;
- EBT Card Mailer;
- Retailer/Merchant POS User's Manual;
- Retailer/Merchant Tips Card;
- Administrative System Train-the-Trainer Manual; and
- Videos for both cardholders and retailer/merchants (videos may be posted online).

### **3. Development Phase**

During this phase, the Contractor must configure and test the Ohio EBT and EPC systems and services according to the system and services specifications defined in the Contract. The Contractor and ODJFS will agree on the format and contents to be included in each deliverable prior to the Contractor submitting the first draft of any document.

#### **Unit Testing**

The Contractor must test all components (i.e. programs) as stand-alone entities. Unit testing ensures that a single component is resilient and will function correctly on a stand-alone basis (e.g. the modified component can take inputs and produce expected outputs).

#### **System Testing**

System and integration testing must be performed and validated on all components and functional areas (see Supplement 2) of the Contractor's EBT and EPC systems before delivery.

#### **Functional Demonstration – EBT ONLY**

The Functional Demonstration provides State and Federal representatives the opportunity to observe and analyze planned Contractor's EBT system operations. The Contractor must prepare a report of the demonstration results including any system modifications that were identified. The Functional Demonstration must occur as early as possible but no later than six (6) weeks prior to the System Acceptance Test to ensure the design is proceeding according to the requirements of this RFP.

#### **Interface Tests**

Interface Tests must be conducted between all State and Federal interfaces (Account Management Agent/ Automated Standard Application for Payments [AMA/ASAP]; Store Tracking and Redemption Subsystem [STARS]; Anti-fraud Locator of EBT Retailer Transactions [ALERT]; and CRIS-E), and the Contractor's EBT and EPC systems, as applicable, to ensure that all files transmitted are properly formatted, transmitted, received, edited, accepted, confirmed and processed according to design.

### **System Acceptance Test – EBT ONLY**

The System Acceptance Test provides both State and Federal representatives the opportunity to test the system functionality and ensure compliance with the system design requirements. During the System Acceptance Test, testing participants must follow detailed test scripts developed by the Contractor and reviewed and approved by ODJFS. The tests and test scripts must cover all facets of the system's operations and test all of the system processing options and environmental conditions (e.g., POS hardware and communications failure and entry of erroneous data). This test must include: security, recovery, system controls, interoperability, interfaces, settlement (including multiple days), benefit aging processes, POS transaction processing, Administrative System functionality, reporting, account maintenance, and "what if" testing. In addition, as part of the System Acceptance Test, the Contractor must demonstrate the methods and processes for performing all daily reconciliation between ODJFS and Contractor.

The ad hoc or "what if" portion of the acceptance test provides the State and Federal representatives the opportunity to include various transaction sets and sequences that were not included in the test scripts and to challenge the system's operations and design.

The test environment, to the extent practical, must begin with a clean test database.

### **Regression Testing**

Any changes to the application architecture/code as a result of bug fixes, enhancements or requirement changes must trigger Regression tests at the Unit as well as Integration/System levels. This must include running existing tests as well as possibly writing and running new tests as required. The Contractor must work with ODJFS staff to make sure the testing is adequate without being excessive to the point where it has a negative effect on the Project schedules, time lines, and budgets.

### **System Acceptance Test – EPC ONLY**

The System Acceptance Test provides State representatives the opportunity to test the system functionality and ensure compliance with the system design requirements. During the System Acceptance Test, testing participants must follow detailed test scripts developed by the Contractor and reviewed and approved by ODJFS. The tests and test scripts must cover all facets of the system's operations and test all of the system processing options and environmental conditions (e.g., communications failure and entry of erroneous data). This test must include: security, recovery, system controls, interoperability, interfaces, settlement (including multiple days), benefit aging processes, Administrative System functionality, reporting, account maintenance, return of funds for inactive accounts, and "what if" testing. In addition, as part of the System Acceptance Test, the Contractor must demonstrate the methods and processes for performing all daily reconciliation between ODJFS and Contractor.

The ad hoc or "what if" portion of the acceptance test provides the State representatives the opportunity to include various transaction sets and sequences that were not included in the test scripts and to challenge the system's operations and design.

The test environment, to the extent practical, must begin with a clean test database.

In an effort to obtain the agreed to implementation task, no ODJFS task can be reduced in duration unless there is a mutual agreement between ODJFS and the Contractor.

A slip in any project schedule date may result in a proportional slip in the transition date which may result in assessed damages.

### **Validation of Readiness—Quiet Controlled Test in co-branded card Global Network – EPC ONLY**

The Contractor must conduct a live test with the co-branded card network to validate the Ohio EPC production environment, application of fees applied to transactions, posting of transaction history to the individual debit card accounts, and the accurate and timely disbursement of funds to co-branded card for merchant and endpoint settlement.

The Contractor must define as part of the test plan a designated number of test accounts, the transaction scripts to be executed within each account, the expected outcomes, and account balances posted from the transactions performed at ATMs and point-of-sale locations. The Contractor must activate the debit card accounts via the IVR call flow. Proof of transaction processing will be reviewed by printing the transaction history of each account and the verification of the scripts performed via access to the Contractor's online system screens displaying the information.

The web portal is tested during this "quiet controlled" test to show the transaction history and details of the test events at the account level.

### **Performance / Stress Test**

The purpose of this test is to ensure there is sufficient capacity within the Contractor's EBT and EPC systems to accommodate the projected transaction volumes. Test results from the stress test must be used by the Contractor to formulate a system capacity model to determine the appropriate hardware and software requirements and configuration.

The Performance Test may be included as part of the System Acceptance Test. The Contractor may, as an option, choose to use current production data to develop a system capacity model for the anticipated transaction volumes. Any data modeling must be approved by ODJFS. If the Contractor is anticipating the use of this option, the Contractor must provide a detailed description of data to be used, how the modeling will be performed, a comparison of the modeling method to be used with live production data, and how test results will be documented and reported to ODJFS. If this option is used, the test must be completed prior to, or at the same time Acceptance Testing is completed. Performance/Stress testing must be completed with full data volumes (5 years of transaction history).

### **Network Performance Test**

A network performance test must be conducted on the Contractor's EBT and EPC systems communication networks to ensure the network is capable of handling projected transaction volumes within the required response times and error thresholds. Additionally, the test must validate the secured transmission of data files, reporting and user access to the Contractor's system environment.

### **Contractor's Customer Service Interactive Voice Response (IVR) Test**

The Contractor's IVR must be tested to ensure the systems properly accepts, processes, and transfers EBT retailer/merchant and EBT/EPC cardholder calls per requirements. The test must be conducted in the production environment with the activation of test cards and PIN selection for test accounts. To perform these transactions successfully the Contractor must validate the readiness of the IVR to link and perform transaction exchange with the Contractor's system transaction processing environment. Further tests will be performed with call transfers and live operator interaction.

### **Data Conversion Test**

The Contractor must complete the conversion process of the current EBT and EPC systems to the new EBT and EPC systems respectively. The Data Conversion Test validates the conversion results, and the ability to perform test transactions against the converted database. The conversion test must

include at least two (2) mock conversions of production data. Additionally, the data conversion test is used to obtain timings for conversion and validation of an operational conversion checklist. Test transactions performed against the converted database must include all cardholder transactions (e.g., food assistance POS) and Administrative System transactions (e.g. card replacement transactions). This test is to assure the converted database can perform all transactions prior to conversion.

Due to current FDIC laws the State is not authorized to view certain personal data related to the EPC program. The Contractor must fully cooperate with the current provider to successfully convert required data, including but not limited to 3 years of transaction history and account status information, from the current provider to the new EPC system.

### **Test Results Reports**

The Contractor must provide a report describing the results of each test performed, as well as any additional retesting required. The test reports must describe the intended scope and results from the tests, any system modifications necessary to resolve system errors and correct deficiencies, and the timeframe for correction. The Contractor must submit test reports no later than two (2) weeks following the completion of each respective test being performed. Upon the completion and acceptance of all tests, the test results must be incorporated into the approved test plan.

### **Updates to Detail System Design**

The Contractor must revise the Detailed System Design documents to reflect any system modifications identified and made as a result of testing. If revisions are required, the Contractor must submit the updated Detailed System Design no later than 14 calendar days following the completion of the modification. All updates to the Detailed System Design will be completed at no additional cost to the State.

### **Reports Manual**

A Reports Manual must be provided describing all standard and State specific reports generated by the Contractor. The Reports Manual must also provide a description of the data files provided to ODJFS for internal report generation.

### **Settlement/Reconciliation Procedures Manual EBT Only**

The Contractor must provide a Settlement and Reconciliation Procedures Manual to ODJFS that offers guidance and specifies procedures for performing daily reconciliation of FA benefit(s), as defined within 7 CFR 274.4 and consistent with the EBT Reconciliation Guidance for State Agencies, revised March 29, 2007. The manual must identify the specific EBT reports that are required and produced for settlement and reconciliation of the Contractor's EBT system.

### **Administrative System Documentation**

The Contractor must provide a separate Administrative System Operations Manual for EBT and EPC including screen images, a full description of system functionality and complete instructions for use. In addition, the Contractor must provide a separate Training Manual for EBT and EPC that encompasses complete Administrative System functionality for use in training sessions for selected ODJFS/CDJFS staff.

### **Security Document**

The Contractor must provide a Security Document identifying any perceived or real risks to the Ohio EBT and EPC systems. The analysis includes:

- Contractor's EBT and EPC system vulnerability to theft and unauthorized use;

- Completeness and timeliness of the reconciliation system;
- Vulnerability to unauthorized creation of, or tampering with household accounts;
- Vulnerability to unauthorized posting of issuance to household accounts;
- Vulnerability to manipulation of retailer/merchant's accounts (e.g. creation of false transactions or intrusion by unauthorized computer users);
- Capability to monitor systematic abuses at POS terminals (e.g. debits for the complete allotment, excessive manual issuance, multiple manual transactions at the same time);
- Tampering with information of the ACH transmission or settlement network; and
- Availability of a complete audit trail of all transaction activity. A complete audit trail shall be able to provide, at a minimum, a complete transaction history of each individual system activity that affects the account balance.

The Contractor must submit documentation of the comprehensive security program in the Security Document. It must describe the administrative, physical, technical, and systems controls to be implemented for the Ohio EBT and EPC systems. For EBT, the comprehensive security program must reflect the guidance of USDA-FNS Handbook 901 and the FNS' Electronic Benefits Transfer System Security Guidelines Handbook, Version 6.0. In addition, the comprehensive security program must provide for the ongoing certification and examination of the Contractor's operations and control system.

#### **Training - Outreach EBT ONLY**

The Contractor is responsible for providing training materials to cardholders. In addition, the Contractor must support administrative training efforts and provide training sessions for ODJFS and CDJFS staff. The Contractor must also develop retailer/merchant training materials and has the sole responsibility for training retailer/merchants. The Contractor must provide all materials, including drafts and final versions of training materials, scripts and plans, both in hard copy and electronic media in the format(s) and software specified by ODJFS. ODJFS will approve all training materials, scripts, plans and activities for cardholders, retailer/merchants and ODJFS personnel including all draft and final work products and plans, as well as all updates and changes.

#### **Cardholders**

The Contractor must develop and provide EBT training materials for cardholders, including training materials needed to support system and operations transition. The Contractor must also develop and provide scripts and training materials for the EBT Customer Service IVR. There is no formalized training required for the EPC program. For EPC, the card mailer will include training materials and the disclosure statement.

#### **Printed Material**

The standard printed training materials (the card mailer, the training pamphlet and Tips Card) must be included with each EBT card mailed to cardholders in the designated language and include the household training requirements in 7 CFR 274.2 (e). The Contractor is responsible for designing, developing, producing, distributing, and maintaining adequate supplies of these materials. In addition, the Contractor must provide a bulk supply of printed cardholder training materials to be distributed to CDJFS' in quantities to be determined by ODJFS.

Printed materials must be written in easy to understand language and at a fifth grade reading level. All printed materials must be provided in English, Spanish and Somali languages. The

production of training materials is an ongoing task throughout the life of the contract; therefore the Contractor must maintain levels of training material production that reflect caseload changes and language levels throughout the contract period.

The Contractor must design, develop, produce, and distribute the following printed training materials.

**Training Pamphlet:** This pamphlet must include, at a minimum, the following information:

- Use of the EBT Card at the POS including an explanation of all benefit transactions that can be processed at POS terminals;
- EBT card usage and security of the card and PIN;
- Manual transaction voucher procedures;
- Benefit availability date information;
- Benefit expungement;
- How and where to use the EBT card;
- There are no minimum dollar amounts per transaction or maximum limit on the number of transactions.
- The sales receipt will state the date, the merchant's name, location, transaction type, transaction amount and the household's remaining FA balance.
- Information on the signs or other appropriate indicators located in checkout lanes that enable the cardholders to identify lanes equipped to accept EBT cards;
- Disclosure information regarding adjustments and a cardholder's rights to notice, fair hearings, and provisional credits. The disclosure must also state where to call to dispute an adjustment and request a fair hearing; and
- Use of the 24/7/365 Customer Service IVR:
  - Balance inquiries;
  - Information on a cardholder's last ten (10) transactions available on-line;
  - Card replacements and PIN changes;
  - Reporting a lost, stolen, damaged or not received card;
  - Reporting unauthorized use of the card;
  - PIN assignment, selection, and use;
  - Benefit availability; and
  - Card activation.

**Tips Card:** The Tips Card is a condensed version of the instructions for the use of the card at the point-of-sale (structured to fold to standard wallet size or card carrier).

**Card Mailer:** The following information must be included on the card mailer:

- Instructions for card activation;
- Information regarding receipt of the assigned PIN; and
- Requirement to contact the CDJFS for address changes.

The following optional items may be included on the Card Mailer as space or design permits:

- Use of the EBT Card at POS;
- EBT card usage and security of the card and PIN;
- Manual transaction voucher procedures;
- Benefit availability date information;
- How and where to use the EBT card; and
- Use of the 24/7/365 cardholder Customer Service IVR;
  - Card replacements and PIN changes;
  - Information on a cardholder's last ten (10) transactions available on-line;
  - Reporting a lost, stolen damaged or not received card;
  - Reporting unauthorized use of the card;
  - PIN assignment, selection, and use;
  - Benefit availability;
  - Balance inquiries; and
  - Card Activation.

**Training Video for Cardholders:** In addition to the printed materials which must be available at the CDJFS, the Contractor is required to produce a short training video covering the same points as included in the training materials. This video must be as brief as possible. The video must be available in English, Spanish, and Somali language versions. These versions must be available in closed caption format and ADA compliant. The Contractor must provide replacement videos to all CDJFS offices during the life of the contract. The training video must be available on the ODJFS website.

### **Retailer/Merchants Training Materials and Support**

The Contractor must provide training and support for EBT-only retailer/merchants, including a user manual, Tips Card, short training video/DVD in English (not to exceed 10 minutes for cashier training), and a Retailer/Merchant customer service toll free support number. The Contractor must provide Spanish and Somali printed materials and training video/DVD upon request, as indicated in the Retailer Agreement. Retailer/merchant training must be provided at the time of equipment installation.

### **Printed Material**

All retailer/merchants must be provided with printed training materials. All printed materials must be provided in English. The Contractor must provide Spanish and Somali printed materials upon request, as indicated in the Retailer Agreement. The Contractor must provide training materials in hard copy format to the retailer/merchants, as well as in electronic media format if requested by the retailer/merchant.

The Contractor must develop, produce, and distribute the following printed training materials for retailer/merchants:

**User Manual:** This manual is to be distributed to retailer/merchants. The manual must include, at a minimum, the following information:

- POS equipment introduction and assembly;
- Clerk transactions;
- Off-line FA benefits manual voucher transactions;
- Supervisor transactions;
- Store balancing;
- Totals reporting;
- Maintenance and troubleshooting; and
- Testing of equipment.

**Retailer/Merchant Tips Card:** This material must be provided to retailer/merchants for use as a quick reference guide. The Tips Card must meet the following specifications:

- One sided print; and be
- Small enough to post next to the cash register.

The Tips Card must contain the following information, at a minimum:

- Terminal sign on/sign off procedures;
- Balance inquiry;
- FA benefit purchase;
- FA benefit returns; and
- Manual transaction voucher authorization, clearing process and toll-free number.

#### **Retailer/Merchant Customer Service**

The Contractor must provide a separate toll free number for 24/7/365 retailer/merchant Customer Service. Retailer/merchant Customer Service must provide assistance, training, and trouble shooting on all aspects of equipment, transaction processing, and settlement in English and Spanish. Additionally, the Contractor must provide the ability to respond to calls in all other languages by means of a language interpretation service.

## **Retailer/Merchant Training**

The Contractor must provide training to EBT-only retailer/merchants at the time of equipment installation if requested by the retailer/merchant.

## **Communications/Marketing to EBT Retailer/Merchant**

Prior to the Transition-In Phase, the Contractor will be responsible for all mailings to all EBT only Retailer/Merchants, Acquirers/TPPs, and the Ohio Grocers Association (OGA). These mailings must address information and related support for the use of the services, the Transition-In schedule, Transition-In activities required of the EBT only Retailer/Merchants and Acquirers/TPPs. The mailing schedule and content of the mailings must be approved by ODJFS. Mailings must not include any personally identifiable information such as social security numbers or recipient numbers, on the outside of envelopes.

## **ODJFS and CDJFS Staff Training**

The Contractor must provide training to approximately 300 ODJFS and CDJFS staff at regional locations. The Contractor must provide and maintain a training Manual that details the Administrative System functionality. The Contractor is also responsible for providing documentation and supporting information regarding any updates and changes to the training manual to coincide with functionality changes made to the Administrative System. In addition, the Contractor must provide access to a training and/or test environment within the Contractor's system to be used for training sessions and for ongoing support of ODJFS/CDJFS staff training. The Contractor must provide ongoing technical support for the test and training environment.

### **Training**

The Contractor must provide "hands-on" Administrative System training to ODJFS and CDJFS staff. This training requires access to the Administrative System in a training and test environment, as stated above. Production data must not be used for any training activities.

The Contractor must provide a Training Manual, a core EBT training manual that encompasses complete system operational functionality. This manual must include information on:

- Administrative System functionality (e.g., menu access, screen functionality, data available, field definitions, etc.);
- Accessing and using the on-line reports function;
- Contractor's EBT system security procedures and access control;
- Training cardholders to use EBT cards. In addition, a training video must be made available online for cardholders to access individually, or for use by counties to train new cardholders. (this training video should also cover the next two bullet points);
- Use of the EBT card at POS devices; and
- Accessing Customer Service and services available.
- All training materials must be reviewed and updated at least annually to reflect any system changes.

## **Internal Administrative Training Manual Support**

The Contractor must provide and maintain detailed documentation of Administrative System functionality in both hard copy and electronic media as specified by ODJFS. Documentation must be provided on the following topics:

- Administrative System application functionality, including:
  - Description of all Administrative System screen functions, menu access, field definitions, and the on-line reports functions;
  - Flow charts of Administrative System screen hierarchies; and
  - Definitions of terminology and codes used on Administrative System screens.
- Contractor's EBT system security procedures and access control; and
- Customer Service IVR functionality.

### **Customer Service Help Desk**

The Contractor must provide customer service using the existing separate toll free numbers for Ohio EBT cardholders, EPC cardholders, and EBT retailer/merchants. Customer Service must be located within the continental United States, along with all other EBT and EPC system functions. The Contractor must provide Customer Service that is compliant with the Americans with Disabilities Act (ADA) (<http://www.usdoj.gov/crt/ada/adahom1.htm>). Customer Service via IVR and customer service representatives must be available 24/7/365. Additionally, the Contractor must provide the ability to respond to calls in all other languages by means of a language interpretation service.

All services offered by customer service must be accessible by touch tone telephones. The CSR's must be accessible by all other types of telephone functionality. In addition, Customer Service must be able to accept and handle calls from the hearing impaired. The Contractor must develop all IVR scripts and call flows. All IVR scripts and call flows must be approved by ODJFS.

ODJFS requires functionality to post temporary messages to the IVR to accommodate unusual circumstances or for promotional purposes. The temporary IVR messages must be recorded in English and Spanish.

ODJFS requires the Contractor to staff Customer Service with highly trained CSR's. The Contractor must develop a Customer Service Staffing Capacity Plan to cover unanticipated high call volumes caused by system or telecommunication interruptions, natural disasters, or other unanticipated critical events. The Contractor must use help desk software for documenting and tracking all help desk inquiries. The Contractor must utilize help desk software that will be used to track all system and user questions, including problem identification, initial diagnosis and checklist, problem resolution/referral procedures, and escalation tracking.

ODJFS currently has a card base of approximately 847,000, as of March 2011. This number, of course, fluctuates monthly. To aid offerors in estimating and proposing for the Customer Service function, historical information on the types and numbers of calls that are handled by the current Customer Service is presented in the EBT and EPC Customer Service Statistics Supplement.

### **System Documentation Library**

The Contractor must provide ODJFS with the following library of the final system documentation in an electronic format on a CD/DVD within 14 calendar days of the end of the Transition-In phase:

- General System Design;
- Detail System Design Document;

- Business Continuation & Recovery Plan, including Escalation Procedures;
- Training Materials;
- All IVR Scripts and Call Flows;
- Reports Manual;
- Settlement and Reconciliation Procedures Manual (EBT ONLY):
- Interface Control Design, including Record and Batch Formats;
- Problem Reporting and Escalation Procedures and Resolution Tracking
- Administrative System Documentation/User Guides;
- Data Conversion Plan;
- Traceability Matrix;
- EBT Processor Interface Specifications Document;
- Retailer Merchant TPP Conversion Plan (EBT Only);
- Security Document;
- System Test Results; and
- Any and all documentation related to system design and functionality.

The Contractor is responsible for maintaining and updating all system documentation listed above.

#### **4. Transition-In Phase**

The Transition-In Phase consists of the activities required to convert Ohio's current EBT and EPC systems processing and services to the Contractor's systems. The Transition-In Phase process must limit interruptions to processing of cardholder transactions. Any system outage required to accommodate the transition must occur during a timeframe when impacts to the retailer/merchant and cardholder community are minimized. ODJFS requires transition to occur at a time during the month when transaction processing is lowest and during non-peak hours. Transition dates and times must be pre-approved by ODJFS.

During transition from the current EBT and EPC system to the new EBT and EPC systems, cardholder inability to access benefits and retailer/merchant inability to process transactions must not exceed 12 hours. Additionally, there must be no loss or corruption of data/records.

The Contractor must thoroughly understand the current EBT and EPC systems processing and services in Ohio in order to submit an adequate proposal.

#### **EBT Systems Processing**

ODJFS sends an Account Maintenance File to the Contractor that includes demographic information to establish new EBT accounts and update existing EBT accounts. A 12-digit recipient number for the cardholder from CRIS-E is used as the unique account identifier.

ODJFS sends a Benefit Maintenance File to the Contractor that contains records to add FA benefits based on the benefit availability date to EBT accounts.

The Contractor sends an EBT card, known as the Ohio Direction Card, to the recipient for new EBT accounts only. Upon receipt of the card, the cardholder is required to contact the IVR to select a PIN. At that point the cardholder can shop at any FNS certified retailer/merchant location. All replacement cards (lost, stolen, and damaged) must be initiated by the customer by calling the IVR.

### **EPC Systems Processing**

ODJFS sends an Account Maintenance File to the Contractor that includes demographic information to establish new EPC Accounts and update existing EPC accounts. A 12-digit recipient number for the cardholder from CRIS-E is used as the unique account identifier.

The Contractor submits an Account Status File to ODJFS that contains a unique EPC bank account number for each new EPC account.

ODJFS sends the ACH Deposit File to the State's bank, which transmits the deposits each day to the Contractor's bank.

The Contractors' bank receives the ACH files through the Electronic Payments Network (EPN) from the State's bank. The Contractor's bank processes the ACH files and posts the benefits to EPC accounts with their availability date. The benefits are available to the cardholder at 12:01 a.m. when the deposit effective date is reached.

Any rejected deposits from the ACH file are returned in the ACH Return File back to the State's bank.

The Contractor sends an EPC card, known as the Ohio EPPICard™, to the recipient for new EPC accounts. Upon receipt of the card, the cardholder is required to contact the IVR to select a PIN. At that point the cardholder can shop at any FNS certified retailer/merchant location. All replacement cards (lost, stolen, and damaged) must be initiated by the customer by calling the IVR.

### **Transition-In Phase Activities**

During the transition, the Contractor must complete the following activities:

- For individual cardholders, conversion from the current system to the new system must be seamless and include a reconciliation of current balances and transfer of said balances to the new system;
- Reconciliation and close out of current EBT and EPC accounts must occur prior to activating accounts in the new system;
- The transition process must include cardholder and retailer/merchant education regarding transition to the new Contractor EBT and EPC systems, if required;
- The Contractor must develop a plan to issue new EBT cards to 100% of the active EBT cardholders no later than 15 calendar days prior to the conversion date to ensure no disruption to the cardholders' benefit access and services;
- As an integral part of the transition plan, the Contractor must define a plan of cooperation developed jointly with the existing Contractor for the timely and accurate exchange of data and files;
- Before cardholder conversion begins, the Contractor must have Customer Service staffed and operational with trained customer service representatives along with an operational IVR component; and

- Submit two separate ALERT files containing individual transaction data to FNS for the conversion month (one from the incumbent Contractor for transactions occurring before the conversion date and one from the new Contractor for transactions occurring after the conversion date).
- 95 percent of all FNS certified retailer/merchants are able to complete Ohio EBT transactions either directly or through an acquirer/TPP prior to any cardholder in that discrete geographic area being converted to the new Contractor's EBT system.

The major tasks within the Transition-In Phase consist of the following:

### **Retailer/Merchant Transition (EBT ONLY)**

The Transition-In Phase requires the transfer of support of the TPPs and the EBT-only retailer/merchants from the existing EBT system to the Contractor's EBT system. The transition effort must include both traditional and non-traditional retailer/merchants supported by both POS and manual transaction processing. During the transition of these retailer/merchants, it is critical that cardholders are not negatively impacted in their ability to redeem benefits, and the normal business operations of these retailer/merchants are not negatively impacted. New EBT-only POS equipment must be deployed as part of the retailer/merchant transition. Retailer/merchant personnel must be adequately trained on the use of the new equipment at the time of installation. According to data received from USDA – FNS, there are approximately 8,231 certified FNS retailer/merchants as of April 8, 2011. The total number of EBT-only retailers in Ohio as of December 2010 is 3,772 and the total number of EBT-only POS terminals is 4,183.

### **Cardholder Database Conversion**

The Contractor must complete the following activities to accomplish cardholder database conversion:

- Perform data conversion of all required EBT and EPC data;
- Accept all online and offline transaction history transferred from the current EBT and EPC systems;
- Provide for the conversion of, at a minimum, five (5) years of transaction history into the new system. An additional two years of history must be stored offline and be available by ad hoc report.
- Build checkpoints and reconciliation procedures into the conversion process to ensure that conversion is being completed in a timely manner and that no benefits or records are dropped; and
- Have a contingency plan in case the conversion cannot be completed in a timely manner due to problems.

The activities taking place during the Transition-In Phase must follow the process defined in the approved Transition Plan and Data Conversion Plan submitted during the Design Phase. It is anticipated that some of the Transition Phase activities, specifically the EBT-only retailer/merchant conversion, must begin prior to the end of the Development Phase. However, the database conversion activities must not occur until all development activities, specifically the Transition Testing, have been completed and written acceptance of the process has been received from ODJFS.

The database conversion process must limit interruptions to processing of cardholder transactions. Any system outage required to accommodate the conversion must occur during a timeframe when impacts to the retailer/merchant and cardholder community are minimized. ODJFS requires conversion to occur at a time during the month when transaction processing is

lowest and during non-peak hours. Conversion dates and times must be pre-approved by ODJFS.

## 5. Operations Phase

The Operations Phase begins after all transition activities are completed. During the Operations Phase, the Contractor operations manager must continue ongoing communications with ODJFS on all operations and must immediately notify ODJFS of any issues or problems.

Required ongoing communications includes status reports and status meetings with the Contractor's operations manager (and other project staff as needed) every two (2) weeks, and other reports/meetings at ODJFS' request. Of particular importance is the advance notification of scheduled system downtime to ODJFS by the Contractor.

The Contractor must maintain key design and operational manuals and plans delivered during the Design and Development Phases. The Contractor must provide updates as required by ODJFS when any changes are made to the system or processes that affect the information contained in the manuals or plans. This requirement applies to all documents and information included in the System Documentation Library.

The Contractor must provide updated documentation to ODJFS prior to implementing system and operational modifications into the production environment.

The Contractor must provide system operations, which include updates, patches and repairs; defect resolution; software upgrades; enhancements; and technical support during the term of the contract. Additionally, the Contractor must update all documentation within three business days after the implementation of any new releases of the system.

**Updates, Patches and Repairs.** The Contractor must update, patch, and repair the related hardware and software in appropriate Contractor environments and package software changes for promotion to production. All updates, patches, and repairs must be fully and successfully tested including regression testing before migration to production.

For implementation of updates, patches, and repairs the Contractor must work with ODJFS to coordinate the release of the updates, patches, and repairs with regularly scheduled maintenance releases.

**Defect or Performance Issue Resolution.** The Contractor must correct system defects, which are malfunctions or functional deviations from approved system requirements. Additionally, the Contractor must correct system performance issues identified by retailers, customers, or State staff. The Contractor must take corrective action and ensure that the system performs as designed and required by the RFP.

The Contractor must fix all system defects and system performance issues unless the Contractor is not authorized by ODJFS to fix the defect or issue. All system defect and performance issue repairs must be fully and successfully tested, including regression testing, before migration to production. For implementation of system repairs the Contractor must work with the State to coordinate the release of the repairs.

Upon correction of the problem, the Contractor must notify the State that the problem is resolved and submit a written report of the defect or performance issue analysis and resolution implemented within five (5) business days unless an extension is granted by ODJFS.

When a defect or system problem is identified, the Contractor must contact the State's Project Manager or their designee according to the following severity and priority levels. An escalation plan must be developed, in conjunction with ODJFS that identifies primary and secondary contacts.

- Classify defects and performance issues upon receipt into severity levels defined as follows (the term users include cardholders, merchant/retailers, and system administration users):
  - Severity 1 - Catastrophic defect that causes total failure of the software or unrecoverable data loss. There is no work around. Example: defects that cause the system to crash, corrupt data files, or completely disrupt service.
  - Severity 2 - Defect results in severely impaired functionality. A work around may exist but its use is unsatisfactory. Examples: with certain steps, the system may generate a Windows error/message that can be bypassed by clicking Ok and continuing with no harmful effects.
  - Severity 3 - Defect causes failure of non-critical aspects of the system. There is a reasonably satisfactory work around. Example: a Report is not recognizing an option correctly, but if a filter is set, the report can be generated with the proper output.
  - Severity 4 - Defect of minor significance. A work around exists or, if not, the impairment is slight. Example: A button or button set is slightly off center on a data screen, or the problem is purely cosmetic and not easily recognizable.
  
- Classify defects and performance issues that cannot be resolved immediately upon receipt into low, medium, or high priority, defined as follows (the term users include cardholders, merchant/retailers, and system administration users):

The Contractor must use the following definitions of resolution priority for defects discovered during production:

- **Urgent:** issue/problem has caused, or has potential to cause, the entire system to go down or to become unavailable;
  - **High:** issue/problem directly affects the public, or a large number of stakeholders are prevented from using the system. High-priority problems include those that render a site unable to function, make key functions of the system inoperable, significantly slow processing of data, severely impact multiple stakeholders, lead to federal penalties, misdirect payments, or severely corrupt data;
  - **Medium:** all other issues/problems. Medium-priority problems include those errors that render minor and non-critical functions of the system inoperable or unstable, and other problems that prevent stakeholders or administrators from performing some of their tasks; and
  - **Low:** all service requests and other problems that prevent a stakeholder from performing some tasks, but in situations where a workaround is available.
- 
- Report all defects or problems to the ODJFS Project Manager or designated back-up according to the following schedule based on the priority assigned to the defect or problem:
    - **Low Priority:** Report via email within two business hours of the occurrence of the defect or problem and follow up with a phone call within three business hours of occurrence;
    - **Medium Priority:** Report via phone within one business hour upon occurrence of the defect or problem on a 24 hour per day schedule; and
    - **Urgent and High Priority:** Report via phone immediately upon occurrence of the defect or problem on a 24 hour per day schedule.

**Software Upgrades.** When evaluating software upgrades, the Contractor must determine the impact on current configurations. The Contractor is expected to keep software current by implementing upgrades when available. All upgrades must be fully and successfully tested, including regression testing, before migration to production.

For the implementation of software upgrades, the Contractor must work with the State to coordinate the release of the upgrades with regularly scheduled maintenance.

**Enhancement.** During this task, the Contractor will be responsible for application enhancements approved by the State. These enhancements may be caused by changes in State or federal regulatory requirements or by requests from the State. All enhancements that are required due to changes in federal regulations or policies must be implemented at no additional cost to the State.

All enhancements must be fully and successfully tested including regression testing before migration to production.

For the implementation of enhancements, the Contractor must work with ODJFS to coordinate the release of the enhancements with regularly scheduled maintenance.

### **Ongoing Mailings. (EBT Only)**

The Contractor mailings with EBT only Retailer/Merchants, Acquirers/TPPs, and the OGA are to inform them about system enhancements, changes, and Frequently Asked Questions (FAQs). The Contractor must create and submit to ODJFS plans for conducting mailings with EBT only Retailer/Merchants and Acquirers/TPPs.

ODJFS must approve all ongoing communications, mailings, and materials that will be distributed to EBT only Retailer/Merchants and Acquirers/TPPs. Mailings must not include any personally identifiable information, such as social security numbers or recipient numbers, on the outside of envelopes.

### **Business Continuation**

ODJFS requires the Contractor to continue transaction processing and disbursement of benefits in the event of adverse situations related to systems and telecommunications failures and in natural disasters. This section of the RFP contains requirements to enable continuation of business with minimal interruption in adverse situations.

#### **Contractor's System**

In the event of an outage or disaster impacting the availability of the Contractor's primary data processing site, the Contractor must have a fully redundant back-up site for host processing, telecommunications and network services. The Contractor must notify ODJFS immediately of any outages. If the outage is expected to exceed one hour in duration, and based on an evaluation of the problem and the time required to resolve, transaction processing may be switched to the EBT and EPC host back-up system or site.

The Contractor must provide the following system configuration at the primary site:

**Mission Critical Servers.** All mission-critical functions for EBT and EPC monitoring must be supported by a protectively redundant configuration. At the primary site, there must reside at least two physically separate systems (e.g., A-B), networked for high availability processing. Failure in one primary site system must not cause failure of the other system(s).

**Fault Tolerance.** As well as providing a fault tolerant transaction server environment, the Contractor's other central system components, such as administrative servers, the

storage solution, and network devices (routers, switches, firewalls, etc.) must also exhibit fault tolerance, such that the failure of a single device will not put a site out of service.

**Failover.** The remaining devices and system(s) will immediately assume the load in case of a failure in one device or system, without loss or corruption of any data and transactions received prior to the time of the failure.

**Operations Procedures.** Procedures for computer operations staff, especially regarding failure situations, must be straightforward. In addition to operator-prompted failover the EBT and EPC systems must be able to recover from failures without operator intervention (“auto-failover”).

**Secure Connections.** Connections into any EBT or EPC component from a remote terminal must not occur without State approval. Any such capability, such as for remote monitoring or diagnosis of equipment or software, must employ stringent security mechanisms. Connections to other remote systems and terminals must be protected by firewalls and encryption at a minimum. Routers must route traffic only to addresses defined as valid for this application. The acceptability of any such security approach will be subject to State approval.

**Time Synchronizing.** Multiple systems in the configuration must have a time-synchronizing mechanism to ensure consistent time recording and reporting for events and transactions. Synchronization with an external time standard is required.

**Disaster Recovery.** In the event of irreparable damages at the primary site, or of an unplanned, extended abandonment of the primary site, the Contractor must provide at no additional cost those servers, facilities, and other components necessary to resume CMS operation under a two-site operational scenario. Such shall be furnished, installed, and operational within 30 days after the disaster. Until a permanent primary site can be re-established, substitute facilities must meet ODJFS-approved environmental and security measures.

The Contractor must provide the following Remote backup site configuration:

**Remote Backup Servers.** The Contractor must provide two or more remote backup systems (e.g., C-D) that will take over for the primary site systems if necessary. Data transferred to and recorded at the remote site will always contain the most recent transactions, allowing a takeover. The wide area network must have a routing independent of the primary site so that the backup site can be reached without the primary in place. EBT and EPC administrative functions must be available at the remote backup site, as well as being available remotely by communications from the primary site. The Contractor must demonstrate on a scheduled basis that the remote site is fully functional by operating in production from that site upon request of the State.

**Backup Mirror Configuration.** The remote backup systems must be of the same processing capacity and architecture as the primary site systems.

**Secure Connections.** These systems have the same specification as the primary site systems.

**Disaster Recovery.** This section has the same specification the primary site defined above.

The Contractor must provide an alternate means of authorization of EBT and EPC transactions during short-term outages when switching over to the back-up site is not considered appropriate. The response to this requirement must include a methodology by which the Contractor must

notify both ODJFS and the retailer/merchant community that an outage is occurring and an alternate means of obtaining authorizations is in place.

The Contractor must develop a Business Continuation and Recovery Plan for both EBT and EPC that includes a State notification process as well as disaster declaration criteria and timeframes that are acceptable to ODJFS. The Contractor must advise ODJFS immediately upon recognition that a switch to the back-up site is required. If the Contractor is providing services to multiple States or other processing services, the disaster recovery plan must address the timing and order of recovery of the Ohio systems as compared to the other entities being processed. The recovery of Ohio's systems must not be delayed because the Contractor is recovering other customer's systems. The Business Continuation and Recovery Plan must identify:

- Critical Contractor staff that have a skill set necessary for the resumption of key business operations;
- Critical business functions and supporting tasks;
- Processes for reporting system disruption/failure;
- Transitions from failure to system re-start;
- Alternate processing sites;
- Timeframes for updates to the plan; and
- Customer Service Staffing Capacity Plan that identifies how the Contractor will add additional staff to cover increased call volumes.

The disaster back-up site and alternate communications routing must be tested annually. The Contractor must provide ODJFS with copies of these test results within 30 days of testing completion.

### **State Commitment**

In the event that ODJFS is unable to produce the CRIS-E interface files, the State will provide this data in the form of a 36 track ANSI high performance (1/2 inch cartridge) 3490E format. In the event the Contractor, through no fault of their own, is unable to receive the interface files, the State will provide the data in the same manner.

For the State's purposes, a major mainframe event is any event which prevents the processing of ODJFS' normal business cycles for more than 2 continuous hours.

In case of a major State mainframe event the process below will be followed;

- The State will contact the Contractor's disaster contact to inform them of the event and the anticipated duration;
- The State will execute its disaster plan and no extraordinary action from the Contractor is required. The Contractor is not to extend benefits on the State's behalf beyond those already on the account(s);
- The State's computer center commits to having the system available within 72 hours; and
- The State will notify the Contractor's disaster contact to coordinate business resumption once issues have been resolved.

## Disaster Services – EBT ONLY

**Level I:** The disaster has a very limited strike zone, limited number of victims, and no need for a FA disaster declaration. Normal certification rules are applicable. The normal issuance system is capable of handling the needs of recipients. Replacement of any food lost as a result of the household misfortune can be made at county offices if recipients sign affidavits attesting to the loss. Level I disaster criteria include:

- Limited demographic area(s) affected;
- Minimal number of cardholders affected;
- Limited power and telecommunications infrastructure impact - “spot outages”, restoration in 1 - 3 days; and
- Retailer/merchants are available.

**Level II:** The disaster has a broader strike zone with a moderate number of victims but still within a well-defined geographic area. The ongoing certification system is adequate, but may require some modification (some program requirements are waived for disaster victims). Ohio may request a waiver to allow for automatic food assistance replacement to accommodate the larger number of benefit replacements necessary. Level II disaster criteria include:

- Larger, but well defined areas affected;
- Moderate number of cardholders affected;
- Power and telecommunications outages, restoration in 3 - 7 days; and
- Retailer/merchants are available.

**Level III:** The disaster damage is catastrophic with a large number of victims from all economic strata and widespread destruction of businesses and residences. A Presidential Disaster Declaration often accompanies this type of disaster. The administration of the disaster program requires FNS approval for an assistance program to start within 1 to 17 days from the disaster occurrence. There is also a coordination effort with Federal Emergency Management Agency (FEMA), Ohio Emergency Management Agency (EMA) and other State, Federal and local entities focused on emergency relief. Level III disaster criteria include:

- Catastrophic;
- Widespread commercial and residential impact;
- Limited power and telecommunications service, outages expected to last longer than a week; and
- Normal channels of food distribution have been disrupted and not expected to be operational within seven days.

The Contractor must provide the following services in case of a disaster:

### Cardholder Support Services

#### There are three types of mass benefit issuance:

**Mass supplement:** To support current food assistance recipient households to afford the extra food costs associated with disaster and displacement.

**Mass replacement:** To replace lost/spoiled food purchased with food assistance for current food assistance recipient households. Replacement can be given to entire zip codes in the case of disasters.

**Early release for recurring benefits:** To address the immediate need of benefits without issuing additional benefits to eligible households.

**Increased Customer Service Support:** In the event of a disaster, the Contractor must provide an increased level of services at Customer Service. The Contractor must notify the CSRs of the area affected by the disaster. The IVR must have specific disaster scripts that have been approved by ODJFS to notify callers of changes and potential delays. Because call volumes will likely increase, the Contractor must increase the number of CSRs available in accordance with the Customer Service Staffing Capacity Plan.

### **Retailer/Merchant Support Services**

**Retailer/Merchant Site Survey:** After the disaster has occurred, the Contractor must propose a means of contacting retailer/merchants to determine the status of ongoing operations to include the level of service available to cardholders. The Contractor must ensure that CSRs are aware of which retailer/merchants are operational during and after the disaster. ODJFS/CDJFS must be able to contact Customer Service to determine which retailer/merchants are operational.

**Distribution of Manual Vouchers:** Retailer/merchants will normally maintain a supply of manual transaction vouchers. In the event of a disaster, retailer/merchants may require additional manual transaction vouchers. The Contractor must maintain a bulk supply of manual transaction vouchers in strategic locations and propose a method by which the additional vouchers will be distributed to retailer/merchants as a result of a disaster.

**Disaster Off-line Manual Voucher:** In a disaster scenario, if POS devices and phone lines are inoperable, retailer/merchants must utilize a special disaster off-line manual voucher process to document the benefit redemption transactions for the Food Assistance Program without obtaining voice authorization prior to completion of the transaction. When phone lines are operational again, retailer/merchants must request authorization for the disaster off-line manual voucher through Retailer/Merchant Customer Service.

**Distribution of Disaster Off-line Manual Vouchers:** The Contractor must maintain a bulk supply of disaster off-line manual vouchers and propose a method by which the vouchers will be distributed to retailer/merchants. The Contractor must immediately notify ODJFS of situations that potentially require the disaster off-line manual voucher process to be implemented. The situation and the time required to resolve it will be evaluated. ODJFS must approve use of the disaster off-line manual voucher process before it can be implemented.

**Extended Voucher Authorization and/or Clearance Period for Disaster Off-line Vouchers:** The State will determine if an extended voucher authorization and/or clearance time period is required for disaster off-line vouchers.

**Increased Retailer/Merchant Customer Service:** In the event of a disaster, the Contractor must provide an increased level of service at customer service for retailer/merchants. The IVR must have a specific disaster script that has been approved by ODJFS. Because call volumes will likely increase, the Contractor must adjust the number of CSRs available to support retailer/merchants.

**Back-up Systems and Interface Support:** The Contractor must support back-up site processing and alternative file and transaction routing for the following:

- Contractor EBT Back-up Hot Site to CRIS-E System;

- Contractor EBT Back-up Hot Site to CRIS-E Back-up Hot Site(s);
- Contractor's EBT System to CRIS-E Back-up Hot Site(s);
- POS transactions coming into a "transaction gateway" that must be routed to the Contractor EBT Back-up Hot Site for processing; and
- Back-up connectivity and telecommunications support for routings listed above.

Initial support may consist of dial-up access until a more robust communications routing can be implemented.

**Administrative System Application Access:** The Contractor must support ODJFS access to the EBT Administrative System by direct dial up or other method in case the primary method of communications fails. The Contractor must provide the appropriate security access and software required for dial-up access. The Contractor must also provide instruction to designated ODJFS staff for use of the dial-up access and software.

In addition to the services provided for Level I and Level II disasters, the Contractor must provide the following services for Level III disasters.

#### **Disaster Card and PIN Inventory**

The card specifications for disaster cards must be identical to the specifications for standard EBT cards. The Contractor is required to maintain a stock of 100,000 disaster EBT vault cards and PINs to be available in disasters to support an Emergency Food Assistance Program. Seventy-five thousand (75,000) vault cards must be readily available for shipment to ODJFS within 24 hours of request. The remaining vault cards must be ready for shipment within five days from the date of initial request. The cards must be embossed with a unique disaster Primary Account Number. No other personalization is required. Vault cards must be in separate mailers, with English, Spanish, and Somali language training materials enclosed. A manifest log must be provided for card inventory. If card stock is compromised in any way, disaster cards must be able to be deactivated immediately by Customer Service or authorized ODJFS personnel.

ODJFS requires that the stock of disaster vault cards be stored in a Visa®/MasterCard® Certified Card Service Bureau.

#### **Disaster Certification, Cardholder Account Set-up, and Benefit Issuance**

##### **Certification Process**

Upon approval from FNS to implement the disaster food assistance program, the State will coordinate the operation and implementation with all partners of the Business Continuation and Recovery Plan.

Communication and promotional material and advertisement will be distributed and made available along with public announcements to notify disaster victims of where they must go to apply for disaster assistance.

A disaster site will be set up to serve the population designated as disaster victims. It will be set up in stages of progression.

##### **Step I**

The disaster site will have tables, chairs, and human comforts to begin the process. The applicants will be greeted and screened to determine whether they are currently receiving benefits and need a replacement card or if they are a new applicant. This area will be staffed with direct contact workers which will include workers that are bi-lingual or multi-lingual. Disaster applications and replacement card applications will be available to complete. After the application is completed the applicant will proceed to step II in the process.

## **Step II**

There will be two separate lines:

**Current Recipients:** Current recipients who have lost their card in the disaster may obtain an EBT disaster replacement card. This is the same EBT disaster vault card that we are issuing to new applicants. These individuals must show valid identification and complete the Disaster Replacement Form. The disaster card will be provided to the applicant along with disaster card training materials. From the manifest log a PAN number sticker will be placed on the replacement card application and the applicant will then sign the log to verify receipt of the card. All applicants will be provided informational material notifying them of other assistance available in the community for disaster victims.

All benefit balances along with any disaster benefits will be available on the EBT disaster card within twenty-four hours. The recipient must contact the EBT customer service center to request their permanent replacement card. The EBT disaster card expires after a specified period and recipients must request a replacement card. The expiration of the card will be addressed in the disaster card training materials. The recipient will have to go through the normal procedure to activate the card and set a PIN number for security.

**New Applicants:** New applicants needing to apply for disaster benefits will be directed to a separate line. The applicant will see an eligibility worker who will secure appropriate identification from each applicant along with any necessary income and expense information. The eligibility worker will ensure that the application is complete for a benefit determination to be made and provide the EBT vault disaster card to all applicants.

When the EBT disaster vault card is provided to the applicant they will also receive the disaster card training materials that will discuss the application process and timeframe for the disaster benefits to be available for use. From the manifest log a PAN number sticker will be placed on the Ohio Disaster application and the applicant will then sign the log to verify receipt of the card. All applicants will be provided informational material notifying them of other assistance available in the community for disaster victims. The eligibility worker will also explain that the application will be processed within three business days and a notice will be mailed to notify the applicant of the benefit determination. If the applicant does not have a mailing address the county agency will use the county agency's mailing address and any mail will be able to be picked up there. Upon approval of the disaster application, the benefits will be added to the card within twenty-four hours.

## **Step III**

**Remote access (data entry) site:** This location will be staffed with eligibility workers that will enter the applications and begin the clearance process. Applicants will not see workers at this site; it is strictly data entry. The clearance process includes checking to see if the applicant is already known

to Ohio's CRIS-E system, matching the demographics of the applicants, and determining if they are currently receiving any type of benefits. If the applicant passes clearance, the worker will run the CRIS-E disaster sub-system driver and determine eligibility for disaster benefits.

Once the application is approved, the benefits will be available on the EBT disaster vault card within twenty-four hours. A notice will be generated by CRIS-E notifying the applicant of the eligibility determination.

Additionally, the forms for recipients who applied for a disaster replacement card will be processed at this site. The forms will be matched up with current cases. Once the demographics are verified as a match, the disaster PAN number will be entered into the CRIS-E system. Through a batch process, that PAN number will be transmitted to the EBT Contractor and will overlay the current PAN number associated with each recipient. The balance on the account will then be available and accessible on the EBT disaster vault card.

### **Benefit notification**

#### **Approval notification:**

For new applicants, the notice explains to the applicant that they have been determined eligible for disaster benefits. The notice includes the disaster benefit amount and when it will be available on the card. The notice is generated from CRIS-E and mailed the day after the disaster application is authorized.

#### **Denial notification:**

The notice will explain how the applicant did not meet eligibility for disaster benefits. The notice is generated from CRIS-E and mailed the day after the disaster application is denied.

### **Specialized Reporting**

ODJFS requires the ability to report authorization, issuance, expungement, drawdown, and other information for disaster benefits separately. Disaster benefits are assigned a unique program benefit type code for tracking and reporting. System reporting and reconciliation functions must separately track and identify these benefits. Regular system reporting must occur according to production schedules. ODJFS may require an increase in the frequency of production of certain reports due to the disaster.

### **Provision of Training Materials**

Training materials provided to cardholders during disasters must be available in English, Spanish and Somali languages. The Contractor must maintain sufficient stock of these materials in the required languages for use during disaster situations. English language materials must be packaged with the disaster cards. Bulk supplies of Spanish and Somali materials must be provided to ODJFS for individual distribution. The Contractor must also include a special information insert in the card mailer that provides the cardholder information about using the EBT disaster vault card, PIN, and disaster benefit aging policy.

## **6. End-of-Contract Transition**

At the expiration of this Contract, or if at any time the State should terminate this Contract, the Contractor will cooperate with any subsequent provider who might assume operation of the Ohio-EBT and EPC systems. ODJFS will withhold final payment to the Contractor until transition to the subsequent provider is complete. The State will give the Contractor thirty (30) day's notice that a transfer will occur. The Contractor must coordinate the transition of all program components to the subsequent provider or back to the State upon notice of Contract termination.

In the event that a subsequent Ohio-EBT and EPC provider is unable to assume operations on the planned date for transfer, the Contractor will continue to perform Ohio-EBT and EPC operations on a month to month basis for up to six months beyond the planned transfer date. The State will provide the Contractor a 30 day notice of an extension.

At the end of the Contractor's contract term, the Contractor must provide the following transition services:

- Work with the State and any other organization(s) designated by the State to facilitate an orderly transition of services;
- Discontinue issuing new cards;
- Continue to re-issue lost/stolen/damaged cards based on the cardholders request until the mutually agreed upon ending transition date;
- Work in a professional manner with the State's subsequent provider to execute a smooth and timely transition at the end of the Contract;
- The State has the option to have the Contractor release remaining stored client account balances to the State's subsequent provider, by file transfer or direct deposit into a client's bank account (EPC ONLY) ;
- Coordinate with the subsequent provider on migration of customer service functions during database conversion. This may require the development of special ARU messages approved by the State for use during database conversion;
- Transfer ownership to the State of all toll free numbers used in conjunction with customer service functions;
- Provide the State the right to serve as mediator between the Contractor and the subsequent provider, subcontractors, retailers/merchants, and acquirer/TPPs;
- Allow for fallback in case of database conversion failure;
- Provide remaining audit reports, including the SSAE 16 Reports and Payment Card Industry (PCI) Data Security Standards, on their due dates as required for the Contract period;
- Continue to honor debits against the accounts until the mutually agreed upon ending transition date;
- Discontinue the posting of any existing EPC deposits (EPC ONLY);
- Return to the State any funds that have not been loaded before expiration or termination within five business days after termination or expiration of this Contract or termination of the Additional Work (EPC ONLY); and

- The Contractor will fully comply with any applicable laws, regulations, rules, guidelines, or policies applicable to refunds and returns of funds on EPC and EBT accounts, including but not limited to any laws applicable to escheatment of such funds.

**Contractor Roles, Responsibilities and Deliverables.** The following Contractor roles and responsibilities are critical to the success of the Project. At a minimum, the Contractor's staffing plan must include names for the following key Project personnel.

**Project Manager (PM) Role:** The Contractor Project Manager (PM) must provide project management oversight and will be dedicated 100% to the Ohio EBT project throughout the project lifecycle. The Project Manager is not required to be located in Columbus, Ohio throughout the whole project but must be onsite in Columbus beginning 2 months prior to the transition in date. Additionally, the Project Manager must be onsite upon request of the State within 3 days of notification. The Project Manager or their designee must be available 24/7/365 to correspond to the availability of the Ohio's EBT Project Director. This person may also serve as the Project Manager for EPC portion of this Contract.

**Responsibilities:**

- Creates and Manages the Project Plan and Schedule;
- Manages the Contractor Project Team Members;
- Liaison between State and Contractor Resources;
- Initiates Quality Assurance Processes to monitor the Project;
- Manages issues and risks;
- Point of escalation for Project issues; and
- Manages the deliverable acceptance process.

**Qualifications:**

- 60 months experience as a Project Manager on projects comparable in size and scope as defined within this RFP, which was delivered on time and within budget.
- 12 months experience in overseeing all aspects of project management which include planning, coordinating, scheduling, conducting demonstrations, system testing, user training, documentation preparation, deployment, and resource management.

**Additional Key Personnel Roles:**

**Technical Manager:** The Contractor must designate a highly qualified and experienced Technical Manager to the Ohio EBT and EPC projects. The Technical Manager oversees all data processing activities and is considered integral to implementing the EBT/EPC programs; maintaining quality EBT/EPC service delivery during implementation and beyond; and timely completion of all key project milestones and deliverables. ODJFS requires a separate Technical Manager for each program.

**Operations Manager:** After Implementation, the Contractor must designate a full time Operations Manager who will be dedicated 100% to the Ohio EBT and EPC programs throughout the project. This position may be filled by the Project Manager. The Operations Manager must oversee all day to day activities of the EBT/EPC system and services, including reporting and handling of all escalated issues. The Operations Manager will be the primary contact between the Contractor and the State. The Operations Manager, in coordination with required Contractor staff (i.e. technical or customer service staff), must develop corrective action plans when the Contractor fails to meet performance standards as defined in this RFP. This person may serve as the Operations Manager for both EBT and EPC programs.

**Customer Service Support Manager:** The Contractor must designate a highly qualified Customer Services Support Manager to the Ohio EBT and EPC programs. This individual oversees all Customer Service and support activities and must have extensive EBT/EPC operations experience to include core ancillary services and Interactive Voice Response / Automated Response Unit (IVR/ARU) operations. This position requires extensive communication skills both written and oral. This person is responsible for

oversight of continuous training of the Customer Service Representatives. This person must be onsite at the primary call center. This person may serve as the Customer Service Support Manager for both EBT and EPC programs.

**Retail Operations Manager:** The Contractor must designate a full time Retailer Operations Manager who will be responsible for managing retailer participation in the EBT project. The Retail Operations Manager will oversee all Ohio EBT retailer and TPP support services, equipment deployment and maintenance for EBT-only retailers, retailer training, and certification testing.

**Help Desk Manager:** The Contractor must designate a full time Help Desk Manager for a Help Desk Support Center for the EBT and EPC programs, which is toll-free and available 24/7/365. The Help Desk manager must oversee the daily operations including file transmissions, system performance, and reported issues from ODJFS and Third Party Processors.

The Contractor must meet all RFP requirements for the Work and complete all Work satisfactorily.

**EBT and EPC Deliverables:**

<b>Project Initiation Phase:</b>	Updated Project Schedule Communications Plan Change Management Plan Configuration Control Plan
<b>Design Phase:</b>	Requirements Specification Document Interface Control Document Traceability Matrix General Systems Design Detailed Systems Design System Test Plans Data Conversion Plan Transition Plan EBT Processor Interface Specifications <b>(EBT Only)</b> Retailer/Merchant Acquirers/TPP Conversion Management Plan <b>(EBT Only)</b> Acquirer/TPP and POS Certification Standards Training Materials
<b>Development Phase:</b>	Test Result Reports Updated Detail System Design Reports Manual Settlement Reconciliation Procedure Manual <b>(EBT Only)</b> Administrative System Documentation Security Document IVR Scripts and Call Flows Customer Service Capacity Plan System Documentation Library
<b>Operations Phase:</b>	Business Continuation & Recovery Plan

**Performance Testing.** A Performance Test will be done. The system must meet the performance criteria defined below during the performance test. Attachment Four: Part Five: describes the process for the standards of performance test and acceptance process.

**Performance Standards.**

**EBT Transition-In Phase Performance Standards**

The Contractor must comply with the following Transition-In Phase performance standards. Failure to meet performance standards as specified may result in the assessment of liquidated damages imposed by ODJFS on the Contractor (see Liquidated Damages Supplement). The Contractor will

remain liable for any additional damages incurred as a result of each requirement failure listed below. The measurement tools must be defined by the Contractors and approved by ODJFS for each requirement.

<b>EBT Transition - In Phase Performance Standards</b>	
<b>Requirement</b>	<b>Performance Deficiency</b>
<p><b>Readiness for Start of State Acceptance Testing</b></p> <p>Once the start of State Acceptance Testing is established and agreed upon by ODJFS, the Contractor must meet the timeframe.</p>	<p>Failure to begin State Acceptance Testing on the agreed upon date, when such failure is caused by the Contractor.</p>
<p><b>EBT-Only Retailer/Merchant Conversion</b></p> <p>The Contractor must ship the required equipment to a minimum of 95% of the existing EBT-only retailer/merchants to ensure that the EBT-only retailer/merchants are ready for operations one week prior to the database conversion.</p>	<p>Failure to ship the required equipment to 95% of the EBT-only retailer/merchants in the specified timeframe.</p> <p>The Contractor must provide a report or other verifiable proof of meeting this requirement no later than one week after conversion.</p>
<p><b>EBT Card Conversion</b></p> <p>The Contractor must issue new EBT cards to 100% of the active EBT cardholders no later than 15 calendar days prior to the conversion date to ensure no disruption to benefit access and services. The EBT cardholders must have had a benefit or an EBT financial transaction, excluding escheatment, within the last six months from the conversion date.</p>	<p>Failure to issue the new EBT cards to 100% of the active EBT cardholders in the specified timeframe.</p>
<p><b>Database Conversion</b></p> <p>Once the database conversion date(s) are established and approved by ODJFS, the Contractor must complete database conversion as scheduled with a 99% accuracy rate.</p>	<p>Failure to meet the database conversion accuracy rate.</p> <p>The Contractor must provide a report or other verifiable proof of meeting this requirement no later than one week after conversion.</p>
<p><b>Production Operations.</b></p> <p>At start-up, all network, communications, and EBT features must be ready to go live.</p>	<p>Failure to have all network, communications, and EBT features go live within the agreed upon timeframes.</p> <p>The Contractor must provide a report or other verifiable proof of meeting this requirement no later than one week after conversion.</p>

### **EBT Ongoing Performance Standards**

The Contractor must comply with the following ongoing performance standards. Failure to meet performance standards as specified may result in the assessment of liquidated damages imposed by ODJFS on the Contractor. The measurement tools must be defined by the Contractor and approved by ODJFS for each requirement and provided on a calendar month basis.

<b>EBT Ongoing Performance Standards</b>	
<b>Requirement</b>	<b>Performance Deficiency</b>
<p><b>EBT System Uptime</b></p> <p>The EBT system must be available 99.9% of the time measured on a monthly basis. The EBT System consists of all system functions over which the Contractor has control, either directly or through a subcontractor relationship.</p> <p>The EBT System is not considered “down” if the system continues to automatically process benefit authorizations, transactions, or voucher approvals whether electronically or by the IVR.</p> <p>The maximum unscheduled downtime during one episode before back-up systems are in place will be one hour. Unscheduled downtime for the system of more than one hour will be considered system failure for which liquidated damages may be assessed.</p>	<p>Failure of EBT System to be “up” 99.9% of the time measured on a monthly basis.</p> <p>The Contractor must provide a report or other verifiable proof of meeting this requirement on the 10th calendar day of each month.</p>
<p><b>Updates, Patches &amp; Repairs</b></p> <p>The Contractor must conduct regression testing to ensure all previous updates, patches and repairs are incorporated in the scheduled release and does not impact operations.</p>	<p>If upon release of an update, patch or repair, subsequent system problem arise due to the new release, the State may assess liquidated damages.</p>
<p><b>Daily Benefit Availability</b></p> <p>The daily benefit file records transmitted to the contractor in batch processing must be posted and available in the EBT accounts within 30 minutes after receipt of the file.</p>	<p>Failure to meet the timeframes for processing and posting benefits to the EBT accounts.</p> <p>The Contractor must provide a report or other verifiable proof of meeting this requirement on the 10th calendar day of each month.</p>
<p><b>Monthly Benefit Availability</b></p> <p>The monthly recurring benefit file transmitted to the contractor in batch processing must be posted to the EBT accounts within 24 hours after receipt of the file. The monthly benefits must be available to recipients by 12:01 a.m. on the availability date provided by ODJFS.</p> <p>Processing the monthly recurring benefit file must not interfere with the daily benefits and the State recommends using a multi-queue feature.</p>	<p>Failure to meet the timeframes for processing and posting benefits to the EBT accounts.</p> <p>The Contractor must provide a report or other verifiable proof of meeting this requirement on the 10th calendar day of each month.</p>

<p><b>Settlement and ACH Processes</b></p> <p>The ACH settlement timeframe requirement in 7 CFR 274.3 (a)(3) states the Contractor must provide credits within two business days of the daily cut-over period for retailer settlement. The timeframe for ACH settlement must be met 98% of the time measured on a monthly basis.</p> <p>AMA data entries must be provided to the Federal Reserve Bank of Richmond each business day with 98% accuracy.</p> <p>STARS daily redemption totals must be provided to the Benefit Redemption System Branch (BRSB) at least weekly with 98% accuracy.</p>	<p>Failure to meet the timeframe for the ACH settlement window 98% of the time measured on a monthly basis.</p> <p>Two or more errors in providing AMA data entries to the Federal Reserve Bank of Richmond each business day over a two month period.</p> <p>Two or more errors in the STARS daily redemption totals provided to the BRSB at least weekly over a two-month period.</p> <p>The Contractor must provide a report or other verifiable proof of meeting this requirement on the 10th calendar day of each month.</p>
<p><b>Transaction Response Time</b></p> <p>For leased line communications, 98 percent of EBT transactions must be processed within 10 seconds or less, and 100 percent of leased line EBT transactions must be processed within 15 seconds measured on a monthly basis; and</p> <p>For dial-up systems, 95 percent of EBT transactions must be processed within 15 seconds, and 100 percent of dial-up EBT transactions must be processed within 20 seconds measured on a monthly basis.</p>	<p>For leased line communications, failure to meet processing 98 percent of EBT transactions within 10 seconds or less, and failure to meet processing 100 percent of leased line EBT transactions within 15 seconds.</p> <p>For dial-up systems, failure to meet processing 95 percent of EBT transactions within 15 seconds, and failure to meet processing 100 percent of dial-up EBT transactions within 20 seconds.</p> <p>The Contractor must provide a report or other verifiable proof of meeting this requirement on the 10th calendar day of each month.</p>
<p><b>Host Response Time for EBT Administrative System</b></p> <p>EBT Administrative System transactions, such as benefit issuance and repayments, that originate at the EBT administrative system located in State and county offices will be sent to the EBT contractor in on-line processing mode. These transactions are subject to the requirements for a two-second response time.</p>	<p>Failure to meet host response time for the EBT administrative system transactions 100% of the time as measured each calendar month.</p> <p>The Contractor must provide a report or other verifiable proof of meeting this requirement on the 10th calendar day of each month.</p>
<p><b>Inaccurate Transactions</b></p> <p>The EBT system must only permit no more than two inaccurate EBT transactions per every 10,000 EBT transactions processed, measured on a monthly basis.</p>	<p>Failure to maintain an accuracy standard of no more than two inaccurate EBT transactions per every 10,000 EBT transactions processed.</p> <p>The Contractor must provide a report or other verifiable proof of meeting this requirement on the 10th calendar day of each month.</p>

<p><b>EBT Cardholder &amp; Customer Service Response</b></p> <p><u>Total Calls</u> 90% of all calls answered within 4 rings measured over a calendar month (4 rings are defined as 25 seconds). The remaining ten percent of calls must be answered within 60 seconds.</p> <p><u>IVR</u> 99% of all calls for IVR system must be answered within two seconds and 100% of all IVR menu selections must respond with the correct option within two seconds after menu selection measured over a calendar month.</p> <p><u>CSRs</u> 98% of all calls for CSRs answered within 2 minutes measured over a calendar month.</p> <p>100% of all calls to a CSR must be documented, including the date, time, nature, and resolution of the call; 100% of all calls to a CSR must be recorded and retrievable for investigative and/or monitoring purposes. This requirement applies to both cardholder and retailer customer service help desks.</p>	<p><u>Total Calls</u> Failure to answer 90% of all calls within 4 rings measured over a calendar month or failure to answer the remaining ten percent of calls within 60 seconds.</p> <p><u>IVR</u> Failure to answer 99% of all calls for IVR within 2 seconds or failure of IVR to provide menu selections that respond with the correct option within two seconds after menu selection for 100% of the calls, measured over a calendar month.</p> <p><u>CSRs</u> Failure to answer 98% of all calls for CSRs within 2 minutes measured over a calendar month.</p> <p>Failure to document 100% of all calls and failure for 100% of all calls to be recorded and retrievable for investigative and/or monitoring purposes for cardholder and retailer customer service.</p> <p>The Contractor must provide a report or other verifiable proof of meeting this requirement on the 10th calendar day of each month.</p>
<p><b>Equipment for EBT-only Retailer/merchants</b></p> <p>100% of EBT-only POS terminals must be delivered and ready for operational use within 14 calendar days of the Contractor receiving the retailer/merchant's contract measured over a calendar month.</p>	<p>Failure to deliver 100% of the terminals within 14 calendar days of the Contractor receiving the contract from the retailer/merchant measured over a calendar month.</p> <p>The Contractor must provide a report or other verifiable proof of meeting this requirement on the 10th calendar day of each month.</p>
<p><b>Equipment Replacement/Repair for EBT-only Retailer/merchants</b></p> <p>98% of POS terminals must be repaired within 48 hours from the time the equipment failure was reported to the Contractor measured over a calendar month.</p>	<p>Failure to have a POS terminal repaired within 48 hours from the time the equipment failure was reported measured over a calendar month.</p> <p>The Contractor must provide a report or other verifiable proof of meeting this requirement on the 10th calendar day of each month.</p>

<p><b>Card Issuance</b></p> <p>For 98% of card issuance requests received by the Contractor by 11:59 p.m. EST, cards must be mailed by the following business day measured over a calendar month.</p> <p>For 98% of expedited card issuance requests received by the Contractor by 12:00 p.m. (noon) EST, cards must be mailed via overnight delivery on the same business day measured on a monthly basis.</p>	<p>Failure to mail cards in accordance with the requirement 98% of the time measured on a monthly basis.</p> <p>Failure to mail cards for expedited card requests in accordance with the requirement 98% of the time measured on a monthly basis.</p> <p>The Contractor must provide a report or other verifiable proof of meeting this requirement on the 10th calendar day of each month.</p>
<p><b>State Enhancement/Change Order Requests</b></p> <p>The Contractor must provide a written estimated date of implementation for State Enhancement and Change Order Requests within 15 business days of receiving the request.</p>	<p>Failure to provide a written estimated date of implementation for State Enhancement or Change Requests within the agreed upon timeframe.</p> <p>The Contractor must provide a report or other verifiable proof of meeting this requirement on the 10th calendar day of each month.</p>
<p><b>Incident Reports</b></p> <p>Incident reports must be provided for every system problem. The incident reports must include the affected States and programs, date of report, date of incident, reference number, start and end times of the incident, problem type, problem impact summary, detailed description of the problem, cardholder impact, number of affected cardholders, immediate resolution, permanent solution, and who resolved the problem.</p> <p>Initial incident reports must be provided within 24 hours from the start of the system problem.</p> <p>If the incident report does not include the permanent solution to the incident, then a follow-up incident report must be provided no later than 24 hours after the permanent solution has been defined.</p>	<p>Failure to provide the initial and follow-up incident reports within the specified timeframes.</p> <p>The Contractor must provide a report or other verifiable proof of meeting this requirement on the 10th calendar day of each month.</p>

<p><b>Adjustments</b></p> <p>The Contractor must investigate and complete all cardholder initiated adjustment claims within 10 business days from the date the cardholder reports the error.</p> <p>All retailer/merchant acquirer/TPP initiated adjustment claims must be investigated and completed within 15 calendar days from the date of the error.</p> <p>The timeframe is based upon the approved FNS waiver, "Retailer Adjustment - No Hold/15 Calendar Day Debit [7 CFR 274.2(g)(2)(ii)]," Supplement 2.</p>	<p>Failure to complete the investigation for all cardholder(s)' initiated adjustment claims within the specified timeframes.</p> <p>Failure to complete the investigation for all retailer/merchant acquirer/TPP adjustment claims within the specified timeframes.</p> <p>The Contractor must provide a report or other verifiable proof of meeting this requirement on the 10th calendar day of each month.</p>
<p><b>ALERT Data</b></p> <p>The Contractor must provide a daily ALERT file to USDA-FNS at the end of each settlement calendar day.</p>	<p>Failure to provide the daily ALERT file to USDA-FNS by the specified timeframe for five (5) consecutive calendar days.</p> <p>The Contractor must provide a report or other verifiable proof of meeting this requirement on the 10th calendar day of each month.</p>
<p><b>Reconciliation Process</b></p> <p>All reports necessary for ODJFS to successfully perform daily reconciliation must be received by ODJFS no later than 8:00 a.m. EST the following business day after the cut-off date.</p>	<p>Failure to provide the reconciliation reports within the agreed upon timeframes.</p> <p>The Contractor must provide a report or other verifiable proof of meeting this requirement on the 10th calendar day of each month.</p>
<p><b>Computer Virus Protection</b></p> <p>All data transmitted to ODJFS/DAS by the contractor or subcontractors must be free of computer viruses.</p>	<p>Any introduction of a computer virus into an ODJFS/Department of Administrative Services (DAS) system directly tied to a transmission by the contractor or subcontractor.</p>
<p><b>Audit Reports</b></p> <p>Each audit report, including the SSAE No. 16, audit reports, must include the Federal Regulations requirements in 7 CFR 274.1(i), be completed, and be provided to ODJFS no later than 90 calendar days after the audit period ends.</p>	<p>Failure of the Contractor to provide a timely audit report, including the SSAE No. 16 or similar report.</p> <p>Failure of the Contractor to meet the Federal Regulations audit report requirements in 7 CFR 274.1(i).</p>
<p><b>Ad Hoc Reports</b></p> <p>ODJFS Ad Hoc Report requests must be provided within 7 to 10 business days.</p>	<p>Failure to provide the Ad Hoc Report within the agreed upon timeframes.</p>

## EPC Performance Standards

### Transition - In Performance Standards

The Contractor must comply with the following Implementation Phase performance standards. Failure to meet any of the performance standards specified may result in a five percent deduction of the next scheduled payment for EPC services for each standard that the Contractor fails to meet.

<b>EPC Transition - In Phase Performance Standards</b>	
<b>Requirement</b>	<b>Performance Deficiency</b>
<p><b>Readiness for Start of State Acceptance Testing.</b></p> <p>Once the start of State Acceptance Testing is established and agreed upon by ODJFS, the Contractor must meet this timeframe.</p>	<p>Failure to begin State Acceptance Testing on the agreed upon date, when such failure is caused by the Contractor.</p>
<p><b>Database Conversion</b></p> <p>Once the database conversion date(s) are established and approved by ODJFS, the Contractor must complete database conversion as scheduled with a 99% accuracy rate.</p>	<p>Failure to meet the database conversion accuracy rate.</p> <p>The Contractor must provide a report or other verifiable proof of meeting this requirement no later than one week after conversion.</p>
<p><b>Production Operations.</b></p> <p>At start-up, all network, communications, and EPC features must be ready to go live.</p>	<p>Failure to have all network, communications, and EPC features go live within the agreed upon timeframes.</p> <p>The Contractor must provide a report or other verifiable proof of meeting this requirement no later than one week after conversion.</p>

## Ongoing EPC Performance Standards

The Contractor must comply with the following ongoing performance standards. Failure to meet any of the performance standards specified will result in a five percent deduction from the next scheduled payment for EPC services for each standard the Contractor fails to meet.

<b>EPC Ongoing Performance Standards</b>	
<b>Requirement</b>	<b>Performance Deficiency</b>
<p><b>EPC System Uptime</b></p> <p>The EPC system must be available 99.9% of the time measured on a monthly basis. The EPC System consists of all system functions over which the Contractor has control, either directly or through a subcontractor relationship.</p> <p>The EPC System is not considered “down” if the system continues to automatically process benefit authorizations, transactions, or voucher approvals whether electronically or by the IVR.</p> <p>The maximum unscheduled downtime during one episode before back-up systems are in place will be one hour. Unscheduled downtime for the system of more than one hour will be considered system failure for which penalties may be assessed.</p>	<p>Failure of EPC System to be “up” 99.9% of the time measured on a monthly basis.</p> <p>The Contractor must provide a report or other verifiable proof of meeting this requirement on the 10th calendar day of each month.</p>
<p><b>Updates, Patches &amp; Repairs</b></p> <p>The Contractor must conduct regression testing to ensure all previous updates, patches and repairs are incorporated in the scheduled release and does not impact operations.</p>	<p>If upon release of an update, patch or repair, and subsequent system problem arise due to the new release, the State may assess the following liquidated damages.</p>
<p><b>Daily Benefit Availability</b></p> <p>The ACH daily and monthly benefit file records must be posted and available in the EPC accounts based on their availability date. If the benefit is available on the date received, the benefit must be posted and available in the EPC account within 30 minutes of receipt. Otherwise, the benefit must be available by 12:01 a.m. on the benefit availability date.</p>	<p>Failure to meet the timeframes for processing and posting benefits to the EPC accounts.</p> <p>The Contractor must provide a report or other verifiable proof of meeting this requirement on the 10th calendar day of each month.</p>
<p><b>EPC Cardholder &amp; Customer Service Response</b></p> <p><u>Total Calls</u> 90% of all calls answered within 4 rings measured over a calendar month (4 rings are defined as 25 seconds). The remaining five percent of calls must be answered in 60 seconds.</p> <p><u>IVR</u> 99% of all calls for IVR system must be answered within two seconds and 100% of all IVR menu selections must respond with the correct option within two seconds after menu selection measured</p>	<p><u>Total Calls</u> Failure to answer 90% of all calls within 4 rings measured over a calendar month or failure to answer the remaining ten percent of calls within 60 seconds.</p> <p><u>IVR</u> Failure to answer 99% of all calls for IVR within 2 seconds or failure of IVR to provide menu selections that respond with the correct option within two seconds after menu selection for 100% of the calls, measured over a calendar month.</p>

<b>EPC Ongoing Performance Standards</b>	
<b>Requirement</b>	<b>Performance Deficiency</b>
<p>over a calendar month.</p> <p><u>CSRs</u> 98% of all calls for CSRs answered within 2 minutes measured over a calendar month.</p> <p>100% of all calls to a CSR must be documented, including the date, time, nature, and resolution of the call; 100% of all calls to a CSR must be recorded and retrievable for investigative and/or monitoring purposes. This requirement applies to both cardholder and retailer customer service help desks.</p>	<p><u>CSRs</u> Failure to answer 98% of all calls for CSRs within 2 minutes measured over a calendar month.</p> <p>Failure to document 100% of all calls and failure for 100% of all calls to be recorded and retrievable for investigative and/or monitoring purposes for cardholder and retailer customer service.</p> <p>The Contractor must provide a report or other verifiable proof of meeting this requirement on the 10th calendar day of each month.</p>
<p><b>Card Issuance</b></p> <p>For 98% of card issuance requests received by the Contractor by 11:59 p.m. EST, cards must be mailed by the following business day measured over a calendar month.</p> <p>For 98% of expedited card issuance requests received by the Contractor by 12:00 p.m. (noon) EST, cards must be mailed via overnight delivery on the same business day measured on a monthly basis.</p>	<p>Failure to mail cards in accordance with the requirement 98% of the time measured on a monthly basis.</p> <p>Failure to mail cards for expedited card requests in accordance with the requirement 98% of the time measured on a monthly basis.</p> <p>The Contractor must provide a report or other verifiable proof of meeting this requirement on the 10th calendar day of each month.</p>
<p><b>State Enhancement/Change Order Requests</b></p> <p>The Contractor must provide a written estimated date of implementation for State Enhancement and Change Order Requests within 15 business days of receiving the request.</p>	<p>Failure to provide a written estimated date of implementation for State Enhancement or Change Requests within the agreed upon timeframe.</p> <p>The Contractor must provide a report or other verifiable proof of meeting this requirement on the 10th calendar day of each month.</p>
<p><b>Incident Reports</b></p> <p>Incident reports must be provided for every system problem. The incident reports must include the affected States and programs, date of report, date of incident, reference number, start and end times of the incident, problem type, problem impact summary, detailed description of the problem, cardholder impact, number of affected cardholders, immediate resolution, permanent solution, and who resolved the problem.</p> <p>Initial incident reports must be provided within 24 hours from the start of the system problem.</p> <p>If the incident report does not include the permanent solution to the incident, then a follow-up incident report must be provided no later than 24 hours after the permanent solution has been defined.</p>	<p>Failure to provide the initial and follow up incident reports within the specified timeframes.</p> <p>The Contractor must provide a report or other verifiable proof of meeting this requirement on the 10th calendar day of each month.</p>

<b>EPC Ongoing Performance Standards</b>	
<b>Requirement</b>	<b>Performance Deficiency</b>
<p><b>Reconciliation Process</b></p> <p>All reports necessary for ODJFS to successfully perform daily reconciliation must be received by ODJFS no later than 8:00 a.m. EST the following business day after the cut-off date.</p>	<p>Failure to provide the reconciliation reports within the agreed upon timeframes</p> <p>The Contractor must provide a report or other verifiable proof of meeting this requirement on the 10th calendar day of each month.</p>
<p><b>Computer Virus Protection</b></p> <p>All data transmitted to ODJFS/DAS by the contractor or subcontractors must be free of computer viruses.</p>	<p>Any introduction of a computer virus into an ODJFS/Department of Administrative Services (DAS) system directly tied to a transmission by the contractor or subcontractor.</p>
<p><b>Audit Reports</b></p> <p>The annual certification of compliance with the Payment Card Industry (PCI) Data Security Standards must be completed. Service providers are required to revalidate their compliance on an annual basis, with the next annual Report on Compliance (ROC) due one year from the last validation date. The Contractor must provide the ROC within 120 days from the validation date each year.</p>	<p>Failure of the Contractor and any of its non-excluded subcontractors to revalidate their annual compliance and provide a timely Report on Compliance (ROC).</p> <p>Failure of the Contractor to meet the PCI Data Security Standards annual certification of compliance.</p>
<p><b>Ad Hoc Reports</b></p> <p>ODJFS Ad Hoc Report requests must be provided within 7 to 10 business days.</p>	<p>Failure to provide the Ad Hoc Report within the agreed upon timeframes.</p>

## PART TWO: SPECIAL PROVISIONS

**Submittal of Deliverables.** The Contractor must provide all required documentation and deliverables, drafts and final versions, in electronic media in the formats and software specified by ODJFS. Additionally, the Contractor must provide three (3) final hard copies of all documentation and deliverables for each phase to ODJFS. All documentation and deliverables are subject to State (and Federal, if required) review and approval. ODJFS will coordinate the review of documentation and deliverables, with other offices and agencies and provide comments to the Contractor within 60 calendar days from receipt of each draft document. After the incorporation of comments, copies of the final draft documentation must be provided by the Contractor for follow up review and approval. Final documentation must be provided by the Contractor following revision approval by ODJFS. The Contractor's project schedule must clearly identify a due date for each deliverable identified in the statement of work. All deliverables must be continually updated throughout the life of the Contract for all program modifications (system, policy, and business processes) and system enhancements.

The State form authorizing payment (Attachment Six) and the payment itself do not indicate that the State has accepted the Deliverables associated with the payment. The State's acceptance of the Deliverables that are part of developing the Project is conditioned on a successful performance test upon completion of the Project.

The Contractor must deliver the draft documents to ODJFS in sufficient time to allow for a 60 calendar day comment period on the initial drafts. The Contractor must incorporate all revisions and deliver the final document within 10 business days of receipt.

**The Contractor's Fee Structure.** The Contract award will be payable in accordance with the schedule below:

Payment to the contractor will be made as a monthly reimbursement. Invoices for services should be submitted to the agency by the tenth day of the month following the month in which services are rendered.

Payment for services will be contingent upon receipt and approval of the contractor's monthly, itemized invoice with supporting documentation. The invoice must fully explain all adjustments and corrections.

**EBT.** Payment for services will be based on the number of "active cases" per month. "Active cases" are those cases, by type, in which at least one benefit has been deposited and made available during the calendar month. Payment will only be permitted for one account that has received at least one deposit. Any other deposits made for the benefit type cannot be billed twice.

The Contractor will bill all active cases in a given month at the quoted price for that tier level. For example, if the active case number for a month is 1,500,000, all active cases will be billed at the rate quoted for the 1,400,001-1,800,000 tiers. There will not be a graduated billing for active cases. The Contractor must provide a billing report that provides an unduplicated case count invoice total.

The Cost per Case Month (CPCM) rate must be all-inclusive; therefore the offeror shall consider all costs in arriving at the fixed CPCM rate and hourly prices. The offeror must incorporate any and all developmental and phase-in/phase-out costs (including all work performed during transition periods before contract start date and after contract end date) that are considered appropriate in the CPCM rate quoted in the cost schedules.

Payment for expedited EBT card issuance provides the State the ability to issue an expedited EBT card for overnight delivery upon approval by State level authorized personnel. The costs will be invoiced to the State on the regular monthly invoice for EBT charges as a separate line item. The Contractor will be required to provide the following documentation:

- 1) Card Issuance/Replacement Report to verify the number of expedited card requests.

- 2) Tracking number to verify the card delivery and receipt.

**EPC.** Payment for services will be based on the cardholder fees and expedited EPC card issuance.

Payment for expedited EPC card issuance provides the State the ability to issue an expedited EPC card for overnight delivery upon approval by State level authorized personnel. The costs will be invoiced to the State on the regular monthly invoice for EBT charges as a separate line item. The Contractor will be required to provide the following documentation:

- 1) Card Issuance/Replacement Report to verify the number of expedited card requests.
- 2) Tracking number to verify the card delivery and receipt.

**Reimbursable Expenses.** None.

**Bill to Address.**

Ohio Department of Job & Family Services  
EBT Section, Office of Families & Children  
Attn: Christina Thomas  
P.O. Box 182709  
Columbus, Ohio 43218-2709

**Location of Data.** The Contractor must perform all work on the Project and keep all State data within the United States, and the State may reject any Proposal that proposes to do any work or make State data available outside the United States. The State also may reject any Proposal for which the offeror has not submitted an appropriate certification representing that it will ensure that all work on the Project will be done in the United States and all State data will remain in the United States.

### **ATTACHMENT THREE: REQUIREMENTS FOR PROPOSALS**

**Proposal Format.** Each Proposal must include sufficient data to allow the State to verify the total cost for the Work and all of the offeror's claims of meeting the RFP's requirements. Each Proposal must respond to every request for information in this attachment, whether the request requires a simple "yes" or "no" or requires a detailed explanation. Simply repeating the RFP's requirement and agreeing to comply may be an unacceptable response and may cause the Proposal to be rejected.

These instructions describe the required format for a responsive Proposal. The offeror may include any additional information it believes is relevant. An identifiable tab sheet must precede each section of a Proposal, and each Proposal must follow the format outlined below. All pages, except pre-printed technical inserts, must be sequentially numbered. Any material deviation from the format outlined below may result in a rejection of the non-conforming Proposal.

Each Proposal must contain the following:

- Vendor Information Form (OBM-5657)
- Subcontractor Letters
- Offeror Certification Form
- Offeror Description
- Offeror Profile Summary Forms
- Proposed Solution for EBT and EPC Services
- Implementation Work Plans
- Project Management Plan
- Key Staff
- Staffing Plan
- Assumptions
- Support Requirements
- Proof of Insurance
- Payment Address
- Legal Notice Address
- W-9 Form
- Declaration Regarding Terrorist Organizations
- Standard Affirmation and Disclosure Form (EO 2010-09s)
- Cost Summary (must be separately sealed)

**Vendor Information Form.** The offeror must submit a signed and completed Vendor Information Form (OBM-5657) for itself and for each subcontractor the offeror plans to use under the Contract. The form is available at <http://obm.ohio.gov/MiscPages/Forms/default.aspx>.

**Subcontractor Letters.** For each proposed subcontractor, the offeror must attach a letter from the subcontractor, signed by someone authorized to legally bind the subcontractor, with the following included in the letter:

1. The subcontractor's legal status, federal tax identification number, D-U-N-S number, and principal place of business address;
2. The name, phone number, fax number, email address, and mailing address of a person who is authorized to legally bind the subcontractor to contractual obligations;
3. A description of the work the subcontractor will do;
4. A commitment to do the work if the offeror is selected; and
5. A statement that the subcontractor has read and understood the RFP and will comply with the requirements of the RFP.

**Offeror Certifications.** The offeror must complete Attachment Seven, Offeror Certification Form.

**Offeror Description.** Each Proposal must include a description of the offeror's capability, capacity, and experience in the industry. The description should include the date the offeror was established, its leadership, number of employees, number of employees the offeror will engage in tasks directly related to the Project, and any other background information that will help the State gauge the ability of the offeror to fulfill the obligations of the Contract.

**Offeror Profile Summary Form.** This RFP includes an Offeror Profile Summary Form as an attachment. The offeror must use this form and fill it out completely to provide the required information.

**The Offeror Profile Summary Form contained in this document has been customized for the applicable offeror requirements. (Refer to Attachment Eight.) Each page of the attachment may contain minor variations. If an offeror elects to duplicate the form electronically, the offeror must carefully review each page of the form to ensure that it has been copied accurately. Failure to duplicate the form exactly may lead to the rejection of the offeror's Proposal. Offerors may duplicate the forms as needed to demonstrate meeting each requirement.**

Each offeror must meet all the mandatory requirements in the RFP. If an offeror does not meet all the mandatory requirements, the State may reject the offeror's Proposal as non-responsive.

The various sections of the Offeror Profile Summary Forms are described below:

**Mandatory Experience and Qualifications.** The offeror must complete this section to demonstrate that it has the experience needed to meet the RFP's mandatory requirements. (Refer to Attachment Eight.) For each reference, the offeror must provide the following information:

- **Contact Information.** The offeror must provide a client contact name, title, phone number, email address, company name, and mailing address. The offeror also must include the same information for an alternate client contact, in case the State cannot reach the primary contact. Failure to provide this information or providing information that is inaccurate or out of date may result in the State not including the reference in the evaluation process or rejecting the offeror's Proposal. The contact information given must be for a person within the client's organization and not a co-worker or a contact within the offeror's organization, subsidiaries, partnerships, etc.
- **Project Name.** The offeror must provide the name or title for the work, such as a project name, from which it obtained the mandatory experience.

- Dates of Experience. The offeror must complete this area with a beginning month and year and an ending month and year to show the length of time the offeror performed the work, not just the length of time the offeror was engaged by the reference.
- Description of the Related Service Provided. The State will not assume that, since the experience requirement is provided at the top of the page, all descriptions on that page relate to that requirement. The offeror must reiterate the experience being described, including the capacity in which the work was performed and the role of the offeror on the Work. It is the offeror's responsibility to customize the description to clearly substantiate the qualification.
- Description of how the related service shows the offeror's experience, capability, and capacity to develop the Deliverables and do the Work.

The offeror must list each work experience separately and completely every time it is referenced, regardless of whether it is on the same or different pages of the form.

**Required Experience and Qualifications.** The offeror must complete this section to demonstrate that it meets the requirements for experience. For each reference, the offeror must provide the information in the same manner as described under Mandatory Experience and Qualifications above.

**THE OFFEROR MAY NOT USE THE EXPERIENCE OR QUALIFICATIONS OF A SUBCONTRACTOR TO MEET ANY OF THE ABOVE MANDATORY QUALIFICATIONS OR EXPERIENCE. THESE MUST BE FULFILLED EXCLUSIVELY THROUGH THE QUALIFICATIONS AND EXPERIENCE OF THE OFFEROR.**

**Proposed Solution for EBT and EPC Services.** The offeror must describe in detail how its proposed solution meets the Requirements described in Attachment Two of the RFP. The offeror may not simply state that the proposed solution will meet or exceed the specified requirements. Instead, the offeror must provide a written narrative that demonstrates that the offeror understands the Requirements of this RFP and how the offeror's proposed solution meets each requirement.

All the specifications included in this RFP are minimum requirements. The offeror may propose features, and other innovative or alternative solutions in excess of the minimum requirements described in the RFP, but must clearly identify them as such, provide the rationale behind the recommendations, and explain how they will benefit the State. Any proposed alternative solution must minimally meet the RFP requirements. The recommendations may or may not result in additional evaluation credit being given.

This area of the offeror's proposal must include each of the following items that correspond to the EBT and EPC services requirement in Attachment Two. All sections and sub-sections must be addressed. Each section must include a detailed description to address each requirement identified in Supplement Two. The offeror must specifically address the process, methods and proposed approach to meet each requirement.

**EBT System Requirements include:**

- EBTSytem Interface Requirements
- EBT Account Structure and Maintenance
- EBT Card/Personal Identification Numbers (PINs)
- EBT Administrative System Application
- EBT Transaction Processing and Routing
- EBT USDA-FNS Retailer/Merchant Database

- EBT Retailer/Merchant Management
- Settlement
- Reconciliation
- EBT Security Management
- EBT Reporting
- EBT Investigations Support
- EBT Customer Service/Automated Response Units

**EPC System requirements include:**

- EPC System Interfaces
- EPC Account Structure and Maintenance
- EPC Cards and Personal Identificaiton Numbers (PINs)
- EPC Administrative System Application
- EPC Transaction Processing and Routing
- EPC Deposit Settlement and Reconciliation
- EPC System Security and Annual Certificate of Compliance
- EPC Reports
- EPC Customer Service / Automated Response Unit

**Implementation Work Plans.** The State encourages responses that demonstrate a thorough understanding of the nature of the Deliverables and Work and what the Contractor must do to get the Deliverables and Work done properly.

To this end, the offeror must submit a work plan for each phase described in Attachment Two that the offeror will use to create a consistent and coherent management plan for the Work. The offeror must fully describe its approach, methods, and specific work steps for doing the work on this Project and producing the Deliverables. The State encourages responses that demonstrate a thorough understanding of the nature of the Project and what the Contractor must do to get the Project done properly.

The offeror must provide an explanation of how they will complete the development deliverables described in this RFP. An annotated outline for each development deliverable must itemize all topics to be covered and included in the deliverable or plan. A brief paragraph description must be provided for each item in an outline in order to create an annotated outline as required by the State for the associated deliverable.

The State seeks insightful responses that describe proven, state-of-the-art methods. Recommended solutions should demonstrate that the offeror will be prepared to quickly undertake and successfully complete the required tasks. The Work Plan must include details sufficient to give the State an understanding of how the offeror's knowledge and approach will:

- Manage the Work;

- Guide Work execution;
- Document planning assumptions and decisions;
- Facilitate communication among stakeholders; and
- Define key management review as to content, scope, and schedule.

### **Project Management Plan**

The offeror must provide a project management plan and submit a detailed Project schedule, as part of its proposal.

- The Project work plan (including WBS and schedule) must be formally updated in conjunction with and be provided as part of the bi-weekly reporting requirement throughout the Project;
- Work breakdown structure (WBS) as a baseline scope document that includes transition services elements for the Project. The WBS for the project must show the elements at a level of detail that demonstrates the offeror's understanding of the effort required to do the work. The WBS also must have increasingly descending levels of detailed definition added as the Project transition services continue. The Project transition services elements must include, at a minimum all necessary elements to successfully complete transition of all services and functions;
- The Project schedule must allow a minimum of 60 calendar days for the State to coordinate the review of documentation and deliverables submitted by the Contractor with other offices and agencies;
- Who is assigned responsibility for each Deliverable within the WBS to the level at which control will be exercised;
- Description of the offeror's proposed organization(s) and management structure responsible for fulfilling the Contract's requirements;
- Definition of the review processes for each milestone and Deliverable (e.g. mandatory design review) and a description of how the parties will conduct communication and status review;
- Description of the Project issue resolution process;
- If the offeror chooses to use subcontractors, this part of the offeror's Proposal must describe its approach to managing its subcontractors effectively; and
- Identification of State support required for all tasks.

The offeror must submit a Project management plan that addresses, at a minimum, the following subjects:

- Activities, Tasks and Deliverables, by phase;
- Integration;
- Scope;
- Time;
- Quality;
- Staffing;
- Communications; and
- Risk.

Additionally the plan must be continually updated with more detail from the date of purchase order receipt through the first year of operation.

## **Key Staff**

The offeror must provide a staffing plan that identifies the required key personnel by position that the offeror proposes to complete the Project. The staffing plan must show each individual's responsibilities on the Project. The State also requires a staffing plan that matches the skills and experience of the proposed Project Manager and Project Team to the activities and tasks that will be completed on the Project.

The same candidate can be proposed for the EBT and EPC Project Manager, EBT and EPC Operations Manager and Customer Support Manager, and Help Desk Manager Positions. The State requires different candidates be proposed for the EBT and EPC Technical Manager. Only one candidate may be proposed for the Retail Operations Manager.

Resumes must be provided for the proposed key personnel to demonstrate proven experience on projects of similar scale and complexity. Representative resumes are not acceptable.

The resumes must include:

- Person's Name;
- Proposed role on this Project;
- Listings of completed projects that are similar in scale and complexity to this Project or required similar skills based on the person's assigned role/responsibility on this Project. Each project listed should include at a minimum the beginning and ending dates, client/company name for which the work was performed, client contact information (name, phone number, email address, company name, etc.), project title, project description, and a detailed description of the person's role/responsibility on the project;
- Education;
- Professional Licenses/Certifications/Memberships;
- Employment History; and
- Three References to Verify Qualifications and Experience (include name of company/organization; relationship; and contact name, title, address, and phone number).

**Staffing Plan.** The offeror must provide a Staffing Plan that identifies all the personnel by position that the offeror is proposing to complete the Project. The Staffing Plan must show each individual's responsibilities on the Project. The Staffing Plan must match the proposed Project Key Team Members and qualifications to the activities and tasks that will be completed in this portion of the Project.

The offeror must submit a team organization chart that clearly defines reporting relationships within the project team delivering the services. The offeror must provide descriptive narrative indicating the role and responsibility of each resource or entity identified on the organization chart.

In addition, the offeror must provide a narrative that identifies and discusses staff redundancy, staff replacement, backup personnel, and ability to perform their assigned task. A contingency plan that demonstrates the offeror's ability to add more staff if needed to ensure meeting the Project's due date(s) should be provided.

The Staffing Plan must also indicate the number of hours for each proposed Key Team Member and the number of resources not specifically named within the proposal and their number of hours to be worked on the Project. Key Team Members should be identified by name and title/classification. Resources not specifically named within the proposal should be identified by title/classification.

The offeror must submit a statement and a chart that clearly indicates the time commitment of the offeror's proposed Key Team Members for this Project. The offeror also must include a statement indicating to what extent, if any, the Key Team Members may work on other projects during the Project. The State may reject any Proposal that commits the proposed Key Team Members to other projects if the State believes that any such commitment may be detrimental to the offeror's performance.

Additionally, the plan must have the following information:

- A contingency plan that shows the ability to add more staff if needed to meet the Project's due date(s).
- A description of the offeror's ability to provide qualified replacement personnel.
- A statement and a chart that clearly indicates the time commitment of the proposed Project Manager and the offeror's proposed Project Team members for the Project. The offeror also must include a statement indicating to what extent, if any, the Project Manager may work on other tasks or assignments unrelated to the Work during the term of the Contract. The State may reject any Proposal that commits the proposed Project Manager or any proposed Project Team members to other assignments during the Project, if the State believes that any such commitment may be detrimental to the offeror's performance.

**Escalation Plan.** The offeror must provide an escalation procedure for JFS' use in the event State personnel have not received a satisfactory response to problems or missed deadlines. The escalation procedure must include specific names, titles, and phone numbers of the people JFS staff may contact within the offeror's organization to obtain a satisfactory resolution to problems. After Contract award and for the duration of the Contract, the selected offeror must update or confirm the accuracy of the escalation contact listing each quarter. The escalation plan must be as complete as possible at the time of submission. It must describe the offeror's proposed organization(s) and management structure responsible for fulfilling the Contract's requirements. The offeror must also describe the reporting procedures proposed for the successful resolution of the problems. And the offeror must address potential problem areas, recommended solutions to the problem areas, and any assumptions used in developing those solutions.

**Assumptions.** The offeror must list all the assumptions the offeror made in preparing the Proposal. If any assumption is unacceptable to the State, the State may reject the Proposal. No assumptions may be included regarding negotiation, terms and conditions, or requirements.

**Support Requirements.** The offeror must describe the support it wants from the State other than what the State has offered in this RFP. Specifically, the offeror must address the following:

- Nature and extent of State support required in terms of staff roles, percentage of time available, and so on;
- Assistance from State staff and the experience and qualification levels required; and
- Other support requirements.

The State may not be able or willing to provide the additional support the offeror lists in this part of its Proposal. The offeror therefore must indicate whether its request for additional support is a requirement for its performance. If any part of the list is a requirement, the State may reject the offeror's Proposal, if the State is unable or unwilling to meet the requirements.

**Proof of Insurance.** The offeror must provide the certificate of insurance required by Attachment Four. The policy may be written on an occurrence or claims made basis.

**Payment Address.** The offeror must give the address to which the State should send payments under the Contract.

**Legal Notice Address.** The offeror must give the name, title, and address to which the State should send legal notices under the Contract.

**W-9 Form.** The offeror must complete the attached W-9 form in its entirety. The offeror must submit at least one originally signed W-9. All other copies of a Proposal may contain copies of the W-9. The offeror must indicate on the outside of the binder which Proposal contains the originally signed W-9.

**Declaration Regarding Terrorist Organizations.** The offeror must complete a Declaration Regarding Material Assistance/Non-assistance to Terrorist Organizations in its entirety. The offeror must submit at least one originally signed copy of this form, which should be included with the offeror's originally signed Proposal. All other copies of the offeror's Proposal may contain copies of this form. The form is available at: [http://homelandsecurity.ohio.gov/dma/dma\\_forms.asp](http://homelandsecurity.ohio.gov/dma/dma_forms.asp).

**Standard Affirmation and Disclosure Form (EO 2011-12K).** The offeror must complete and sign the Affirmation and Disclosure Form (Attachment Nine) as part of its Proposal.

**Cost Summary.** This RFP includes a Cost Summary Form provided as an attachment. Offerors may not reformat this form. Each offeror must complete the Cost Summary Form in the exact format provided, since the State may reject any Proposal with a reformatted Cost Summary Form or that is not separately sealed. (See: Part Three: General Instructions, Proposal Submittal.)

The Cost Summary Form must not include exceptions, additional terms and conditions, or assumptions.

CPCM must be all-inclusive; therefore the offeror shall consider all costs in arriving at the fixed CPCM and hourly rates. The offeror must incorporate any and all developmental and phase-in/phase-out costs (including all work performed during transition periods before contract start date and after contract end date) that are considered appropriate in the cost per active case per month as quoted in the cost schedules.

**The State will not be liable for or pay any Work costs that the offeror does not identify in its Proposal.**

## ATTACHMENT FOUR: GENERAL TERMS AND CONDITIONS

### PART ONE: PERFORMANCE AND PAYMENT

**Statement of Work.** The selected offeror's proposal (the "Proposal") and the State's Request for Proposals (the "RFP"), which are collectively referred to as the "RFP Documents", are a part of this contract (the "Contract") and describe the work (the "Work") the selected offeror (the "Contractor") must do and any materials the Contractor must deliver (the "Deliverables") under this Contract. The Contractor must do the Work in a professional, timely, and efficient manner and must provide the Deliverables in a proper fashion. The Contractor also must furnish its own support staff necessary for the satisfactory performance of the Work.

The Contractor must consult with the appropriate State representatives and others necessary to ensure a thorough understanding of the Work and satisfactory performance. The State may give instructions to or make requests of the Contractor relating to the Work, and the Contractor must comply with those instructions and fulfill those requests in a timely and professional manner. Those instructions and requests will be for the sole purpose of ensuring satisfactory completion of the Work and will not amend or alter the scope of the Work.

**Term.** Unless this Contract is terminated or expires without renewal, it will remain in effect until the Work is completed to the satisfaction of the State and the Contractor is paid. But the current General Assembly cannot commit a future General Assembly to expenditure. Therefore, this Contract will automatically expire at the end of each biennium, the first of which is June 13, 2013. The State may renew this Contract in the next biennium by issuing written notice to the Contractor of the decision to do so. This expiration and renewal procedure also will apply to the end of any subsequent biennium during which the Work continues, subject to the State's approval. Termination or expiration of this Contract will not limit the Contractor's continuing obligations with respect to Deliverables that the State pays for before or after termination or limit the State's rights in such.

The State's funds are contingent upon the availability of lawful appropriations by the Ohio General Assembly. If the General Assembly fails to continue funding for the payments and other obligations due as part of this Contract, the State's obligations under this Contract will terminate as of the date that the funding expires without further obligation of the State.

The Work has a completion date that is identified in the RFP Documents. The RFP Documents also may have several dates for the delivery of Deliverables or reaching certain milestones in the Work. The Contractor must make those deliveries, meet those milestones, and complete the Work within the times the RFP Documents require. If the Contractor does not meet those dates, the Contractor will be in default, and the State may terminate this Contract under the Suspension and Termination Section contained in Part II of this Attachment Four.

But the State also may have certain obligations to meet. Those obligations, if any, also are listed in the RFP Documents. If the State agrees that the Contractor's failure to meet the delivery, milestone, or completion dates in the RFP Documents is due to the State's failure to meet its own obligations in a timely fashion, then the Contractor will not be in default, and the delivery, milestone, and completion dates affected by the State's failure to perform will be extended by the same amount of time as the State's delay. The Contractor may not rely on this provision unless the Contractor has in good faith exerted reasonable management skill to avoid an extension and has given the State meaningful written notice of the State's failure to meet its obligations within five business days of the Contractor's realization that the State's delay may impact the Work. The Contractor must deliver any such notice to both the Work Representative and Procurement Representative and title the notice as a "Notice of State Delay." The notice must identify any delay in detail, as well as the impact the delay has or will have on the Work. Unless the State decides, in its sole and exclusive judgment, that an equitable adjustment in the Contractor's Fee is warranted in the case of an extended delay, an extension of the Contractor's time to perform will be the Contractor's exclusive remedy for the State's delay. Should the State determine that an equitable adjustment in the Contractor's Fee is warranted, the equitable adjustment will be handled as

a Change Order under the Changes Section of this Contract, and the extension of time and equitable adjustment will be the exclusive remedies of the Contractor for the State's delay.

The State seeks a complete solution to what the Work is intended to accomplish, and the Contractor must provide any incidental items omitted in the RFP Documents as part of the Contractor's not-to-exceed fixed price. All required components and processes for the Work to be complete and useful to the State are included in the Work and the not-to-exceed fixed price, unless the RFP expressly provides otherwise.

**Compensation.** In consideration of the Contractor's promises and satisfactory performance, the State will pay the Contractor the amount(s) identified in the RFP Documents (the "Fee"), plus any other expenses identified as reimbursable in the RFP Documents. The Contractor's right to the Fee is contingent on the complete and satisfactory performance of the Work or, in the case of milestone payments or periodic payments of an hourly, daily, weekly, monthly, or annual rate, all relevant parts of the Work tied to the applicable milestone or period. Payment of the Fee also is contingent on the Contractor delivering a proper invoice and any other documents the RFP Documents require. An invoice must comply with the State's then current policies regarding invoices and their submission. The State will notify the Contractor in writing within 15 business days after it receives a defective invoice of any defect and provide the information necessary to correct the defect.

The Contractor must send all invoices under this Contract to the "bill to" address in the RFP Documents or in the applicable purchase order.

The State will pay the Contractor interest on any late payment, as provided in Section 126.30 of the Ohio Revised Code (the "Revised Code"). If the State disputes a payment for anything covered by an invoice, within 15 business days after receipt of that invoice, the State will notify the Contractor, in writing, stating the grounds for the dispute. The State then may deduct the disputed amount from its payment as a nonexclusive remedy. If the Contractor has committed a material breach, in the sole opinion of the State, the State also may withhold payment otherwise due to the Contractor. Both parties will attempt to resolve any claims of material breach or payment disputes through discussions among the Work Manager, the Contractor's executive responsible for the Work, the Work Representative, and the State Contract Management Administrator. The State will consult with the Contractor as early as reasonably possible about the nature of the claim or dispute and the amount of payment affected. When the Contractor has resolved the matter to the State's satisfaction, the State will pay the disputed amount within 30 business days after the matter is resolved. The State has no obligation to make any disputed payments until the matter is resolved, and the Contractor must continue its performance under this Contract pending resolution of the dispute or claim.

If the State has already paid the Contractor on an invoice but later disputes the amount covered by the invoice, and if the Contractor fails to correct the problem within 30 calendar days after written notice, the Contractor must reimburse the State for that amount at the end of the 30 calendar days as a nonexclusive remedy for the State. On written request from the Contractor, the State will provide reasonable assistance in determining the nature of the problem by giving the Contractor reasonable access to the State's facilities and any information the State has regarding the problem.

If the RFP Documents provide for any retainage, the State will withhold from each invoice paid the percentage specified in the RFP Documents as retainage. The State will pay the retainage only after the State has accepted all the Work and then only in accordance with the payment schedule specified in the RFP Documents. The State will withhold all amounts under this section arising from claims or disputes in addition to any retainage specified in the RFP Documents.

**Reimbursable Expenses.** The State will pay all reimbursable expenses identified in the RFP Documents, if any, in accordance with the terms in the RFP Documents and, where applicable, Section 126.31 of the Revised Code. The Contractor must assume all expenses that it incurs in the performance of this Contract that are not identified as reimbursable in the RFP Documents.

In making any reimbursable expenditure, the Contractor always must comply with the more restrictive of its own, then current internal policies for making such expenditures or the State's then current policies.

All reimbursable travel will require the advance written approval of the State's Work Representative. The Contractor must bill all reimbursable expenses monthly, and the State will reimburse the Contractor for them within 30 business days of receiving the Contractor's invoice.

**Right of Offset.** The State may set off the amount of any Ohio tax liability or other obligation of the Contractor or its subsidiaries to the State, including any amounts the Contractor owes to the State under this or other contracts, against any payments due from the State to the Contractor under this or any other contracts with the State.

**Certification of Funds.** None of the rights, duties, or obligations in this Contract will be binding on the State, and the Contractor will not begin its performance, until all the following conditions have been met:

- (a) All statutory provisions under the Revised Code, including Section 126.07, have been met;
- (b) All necessary funds are made available by the appropriate State entities;
- (c) If required, the Controlling Board of Ohio approves this Contract; and
- (d) If the State is relying on federal or third-party funds for this Contract, the State gives the Contractor written notice that such funds are available.

**Employment Taxes.** All people furnished by the Contractor (the "Contractor Personnel") are employees or subcontractors of the Contractor, and none are or will be deemed employees or contractors of the State. No Contractor Personnel will be entitled to participate in, claim benefits under, or become an "eligible employee" for purposes of any employee benefit plan of the State by reason of any work done under this Contract. The Contractor will pay all federal, state, local, and other applicable payroll taxes and make the required contributions, withholdings, and deductions imposed or assessed under any provision of any law and measured by wages, salaries, or other remuneration paid by or which may be due from the Contractor to the Contractor Personnel. The Contractor will indemnify, defend (with the consent and approval of the Ohio Attorney General), and hold the State harmless from and against all claims, losses, liability, demands, fines, and expense (including court costs, defense costs, and redeemable attorney fees) arising out of or relating to such taxes, withholdings, deductions, and contributions with respect to the Contractor Personnel. The Contractor's indemnity and defense obligations also apply to any claim or assertion of tax liability made by or on behalf of any Contractor Personnel or governmental agency on the basis that any Contractor Personnel are employees or contractors of the State, that the State is the "joint employer" or "co-employer" of any Contractor Personnel, or that any Contractor Personnel are entitled to any employee benefit offered only to eligible regular fulltime or regular part-time employees of the State.

**Sales, Use, Excise, and Property Taxes.** The State is exempt from any sales, use, excise, and property tax. To the extent sales, use, excise, or any similar tax is imposed on the Contractor in connection with the Work; such will be the sole and exclusive responsibility of the Contractor. And the Contractor will pay such taxes, together with any interest and penalties not disputed with the appropriate taxing authority, whether they are imposed at the time the services are rendered or a later time.

## **PART TWO: WORK AND CONTRACT ADMINISTRATION**

**Related Contracts.** The Contractor warrants that the Contractor has not and will not enter into any contracts without written approval of the State to perform substantially identical services for the State, such that the Work under this Contract duplicates the work done or to be done under the other State contracts.

**Other Contractors.** The State may hold other contracts for additional or related work, including among others independent verification and validation (IV&V) efforts for the Work. The Contractor must fully cooperate with all other contractors and State employees and coordinate its Work with such other contractors and State employees as may be required for the smooth and efficient operation of all related or additional work. The Contractor may not act in any way that may unreasonably interfere with the work of any other contractors or the State's employees. Further, the Contractor must fully cooperate with any IV&V contractor assigned to the Work. Such cooperation includes expeditiously providing the IV&V contractor with full and complete access to all Work product, records, materials, personnel, meetings, and

correspondence as the IV&V contractor may request. If the State assigns an IV&V contractor to the Work, the State will obligate the IV&V contractor to a confidentiality provision similar to the Confidentiality Section contained in this Contract. The Contractor must include the obligations of this provision in all its contracts with its subcontractors for the Work.

**Subcontracting.** The Contractor may not enter into subcontracts related to the Work after award without written approval from the State. But the Contractor will not need the State's written approval to subcontract for the purchase of commercial goods that are required for satisfactory completion of the Work. All subcontracts will be at the sole expense of the Contractor unless expressly stated otherwise in the RFP Documents.

The State's approval of the use of subcontractors does not mean that the State will pay for them. The Contractor will be solely responsible for payment of its subcontractor and any claims of subcontractors for any failure of the Contractor or any of its other subcontractors to meet the performance schedule or performance specifications for the Work in a timely and professional manner. The Contractor must hold the State harmless for and must indemnify the State against any such claims.

The Contractor assumes responsibility for all Deliverables whether it, a subcontractor, or third-party manufacturer produces them in whole or in part. Further, the Contractor will be the sole point of contact with regard to contractual matters, including payment of all charges resulting from the Contract. And the Contractor will be fully responsible for any default by a subcontractor, just as if the Contractor itself had defaulted.

If the Contractor uses any subcontractors, each subcontractor must have a written agreement with the Contractor. That written agreement must incorporate this Contract by reference. The agreement also must pass through to the subcontractor all provisions of this Contract that would be fully effective only if they bind both the subcontractor and the Contractor. Among such provisions are the limitations on the Contractor's remedies, the insurance requirements, record keeping obligations, and audit rights. Some sections of this Contract may limit the need to pass through their requirements to subcontracts to avoid placing cumbersome obligations on minor subcontractors. But this exception is applicable only to sections that expressly provide exclusion for small-dollar subcontracts. Should the Contractor fail to pass through any provisions of this Contract to one of its subcontractors and the failure damages the State in any way, the Contractor must indemnify the State for the damage.

**Criminal Background Check of Personnel.** Contractor agrees that (1) it will conduct a criminal background checks as provided in section 5104.013 of the Ohio Revised Code on Contractor personnel who will perform sensitive services (as defined below), and (2) no ineligible personnel will perform sensitive services under this Contract. "Ineligible Personnel" means any person who (a) has been convicted at any time of any criminal offense involving dishonesty, a breach of trust, or money laundering, or who has entered into a pre-trial diversion or similar program in connection with a prosecution for such offense, (b) is named by the Office of Foreign Asset Control (OFAC) as a Specially Designated National, or (c) has been convicted of a felony. "Sensitive Services" means those services that (i) require access to Customer/Consumer Information, (ii) relate to the State's computer networks, information systems, databases or secure facilities under circumstances that would permit modifications to such systems, or (iii) involve unsupervised access to secure facilities ("Sensitive Services"). Upon request, Contractor will provide written evidence that all of Contractor's personnel providing Sensitive Services have undergone a criminal background check and are eligible to provide Sensitive Services. In the event that Contractor does not comply with the terms of this section, the State may, in its sole and absolute discretion, terminate this Contract immediately without further liability.

**Record Keeping.** The Contractor must keep all financial records in accordance with generally accepted accounting principles consistently applied. The Contractor also must file documentation to support each action under this Contract in a manner allowing the documentation to be readily located. And the Contractor must keep all Work-related records and documents at its principal place of business or at its office where the work was performed.

**Audits.** During the term of this Contract and for three years after the payment of the Contractor's Fee, on reasonable notice and during customary business hours, the State may audit the Contractor's records and other materials that relate to the Work. This audit right also applies to the State's duly authorized representatives and any person or organization providing financial support for the Work.

**SSAE 16 Audit (formally SAS 70) (EBT ONLY)**

Federal regulations at 7 CFR 274.1(i) require the Contractor, and applicable subcontractors, to obtain an examination by an independent auditor regarding the issuance, redemption, and settlement of benefits under the Food Assistance Program (CFDA 10.551) in accordance with the American Institute of Certified Public Accountants (AICPA) Statement on Standards for Attestation Engagements (SSAE) No. 16, Reporting on Controls at a Service Organization. The audit report must include all of the requirements stated in 7 CFR 274.1(i)(1) and (2)(i)-(vi). The Contractor must ensure these examinations are performed at least annually, cover the entire period since the previous examination period, and that the examination reports are submitted to the State within 90 days after the end of the examination period. The examination report must include a list of all States whose systems operate under the same control environment. The auditor of the service organization is required to issue a report on controls placed in operation and tests of controls' operating effectiveness, which is commonly referred to as a "type 2 report" (7 CFR section 274.1(i)).

The Contractor will be required to meet with ODJFS to review each audit report within 30 days after receipt. Any exception noted that has not been resolved will require supporting documentation to verify the finding has been corrected. ODJFS will hold quarterly meetings with the contractor to review the plan to address each unresolved exception. These meetings will occur until all exceptions have been reconciled.

It is the sole obligation of the Contractor to remedy any issues, material weaknesses, or other items arising from these audits as they pertain to services or capabilities provided by the Contractor to the State at the time of the Audit. The Contractor is to remedy these issues at no cost to the State. For items that arise as a result of State policies, procedures and activities, after mutual agreement on the underlying cause and remedial activity requirements and plan, State agrees to work, and under agreed terms, to effect the required changes to the Services delivery model to remediate issues discovered under a SSAE 16 audit.

**Onsite Operational and Financial Examinations.** To assist the State in its activities related to oversight of the Contractor in the performance of the Contract, subsequent to the effective date of this Contract, the State, or its agent, may conduct onsite operational and financial examinations of Contractor.

(i) The onsite examinations may include, without limitation, verification that business is conducted as represented by Contractor at all sites where it performs services or disaster recovery for the State; Contractor's facilities are adequate to support claims of staffing, services performed and inventory housed; and the facilities provide adequate security for staff, functions performed and services rendered. This examination may include verification that Contractor has adequate information security compliance policies and procedures.

(ii) The financial examination may include, without limitation, a review of Contractor's current balance sheet; its most recent annual report; up to three (3) years of third party audits; tax returns for the previous three (3) years; and all documentation supporting employee bonds and insurance policies of Contractor.

**Consent to Examinations.**

(i) By execution of this Contract, Contractor consents to the examinations described in these provisions and consents to such examinations being conducted by the State or its agent.

(ii) The State may conduct such examinations from time to time during the term of this Contract and the consent to the examinations provided by Contractor shall be a

continuing consent to conduct the examinations periodically in the State's discretion during the Term of this Contract.

**Right to Terminate.**

- (i) In the event the State determines, in its sole discretion, that the results of any examination of Contractor is unsatisfactory per the requirements of the Contract and not remedied within a 30 day period following notice from the State, the State may terminate this Contract, in part or in full.
- (ii) If the Contractor fails to satisfy the requirements of the State with regard to security of information, or if an examination reveals information that would result in a continuing contractual relationship that causes the State to be in violation of any law, the State may terminate this Contract immediately without notice.
- (iii) If Contractor fails to satisfy the requirements of the State with regard to matters not related to those discussed in paragraph (c) (i) or (ii), the State will provide Contractor with notice and an opportunity to cure the failure within thirty (30) days. If the failure is not cured by Contractor within such thirty (30) day period, the State may terminate this Contract without further notice.

**Insurance.** The Contractor must provide the following insurance coverage at its own expense throughout the term of this Contract:

- (a) Workers' compensation insurance, as required by Ohio law, and if some of the Work will be done outside Ohio, the laws of the appropriate state(s) where any portion of the Work will be done. The Contractor also must maintain employer's liability insurance with at least a \$1,000,000.00 limit.
- (b) Commercial General Liability insurance coverage for bodily injury, personal injury, wrongful death, and property damage. The defense cost must be outside of the policy limits. Such policy must designate the State of Ohio as an additional insured, as its interest may appear. The policy also must be endorsed to include a blanket waiver of subrogation. At a minimum, the limits of the insurance must be:

- \$ 2,000,000 General Aggregate
- \$ 2,000,000 Products/Completed Operations Aggregate
- \$ 1,000,000 Per Occurrence Limit
- \$ 1,000,000 Personal and Advertising Injury Limit
- \$ 100,000 Fire Legal Liability
- \$ 10,000 Medical Payments

The policy must be endorsed to provide the State with 30-days prior written notice of cancellation or material change to the policy. And the Contractor's Commercial General Liability must be primary over any other insurance coverage.

- (c) Commercial Automobile Liability insurance with a combined single limit of \$500,000.
- (d) Professional Liability insurance covering all staff with a minimum limit of \$1,000,000 per incident and \$3,000,000 aggregate. If the Contractor's policy is written on a "claims made" basis, the Contractor must provide the State with proof of continuous coverage at the time the policy is renewed. If for any reason the policy expires, or coverage is terminated, the Contractor must purchase and maintain "tail" coverage through the applicable statute of limitations.

The certificate(s) must be in a form that is reasonably satisfactory to the State as to the contents of the policies and the quality of the insurance carriers. All carriers must have at least an "A-" rating by A.M. Best.

**Replacement Personnel.** If the RFP Documents contain the names of specific people who will do the Work, then the quality and professional credentials of those people were material factors in the State's decision to enter into this Contract. Therefore, the Contractor must use all commercially reasonable efforts to ensure the continued availability of those people. Also, the Contractor may not remove those people from the Work without the prior, written consent of the State, except as provided below.

The Contractor may remove a person listed in the RFP Documents from the Work, if doing so is necessary for legal or disciplinary reasons. But the Contractor must make a reasonable effort to give the State 30 calendar days' prior, written notice of the removal.

If the Contractor removes a person listed in the RFP Documents from the Work for any reason other than those specified above, the State may assess liquidated damages in the amount of \$1,500.00 for every day between the date on which the individual was removed and the date that this Contract is terminated or the individual's qualified replacement, selected in accordance with the process identified in this section, starts performing on the Work. The State also may provide the Contractor with written notice of its default under this section, which the Contractor must cure within 30 days. Should the Contractor fail to cure its default within the 30 day cure period, this Contract will terminate immediately for cause, and the State will be entitled to damages in accordance with the Suspension and Termination Section of this Contract due to the termination. Should the State assess liquidated damages or otherwise be entitled to damages under this provision, it may offset these damages from any Fees due under this Contract.

The Contractor must have qualified replacement people available to replace any people listed in the RFP Documents by name or identified as a key individual on the Work. When the removal of a listed person is permitted under this Section, or if a person becomes unavailable, the Contractor must submit the resumes for two replacement people to the State for each person removed or who otherwise becomes unavailable. The Contractor must submit the two resumes, along with such other information as the State may reasonably request, within five business days after the decision to remove a person is made or the unavailability of a listed person becomes known to the Contractor.

The State will select one of the two proposed replacements or will reject both of them within ten business days after the Contractor has submitted the proposed replacements to the State. The State may reject the proposed replacements for any legal reason. Should the State reject both replacement candidates due to their failure to meet the minimum qualifications identified in the RFP Documents, or should the Contractor fail to provide the notice required under this Section or fail to provide two qualified replacement candidates for each removed or unavailable person, the Contractor will be in default and the cure period for default specified elsewhere in this Contract will not apply. In any such case, the State will have the following options:

- (a) The State may assess liquidated damages in the amount of \$1,500.00 for every day between the date on which the Contractor failed to provide the applicable notice, failed to provide the two replacement candidates, or the date the State rejected all candidates for cause and the date on which the Contractor affects a cure or the Contract expires without renewal or is terminated.
- (b) The State may terminate this Contract immediately for cause and without any cure period.

Should the State exercise its option under item (a) above, it nevertheless will be entitled anytime thereafter to exercise its option under item (b) above. Additionally, should the State terminate this Contract under this provision, it will be entitled to damages in accordance with the Suspension and Termination Section of this Contract due to the termination. Should the State assess liquidated damages or otherwise be entitled to damages under this provision, it may offset these damages from any Fees due under this Contract.

The State may determine that the proposed replacement candidates meet the minimum qualifications of this Contract and still substantially reduce the value the State perceived it would receive through the effort of the original individual(s) the Contractor proposed and on whose credentials the State decided to enter

into this Contract. Therefore, the State will have the right to reject any candidate that the State determines may provide it with diminished value.

Should the State reject both proposed candidates for any legal reason other than their failure to meet the minimum qualifications identified in the RFP Documents, the State may terminate this Contract for its convenience.

The State has an interest in providing a healthy and safe environment for its employees and guests at its facilities. The State also has an interest in ensuring that its operations are carried out in an efficient, professional, legal, and secure manner. Therefore, the State will have the right to require the Contractor to remove any individual involved in the Work, if the State determines that any such individual has or may interfere with the State's interests identified above. In such a case, the request for removal will be treated as a case in which an individual providing services under this Contract has become unavailable, and the Contractor must follow the procedures identified above for replacing unavailable people. This provision also applies to people that the Contractor's subcontractors engage, if they are listed by name or as a key person in the RFP Documents.

**Suspension and Termination.** The State may terminate this Contract if the Contractor defaults in meeting its obligations under this Contract and fails to cure its default within the time allowed by this Contract, or if a petition in bankruptcy (or similar proceeding) has been filed by or against the Contractor. The State also may terminate this Contract if the Contractor violates any law or regulation in doing the Work, or if it appears to the State that the Contractor's performance is substantially endangered through no fault of the State. In any such case, the termination will be for cause, and the State's rights and remedies will be those identified below for termination for cause.

On written notice, the Contractor will have 30 calendar days to cure any breach of its obligations under this Contract, provided the breach is curable. If the Contractor fails to cure the breach within 30 calendar days after written notice, or if the breach is not one that is curable, the State will have the right to terminate this Contract immediately on notice to the Contractor. The State also may terminate this Contract in the case of breaches that are cured within 30 calendar days but are persistent. "Persistent" in this context means that the State has notified the Contractor in writing of the Contractor's failure to meet any of its obligations three times. After the third notice, the State may terminate this Contract on written notice to the Contractor without a cure period if the Contractor again fails to meet any obligation. The three notices do not have to relate to the same obligation or type of failure. Some provisions of this Contract may provide for a shorter cure period than 30 calendar days or for no cure period at all, and those provisions will prevail over this one. If a particular section does not state what the cure period will be, this provision will govern.

Moreover, the State may terminate this Contract for its convenience and without cause or if the Ohio General Assembly fails to appropriate funds for any part of the Work. If a third party is providing funding for the Work, the State also may terminate this Contract should that third party fail to release any funds for the Work. The RFP Documents normally identify any third party source of funds for the Work, but an absence of such in the RFP Documents will not diminish the State's rights under this section.

The notice of termination, whether for cause or without cause, will be effective as soon as the Contractor receives it. Upon receipt of the notice of termination, the Contractor must immediately cease all activity on the Work and take all steps necessary to minimize any costs the Contractor will incur related to this Contract. The Contractor also must immediately prepare a report and deliver it to the State. The report must be all-inclusive and must detail the Work completed at the date of termination, the percentage of the Work's completion, any costs incurred in doing the Work to that date, and any Deliverables completed or partially completed but not delivered to the State at the time of termination. The Contractor also must deliver all the completed and partially completed Deliverables to the State with its report. But if the State determines that delivery in that manner would not be in its interest, then the State may designate a suitable alternative form of delivery, which the Contractor must honor.

If the State terminates this Contract for cause, the State will be entitled to cover for the Work by using another Contractor on such commercially reasonable terms as the State and the covering contractor may

agree. The Contractor will be liable to the State for all costs related to covering for the Work to the extent that such costs, when combined with payments already made to the Contractor for the Work before termination, exceed the costs that the State would have incurred under this Contract. The Contractor also will be liable for any other direct damages resulting from its breach of this Contract or other action leading to termination for cause.

If the termination is for the convenience of the State, the Contractor will be entitled to compensation for any Work that the Contractor has performed before the termination. Such compensation will be the Contractor's exclusive remedy in the case of termination for convenience and will be available to the Contractor only once the Contractor has submitted a proper invoice for such, with the invoice reflecting the amount that the State determines it owes to the Contractor. The State will make that determination based on the lesser of the percentage of the Work completed or the hours of work performed in relation to the estimated total hours required to perform all the Work.

Notwithstanding anything in the Contract to the contrary, any time the State has the right to terminate the Contract, the State may elect to terminate the Contract only in part by notifying the Contractor of such decision. By electing to terminate only part of the Contract, the State does not give up its rights to later terminate other portions or the entire Contract. In the event the State terminates all or part of the EBT or EPC services provided by the Contractor, the Contractor shall continue to be obligated to perform the services, both those that are to remain and those that are being terminated, in accordance with the requirements of the Contract, including without limitation, the service level requirements as long as the services continue to be provided. In addition, regardless of whether the termination is for all EBT or EPC services or only part of the EBT or EPC services, the Contractor must provide the transition services as set forth in this RFP as necessary to enable the State to convert the EBT or EPC services being terminated to another provider, including the State.

The State will have the option of suspending rather than terminating the Work, if the State believes that doing so would better serve its interests. In the event of a suspension for the convenience of the State, the Contractor will be entitled to receive payment for the work performed before the suspension. In the case of suspension of the Work rather than termination for cause, the Contractor will not be entitled to any compensation for any work performed. If the State reinstates the Work after suspension for cause, rather than terminating this Contract after the suspension, the Contractor may be entitled to compensation for work performed before the suspension, less any damage to the State resulting from the Contractor's breach of this Contract or other fault. Any amount due for work before or after the suspension for cause will be offset by any damage to the State from the default or other event giving rise to the suspension.

In the case of a suspension for the State's convenience, the State will calculate the amount of compensation due to the Contractor for work performed before the suspension in the same manner as provided in this section for termination for the State's convenience. The Contractor will not be entitled to compensation for any other costs associated with a suspension for the State's convenience, and the State will make no payment under this provision to the Contractor until the Contractor submits a proper invoice. If the State decides to allow the Work to continue rather than terminating this Contract after the suspension, the State will not be required to make any payment to the Contractor other than those payments specified in this Contract and in accordance with the payment schedule specified in this Contract for properly completed Work.

Any notice of suspension, whether with or without cause, will be effective immediately on the Contractor's receipt of the notice. The Contractor will prepare a report concerning the Work just as is required by this Section in the case of termination. After suspension of the Work, the Contractor may not perform any Work without the consent of the State and may resume the Work only on written notice from the State to do so. In any case of suspension, the State retains its right to terminate this Contract rather than to continue the suspension or resume the Work. If the suspension is for the convenience of the State, then termination of the Contract will be a termination for convenience. If the suspension is with cause, the termination will also be for cause.

The State may not suspend the Work for its convenience more than twice during the term of this Contract, and any suspension for the State's convenience may not continue for more than 30 calendar days. If the Contractor does not receive notice to resume or terminate the Work within the 30-day suspension, then this Contract will terminate automatically for the State's convenience at the end of the 30 calendar day period.

Any default by the Contractor or one of its subcontractors will be treated as a default by the Contractor and all of its subcontractors. The Contractor will be solely responsible for satisfying any claims of its subcontractors for any suspension or termination and must indemnify the State for any liability to them. Notwithstanding the foregoing, each subcontractor must hold the State harmless for any damage caused to them from a suspension or termination. They must look solely to the Contractor for any compensation to which they may be entitled.

**Representatives.** The State's representative under this Contract will be the person identified in the RFP Documents or in a subsequent notice to the Contractor as the "Work Representative." The Work Representative will review all reports the Contractor makes in the performance of the Work, will conduct all liaison with the Contractor, and will accept or reject the Deliverables and the completed Work. The Work Representative may delegate his or her responsibilities for individual aspects of the Work to one or more managers, who may act as the Work Representative for those individual portions of the Work.

The Contractor's Work Manager under this Contract will be the person identified on the RFP Documents as the "Work Manager." The Work Manager will be the Contractor's liaison with the State under this Contract. Additionally, the Work Manager will conduct all Work meetings and prepare and submit to the Work Representative all reports, plans, and other materials that the RFP Documents require from the Contractor.

Either party, upon written notice to the other party, may designate another representative. However, the Contractor may not replace the Work Manager without the approval of the State if that person is identified in the RFP Documents by name or as a key individual on the Work.

**Work Responsibilities.** The State will be responsible for providing only those things, if any, expressly identified in the RFP Documents. If the State has agreed to provide facilities or equipment, the Contractor, by signing this Contract, warrants that the Contractor has either inspected the facilities and equipment or has voluntarily waived an inspection and will use the equipment and facilities on an "as is" basis.

The Contractor must assume the lead in the areas of management, design, and development of the Work. The Contractor must coordinate the successful execution of the Work and direct all Work activities on a day-to-day basis, with the advice and consent of the Work Representative. The Contractor will be responsible for all communications regarding the progress of the Work and will discuss with the Work Representative any issues, recommendations, and decisions related to the Work.

If any part of the Work requires installation on the State's property, the State will provide the Contractor with reasonable access to the installation site for the installation and any site preparation that is needed. After the installation is complete, the Contractor must complete an installation letter and secure the signature of the Work Representative certifying that installation is complete and the Work, or applicable portion of it, is operational. The letter must describe the nature, date, and location of the installation, as well as the date the Work Representative certified the installation as complete and operational.

Unless otherwise provided in the RFP Documents, the Contractor is solely responsible for obtaining all official permits, approvals, licenses, certifications, and similar authorizations required by any local, state, or federal agency for the Work and maintaining them throughout the duration of this Contract.

**Changes.** The State may make reasonable changes within the general scope of the Work. The State will do so by issuing a written order under this Contract describing the nature of the change ("Change Order"). Additionally, if the State provides directions or makes requests of the Contractor without a change order, and the Contractor reasonably believes the directions or requests are outside the

specifications for the Work, the Contractor may request a Change Order from the State. The parties will handle such changes as follows: The Contractor will provide pricing to the State. The State will execute a Change Order once it and the Contractor have agreed on the description of and specifications for the change, as well as any equitable adjustments that need to be made in the Contractor's Fee or the performance schedule for the work. Then within five business days after receiving the Change Order, the Contractor must sign it to signify agreement with it.

If a change causes an increase in the cost of, or the time required for, the performance of the Work, the Contractor must notify the State in writing and request an equitable adjustment in its Fee, the delivery schedule, or both before the Contractor signs the Change Order. If the Contractor claims an adjustment under this section in connection with a change to the Work not described in a written Change Order, the Contractor must notify the State in writing of the claim within five business days after the Contractor is notified of the change and before work on the change begins. Otherwise, the Contractor will have waived the claim. In no event will the State be responsible for any increase in the Fee or revision in any delivery schedule unless the State expressly ordered the relevant change in writing and the Contractor has complied with the requirements of this section. Provided the State has complied with the procedure for Change Orders in this section, nothing in this clause will excuse the Contractor from proceeding with performance of the Work, as changed.

Where an equitable adjustment to the Contractor's Fee is appropriate, the State and the Contractor may agree upon such an adjustment. If the State and the Contractor are unable to agree, either party may submit the dispute to the senior management of the Contractor and the senior management of the State's Department of Administrative Services for resolution. If within 30 calendar days following referral to senior management, the claim or dispute has not been resolved, the Contractor must submit its actual costs for materials needed for the change (or estimated amount if the precise amount of materials cannot be determined) and an estimate of the hours of labor required to do the work under the Change Order. The Contractor must break down the hours of labor by employee position, and provide the actual hourly pay rate for each employee involved in the change. The total amount of the equitable adjustment for the Change Order then will be made based on the actual cost of materials (or estimated materials) and actual rate for each person doing the labor (based on the estimated hours of work required to do the change). Labor rates will be increased by 25% to cover benefits and taxes. The equitable adjustment for the Change Order then will be set based on this amount, plus 15% to cover overhead and profit. This amount will be the not-to-exceed amount of the Change Order. If the change involves removing a requirement from the Work or replacing one part of the Work with the change, the State will get a credit for the work no longer required under the original scope of the Work. The credit will be calculated in the same manner as the Contractor's Fee for the change, and the not-to-exceed amount will be reduced by this credit.

The Contractor is responsible for coordinating changes with its subcontractors and adjusting their compensation and performance schedule. The State will not pay any subcontractor for the Change Order. If a subcontractor will perform any work under a Change Order, that work must be included in the Contractor's not-to-exceed amount and calculated in the same manner as the Contractor's equitable adjustment for the portion of the work the Contractor will perform. The Contractor will not receive an overhead percentage for any work a subcontractor will do under a Change Order.

If the RFP Documents provide for the retainage of a portion of the Contractor's Fee, all equitable adjustments for Change Orders also will be subject to the same retainage, which the State will pay only on completion and acceptance of the Work, as provided in the RFP Documents.

**Excusable Delay.** Neither party will be liable for any delay in its performance that arises from causes beyond its control and without its negligence or fault. The delayed party must notify the other promptly of any material delay in performance and must specify in writing the proposed revised performance date as soon as practicable after notice of delay. In the event of any such excusable delay, the date of performance or of delivery will be extended for a period equal to the time lost by reason of the excusable delay. The delayed party also must describe the cause of the delay and what steps it is taking to remove the cause. The delayed party may not rely on a claim of excusable delay to avoid liability for a delay if the delayed party has not taken commercially reasonable steps to mitigate or avoid the delay. Things that

are controllable by the Contractor's subcontractors will be considered controllable by the Contractor, except for third-party manufacturers supplying commercial items and over whom the Contractor has no legal control.

**Independent Status of the Contractor.** The parties are independent of one another, and the Contractor's Personnel may act only in the capacity of representatives of the Contractor and not as representatives of the State. Further, the Contractor's Personnel will not be deemed for any purpose to be employees, representatives, or agents of the State. The Contractor assumes full responsibility for the actions of the Contractor's Personnel while they are performing under this Contract and will be solely responsible for paying the Contractor's Personnel (including withholding, and paying income taxes and social security, workers' compensation, disability benefits and the like). The Contractor may not commit, and is not authorized to commit, the State in any manner. The Contractor's subcontractors will be considered the agents of the Contractor for purposes of this Contract.

**Publicity.** The Contractor may not advertise or publicize that it is doing business with the State or use this Contract or the Contractor's relationship with the State as a marketing or sales tool, unless the State agrees otherwise in writing.

### **PART THREE: OWNERSHIP AND HANDLING OF INTELLECTUAL PROPERTY AND CONFIDENTIAL INFORMATION**

**Confidentiality.** The State may disclose to the Contractor written material or oral or other information that the State treats as confidential ("Confidential Information"). Title to the Confidential Information and all related materials and documentation the State delivers to the Contractor will remain with the State. The Contractor must treat such Confidential Information as secret if it is so marked, otherwise identified as such, or when, by its very nature, it deals with matters that, if generally known, would be damaging to the best interests of the public, other contractors or potential contractors with the State, or individuals or organizations about whom the State keeps information. The Contractor may not disclose any Confidential Information to third parties and must use it solely to perform under this Contract.

The Contractor's obligation to maintain the confidentiality of the Confidential Information will not apply where such:

- (1) Was already in the possession of the Contractor without an obligation of confidence;
- (2) Is independently developed by the Contractor, provided documentary evidence exists to support the independent development;
- (3) Except as provided in the next paragraph, is or becomes publicly available without a breach of this Contract;
- (4) Is rightfully received by the Contractor from a third party without an obligation of confidence;
- (5) Is disclosed by the Contractor with the written consent of the Disclosing Party; or
- (6) Is released under a valid order of a court or governmental agency, provided that the Contractor:
  - (a) Notifies the State of the order immediately upon receipt of it; and
  - (b) Makes a reasonable effort to obtain a protective order from the issuing court or agency limiting the disclosure and use of the Confidential Information solely for the purposes intended to be served by the original order of production.

Information that may be available publicly through other sources about people that is personal in nature, such as medical records, addresses, phone numbers, social security numbers, and similar things are nevertheless sensitive in nature and may not be disclosed or used in any manner except as expressly authorized in this Contract. Therefore, item (3) in the preceding paragraph does not apply, and the Contractor must treat such information as Confidential Information whether it is available elsewhere or not.

The Contractor must return all originals of any Confidential Information and destroy any copies it has made on termination or expiration of this Contract.

The Contractor's obligations of confidentiality and non-disclosure survive termination or expiration for any reason of this Contract.

The disclosure of the Confidential Information of the State in a manner inconsistent with the terms of this provision may cause the State irreparable damage for which remedies other than injunctive relief may be inadequate, and the Contractor agrees that in the event of a breach of the Contractor's obligations hereunder, the State will be entitled to temporary and permanent injunctive relief to enforce the provisions of this Contract without the necessity of proving actual damages. However, provision does not diminish or alter any right to claim and recover damages.

**Handling of the State's Data.** The Contractor must use due diligence to ensure computer and telecommunications systems and services involved in storing, using, or transmitting State data are secure and to protect that data from unauthorized disclosure, modification, or destruction. To accomplish this, the Contractor must:

- (1) Apply appropriate risk management techniques to ensure security for all sensitive data, including but not limited to any data identified as Confidential Information elsewhere in this Contract.
- (2) Ensure that its internal security policies, plans, and procedures address the basic security elements of confidentiality, integrity, and availability.
- (3) Maintain plans and policies that include methods to protect against security and integrity threats and vulnerabilities, as well as and detect and respond to those threats and vulnerabilities.
- (4) Maintain appropriate identification and authentication process for information systems and services associated with State data.
- (5) Maintain appropriate access control and authorization policies, plans, and procedures to protect system assets and other information resources associated with State data.
- (6) Implement and manage security audit logging on information systems, including computers and network devices.

The Contractor must maintain a robust boundary security capacity that incorporates generally recognized system hardening techniques. This includes determining which ports and services are required to support access to systems that hold State data, limiting access to only these points, and disable all others. To do this, the Contractor must use assets and techniques such as properly configured firewalls, a demilitarized zone for handling public traffic, host-to-host management, Internet protocol specification for source and destination, strong authentication, encryption, packet filtering, activity logging, and implementation of system security fixes and patches as they become available. The Contractor must use two-factor authentication to limit access to systems that contain particularly sensitive State data, such as personally identifiable data.

Unless the State instructs the Contractor otherwise in writing, the Contractor must assume all State data is both confidential and critical for State operations, and the Contractor's security policies, plans, and procedure for the handling, storage, backup, access, and, if appropriate, destruction of that data must be commensurate to this level of sensitivity. As part of the Contractor's protection and control of access to and use of data, the Contractor must employ appropriate intrusion and attack prevention and detection capabilities. Those capabilities must track unauthorized access and attempts to access the State's data, as well as attacks on the Contractor's infrastructure associated with the State's data. Further, the Contractor must monitor and appropriately address information from its system tools used to prevent and detect unauthorized access to and attacks on the infrastructure associated with the State's data.

The Contractor must use appropriate measures to ensure that State's data is secure before transferring control of any systems or media on which State data is stored. The method of securing the data must be appropriate to the situation and may include erasure, destruction, or encryption of the data before transfer of control. The transfer of any such system or media must be reasonably necessary for the performance of the Contractor's obligations under this Contract.

The Contractor must have a business continuity plan in place. The Contractor must test and update the IT disaster recovery portion of its business continuity plan at least annually. The plan must address procedures for response to emergencies and other business interruptions. Part of the plan must address backing up and storing data at a location sufficiently remote from the facilities at which the Contractor maintains the State's data in case

of loss of that data at the primary site. The plan also must address the rapid restoration, relocation, or replacement of resources associated with the State's data in the case of a disaster or other business interruption. The Contractor's business continuity plan must address short- and long-term restoration, relocation, or replacement of resources that will ensure the smooth continuation of operations related to the State's data. Such resources may include, among others, communications, supplies, transportation, space, power and environmental controls, documentation, people, data, software, and hardware. The Contractor also must provide for reviewing, testing, and adjusting the plan on an annual basis.

The Contractor may not allow the State's data to be loaded onto portable computing devices or portable storage components or media unless necessary to perform its obligations under this Contract properly. Even then, the Contractor may permit such only if adequate security measures are in place to ensure the integrity and security of the data. Those measures must include a policy on physical security for such devices to minimize the risks of theft and unauthorized access that includes a prohibition against viewing sensitive or confidential data in public or common areas. At a minimum, portable computing devices must have anti-virus software, personal firewalls, and system password protection. In addition, the State's data must be encrypted when stored on any portable computing or storage device or media or when transmitted from them across any data network. The Contractor also must maintain an accurate inventory of all such devices and the individuals to whom they are assigned.

Any encryption requirement identified in this provision must meet the Ohio standard as defined in Ohio IT standard ITS-SEC-01, "Data Encryption and Cryptography".

The Contractor must have reporting requirements for lost or stolen portable computing devices authorized for use with State data and must report any loss or theft of such to the State in writing as quickly as reasonably possible. The Contractor also must maintain an incident response capability for all security breaches involving State data whether involving mobile devices or media or not. The Contractor must detail this capability in a written policy that defines procedures for how the Contractor will detect, evaluate, and respond to adverse events that may indicate a breach or attempt to attack or access State data or the infrastructure associated with State data.

In case of an actual security breach that may have compromised State data, including but not loss or theft of devices or media, the Contractor must notify the State in writing of the breach within 24 hours of the Contractor becoming aware of the breach, and fully cooperate with the State to mitigate the consequences of such a breach. The Contractor must investigate and determine if a breach has occurred; specify to the State the corrective action to be taken; preserve evidence and any other information that would contribute to a forensic analysis and remediation of the unauthorized Disclosure; and take corrective action to prevent further disclosure or intrusion. This includes any use or disclosure of the State data that is inconsistent with the terms of this Contract and of which the Contractor becomes aware, including but not limited to, any discovery of a use or disclosure that is not consistent with this Contract by an employee, agent, or subcontractor of the Contractor.

The Contractor must give the State full access to the details of the breach and assist the State in making any notifications to potentially affected people and organizations that the State deems are necessary or appropriate. The Contractor must document all such incidents, including its response to them, and make that documentation available to the State on request. In addition to any other liability under this Contract related to the Contractor's improper disclosure of State data, and regardless of any limitation on liability of any kind in this Contract, the Contractor will be responsible for acquiring one year's identity theft protection service on behalf of any individual or entity whose personally identifiable information is compromised while it is in the Contractor's possession. Such identity theft protection must be reasonably acceptable to the State.

Additional requirements concerning Confidentiality and Handling the State's Data are included in Supplement 2.

**Confidentiality Agreements:** When the Contractor performs services under this Contract that require the Contractor's and its subcontractors' personnel to access facilities, data, or systems that the State in its sole discretion deems sensitive, the State may require the Contractor's and its subcontractors' personnel with such access to sign an individual confidential agreement and policy acknowledgements, and have a background check performed before accessing those facilities, data, or systems. Each State agency, board, and commission may require a different confidentiality agreement or acknowledgement, and the Contractor's and its subcontractors' personnel may be required to sign a different confidentiality

agreement or acknowledgement for each agency. The Contractor must immediately replace any of its or its subcontractors' personnel who refuse to sign a required confidentiality agreement or acknowledgment or have a background check performed.

**Ownership of Deliverables.** The State owns all Deliverables that the Contractor produces under this Contract, with all rights, title, and interest in all intellectual property that come into existence through the Contractor's custom work being assigned to the State. Additionally, the Contractor waives any author rights and similar retained interests in custom-developed material. The Contractor must provide the State with all assistance reasonably needed to vest such rights of ownership in the State. The Contractor will retain ownership of all tools, methods, techniques, standards, and other development procedures, as well as generic and preexisting shells, subroutines, and similar material incorporated into any custom Deliverable ("Pre-existing Materials"), if the Contractor provides the non-exclusive license described in the next paragraph. The State agency shall comply with the software and automated data processing equipment ownership rights prescribed under 7 CFR 277.13(g) and 277.18(l).

The Contractor may grant the State a worldwide, non-exclusive, royalty-free, perpetual license to use, modify, and distribute all Pre-existing Materials that are incorporated into any custom-developed Deliverable rather than grant the State ownership of the Pre-existing Materials. The State may distribute such Pre-existing materials to third parties only to the extent required by governmental funding mandates. The Contractor may not include in any custom Deliverable any intellectual property unless such has been created under this Contract or qualifies as Pre-existing Material. If the Contractor wants to incorporate any Pre-existing Materials into a custom Deliverable, the Contractor must first disclose that desire to the State in writing and seek the State's approval for doing so in advance. The State will not be obligated to provide that approval, unless the Contractor disclosed its intention to do so in the RFP Documents. On the Contractor's request, the State will incorporate into any copies of a custom Deliverable any proprietary notice that the Contractor included with the original copy, if that notice is reasonably necessary to protect the Contractor's interest in any Pre-existing Materials contained in the custom Deliverable.

Subject to the limitations and obligations of the State with respect to Pre-existing Materials, the State may make all custom Deliverables available to the general public without any proprietary notices of any kind.

**License in Commercial Material.** As used in this section, "Commercial Material" means anything that the Contractor or a third party has developed at private expense, is commercially available in the marketplace, subject to intellectual property rights, and readily copied through duplication on magnetic media, paper, or other media. Examples include written reports, books, pictures, videos, movies, computer programs, and computer source code and documentation.

Any Commercial Material that the Contractor intends to deliver as a Deliverable must have the scope of the license granted in such material disclosed in the RFP Documents or as an attachment referenced in the RFP Documents, if that scope of license is different from the scope of license contained in this section for Commercial Materials.

Except for Commercial Material that is software ("Commercial Software"), if the Commercial Material is copyrighted and published material, then the State will have the rights permitted under the federal copyright laws for each copy of the Commercial Material delivered to it by the Contractor.

Except for Commercial Software, if the Commercial Material is patented, then the State will have the rights permitted under the federal patent laws for each copy of the Commercial Material delivered to it by the Contractor.

Except for Commercial Software, if the Commercial Material consists of trade secrets, then the State will treat the material as confidential. In this regard, the State will assume all obligations with respect to the Commercial Material that the Contractor assumes under the Confidentiality section of this Contract with respect to the State's Confidential Information. Otherwise, the State will have the same rights and duties permitted under the federal copyright laws for each copy of the Commercial Material delivered to it by the Contractor, whether or not the material is copyrighted when delivered to the State.

For Commercial Software, the State will have the rights in items (1) through (6) of this section with respect to the software. The State will not use any Commercial Software except as provided in the six items below or as expressly stated otherwise in this Contract. The Commercial Software may be:

- (1) Used or copied for use in or with the computer or computers for which it was acquired, including use at any State installation to which such computer or computers may be transferred;
- (2) Used or copied for use in or with a backup computer for disaster recovery and disaster recovery testing purposes or if any computer for which it was acquired is inoperative;
- (3) Reproduced for safekeeping (archives) or backup purposes;
- (4) Modified, adapted, or combined with other computer software, but the modified, combined, or adapted portions of the derivative software incorporating any of the Commercial Software will be subject to same restrictions set forth in this Contract;
- (5) Disclosed to and reproduced for use on behalf of the State by support service contractors or their subcontractors, subject to the same restrictions set forth in this Contract; and
- (6) Used or copied for use in or transferred to a replacement computer.

Commercial Software delivered under this Contract is licensed to the State without disclosure restrictions unless it is clearly marked as confidential or secret. The State will treat any Commercial Software that is marked as confidential or secret as Confidential Information to the extent that such is actually the case.

#### **PART FOUR: REPRESENTATIONS, WARRANTIES, AND LIABILITIES**

**General Warranties.** The Contractor warrants that the recommendations, guidance, and performance of the Contractor under this Contract will: (1) be in accordance with sound professional standards and the requirements of this Contract and without any material defects; and (2) unless otherwise provided in the RFP Documents, be the work solely of the Contractor. The Contractor also warrants that: (1) no Deliverable will infringe on the intellectual property rights of any third party; and (2) the Contractor's work and the Deliverables resulting from that work will be merchantable and fit for the particular purposes described in the RFP Documents.

Additionally, with respect to the Contractor's activities under this Contract, the Contractor warrants that: (1) the Contractor has the right to enter into this Contract; (2) the Contractor has not entered into any other contracts or employment relationships that restrict the Contractor's ability to perform the contemplated services; (3) the Contractor will observe and abide by all applicable laws and regulations, including those of the State regarding conduct on any premises under the State's control; (4) the Contractor has good and marketable title to any goods delivered under this Contract and in which title passes to the State; (5) the Contractor has the right and ability to grant the license granted in any Deliverable in which title does not pass to the State; and (6) the Contractor is not subject to any unresolved findings of the Auditor of State under Revised Code Section 9.24 and will not become subject to an unresolved finding that prevents the extension or renewal of this Contract.

The warranties regarding material defects, merchantability, and fitness are one-year warranties. All other warranties will be continuing warranties. If any portion of the Work fails to comply with these warranties, and the Contractor is so notified in writing, the Contractor must correct such failure with all due speed or must refund the amount of the compensation paid for such portion of the Work. The Contractor also must indemnify the State for any direct damages and claims by third parties based on a breach of these warranties. This obligation of indemnification will not apply where the State has modified or misused the Deliverable and the claim is based on the modification or misuse. The State will give the Contractor notice of any such claim as soon as reasonably practicable. If a successful claim of infringement is made, or if the Contractor reasonably believes that an infringement claim that is pending may actually succeed, the Contractor must do one of the following things: (1) modify the Deliverable so that it is no longer infringing; (2) replace the Deliverable with an equivalent or better item; (3) acquire the right for the State to use the infringing Deliverable as it was intended for the State to use under this Contract; or (4) remove the Deliverable and refund the amount the State paid for the Deliverable and the amount of any

other Deliverable or item that requires the availability of the infringing Deliverable for it to be useful to the State.

**GENERAL EXCLUSION OF WARRANTIES. THE CONTRACTOR MAKES NO WARRANTIES, EXPRESS OR IMPLIED, OTHER THAN THOSE EXPRESS WARRANTIES CONTAINED IN THIS CONTRACT.**

**Indemnity for Property Damage and Bodily Injury.** The Contractor must indemnify the State for all liability and expense resulting from bodily injury to any person (including injury resulting in death) and damage to tangible or real property arising out of the performance of this Contract, provided that such bodily injury or property damage is due to the negligence or other tortious conduct of the Contractor, its employees, agents, or subcontractors. The Contractor will not be responsible for any damages or liability to the extent caused by the negligence or willful misconduct of the State, its employees, other contractors, or agents.

**Limitation of Liability.** Neither party will be liable for any indirect, incidental, or consequential loss or damage of the other party, including but not limited to lost profits, even if the parties have been advised, knew, or should have known of the possibility of such damages. Additionally, neither party will be liable to the other for direct or other damages in excess of \$100,000,000.00. The limitations in this paragraph do not apply to any obligation of the Contractor to indemnify the State against claims made against it or for damages to the State caused by the Contractor's negligence or other tortious conduct.

**Liabilities.** Federal Funds may not be drawn for over-issuances or transactions in excess of the authorized recipient benefit allotment. The Contractor will bear all liability for any losses resulting from errors or omissions including fraud and abuse on the part of the Contractor or its representatives or subcontractors. These liabilities shall include, but are not limited to:

- Any duplicate or erroneous postings to a client account;
- Any losses from funds drawn from an account after the client notified the Contractor that the card had been lost or stolen;
- Any losses from transactions performed with cards issued but not activated by the client and/or the Contractor;
- Any damages or losses suffered by a Federal or State Agency due to negligence on the part of the Contractor; and
- Any loss of benefits caused by fraud or abuse by the Contractor or its representatives or subcontractors.

## **PART FIVE: ACCEPTANCE AND MAINTENANCE**

**Standards of Performance and Acceptance.** If the RFP so indicates, there will be a period for performance testing of the Project. During the performance period, the State, with the assistance of the Contractor, will perform acceptance testing. The performance period will last up to 90 calendar days, during which time the Project must meet the standard of performance required by the RFP for 30 consecutive calendar days. The performance criteria in the RFP will be supplemented with the relevant user manuals, technical materials, and related writings, to the extent that the specifications in those writings supplement and refine rather than contradict the performance criteria in the RFP. Acceptance of the Project depends on a successful completion of the performance period defined in this section and the RFP. This section applies to the Project and any part of it, as well as replacements or substitutes for the Project after completion of a successful performance period.

If the Project does not meet the standard of performance during the initial performance period, the State will give the Contractor details about the problems in a timely manner and in a useful and relevant form. Until all outstanding problems have been demonstrably corrected by the Contractor, the second performance period will not start, and the Project (or part thereof) will not be accepted. The second performance test will continue on a day-by-day basis until the standard of performance is met for a total

of 30 consecutive calendar days or until the 90 day performance period has ended without meeting the standard of performance.

If the Project fails to meet the standard of performance after 90 calendar days from the start of the second performance period, the Contractor will be in default and will not have a cure period. In addition to all other remedies the State may have under this Contract, the State will have the right to request correction or replacement of the relevant portion of the Project.

The Project may have components that can be tested for acceptance individually. If that is so, there may be acceptance criteria listed on the RFP for each part of the Project that will be independently tested and accepted. But, unless the RFP expressly provides otherwise, the failure of any independently tested component to meet its acceptance criteria will give the State the right to reject the entire Project. Alternatively, if the State determines that it is in the State's interest to reject only the part of the Project that was independently and unsuccessfully tested, it may do so. If the State chooses this option, the State will be entitled to a refund or credit toward the Contractor's Fee equal to the cost of acquiring a replacement for the rejected component.

The acceptable level of performance for the Project will be 98.5%, unless otherwise specified in the RFP. The performance level for the Project is computed by dividing the sum of the uptime by the number of working hours during the test time. Uptime is defined as the total hours, rounded to the nearest quarter hour, during which all components of the Project are operational and all functions of the Project are available to its users. The number of working hours is defined as the total number of working hours for the period during which the Project was scheduled to be available to its users. Uptime and downtime will be measured in hours and quarter hours.

The Project downtime is that period when any part of the Project is inoperable due to failure of the Project or a particular Deliverable to operate according to the specifications in the RFP, the user documentation, or the published technical specifications.

During a period of downtime, the State may use operable components of the Project when that will not interfere with repair of inoperable components of the Project.

Downtime will start from the time the State notifies the Project Manager of the inoperable condition of the Project until the Project is returned in proper operating condition.

The Project will not be accepted until the performance period is complete.

Should it be necessary, the State may delay the start of the performance period, but the delay will not exceed 30 consecutive calendar days after the scheduled date for implementation of the Project. Such a delay will not be considered a suspension of work under the Suspension and Termination section of this Contract.

**Passage of Title.** Title to any Deliverable will pass to the State only on acceptance of the Deliverable. All risk of loss, regardless of the cause, will remain with the Contractor until title to the Deliverable passes to the State.

**Software Maintenance.** If applicable, during the warranty period, the Contractor will correct any material programming errors that are attributable to the Contractor within a reasonable period of time. But the State must notify the Contractor, either orally or in writing, of a problem with the software and provide sufficient information for the Contractor to identify the problem.

The Contractor's response to a programming error will depend upon the severity of the problem. For programming errors that slow the processing of data by a small degree, render minor and non-critical functions of the System inoperable or unstable, or require users or administrators to employ work-arounds to fully use the software, Contractor will respond to the request for resolution within four (4) business hours. And the Contractor must begin working on a proper solution for the problem within one (1) business day, dedicating the resources required to fix the problem. For any defects with more

significant consequences, including those that render key functions of the system inoperable or significantly slow processing of data, the Contractor will respond within two (2) business hours of notice. Additionally, the Contractor must begin working on a proper solution for the problem immediately after responding and, if requested, provide on-site assistance and dedicate all available resources to resolving the problem.

For software classified as Commercial Software in the Ownership of the Work section and for which the State has not signed a separate license agreement, the Contractor will acquire the right to maintenance for one (1) year. That maintenance will be the third-party licensor's standard maintenance program. But, at a minimum, that maintenance program must include all updates, patches, and fixes to the software. It will also include a commitment to keep the software current with the operating environment in which it is designed to function (and, if applicable, the subject matter covered by the software) and to correct material defects in the software in a timely fashion. Additionally, the Contractor will obtain a commitment from the licensor to make maintenance available for the product for at least four (4) years after the first year of maintenance. The Contractor will also obtain a commitment from the licensor to limit increases in the annual fee for maintenance to no more than 8% annually. If the licensor is unable to provide maintenance during that 5 year period, then the licensor must be committed to doing one (1) of the following two (2) things: (a) give the State a *pro rata* refund of the license fee based on a five (5)-year useful life; or (b) release the source code for the software (except third party software) to the State for use by the State solely for the purpose of maintaining the copy(ies) of the software for which the State has a proper license. For purposes of receiving the source code, the State agrees to treat it as confidential and to be obligated to the requirements under the Confidentiality section of this Contract with respect to the source code. That is, with respect to the source code that the State gets under this section, the State will do all the things that the Confidentiality section requires the Contractor to do in handling the State's Confidential Information.

**Equipment Maintenance.** If applicable, upon equipment delivery and for the duration of the Contract, the Contractor will provide Equipment maintenance to keep the Equipment in or restore the Equipment to good working order. This maintenance will include preventative and remedial maintenance, installation of safety changes, and installation of engineering changes based upon the specific needs of the individual item of Equipment. This maintenance will include the repair, replacement, or exchange deemed necessary to keep the Equipment to good working order. For purposes of this Contract, Equipment restored to good working condition means Equipment that performs in accordance with the manufacturer's published specifications and the RFP.

The Contractor will exert its best efforts to perform all fault isolation and problem determination attributed to the Equipment covered under this Contract.

The following services are outside the scope of this Contract:

- a. Maintenance to bring the Equipment into compliance with any law, rule, or regulation if such law, rule, or regulation was not in effect on the acceptance date.
- b. Repair and replacement work or increase in maintenance time as a result of damage or loss resulting from casualty or the State's misuse of the Equipment, damage resulting from improper packing or failure to follow prescribed shipping instructions (if such is done by the State), failure of electrical power, air conditioning or humidity control, use of supplies not approved by the original manufacturer of the Equipment as described or included in the Contractor's Proposal, or causes other than ordinary use of the Equipment.
- c. Furnishing platens, supplies, or accessories, making specification changes, or adding or removing approved accessories, attachments, or other devices.
- d. Maintenance or any increase in maintenance time resulting from any maintenance or inappropriate connection to other equipment (not done by the Contractor) that results in damage to the Equipment.

- e. Activities required to restore the Equipment to good operating condition if the problem has resulted from someone other than Contractor's authorized service personnel repairing, modifying, or performing any maintenance service on the Equipment.

**Equipment Maintenance Standards.** Where applicable, remedial equipment maintenance by the Contractor will be completed as designated in Supplement two within 24 business hours for EBT-only equipment, after notification by the State that maintenance is required. In the case of preventative maintenance, the Contractor will perform such in accordance with the manufacturer's published schedule and specifications. If maintenance is not completed or substitute equipment provided within 8 hours after notification by the State, the Contractor will be in default.

All maintenance will also meet any standards contained in the RFP. Failure of the Contractor to meet or maintain these requirements will provide the State with the same rights and remedies specified elsewhere in the RFP for default, except that the Contractor will only have 8 hours to remedy a default.

The Contractor will provide adequate staff to provide the maintenance required by this Contract.

**Equipment Maintenance Continuity.** Where applicable, if the Contractor is unable to provide maintenance services to meet the State's ongoing performance requirements and if, in the State's sole opinion, the Contractor is unlikely to resume providing warranty services that meets the State's ongoing performance requirement, the Contractor will be in default. The State then will be entitled to the remedies in the default section of this Contract. But the State will also be entitled to the following items from the Contractor: (a) all information necessary for the State to perform the maintenance, including logic diagrams, maintenance manuals and system and unit schematics, as modified by the Contractor; and (b) a listing of suppliers capable of supplying necessary spare parts.

Any information in items (a) and (b) above that is rightfully identified by the Contractor as proprietary information will be maintained in confidence by the State except where disclosure to a third party is necessary for the State to continue the maintenance. But any third party to whom disclosure is made will agree to hold such proprietary information in confidence and to make no further disclosure of it. Further, the State agrees that any such proprietary information will be used solely to perform the Contractor's maintenance obligations hereunder and will be returned to the Contractor upon completion of such use.

**Principal Period of Maintenance (General).** Maintenance will be available 9 working hours per weekday, [between 8:00 a.m. and 5:00 p.m.] and technical support must be available 24/7/365 through the Retailer Customer Service. Travel time and expenses related to remedial and preventive maintenance will not be considered billable but will be included in the Contractor's firm, fixed Fee for the Project during the warranty period and a part of the annual maintenance Fee during later annual maintenance periods.

**Maintenance Access (General).** The Contractor will keep the Project in good operating condition during the warranty period and any annual maintenance period during which the State contracts for continued maintenance, and the State will provide the Contractor with reasonable access to the Project to perform maintenance. All maintenance that requires the Project to be inoperable must be performed outside the State's customary working hours except when the Project is already inoperable. Preventive or scheduled maintenance will be performed at mutually agreeable times, within the parameters of the manufacturer's published schedule.

**Key Maintenance Personnel (General).** The Contractor will identify all key people responsible for providing maintenance on the Project, furnish the State with a means of identifying these people, furnish the State with their credentials, and notify the State at least 30 calendar days in advance of any reductions in staffing levels of key people at the office serving the State.

## **PART SIX: CONSTRUCTION**

**Entire Document.** This Contract is the entire agreement between the parties with respect to its subject matter and supersedes any previous statements or agreements, whether oral or written.

**Binding Effect.** This Contract will be binding upon and inure to the benefit of the respective successors and assigns of the State and the Contractor.

**Amendments – Waiver.** No change to any provision of this Contract will be effective unless it is in writing and signed by both parties. The failure of either party at any time to demand strict performance by the other party of any of the terms of this Contract will not be a waiver of those terms. Waivers must be in writing to be effective, and either party may at any later time demand strict performance.

**Severability.** If any provision of this Contract is held by a court of competent jurisdiction to be contrary to law, the remaining provisions of this Contract will remain in full force and effect to the extent that such does not create an absurdity.

**Construction.** This Contract will be construed in accordance with the plain meaning of its language and neither for nor against the drafting party.

**Headings.** The headings used herein are for the sole sake of convenience and may not be used to interpret any section.

**Notices.** For any notice under this Contract to be effective, it must be made in writing and sent to the address of the appropriate contact provided elsewhere in the Contract, unless such party has notified the other party, in accordance with the provisions of this section, of a new mailing address. This notice requirement will not apply to any notices that this Contract expressly authorized to be made orally.

**Continuing Obligations.** The terms of this Contract will survive the termination or expiration of the time for completion of Work and the time for meeting any final payment of compensation, except where such creates an absurdity.

**Time.** Unless otherwise expressly provided, any reference in this document to a number of days for an action or event to occur means calendar days, and any reference to a time of the day, such as 5:00 p.m., is a reference to the local time in Columbus, Ohio.

## **PART SEVEN: LAW AND COURTS**

**Compliance with Law.** The Contractor must comply with all applicable federal, state, and local laws while performing under this Contract.

**Drug-Free Workplace.** The Contractor must comply with all applicable state and federal laws regarding keeping a drug-free workplace. The Contractor must make a good faith effort to ensure that the entire Contractor's Personnel, while working on state property, will not have or be under the influence of illegal drugs or alcohol or abuse prescription drugs in any way.

**Executive Order Requirements.** The Contractor affirms to have read and understands Executive Order 2011-12K and shall abide by those requirements in the performance of this Contract. Notwithstanding any other terms of this Contract, the State reserves the right to recover any funds paid for services the Contractor performs outside of the United States for which it did not receive a waiver. The State does not waive any other rights and remedies provided the State in this Contract.

**Conflicts of Interest.** None of the Contractor's Personnel may voluntarily acquire any personal interest that conflicts with their responsibilities under this Contract. Additionally, the Contractor may not knowingly permit any public official or public employee who has any responsibilities related to this Contract or the Work to acquire an interest in anything or any entity under the Contractor's control, if such an interest would conflict with that official's or employee's duties. The Contractor must disclose to the State knowledge of any such person who acquires an incompatible or conflicting personal interest related

to this Contract. And the Contractor must take steps to ensure that such a person does not participate in any action affecting the work under this Contract. But this will not apply when the State has determined, in light of the personal interest disclosed, that person's participation in any such action would not be contrary to the public interest.

**Ohio Ethics Law and Limits on Political Contributions.** The Contractor certifies that it is currently in compliance and will continue to adhere to the requirements of the Ohio ethics laws. The Contractor also certifies that all applicable parties listed in Division (I) or (J) of Ohio Revised Code Section 3517.13 are in full compliance with Divisions (I) and (J) of Ohio Revised Code Section 3517.13.

**Security & Safety Rules.** When using or possessing State data or accessing State networks and systems, the Contractor must comply with all applicable State rules, policies, and regulations regarding data security and integrity. And when on any property owned or controlled by the State, the Contractor must comply with all security and safety rules, regulations, and policies applicable to people on those premises.

**Declaration of Material Assistance (“DMA”).** The Contractor represents and warrants that it has not provided any material assistance, as that term is defined in ORC Section 2909.33(C), to an organization that is identified by, and included on, the United States Department of State Terrorist Exclusion List and that it has truthfully answered “no” to every question on the DMA form. The Contractor further represents and warrants that it has provided or shall provide the DMA form through the Ohio Business Gateway at <http://business.ohio.gov/efiling/> prior to execution of this Contract. If these representations and warranties are found to be false, this Contract shall be void and the Contractor shall immediately repay to the State any funds paid under this Contract.

**Unresolved Finding for Recovery.** If the Contractor was subject to an unresolved finding of the Auditor of State under Revised Code Section 9.24 on the date the parties sign this Contract, the Contract is void. Further, if the Contractor is subject to an unresolved finding of the Auditor of State under Revised Code Section 9.24 on any date on which the parties renew or extend this Contract, the renewal or extension will be void.

**Equal Employment Opportunity.** The Contractor will comply with all state and federal laws regarding equal employment opportunity and fair labor and employment practices, including Ohio Revised Code Section 125.111 and all related Executive Orders.

Before a contract can be awarded or renewed, an Affirmative Action Program Verification Form must be submitted to the Department of Administrative Services Equal Opportunity Division to comply with the affirmative action requirements. Affirmative Action Verification Forms and approved Affirmative Action Plans can be found by going to the Ohio Business Gateway at: <http://business.ohio.gov/efiling/>

**Injunctive Relief.** Nothing in this Contract is intended to limit the State's right to injunctive relief, if such is necessary to protect its interests or to keep it whole.

**Assignment.** The Contractor may not assign this Contract or any of its rights or obligations under this Contract without the prior, written consent of the State. The State is not obligated to provide its consent to any proposed assignment.

**Governing Law.** This Contract will be governed by the laws of Ohio, and venue for any disputes will lie exclusively with the appropriate court in Franklin County, Ohio.

**ATTACHMENT FIVE  
SAMPLE CONTRACT**

**A CONTRACT BETWEEN  
THE DEPARTMENT OF ADMINISTRATIVE SERVICES  
ON BEHALF OF THE**

\_\_\_\_\_  
**AND**

\_\_\_\_\_  
**(CONTRACTOR)**

**THIS CONTRACT**, which results from RFP «**CONTRACT\_ID**», entitled \_\_\_\_\_, is between the State of Ohio, through the Department of Administrative Services, on behalf of \_\_\_\_\_, and \_\_\_\_\_ (the "Contractor").

This Contract consists of the referenced RFP, including all its attachments and supplements, written amendments to the RFP, the Contractor's Proposal, and written, authorized amendments to the Contractor's Proposal. It also includes any materials incorporated by reference in the above documents and any purchase orders and Change Orders issued under the Contract. The form of the Contract is this one page document, which incorporates by reference all the documents identified above. The General Terms and Conditions for the Contract are contained in an attachment to the RFP. If there are conflicting provisions among the documents that make up the Contract, the order of precedence for the documents is as follows:

1. This document;
2. The RFP, as amended;
3. The documents and materials incorporated by reference in the RFP;
4. The Executive Order, EO 2011-12k incorporated by reference in the RFP;
5. The Contractor's Proposal, as amended, clarified, and accepted by the State; and
6. The documents and materials incorporated by reference in the Contractor's Proposal.

Notwithstanding the order listed above, Change Orders and amendments issued after the Contract is executed may expressly change the provisions of the Contract. If they do so expressly, then the most recent of them will take precedence over anything else that is part of the Contract.

This Contract has an effective date of the later of \_\_\_\_\_, 20\_\_\_\_, or the occurrence of all conditions precedent specified in the General Terms and Conditions.

**TO SHOW THEIR AGREEMENT**, the parties have executed this Contract as of the dates below.

CONTRACTOR

STATE OF OHIO  
DEPARTMENT OF ADMINISTRATIVE

SERVICES

**SAMPLE – DO NOT FILL OUT**

By: \_\_\_\_\_

By: «**OIT\_DIRECTOR**»

Title: \_\_\_\_\_

Title: «**OIT\_DIRECTOR\_TITLE**»

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

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

**ATTACHMENT SIX  
SAMPLE DELIVERABLE / MILESTONE SUBMITTAL FORM**

<b>Client Name:</b>	<b>[Insert Client Name]</b>
<b>Project Name:</b>	<b>[Insert Project Name]</b>
<b>Contract Number:</b>	<b>[Insert Contract Number]</b>
<b>Deliverable To Be Reviewed or Milestone Attained:</b>	<b>[Insert Deliverable/Milestone Name and Work Breakdown Structure Task #]</b>
<b>Date Deliverable Submitted for Review or Milestone Achievement Date:</b>	<b>[Insert Applicable Date]</b>

The **[insert Deliverable/milestone name]** Deliverable/milestone is complete. This Deliverable/milestone has been completed/attained by **[insert Corporate name]** in accordance with the requirements specified in the RFP and Project Plan. Please obtain signatures below indicating the compliance of **[insert Deliverable/milestone name]**. Please obtain all signatures within **XX** calendar days of the Submitted or Achievement Date, above, **[insert date XX calendar days from submitted date]**.

Please contact \_\_\_\_\_ at XXX-XXX with any questions.

Sincerely,

**[Insert Company Name]  
[Insert Project Name] Project Manager**

\_\_\_\_\_  
**Printed Name**  
**Contractor Project Manager**  
 {Same as person signing above}

<b>COMPLIANT:</b> <b>Deliverable Payment Authorized:</b> Yes _____ No _____ N/A _____  _____ <b>Signature of State Project Representative/Date</b>
--

Note: A Deliverable Submittal Form noting Deliverable Acceptance and Deliverable Payment Authorization must be submitted with a proper Invoice.

<b>NOT COMPLIANT:</b> <b>Describe reason(s) for non-compliance:</b> (Continue on back if necessary)          _____ <b>Signature of State Project Representative/ Date                      Payment <u>Not</u> Authorized</b>
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**ATTACHMENT SEVEN**

**OFFEROR CERTIFICATION FORM**

1. The offeror is not currently subject to an “unresolved” finding for recovery under Revised Code Section 9.24, and the offeror will notify the Procurement Representative any time it becomes subject to such a finding before the award of a Contract arising out of this RFP.
2. The offeror certifies that it will not and will not allow others to perform work for the State of Ohio outside the geographic limitations contained in Attachment Two or take data that belongs to the State of Ohio outside the geographic limitations contained in Attachment Two without express written authorization from the State.
3. The offeror certifies that its responses to the following statements are true and accurate. The offeror’s answers apply to the last seven years. Please indicate yes or no in each column.

Yes/No	Description
	The offeror has had a contract terminated for default or cause.
	The offeror has been assessed any penalties in excess of \$10,000.00, including liquidated damages, under any of its existing or past contracts with any organization (including any governmental entity).
	The offeror was the subject of any governmental action limiting the right of the offeror to do business with that entity or any other governmental entity.
	Trading in the stock of the company has ever been suspended with the date(s) and explanation(s).
	The offeror, any officer of the offeror, or any owner of a 20% interest or greater in the offeror has filed for bankruptcy, reorganization, a debt arrangement, moratorium, or any proceeding under any bankruptcy or insolvency law, or any dissolution or liquidation proceeding.
	The offeror, any officer of the offeror, or any owner with a 20% interest or greater in the offeror has been convicted of a felony or is currently under indictment on any felony charge.

If the answer to any item above is affirmative, the offeror must provide complete details about the matter. While an affirmative answer to any of these items will not automatically disqualify an offeror from consideration, at the sole discretion of the State, such an answer and a review of the background details may result in a rejection of the Proposal. The State will make this decision based on its determination of the seriousness of the matter, the matter’s possible impact on the offeror’s performance under the Contract, and the best interest of the State.

4. The offeror certifies that neither it nor any of its people that may work on or benefit from the Contract through the offeror has a possible conflict of interest (e.g., employed by the State of Ohio, etc.) other than the conflicts identified immediately below:

<b>Potential Conflicts (by person or entity affected)</b>

(Attach an additional sheet if more space is need.)

The State may reject a Proposal in which an actual or apparent conflict is disclosed. And the State may cancel or terminate the Contract for cause if it discovers any actual or apparent conflict of interest that the offeror did not disclose in its Proposal.

5. The offeror certifies that all its and its subcontractors' personnel provided for the Work will have a valid I-9 form on file with the offeror or subcontractor, as appropriate, and will have presented valid employment authorization documents, if they are not United States citizens.
6. The offeror certifies that it's regular; fulltime employees will perform at least 30% of the Work.
7. The following is a complete list of all subcontractors, if any, that the offeror will use on the Work, if the State selects the offeror to do the Work:


The offeror certifies that it has obtained and submitted a subcontractor letter, as required by Attachment Three, for each subcontractor it plans to use to do the Work.

Please provide the following information for a contact person who has authority to answer questions regarding the offeror's Proposal:

Name:	
Title:	
Mailing Address:	
Office Phone Number:	
Cell Phone Number:	
Fax Number:	
Email Address:	

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Name

\_\_\_\_\_  
Title

\_\_\_\_\_  
Company Name

\_\_\_\_\_  
Company D-U-N-S Number

**ATTACHMENT EIGHT  
OFFEROR PROFILE SUMMARY**

**OFFEROR MANDATORY REQUIREMENTS**

**Note: The offeror must duplicate this form as necessary to demonstrate meeting the requirement.**

**MANDATORY REQUIREMENT:** The offeror must have experience providing services to at least three (3) government or commercial customers for whom the offeror has provided or currently provides financial services similar in size and complexity to this project. One of these projects must have been as the prime contractor on the project.

<b>Company Name:</b>		<b>Contact Name:</b> (Indicate Primary or Alternate)	
		<b>Contact Title:</b>	
<b>Company Address:</b>		<b>Contact Phone Number:</b>	
		<b>Contact Email Address:</b>	
<b>Project Name:</b>		<b>Beginning Date of Experience</b> Month/Year:	<b>Ending Date of Experience</b> Month/Year:
<b>Customer: (circle one)</b>	<b>Financial Services Provided: (circle one)</b>	<b>Prime Contractor: (circle one)</b>	
<b>Government or Commercial</b>	<b>Yes or No</b>	<b>YES or NO</b>	
<b>Describe details of services to government or commercial customers to whom the offeror provided or currently provides financial services, including size and complexity, indicating prime contractor on this project.</b>			

**ATTACHMENT EIGHT  
OFFEROR PROFILE SUMMARY**

**OFFEROR MANDATORY REQUIREMENTS  
CONTINUED**

**Note: The offeror may duplicate this form as necessary to demonstrate the requirement.**

**MANDATORY REQUIREMENT:** The offeror must have five (5) years experience in the operations and management of a large-scale, complex financial network involving commercial or proprietary transaction processing similar in size, complexity, and nature to this project.

<b>Company Name:</b>	<b>Contact Name:</b> (Indicate Primary or Alternate)  <b>Contact Title:</b>	
<b>Company Address:</b>	<b>Contact Phone Number:</b>  <b>Contact Email Address:</b>	
<b>Project Name:</b>	<b>Beginning Date of Experience</b> Month/Year:	<b>Ending Date of Experience</b> Month/Year:
<b>Describe in detail the experience providing operations and management of a large-scale, complex financial network involving commercial or proprietary transaction processing similar in size, complexity and nature to this project.</b>		

**ATTACHMENT EIGHT  
OFFEROR PROFILE SUMMARY**

**OFFEROR MANDATORY REQUIREMENTS  
CONTINUED**

**Note: The offeror may duplicate this form as necessary to demonstrate the requirement.**

**MANDATORY REQUIREMENT:** The offeror must have five (5) years experience in the delivery of core EBT services or services similar to core EBT services which include account setup, benefit authorization, account maintenance services, card and PIN issuance, uninterrupted transaction processing, settlement service, reconciliation service, cardholder and retailer/merchant customer service, POS deployment, and reporting services similar in size, complexity, and nature to this project. (In responding to this requirement offeror's must address each item listed above).

<b>Company Name:</b>	<b>Contact Name:</b> (Indicate Primary or Alternate)  <b>Contact Title:</b>	
<b>Company Address:</b>	<b>Contact Phone Number:</b>  <b>Contact Email Address:</b>	
<b>Project Name:</b>	<b>Beginning Date of Experience</b> Month/Year:	<b>Ending Date of Experience</b> Month/Year:
<p><b>Describe in detail the experience providing core EBT services or services similar to core EBT services which include account setup, benefit authorization, account maintenance services, card and PIN issuance, uninterrupted transaction processing, settlement service, reconciliation service, cardholder and retailer/merchant customer service, POS deployment, and reporting services similar in size, complexity, and nature to this project. (In responding to this requirement offeror's must address each item listed above).</b></p>		

**ATTACHMENT EIGHT  
OFFEROR PROFILE SUMMARY**

**OFFEROR REQUIREMENTS**

**Note: The offeror may duplicate this form as necessary to demonstrate the requirement.**

**REQUIREMENT:** The offeror must have five (5) years experience in the delivery of ancillary EBT services to include card design and production; retailer/merchant and cardholder training materials; and marketing commercial POS deployment and services.

<b>Company Name:</b>	<b>Contact Name:</b> (Indicate Primary or Alternate)  <b>Contact Title:</b>	
<b>Company Address:</b>	<b>Contact Phone Number:</b>  <b>Contact Email Address:</b>	
<b>Work Name:</b>	<b>Beginning Date of Experience:</b>  Month/Year	<b>Ending Date of Experience:</b>  Month/Year
<b>Describe in detail the experience providing ancillary EBT services including card design and production; retailer/merchant and cardholder training materials; and marketing commercial POS deployment and services.</b>		

**ATTACHMENT NINE**

**DEPARTMENT OF ADMINISTRATIVE SERVICES STANDARD AFFIRMATION AND DISCLOSURE FORM  
EXECUTIVE ORDER 2011-12K**

Governing the Expenditure of Public Funds on Offshore Services

All of the following provisions must be included in all invitations to bid, requests for proposals, state term schedules, multiple award contracts, requests for quotations, informal quotations, and statements of work.

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This information is to be submitted as part of the response to any of the procurement methods listed.

**CONTRACTOR/SUBCONTRACTOR AFFIRMATION AND DISCLOSURE:**

By the signature affixed to this response, the Bidder/Offeror affirms, understands and will abide by the requirements of Executive Order 2011-12K. If awarded a contract, the Bidder/Offeror becomes the Contractor and affirms that both the Contractor and any of its subcontractors shall perform no services requested under this Contract outside of the United States.

The Bidder/Offeror shall provide all the name(s) and location(s) where services under this Contract will be performed in the spaces provided below or by attachment. Failure to provide this information may subject the Bidder/Offeror to sanctions, termination or a damages assessment. If the Bidder/Offeror will not be using subcontractors, indicate "Not Applicable" in the appropriate spaces.

1. Name/Principal location of business of Contractor:

\_\_\_\_\_  
(Name) (Address, City, State, Zip)

Name/Principal location of business of subcontractor(s):

\_\_\_\_\_  
(Name) (Address, City, State, Zip)

\_\_\_\_\_  
(Name) (Address, City, State, Zip)

2. Name/Location where services will be performed by Contractor:

\_\_\_\_\_  
(Name) (Address, City, State, Zip)

Name/Location where services will be performed by subcontractor(s):

\_\_\_\_\_  
(Name) (Address, City, State, Zip)

\_\_\_\_\_  
(Name) (Address, City, State, Zip)

3. Location where state data will be stored, accessed, tested, maintained or backed-up, by

Contractor:

\_\_\_\_\_  
(Name)

\_\_\_\_\_  
(Address, City, State, Zip)

Name/Location(s) where state data will be stored, accessed, tested, maintained or backed-up by subcontractor(s):

\_\_\_\_\_  
(Name)

\_\_\_\_\_  
(Address, City, State, Zip)

4. Location where services to be performed will be changed or shifted by Contractor:

\_\_\_\_\_  
(Name)

\_\_\_\_\_  
(Address, City, State, Zip)

Name/Location(s) where services will be changed or shifted to be performed by subcontractor(s):

\_\_\_\_\_  
(Name)

\_\_\_\_\_  
(Address, City, State, Zip)



JOHN R. KASICH  
GOVERNOR  
STATE OF OHIO

**Executive Order 2011-12K**

Governing the Expenditure  
of Public Funds for Offshore Services

**WHEREAS**, State of Ohio officials and employees must remain passionately focused on initiatives that will create and retain jobs in the United States in general and in Ohio in particular, and must do so especially during Ohio's continuing efforts to recover from the recent recession.

**WHEREAS**, allowing public funds to pay for services provided offshore has the potential to undermine economic development objectives in Ohio.

**WHEREAS**, the expenditure of public funds for services provided offshore may deprive Ohioans and other Americans of critical employment opportunities and may also undermine efforts to attract businesses to Ohio and retain them in Ohio, initiatives in which this State has invested heavily.

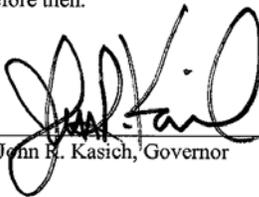
**NOW THEREFORE**, I, John R. Kasich, Governor of the State of Ohio, by virtue of the authority vested in me by the Constitution and the laws of this State, do hereby order and direct that:

1. No State Cabinet Agency, Board or Commission ("Executive Agency") shall enter into any contract which uses any public funds within its control to purchase services which will be provided outside the United States. This Executive Order applies to all purchases of services made directly by an Executive Agency and services provided by subcontractors of those providing services purchased by an Executive Agency.
2. This Executive Order will be personally provided, by the Director, Chair or other chief executive official of each Executive Agency, to the Chief Procurement Officer or other individual at that entity responsible for contracts for services.
3. The Department of Administrative Services, through Ohio's Chief Procurement Officer, shall have in place, by July 1, 2011, procedures to ensure all of the following:
  - a. All agency procurements officers (APOs), or the person with equivalent duties at each Executive Agency, have standard language in all Executive Agency contracts which:
    - i. Reflect this Order's prohibition on the purchase of offshore services.

- ii. Require service providers or prospective service providers to:
    - 1. Affirm that they understand and will abide by the requirements of this Order.
    - 2. Disclose the location(s) where all services will be performed by any contractor or subcontractor.
    - 3. Disclose the locations(s) where any state data associated with any of the services they are providing, or seek to provide, will be accessed, tested, maintained, backed-up or stored.
    - 4. Disclose any shift in the location of any services being provided by the contractor or any subcontractor.
    - 5. Disclose the principal location of business for the contractor and all subcontractors who are supplying services to the state under the proposed contracts.
  - b. All APOs confirm that all quotations, statements of work, and other such proposals for services affirm this Order's prohibition on the purchase of offshore services and include all of this Order's disclosure requirements.
    - i. Any such proposal for services lacking the affirmation and disclosure requirements of this Order will not be considered.
    - ii. Any such proposal where the performance of services is proposed to be provided at a location outside the United States by the contractor or any subcontractor will not be considered.
  - c. All procurement manuals, directive, policies, and procedures reflect the requirements of this Order.
  - d. All APOs have adequate training which addresses the terms of this Order.
4. Nothing in this Order is intended to contradict any state or federal law. In addition, this Order does not apply to:
- a. Services necessary to support the efforts of the Department of Development to attract jobs and business to the state of Ohio;
  - b. Academic, instructional, educational, research or other services necessary to support the international missions of Ohio's public colleges and universities; or
  - c. Situations in which the Director of the Department of Administrative Services, or the Director's designee, shall determine that it is an emergency or that it is necessary for the State to waive some or all of the requirements of this Order. The Director shall establish standards by which Executive Agencies may request a waiver of some or all of the requirements of this Order and by which such requests will be evaluated and may be granted.
5. Executive Order 2010-09S is hereby rescinded.

I signed this Executive Order on June 21, 2011 in Columbus, Ohio and it will expire on my last day as Governor of Ohio unless rescinded before then.



  
\_\_\_\_\_  
John E. Kasich, Governor

ATTEST:

\_\_\_\_\_  
Jon Husted, Secretary of State

**ATTACHMENT TEN**

**COST SUMMARY**

**COST PER CASE MONTH FOR ACTIVE EBT ACCOUNTS**

Payment for services will be based on the number of “active cases” per month. “Active cases” are those cases, by type, in which at least one benefit has been deposited and made available during the calendar month. Payment will only be permitted for one account that has received at least one deposit. Any other deposits made for the benefit type cannot be billed twice.

The Contractor will bill all active cases in a given month at the quoted price for that tier level. For example, if the active case number for a month is 1,400,000, all active cases will be billed at the rate quoted for the 1,200,001-1,500,000 tier. There will not be a graduated billing for active cases.

To calculate an evaluation cost, offerors must calculate the average price across all fiscal years for each tier. The State has assigned a weight for each tier. The offeror must calculate the evaluation price for each tier by multiplying the average cost by the weight. The offeror must provide a total for the evaluation cost.

<b>Active EBT Caseload Size</b>	<b>SFY 2014</b>	<b>SFY 2015</b>	<b>SFY 2016</b>	<b>SFY 2017</b>	<b>SFY 2018</b>	<b>SFY 2019</b>	<b>SFY 2020</b>	<b>SFY 2021</b>	<b>Average Price</b>	<b>Weight</b>	<b>Evaluation Cost</b>
< 600,000										<b>15</b>	
600,001 - 900,000										<b>25</b>	
900,001 - 1,200,000										<b>25</b>	
1,200,001 - 1,500,000										<b>25</b>	
1,500,001 - 1,800,000										<b>25</b>	
1,800,001 - 2,100,000										<b>15</b>	
2,100,001 - 2,400,000										<b>10</b>	
2,400,001 - 2,700,000										<b>5</b>	
2,700,001 - 3,000,000										<b>5</b>	
>3,000,001										<b>5</b>	
	<b>Total Evaluation Cost</b>										

**EBT Expedited Card Requests**

The State must have the ability to require the Contractor to issue an expedited EBT card for overnight delivery upon approval by State level authorized personnel. The costs will be invoiced to the State on the regular monthly invoice for EBT charges as a separate line item. The Contractor will be required to provide the following documentation:

- 1) Card Issuance/Replacement Report to verify the number of expedited card requests.
- 2) Tracking number to verify the card delivery and receipt.

Offerors must provide a cost for an EBT overnight expedited card.

<b>Requirement</b>	<b>Cost</b>	<b>Maximum Fee Limits</b>
<b>EBT Overnight Expedited Card</b>	\$x.xx for one EBT overnight expedited card.	Not to exceed \$20.00 per overnight expedited card.

**ATTACHMENT TEN**

**COST SUMMARY**

**CARDHOLDER FEES FOR EPC CARD TRANSACTIONS WHEN USED**

Each Offeror must provide a cost for the cardholder fees and provide the names of the in-network ATM providers. The costs provided by the offeror must not exceed the maximum fee limits. Costs that exceed the maximum fee limits may be a basis for disqualification.

<b>EPC Cardholder Services—Fee Table</b>		
<b>Transaction Type</b>	<b>Cardholder Fee</b>	<b>Maximum Fee Limits</b>
<b>ATM Cash Withdrawals</b> <ul style="list-style-type: none"> <li>▪ Contractor must provide one free ATM cash withdrawal per calendar month.</li> <li>▪ The fee is surcharge free at all In-Network ATMs.</li> <li>▪ Contractor must specify the Providers of at least three In-Network ATMs. The sum of all three providers must cover the entire State of Ohio.</li> <li>▪ The In-Network ATMs must be the same providers for ATM balance inquiries.</li> </ul>	\$X.XX for each ATM cash withdrawal.  In-Network ATM Providers (3): 1) _____ 2) _____ 3) _____	Not to exceed \$0.75 for each ATM cash withdrawal.
<b>ATM Balance Inquiries</b> <ul style="list-style-type: none"> <li>▪ Contractor must provide one free ATM balance inquiry per calendar month.</li> <li>▪ The fee is surcharge free at all In-Network ATMs.</li> <li>▪ Contractor must specify the providers of at least three In-Network ATMs. The sum of all three providers must cover the entire State of Ohio.</li> <li>▪ The In-Network ATMs must be the same providers for ATM cash withdrawals.</li> </ul>	\$X.XX for each ATM balance inquiry.  In-Network ATM Providers (3): 1) _____ 2) _____ 3) _____	Not to exceed \$0.40 for each ATM balance inquiry.
<b>ATM Transaction Denials</b>	No fee.	N/A
<b>Cash Withdrawals at Co-Branded Card Teller Windows</b>	No fee.	N/A
<b>Purchases at Merchant Locations</b>	No fee.	N/A
<b>Cash-Back with Purchase</b>	No fee.	N/A
<b>International transactions</b> <ul style="list-style-type: none"> <li>▪ Currency conversion fee may be added.</li> </ul>	\$X.XX plus x% of the transaction amount	Not to exceed \$3.00 for each transaction, plus not to exceed 3% of the transaction amount.

<p><b>Card Replacement</b> (after initial card issuance)</p> <ul style="list-style-type: none"> <li>▪ Contractor must provide four free replacement cards per year.</li> <li>▪ The initial card issuance does not count as a replacement card.</li> <li>▪ The Contractor must waive the replacement card fee in cases of hardship. The term hardship will be mutually defined after award of the Contract.</li> </ul>	<p>\$X.XX each, after four (4) free replacement cards per year, based on the day of initial card issuance</p>	<p>Not to exceed \$5.00 per card after the first four replacement cards per year.</p>
<p><b>Toll Free IVR Calls Each Month</b></p> <ul style="list-style-type: none"> <li>▪ Contractor must provide 10 free IVR calls each month.</li> <li>▪ Calls to report a lost, stolen, or damaged card; suspected PIN compromise; PIN selection or change; or to question a transaction must never incur an IVR fee.</li> <li>▪ Free transactions expire each calendar month.</li> <li>▪ On the Cardholder's 10th call each calendar month, an IVR message must be provided to notify the cardholder that each subsequent call will incur a fee.</li> </ul>	<p>\$X.XX each IVR call after 10 free per month.</p>	<p>Not to exceed \$0.25 for each IVR call after 10 free calls per month.</p>

The Contractor may not assess any additional cardholder fees beyond those defined in the Cost Summary. The Contractor may not assess any overdraft fees.

**EPC Expedited Card Requests**

The State must have the ability to require the Contractor to issue an expedited EPC card for overnight delivery upon approval by State level authorized personnel. The cost will be invoiced to the State on a separate monthly invoice. The Contractor will be required to provide the following documentation:

- 1) Card Issuance/Replacement Report to verify the number of expedited card requests.
- 2) Tracking number to verify the card delivery and receipt.

Offerors must provide a cost for an EBT overnight expedited card.

Requirement	Cost	Maximum Fee Limits
<b>EPC Overnight Expedited Card</b>	\$X.XX for one EPC overnight expedited card.	Not to exceed \$20.00 per overnight expedited card.

**Temporary IVR Messages**

The State must have the ability to require the Contractor to post temporary messages to the IVR to accommodate unusual circumstances or for promotional purposes. The Temporary IVR messages must be recorded in English and Spanish. Offerors must provide a cost per Temporary message implementation.

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