



**State of Oklahoma
Office of Management and Enterprise Services
ISD Procurement**

Solicitation

1. Solicitation#: 8300001101

2. Solicitation Issue Date: June 10, 2014

3. Brief Description of Requirement:

The State of Oklahoma Office of Management and Enterprise Services (OMES) /ISD Procurement on behalf of the Oklahoma Department of Human Services (DHS) is accepting proposals from qualified vendors for a proven and successfully implemented Electronic Payment Services (EPS) that meets quality, performance and cost constraint requirements that include the possibility of using any one, or combination of more than one, or a technology not listed, such as: EBT (Electronic Benefit Transfer), debit card services, direct deposits, time & attendance payment services, biometric services and hybrid cards.

4. Response Due Date: Aug. 14, 2014

Time: 3 p.m. CDT

5. Issued By and Return Sealed Bid To:

**Office of Management & Enterprise Services
3115 N. Lincoln Blvd.
Oklahoma City, OK 73105**

6. Contracting Officer:

**Name: Hurtisine Franklin
Phone: (405) 521-6419
Email: Hurtisine.Franklin@omes.ok.gov**

Communications Concerning Solicitation

The contracting officer listed on the cover page of this solicitation is the only individual in which the offeror should be in contact with concerning any issues with this solicitation. Failure to comply with this requirement may result in the offeror response being considered non-responsive and not considered for further evaluation

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A. GENERAL PROVISIONS

The following provisions shall apply where applicable to the solicitation.

A.1. Definitions

As used herein, the following terms shall have the following meaning unless the context clearly indicates otherwise.

- A.1.1. "Acquisition" means items, products, materials, supplies, services and equipment acquired by purchase, lease purchase, lease with option to purchase, or rental pursuant to applicable state law.
- A.1.2. "Addendum" means a written modification to a contract.
- A.1.3. "Alteration" means a modification an bidder makes to a solicitation response prior to the response due date.
- A.1.4. "Alternate or alternative offer" means an offer, which contains an intentional substantive variation to a basic provision, specification, term or condition of the solicitation.
- A.1.5. "Amendment" means a written restatement of or modification to a Contract Document executed by both parties.
- A.1.6. "Bid" means an offer in the form of a bid, proposal or quote an bidder submits in response to a solicitation.
- A.1.7. "Bidder" means an individual or business entity that submits a bid or proposal in response to an invitation to bid or a request for proposal. When used in this Chapter, bidder is synonymous with a "supplier", "vendor", or "Bidder" responding to a solicitation.
- A.1.8. "Business Entity" means any individual, business, partnership, joint venture, corporation, S-corporation, limited liability corporation, limited liability partnership, limited liability limited partnership, sole proprietorship, joint stock company, consortium, or other legal entity recognized by statute.
- A.1.9. "COTS" means software that is commercial off the shelf.
- A.1.10. "Contract" means this document, as may be amended from time to time, which together with other Contract Documents, evidences the final agreement between the parties with respect to this statewide contract for the Products.
- A.1.11. "Contract Document" means, when executed by all applicable parties, this Contract, Attachments to this Contract, any statement of work, work order, rider or similar document related hereto, any purchase order related hereto, other statutorily required or mutually agreed documents related hereto, and any Amendment to any of the foregoing.
- A.1.12. "Contractor" means the Business Entity with whom the State enters into this contract.
- A.1.13. "Close of business" means 5:00PM Central Time.
- A.1.14. "Closing Date" is the date the RFP closes, also proposal opening date, and response due date,
- A.1.15. "Inter-local Entity" means, with respect to any state other than Oklahoma, any authority, office, bureau, board, council, court, commission, department, district, institution, unit, division, body or house of any branch of such state government, any political subdivision of such state, and any organization related to any of the foregoing.
- A.1.16. "Minor Deficiency" or "minor informality" means an immaterial defect in a response or variation in a bid from the exact requirements of a solicitation that may be correct or waived without prejudice to other bidders. A minor deficiency or informality does not affect the price, quantity, quality, delivery or conformance to specifications and is negligible in comparison to the total cost or scope of the acquisition.
- A.1.17. "Offer" shall be synonymous with "bid", "proposal", "quote" or other similar term.
- A.1.18. "Bidder" shall be synonymous with "vendor", "bidder", or other similar term.
- A.1.19. "OMES" means the Office of Management and Enterprise Services for the State of Oklahoma.
- A.1.20. "Procuring Agency" means the State of Oklahoma Agency initiating the procurement.
- A.1.21. "Request for Information or RFI" means a non-binding procurement practice used to obtain information, comments, and feedback from interested parties or potential suppliers prior to issuing a solicitation.
- A.1.22. "State" means the government of the State of Oklahoma, its employees and authorized representatives, including without limitation any department, agency, or other unit of the government of the State of Oklahoma. References to "State" in this document refer to the Office of Management and Enterprise Services - ISD.
- A.1.23. "State Entity" means any authority, office, bureau, board, council, court, commission, department, district, institution, unit, division, body or house of any branch of the State government, any political subdivision of the State, and any organization related to any of the foregoing.

- A.1.24. "State CIO" is the State Chief Information Officer, as used herein the CIO has the same authority as the State Purchasing Director for all IT and Telecommunications purchasing and are used interchangeably.
- A.1.25. "Solicitation" means a request or invitation by the State Purchasing Director or a State agency for an bidder to submit a priced offer to sell acquisitions to the State. A solicitation may be an invitation to bid, request for proposal, or a request for quotation.
- A.1.26. "Utilities" means Vendor's reusable or pre-existing proprietary intellectual property that forms the basis for a customized or developed software deliverable for the State and which is specifically identified as such by the Vendor in writing prior to execution of this Contract.

A.2. Offer Submission

- A.2.1. Submitted offers shall be in strict conformity with the instructions to bidder, and shall be submitted with a completed "Responding Bidder Information" OMES Form 076OSF, and any other forms completed as required by the solicitation.
- A.2.2. Offers shall be submitted to the State Agency identified in the front page of this solicitation, in a single envelope, package, or container and shall be sealed. The name and address of the bidder shall be inserted in the upper left corner of the single envelope, package, or container. SOLICITATION NUMBER AND SOLICITATION RESPONSE DUE DATE AND TIME MUST APPEAR ON THE FACE OF THE SINGLE ENVELOPE, PACKAGE, OR CONTAINER.
- A.2.3. The required certification statement, "Certification for Competitive Bid and/or Contract (Non-Collusion Certification)", OSF Form 004ISD, must be made out in the name of the bidder and must be properly executed by an authorized person, with full knowledge and acceptance of all its provisions.
- A.2.4. All offers shall be legibly written or typed. Any corrections to offers shall be initialed. Penciled bids and penciled corrections shall NOT be accepted and shall be rejected as non-responsive.
- A.2.5. All offers submitted shall be consistent with the Oklahoma Central Purchasing Act, the Central Purchasing Rules, and subject to the Information Services Act and other statutory regulations as applicable, these General Provisions, any Special Provisions, solicitation specifications, required certification statement, and all other terms and conditions listed or attached herein, all of which are made part of this solicitation.
- A.2.6. By submitting a proposal, contractor agrees not to make any claims for damages or have any rights to damages, because of any misunderstanding or misrepresentation of the specifications or because of any misinformation or lack of information.
- A.2.7. If a contractor fails to notify the State of an error, ambiguity, conflict, discrepancy, omission or other error in the SOLICITATION, known to the contractor, or an error that reasonably should have been known by the contractor, the contractor shall submit a proposal at its own risk; and if awarded the contract, the contractor shall not be entitled to additional compensation, relief, or time, by reason of the error or its later correction. If a contractor takes exception to any requirement or specification contained in the SOLICITATION, these exceptions must be clearly and prominently stated in their response.
- A.2.8. Bidder should note that this solicitation reflects those changes in the existing operation to increase efficiencies and streamline business environment in the State of Oklahoma. All previous solicitations or resultant contracts should not be either depended upon, perceived or interpreted to have any relevance on this exclusive solicitation.

A.3. Solicitation Amendments

- A.3.1. If an "Amendment of Solicitation", OMES Form 011OSF (or other format as provided), is issued, then the bidder shall acknowledge receipt of any/all amendment(s) to solicitations by signing and returning the solicitation amendment(s). Amendment acknowledgement(s) may be submitted with the offer or may be forwarded separately. If forwarded separately, amendment acknowledgement(s) must contain the solicitation number and response due date and time on the front of the envelope. The State must receive the amendment acknowledgement(s) by the response due date and time specified for receipt of bids for the offer to be deemed responsive. Failure to acknowledge solicitation amendments may be grounds for rejection.
- A.3.2. No oral statement of any person shall modify or otherwise affect the terms, conditions, or specifications stated in the solicitation. All amendments to the solicitation shall be made in writing by the State.
- A.3.3. It is the contractor's responsibility to check the State's website frequently for any possible amendments that may be issued. The State is not responsible for the contractor's failure to download any amendment documents required to complete a solicitation.

A.4. Offer Change

If the Bidder needs to change an offer prior to the solicitation response due date, a new offer shall be submitted to the State with the following statement "This offer supersedes the offer previously submitted" in a single envelope, package, or container and shall be sealed. The name and address of the Bidder shall be inserted in the upper left corner of the single envelope, package, or container.

SOLICITATION NUMBER AND SOLICITATION RESPONSE DUE DATE AND TIME MUST APPEAR ON THE FACE OF THE SINGLE ENVELOPE, PACKAGE, OR CONTAINER.

A.5. Certification Regarding Debarment, Suspension, and Other Responsibility Matters

By submitting an offer to this solicitation:

- A.5.1.** The Bidder certifies that the Vendor and their principals or participants:
 - A.5.1.1.** Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded by any federal, state or local department or agency.
 - A.5.1.2.** Have not within a three-year period preceding this Contract been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (federal, state or local) contract; or for violation of federal or state antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;
 - A.5.1.3.** Are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (federal, state or local) with commission of any of the foregoing offenses enumerated in this certification; and
 - A.5.1.4.** Have not within a three-year period preceding this Contract had one or more public (federal, state or local) contracts terminated for cause or default.
- A.5.2.** Where the Vendor is unable to certify to any of the statements in the certification above, Vendor shall attach an explanation to this offer.
- A.5.3.** The prospective primary participant and any subcontractor certifies to the best of their knowledge and belief, that they and their principals or participants:
 - A.5.3.1.** Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded by any Federal, State of Oklahoma or local department or agency.
 - A.5.3.2.** Have not within a three-year period preceding this solicitation been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State or local) contract; or for violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;
 - A.5.3.3.** Are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (Federal, State or local) with commission of any of the offenses enumerated in the previous paragraph of this certification; and
 - A.5.3.4.** Have not within a three-year period preceding this solicitation had one or more public (Federal, State or local) contracts terminated for cause or default.
- A.5.4.** Where the prospective primary participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to its offer.

A.6. Offer Public Opening

Sealed offers MAY BE OPENED UPON PUBLIC REQUEST, by the requesting agency identified in the front page of this solicitation, at the time and date specified in the solicitation as Response Due Date and Time.

A.7. Offers Subject To Public Disclosure

- A.7.1.** Unless otherwise specified in the Oklahoma Open Records Act, Central Purchasing Act, or other applicable law, documents and information an bidder submits as part of or in connection with an offer are public records and subject to disclosure. Bidders claiming any portion of their offer as proprietary or confidential must specifically identify what documents or portions of documents they consider confidential and identify applicable law supporting their claim of confidentiality. It is the sole discretion of the State CIO to make the final decision as to whether the documentation or information is confidential pursuant to 74 O.S. §85.10.
- A.7.2.** If the CIO agrees the information is proprietary, ISD will maintain the information as Confidential. If the CIO does not acknowledge the information as proprietary, ISD will return or destroy the information with proper notice to the Bidder and the evaluation will be completed without consideration of the information marked Proprietary.
- A.7.3.** PROPOSALS MARKED, IN TOTAL, AS PROPRIETARY and/or CONFIDENTIAL SHALL NOT BE CONSIDERED.

A.8. Oklahoma Open Records Act

Proposals are subject to public disclosure in accordance with the Open Records Act. To the extent permitted by the Oklahoma Open Records Act, 51 O. S. (2001) § 24A.1-27, the bidders proposals will not be disclosed, except for purposes of evaluation, prior

to approval by the CIO of the resulting contract. All material submitted becomes the property of the State of Oklahoma. Proposals will not be considered confidential after a contract is awarded except that information in the proposal determined to be confidential by the CIO shall continue to be considered confidential.

A.9. Late Offer

Offers received by the State after the response due date and time shall be deemed non-responsive and shall NOT be considered for any resultant award.

A.10. Legal Contract

- A.10.1.** Submitted offers are rendered as a legal offer and when accepted by the State, shall constitute a contract.
- A.10.2.** The contract resulting from this solicitation shall consist of the following documents in order of preference: State of Oklahoma Statutes, contract award documents, including but not limited to the Purchase Order, Contract Modifications, required certification statement, and change orders; the solicitation including any amendments; and the successful offer to the extent that the offer does not conflict with the requirements of the contract award documents or solicitation or applicable law. In the event there is a conflict between any of the preceding documents, the contract award documents prevail over the solicitation, and both the contract award documents and the solicitation shall prevail over the successful offer.
- A.10.3.** Any contract(s) awarded pursuant to the solicitation shall be legibly written or typed.
- A.10.4.** All transactions related to this solicitation, and any contract resulting therefrom, may be conducted by electronic means pursuant to the Oklahoma Uniform Electronic Transactions Act.

A.11. Pricing

- A.11.1.** Offers shall remain firm for a minimum of one-twenty (120) days from the solicitation closing date.
- A.11.2.** Bidder guarantee unit prices to be correct.
- A.11.3.** In accordance with 74 O.S. §85.40, ALL travel expenses to be incurred by the contractor in performance of the contract shall be included in the total bid price/contract amount.
- A.11.4.** All costs incurred by the Bidder for proposal preparation and participation in this competitive procurement shall be the sole responsibility of the Bidder. The State of Oklahoma shall not reimburse any bidder for any such costs.

A.12. Firm Fixed Price

Unless the solicitation specifies otherwise, an bidder shall submit a firm, fixed price for the term of the contract.

A.13. Pricing Requirements

If bidder pricing does not meet requirements of a solicitation, the offer may be considered non-responsive.

A.14. Manufacturers' Name and Approved Equivalents

Unless otherwise specified in the solicitation, manufacturers' names, brand names, information, and/or catalog numbers listed in a specification are for information and not intended to limit competition. Bidder may offer any brand for which they are an authorized representative, which meets or exceeds the specification for any item(s). However, if offers are based on equivalent products, indicate on the offer form the manufacturer's name and number. Bidder shall submit sketches, descriptive literature, and/or complete specifications with their offer. Reference to literature submitted with a previous offer shall not satisfy this provision. The bidder shall also explain in detail the reason(s) why the proposed equivalent will meet the specifications and not be considered an exception thereto. Offers that do not comply with these requirements are subject to rejection.

A.15. Rejection of Offer

The State reserves the right to reject any offers that do not comply with the requirements and specifications of the solicitation. An offer may be rejected when the Bidder imposes terms or conditions that would modify requirements of the solicitation or limit the bidder's liability to the State. Other possible reasons for rejection of offers are listed in OAC 580:15-4-11

Attempts to impose unacceptable conditions on the State, or impose alternative terms not in the best interest of the State shall not be tolerated. Continued attempts to impose unacceptable conditions or terms on the State shall result in a determination of your non-responsiveness of your offer due to the lack of compliance with the terms and conditions of negotiation or the solicitation.

A.16. Award of Contract

- A.16.1.** The State may award the contract to more than one bidder by awarding the contract(s) by item or groups of items, or may award the contract on an ALL OR NONE basis, whichever is deemed by the State to be in the best interest of the State of Oklahoma.
- A.16.2.** Contract awards shall be made to the lowest and best offer(s) unless the solicitation specifies that best value criteria is being used.

- A.16.3.** In order to receive an award or payments from the State of Oklahoma, vendor must be registered. The vendor registration process can be completed electronically through the DCS website at the following link: <https://www.ok.gov/dcs/vendors/index.php>.
- A.16.4.** It is the preference of the State to award to a single vendor. However, the State reserves the right to award to multiple vendors when it has been determined to be in the best interest of the State.

A.17. Contract Modification

- A.17.1.** The contract issued as a result of this solicitation is under the authority of the State personnel signing the Contract. The contract may be modified only through a written Contract Modification, signed by the State.
- A.17.2.** Any change to the contract, including the addition of work or materials, the revision of payment terms, or the substitution of work or materials, directed by a person who is not specifically authorized by the Office of Management and Enterprise Services - ISD in writing, or made unilaterally by the contractor, is a breach of the contract. Unless otherwise specified by applicable law or rules, such changes, including unauthorized written Contract Modifications, shall be void and without effect, and the contractor shall not be entitled to any claim under a contract based on those changes. No oral statement of any person shall modify or otherwise affect the terms, conditions, or specifications stated in the resultant contract.

A.18. Delivery, Inspection and Acceptance

- A.18.1.** All deliveries shall be F.O.B. Destination. The Vendor shall prepay all packaging, handling, shipping and delivery charges and prices quoted shall include all such charges. Any Products delivered pursuant to this Contract shall be subject to final inspection and acceptance by the procuring entity at Destination and the procuring entity has no responsibility for the delivered Products prior to acceptance. Title and risk of loss or damage to all items shall be the responsibility of the Vendor until accepted. The Vendor shall be responsible for filing, processing, and collecting any and all damage claims accruing prior to acceptance. "Destination" shall mean delivered to the receiving dock or other point specified in the applicable purchase order.
- A.18.2.** Vendor shall be required to deliver Products as offered on or before the required date. Deviations, substitutions, or changes in the Products shall not be made unless expressly authorized in writing by the State or Interlocal Entity, as applicable.

A.19. Invoicing and Payment

- A.19.1.** Upon submission of an accurate and proper invoice, the invoice shall be paid in arrears after products have been delivered or services provided and in accordance with applicable law. Invoices shall contain the purchase order number, a description of the products delivered or services provided, and the dates of such delivery or provision of services.
- A.19.2.** State Acquisitions are exempt from sales taxes and federal excise taxes.

A.20. Tax Exemption

State agency acquisitions are exempt from sales taxes and federal excise taxes. Bidders shall not include these taxes in price quotes

A.21. Audit and Records Clause

- A.21.1.** As used in this clause, "records" includes books, documents, accounting procedures and practices, and other data, regardless of type and regardless of whether such items are in written form, in the form of computer data, or in any other form. In accepting any contract with the State, the Vendor agrees any pertinent state or federal agency shall have the right to examine and audit all records relevant to execution and performance of this Contract.
- A.21.2.** The Vendor is required to retain records relative to this Contract for the duration of this Contract and for a period of seven (7) years following completion and/or termination of this Contract. If an audit, litigation, or other action involving such records is started before the end of the seven-year period, the records are required to be maintained for two (2) years from the date that all issues arising out of the action are resolved, or until the end of the seven (7) year retention period, whichever is later.

A.22. Non-Appropriation Clause

The terms of this Contract and any purchase order issued for multiple years under this Contract are contingent upon sufficient appropriations being made by the applicable state legislature, federal government or other appropriate government entity. Notwithstanding any language to the contrary in this Contract, or any other Contract Document, any State Entity or Interlocal Entity may terminate its obligations under this Contract if sufficient appropriations are not made by the Oklahoma Legislature, federal government or other appropriate governing entity to pay amounts due for multiple year agreements. The decision as to whether sufficient appropriations are available shall be accepted by, and be final and binding on, the Vendor.

A.23. Choice of Law and Venue

- A.23.1. Any claims, disputes or litigation relating to the Contract Documents, singularly or in the aggregate, or the execution, interpretation, performance, or enforcement thereof shall be governed by the laws of the State of Oklahoma, or in the case of an Inter-local Entity, in the state in which the Interlocal Entity is located, without regard to application of choice of law principles.
- A.23.2. Venue for any action, claim, dispute, or litigation relating in any way to the Contract Documents shall be in Oklahoma County, Oklahoma, or in the case of an Inter-local Entity, as agreed to between such Interlocal Entity and Vendor or as otherwise provided by applicable law.

A.24. Termination for Cause

- A.24.1. The Vendor may terminate this Contract in whole or in part for default with both a thirty (30) day written request and upon written approval from the State. The State may terminate this Contract in whole or in part for default or any other just cause upon a thirty (30) day written notification to the Vendor.
- A.24.2. The State may terminate this Contract immediately, in whole or in part, without a thirty (30) day written notice to the Vendor, when violations are found to be an impediment to the function of the State and detrimental to the cause of a procuring State Entity, when conditions preclude the thirty (30) day notice, or when the State determines that an administrative error occurred prior to Contract performance. Similarly, an Inter-local Entity may terminate its obligations to Vendor immediately upon any of the foregoing conditions in this subsection.
- A.24.3. If this Contract or certain obligations hereunder are terminated, the State, State Entity or Interlocal Entity, as applicable, shall be liable only for payment for Products delivered and accepted and such termination shall not be an exclusive remedy but shall be in addition to any other rights and remedies provided for by law.

A.25. Termination for Convenience

- A.25.1. The State may terminate this Contract, in whole or in part, for convenience if the State Chief Information Officer determines that termination is in the State's best interest. The State shall terminate this Contract by delivering to the Vendor a notice of termination for convenience specifying the terms and effective date of termination. The Contract termination date shall be a minimum of sixty (60) days from the date the notice of termination is issued by the State. Similarly, an Inter-local Entity may terminate its obligations to Vendor upon a determination by the proper authority for such Inter-local Entity that termination is in the Interlocal Entity's best interest and notice of termination by such Inter-local Entity shall be provided in accordance with the foregoing requirements set forth in this subsection.
- A.25.2. If this Contract or certain obligations hereunder are terminated pursuant to this section, the State, State Entity, or Inter-local Entity, as applicable, shall be liable only for Products delivered and accepted and such termination shall not be an exclusive remedy but shall be in addition to any other rights and remedies provided for by law.

A.26. Insurance

The contractor shall maintain and provide proof to the State of the following insurance during the term of this agreement:

- a) Worker's Compensation and Employer's Liability Insurance in accordance with applicable law.
- b) Commercial General Liability Insurance on a per occurrence basis with limits of liability not less than \$1,000,000 per occurrence and aggregate combined single limit, Personal Injury, Bodily Injury and Property Damage.
- c) Automobile Liability Insurance with limits of liability of not less than \$1,000,000 per occurrence combined single limit including Bodily Injury and Property Damage. Coverage shall include all owned vehicles, all non-owned vehicles, and all hired vehicles.
- d) Professional Errors and Omissions Insurance shall include Consultant's Computer Errors and Omissions Coverage with limits not less than \$1,000,000 per claim and in the aggregate

A.27. Employment Relationship

This Contract does not create an employment relationship between the parties. Individuals performing services required by this Contract are not employees of the State, a State Entity or an Inter-local Entity and, accordingly, shall not be eligible for rights or benefits accruing to such employees including but not limited to health insurance benefits, workers' compensation insurance, paid vacation or other leave, or any other employee benefit.

A.28. Compliance with the Oklahoma Taxpayer and Citizen Protection Act Of 2007

The Vendor certifies that it is registered and participates in the Status Verification System, available at www.dhs.gov/E-Verify, as required under applicable State law and is in compliance with applicable federal immigration laws and regulations. Vendor agrees that compliance with the certification set forth in this section shall be a continuing obligation.

A.29. Compliance with Applicable Laws

- A.29.1.** In connection with its performance of obligations under the terms of this Contract, the Vendor shall comply with all applicable federal, state, and local laws, rules, regulations, ordinances and orders, as amended, including but not limited to the following:
- a) Drug-Free Workplace Act of 1988 and as implemented at 45 C.F.R. part 76, Subpart F;
 - b) Section 306 of the Clean Air Act, Section 508 of the Clean Water Act, Section 309, Executive Order 11738, and Environmental Protection Agency Regulations which prohibit the use under nonexempt Federal contract, grant or loans of facilities included on the EPA List of Violating Facilities;
 - c) Prospective participant requirements set forth at 45 C.F.R. part 76 in connection with debarment, suspension and other responsibility matters;
 - d) 1964 Civil Rights Act, Title IX of the Education Amendment of 1972, Section 504 of the Rehabilitation Act of 1973, Americans with Disabilities Act of 1990 and Executive Orders 11246 and 11375;
 - e) Anti-Lobbying Law set forth at 31 U.S.C. §1325 and as implemented at 45 C.F.R. part 93;
 - f) Obtaining certified independent audits conducted in accordance with Government Auditing Standards and Office of Management and Budget Circular A-133 with approval and work paper examination rights of the applicable procuring entity; and
 - g) Be registered as a business entity licensed to do business in the State, have obtained a sales tax permit and be current on franchise tax payments to the State, as applicable.
- A.29.2.** The Vendor shall maintain all applicable licenses and permits required in association with its obligations hereunder.
- A.29.3.** The Vendor shall inform its employees or agents who perform services for the State under this Contract of the Vendor's obligations hereunder and shall require its employees or agents to comply accordingly. At the request of the State, Vendor shall promptly provide adequate evidence that such persons are its employees or agents and have been informed of their obligations hereunder.

A.30. Gratuities

The rights of Vendor under the terms of this Contract may be immediately terminated, in whole or in part, by written notice if it is determined that the Vendor, its employee, agent or another representative offered or gave a gratuity (e.g., an entertainment or gift) to any State or Inter-local Entity employee directly involved in this Contract. In addition, a Vendor determined to be guilty of such a violation may be suspended or debarred.

A.31. Preclusion from Resulting Contracts

Any contractor that has provided any consulting services or technical assistance that resulted in any specifications or concepts in this solicitation, either directly or indirectly, is precluded from the award of such contract and from securing a sub-contractor that has provided such services.

A.32. Mutual Responsibilities

The State and contractor agree that under this Agreement:

- A.32.1.** Neither party grants the other the right to use any trademarks, trade names, or other designations in any promotion or publication without express written consent by the other party.
- A.32.2.** This is a non-exclusive agreement and each party is free to enter into similar agreements with others.
- A.32.3.** Each party grants the other only the licenses and rights specified in the Contract Document.
- A.32.4.** Except as otherwise set forth herein, where approval, acceptance, consent, or similar action by either party is required under this Contract, such action shall not be unreasonably delayed or withheld

A.33. Background Checks and Verifications

At the sole discretion of the State, State Entity or Interlocal Entity, as applicable, employees of the Vendor and any subcontractor of the Vendor may be subject to background checks. If background check information is requested, the Vendor must submit, or cause to be submitted, the required information in a timely manner and the Vendor's access to facilities, data and information may be withheld prior to completion of background verification acceptable to such State, State Entity or Interlocal Entity.

A.34. Confidentiality

- A.34.1.** The Vendor shall maintain strict security of all State data and records entrusted to it or to which the Vendor gains access, in accordance with and subject to applicable federal and state laws, rules, regulations and policies and shall use any such data or records only as needed by Vendor for performance of its obligations hereunder. The Vendor further agrees to evidence such confidentiality obligation in a separate writing if required under such applicable federal or state laws, rules and regulations. If Vendor utilizes a permitted subcontractor, Vendor shall

obtain specific written assurance, and provide a copy to the State, that the subcontractor shall maintain this same level of security of all data and records entrusted to or accessed by the subcontractor and agree to the same obligations as Vendor, to the extent applicable. Such written assurance may be set forth in the required subcontractor agreement referenced herein.

- A.34.2.** No State data or records shall be provided or the contents thereof disclosed to a third party unless specifically authorized to do so in writing by the State Chief Information Officer, the Director of a procuring State Entity or in compliance with a valid court order. The Vendor shall immediately forward to the State and the State Chief Information Officer any request by a third party for data or records in the possession of the Vendor or any subcontractor or to which the Vendor or subcontractor has access and Vendor shall fully cooperate with all efforts to protect the security and confidentiality of such data or records in response to a third party request.

A.35. Unauthorized Obligations

At no time during the performance of this Contract shall the Vendor have the authority to obligate any other party hereto for payment of any goods or services over and above those set forth in this Contract. If the need arises for goods or services over and above the Products, Vendor shall cease the project and contact the appropriate procuring entity for written approval prior to proceeding.

A.36. Electronic and Information Technology Accessibility

Vendor shall comply with federal and state laws, rules and regulations related to information technology accessibility, as applicable, including but not limited to Oklahoma Information Technology Accessibility Standards ("Standards") set forth at http://www.ok.gov/cio/documents/isd_itas.pdf and Vendor shall provide a Voluntary Product Accessibility Template ("VPAT") describing such compliance, which may be provided via a URL linking to the VPAT. If the Products will require development or customization, additional requirements and documentation may be required and compliance shall be necessary by Vendor. Such requirements may be stated in appropriate documents including but not limited to state bids, request for proposals, and statements of work, riders, agreements, purchase orders and Amendments. Accordingly, in each statement of work or similar document issued pursuant to this Contract, Vendor shall describe such compliance and identify, if and as applicable, (i) which exception to the Standards applies or (ii) a description of the tasks and estimated cost to make the proposed products and/or services compliant with applicable Standards.

All representations contained in the VPAT provided will be relied upon by the State for accessibility compliance purposes.

A.37. Patents and Copyrights

- A.37.1.** Without exception, the Products prices shall include all royalties or costs owed by the Vendor to any third party arising from the use of a patent or copyright.
- A.37.2.** If a third party claims that any portion of the Products provided by Vendor under the terms of this Contract infringes that party's patent or copyright, the Vendor shall defend the State against the claim at the Vendor's expense and pay all related costs, damages, and attorneys' fees incurred by, or assessed to, the State, provided the State (i) promptly notifies the Vendor in writing of the claim and (ii) to the extent authorized by the Attorney General of the State, allows the Vendor to control the defense and any related settlement negotiations. If the Attorney General of the State does not authorize sole control of the defense and settlement negotiations to Vendor, Vendor shall be granted authorization to equally participate in any proceeding related to this section but Vendor shall remain responsible to indemnify the State for all associated costs, damages and fees incurred by or assessed to the State.
- A.37.3.** If such a claim is made or appears likely to be made, the Vendor shall enable the State to legally continue to use, or modify for use, the portion of Products at issue or replace such potential infringing Products with at least a functional non-infringing equivalent. If the Vendor determines that none of these alternatives is reasonably available, the State shall return such portion of the Products at issue to the Vendor, upon written request, in exchange for a refund of the price paid for such returned goods as well as a refund, if applicable, of other Products which are rendered materially unusable as intended due to removal of the portion of Products at issue.
- A.37.4.** Vendor has no obligation regarding a claim based on any of the following: (i) modification of a product by any party other than Vendor, its employee, agent, representative, permitted subcontractor, or any State employee acting in conjunction with the Vendor; (ii) a program's use in other than its specified operating environment; (iii) the combination, operation, or use of a product with other products not provided by Vendor as a system or (iv) infringement solely by a non-Vendor product that has not been provided to the State by, through or on behalf of the Vendor as opposed to its combination with products Vendor provides to or develops for the State as a system.

A.38. Assignment

Vendor's obligations under a Contract Document may not be assigned or transferred to any other person or entity without the prior written consent of the State which may be withheld in its sole discretion. Ownership of Products purchased under the terms of this Contract and rights granted under the terms of this Contract may be assigned or transferred, at no additional cost, to other entities within the State.

A.39. Severability

If any provision for this contract shall be held to be invalid or unenforceable for any reason, the remaining provisions shall continue to be valid and enforceable. If a court finds that any provision of this contract is invalid or unenforceable, but that by limiting such provision it would become valid and enforceable, then such provision shall be deemed to be written, construed, and enforced as so limited.

A.40. Paragraph Headings

The headings used in this Contract are for convenience only and do not constitute part of this Contract.

A.41. Failure to Enforce

Failure by the State, as applicable, at any time to enforce a provision of, or exercise a right under, any Contract Document shall not be construed as a waiver of any such provision. Such failure to enforce or exercise shall not affect the validity of any Contract Document, or any part thereof, or the right of the State to enforce any provision of, or exercise any right under, a Contract Document at any time in accordance with its terms. Likewise, a waiver of a breach of any provision in a Contract Document shall not affect or waive a subsequent breach of the same provision or a breach of any other provision in a Contract Document.

A.42. Conflict of Interest

- A.42.1.** Vendor must provide immediate disclosure of any contractual relationship or any other relevant contact with any State personnel or another State contractor or vendor involved in the development of a Vendor's response to any solicitation resulting in this Contract. Any conflict of interest shall, at the sole discretion of the State, be grounds for termination of project involvement.
- A.42.2.** In addition to any requirement of law or through a professional code of ethics or conduct, the Vendor and the Vendor's employees performing services for the State are required to disclose any outside activity or interest that conflicts or may conflict with the best interest of the State. Further, without prior written approval of the State, such employees shall not plan, prepare, or engage in any activity that conflicts or may conflict with the best interest of the State as long as the Vendor has an obligation under this Contract. Prompt disclosure is required under this section if the activity or interest is related, directly or indirectly, to any person or entity currently under contract with or seeking to do business with the State, its employees or any other third-party individual or entity awarded a contract with the State.

A.43. Limitation of Liability

To the extent any limitation of liability in any Contract Document is construed by a court of competent jurisdiction to be a limitation of liability in violation of applicable law, such limitation of liability shall be void.

A.44. Media Ownership (Disk Drive and/or Memory Chip Ownership)

- A.44.1.** In accordance with the State of Oklahoma Information Security Policy, Procedures, Guidelines set forth online at <http://www.ok.gov/cio/documents/InfoSecPPG.pdf> ("Electronic Media Retention Requirements"), any disk drives and memory cards purchased with or included for use in leased or purchased equipment under this Contract remain the property of the State.
- A.44.2.** Personal Identification Information may be retained within electronic media devices and components; therefore, the State shall not allow the release of electronic media either between State Entities or for the resale of refurbished equipment that has been in use by State Entities, by the Vendor to the general public or other entities. Electronic Media Retention Requirements shall also be applied to replacement devices and components, whether purchased or leased, the Vendor may supply during the downtime (repair) of equipment purchased or leased through this Contract. If a device has to be removed from a location for repairs, the State shall have sole discretion, prior to removal, to determine and enforce sufficient safeguards (such as a record of hard drive serial numbers) to protect Personal Identification Information that may be stored within the hard drive or memory of the device.

A.45. Offshore Services

No offshore services are provided for under this Contract. State data shall not be used or accessed internationally, for troubleshooting or any other use not specifically provided for herein without prior written permission, which may be withheld in the State's sole discretion, from the appropriate authorized representative of the State.

A.46. Failure to Provide

The contractor's repeated failure to provide defined services, without reasonable basis as determined by the sole discretion of the State of Oklahoma's Chief Information Officer, shall constitute a material breach of the contractor's obligations, which may result in cancellation of the contract.

A.47. Agency Policies

The contractor's employees and/or sub-contractors must adhere to the agency policies pertaining to acceptable use of Internet and electronic mail, facility and data security, press releases, and public relations. It is up to the contractor to review and relay agency policies covering the above to the consulting staff.

A.48. Compliance with Technology Policies

The contractor agrees to adhere to the State of Oklahoma "Information Security Policy, Procedures, and Guidelines" available at: www.ok.gov/OSF/documents/StateOfOklahomaInfoSecPPG_osf_12012008.pdf

A.49. High Technology System Performance and Upgrades

- A.49.1.** If an Acquisition pursuant to this Contract includes a "high technology system" as defined under Oklahoma law, the Vendor shall provide documentation of the projected schedule of recommended or required system upgrades or improvements to such system for the three (3) year period following the target purchase date. If Vendor does not plan such system upgrades or improvements, the Vendor shall provide documentation that no system upgrades or improvements to the high technology system are planned for the three (3) year period following the target purchase date.
- A.49.2.** Any Acquisition pursuant to this Contract of an upgrade or enhancement to a high technology system shall be conditioned upon the Acquisition being provided at no charge to the State; the Acquisition being provided to the State at no additional charge pursuant to a previous agreement with the Vendor; the Vendor providing documentation that any required or recommended upgrade will enhance or is necessary for performance of the applicable State agency duties and responsibilities; or the Vendor providing documentation that it will no longer supply maintenance assistance to the applicable State agency and the applicable State agency documenting that the functions performed by the high technology system are necessary for performance of the State agency duties and responsibilities.

A.50. Emerging Technologies

The State of Oklahoma reserves the right to modify the terms of this contract at any time to allow for technologies not identified elsewhere under this document. If there are repeated requests for an "emerging technology" and the State feels it is warranted to add such technologies, the State reserves the right to include such technology hereunder or to issue a formal modification or amendment to the contract.

A.51. Ownership Rights

- A.51.1.** Any software developed by the Vendor is for the sole and exclusive use of the State including but not limited to the right to use, reproduce, re-use, alter, modify, edit, or change the software as it sees fit and for any purpose. Moreover, except with regard to any deliverable based on the Vendor's Utilities, the State shall be deemed the sole and exclusive owner of all right, title, and interest therein, including but not limited to all source data, information and materials furnished to the State, together with all plans, system analysis, and design specifications and drawings, completed programs and documentation thereof, reports and listing, all data and test procedures and all other items pertaining to the work and services to be performed pursuant to this Contract including all copyright and proprietary rights relating thereto. With respect to Utilities, the Vendor grants the State, for no additional consideration, a perpetual, irrevocable, royalty-free license, solely for the internal business use of the State, to use, copy, modify, display, perform, transmit and prepare derivative works of Utilities embodied in or delivered to the State in conjunction with the Products.
- A.51.2.** Except for any Utilities, all work performed by the Vendor of developing, modifying or customizing software and any related supporting documentation shall be considered as Work for Hire (as defined under the U.S. copyright laws) and, as such, shall be owned by and for the benefit of State.
- A.51.3.** In the event that it should be determined that any portion of such software or related supporting documentation does not qualify as "Work Made for Hire", Vendor hereby irrevocably grants to the State, for no additional consideration, a non-exclusive, irrevocable, royalty-free license to use, copy, modify, display, perform, transmit and prepare derivative works of any such software and any Utilities embodied in or delivered to the State in conjunction with the Products.
- A.51.4.** Vendor shall assist the State and its agents, upon request, in preparing U.S. and foreign copyright, trademark, and/or patent applications covering software developed, modified or customized for the State. Vendor shall sign any such applications, upon request, and deliver them to the State. The State shall bear all expenses that are incurred in connection with such copyright, trademark, and/or patent applications.
- A.51.5.** If any Acquisition pursuant to this Contract is funded wholly or in part with federal funds, the source code and all associated software and related documentation owned by the State may be shared with other publicly funded agencies at the discretion of the State without permission from or additional compensation to the Vendor.
- A.51.6.** It is understood and agreed that the Software is being developed by the contractor for the sole and exclusive use of the State of Oklahoma. Moreover, except with regard to any deliverable based on contractor's reusable or pre-existing intellectual property ("Utilities"), the State of Oklahoma shall be deemed the sole and exclusive owner of all right, title, and interest therein, including all copyright and proprietary rights relating thereto.

A.51.7. Except for any utilities, all work performed by the contractor of software and any supporting documentation therefore shall be considered as Works for Hire (as such are defined under the U.S. Copyright Laws) and, as such, shall be opened by and for the benefit of State of Oklahoma.

A.52. Source Code Escrow – Reference Title 62 O.S. § 34.31

If required under applicable Oklahoma law relating to customized computer software developed or modified exclusively for a state agency, the Vendor shall have a continuing obligation to comply with such law and place the source code for such software and any modifications thereto into escrow with an independent third party escrow agent. Vendor shall pay all fees charged by the escrow agent and enter into an escrow agreement, the terms of which are subject to the prior written approval of the State, with the escrow agent including terms that provide the State receives ownership of all escrowed source code upon the occurrence of any of the following:

- a) A bona fide material default of the obligations of the Vendor under the agreement with the agency;
- b) An assignment by the Vendor for the benefit of its creditors;
- c) A failure by the Vendor to pay, or an admission by the Vendor of its inability to pay, its debts as they mature;
- d) The filing of a petition in bankruptcy by or against the Vendor when such petition is not dismissed within sixty (60) days of the filing date;
- e) The appointment of a receiver, liquidator or trustee appointed for any substantial part of the Vendor's property;
- f) The inability or unwillingness of the Vendor to provide the maintenance and support services in accordance with the agreement with the agency;
- g) The ceasing of a Vendor of maintenance and support of the software; or
- h) Such other condition as may be statutorily imposed by the future amendment or enactment of applicable Oklahoma law.

A.53. Right to Renegotiate

Prior to exercising the State's right to cancel a contract, the State may renegotiate an existing contract with a contractor for the purpose of obtaining more favorable terms for the State, provided that the term of the contract is not modified.

A.54. Used or New Products

Bidder shall offer new items of current design unless the solicitation specifies used, reconditioned, or remanufactured products are acceptable. Warranties in both cases should be the same.

A.55. Publicity

The award of this Contract to Vendor is not in any way an endorsement by the State of Vendor or the Products and shall not be so construed by Vendor in any advertising or publicity materials. Vendor agrees to submit to the State all advertising, sales promotion, and other publicity matters relating to this Contract wherein the State's name is mentioned or language used from which the connection of the State's name therewith may, in the State's judgment, be inferred or implied as an endorsement. Vendor further agrees not to publish or use such advertising, sales promotion, or publicity matter or release any informational pamphlets, notices, press releases, research reports, or similar public notices concerning this Contract without obtaining the prior written approval of the State.

A.56. Mandatory and Non-Mandatory Terms

- A.56.1.** Whenever the terms "shall", "must", "will", or "is required" are used in this RFP, the specification is a mandatory specification of this RFP. Failure to meet any mandatory specification may cause rejection of the Bidder's Proposal.
- A.56.2.** Whenever the terms "can", "may", or "should" are used in this RFP, the specification being referred to is a desirable item and failure to provide any item so termed shall not be cause for rejection.

A.57. Non Tobacco – Smoke Free

By order of the Governor's Executive Order 2012-01, effective August 06, 2012 the use of any tobacco product shall be prohibited on any and all properties owned, leased or contracted for use by the State of Oklahoma, including but not limited to all buildings, land and vehicles owned, leased or contracted for use by agencies or instrumentalities of the State of Oklahoma.

A.58. OMES/ISD / Agency Relationship

Pursuant to the Oklahoma Information Technology Consolidation and Coordination Act (62 O.S. §§ 35.1 – 35.9), OMES/ISD is the entity designated to purchase information technology assets on behalf of the State of Oklahoma. The Act directs OMES/ISD to acquire necessary hardware and software, and directs OMES/ISD to authorize the use of these assets by other State agencies. OMES/ISD, as the owner of information technology assets, allows other State agencies to use these assets while retaining

ownership and the right to reassign them upon written notification to the vendor.

A.59. Acceptance of Request for Proposal Content

Unless otherwise provided in Section One of the Vendor's response to this Request for Proposal, all Offers shall be firm representations that the responding Vendor has carefully investigated and will comply with all terms and conditions contained in this Request for Proposal. Upon award of any contract to the Successful Vendor, the contents of this Request for Proposal, as may be amended by the Vendor's response in Section One, shall become contractual obligations between the parties. Failure to provide all proposed amendments to the terms and conditions contained in this Request for Proposal in Section One of the Contractor's response may cause the bid to be rejected from consideration for award.

A.60. Special Provisions

Special Provisions apply with the same force and effect as these General Provisions. However, conflicts or inconsistencies shall be resolved in favor of the Special Provisions.

B. SPECIAL PROVISIONS

B.1. Glossary of Terms

- B.1.1.** ACH - Automated Clearinghouse. A funds transfer system governed by the rules of the National Automated Clearing House Association (NACHA) which provides for the interbank clearing of electronic entries for participating Depository Institutions.
- B.1.2.** ARU - Automated Response Unit
- B.1.3.** Contractor – A vendor, bidder, or bidder that has been awarded a contract by the State.
- B.1.4.** Daycare - "Time & Attendance system" and "Child Care" are used synonymously in this document.
- B.1.5.** `EPS - Used synonymously with the labor, software, software development or modification, equipment and services described in this document.
- B.1.6.** FNS - USDA Food and Nutrition Service
- B.1.7.** ICD - Interface Control Document
- B.1.8.** Minimum - Denotes compulsory submission of specific information and required performance in response to this solicitation; a technical requirement in this document.
- B.1.9.** PAN - Primary Account Number
- B.1.10.** PIN - Personal Identification Number
- B.1.11.** Proposal - The entirety of the Bidder's responses to each point of this RFP, including any and all supplemental offers or information not explicitly requested within this RFP.
- B.1.12.** Proprietary Information - Information held by the Bidder that if released to the public or anyone outside the Bidder's organization, would be detrimental to its interests. It is an issue of fact rather than opinion.
- B.1.13.** TTP - Third Party Processor
- B.1.14.** USDA - United States Department of Agriculture
- B.1.15.** Contract Term, Renewal and Extension Option

B.2. Contract Term, Renewal and Extension Option

- B.2.1.** Under Oklahoma law, the State may not contract for a period longer than one (1) year. By mutual consent of the parties hereto, it is intended that there shall be six **(6) options to renew, each for duration of one (1) year.**
- B.2.2.** After the initial term of one year, the Agreement may be renewed annually upon mutual written consent of the parties. Prior to each renewal, the State will review the terms and conditions to determine validity with current state statutes and rules. If required prior to renewal, the State will work with the contractor to incorporate any required changes to this agreement
- B.2.3.** The State, at its sole option, may choose to exercise an extension for 90 days beyond the final renewal option period, at the contract compensation rate for the extended period. If this option is exercised, the State shall notify the contractor in writing prior to contract end date. The State, at its sole option, may choose to exercise subsequent 90 day extensions, by mutual consent and at the contract compensation rate, to facilitate the finalization of related terms and conditions of a new award or as needed for transition to new contractor.
- B.2.4.** Notification to exercise the option to renew the contract shall be set forth, in writing, by the State at least 30 days prior to the end of each contract period. The contract shall be contingent upon approval by the State. If a decision is made not to exercise an option period, notice shall be sent at least 30 days prior to the end of the current contract period.
- B.2.5.** Term extensions – the state CIO reserves the right to extend any contract awarded if it is determined to be in the best interest of the state with FNS approval

B.3. Obligations of Permitted Subcontractor

- B.3.1.** If the Vendor is permitted to utilize subcontractors in support of this Contract, the Vendor shall remain solely responsible for its obligations under the terms of this Contract and for its actions and omissions and those of its agents, employees, and subcontractors. Any proposed subcontractor shall be identified by entity name and by employee name in the applicable proposal and shall include the nature of the services to be performed. Prior to a subcontractor being utilized by the Vendor in connection with provision of the Products, the Vendor shall obtain written approval of the State of such subcontractor and each employee of such subcontractor proposed for use by the Vendor. Such approval is within the sole discretion of the State. As part of the approval request, the Vendor

shall provide a copy of a written agreement executed by the Vendor and subcontractor setting forth that such subcontractor is bound by and agrees to perform the same covenants and be subject to the same conditions, and make identical certifications to the same facts and criteria, as the Vendor under the terms of all applicable Contract Documents. Vendor agrees that maintaining such agreement with any subcontractor and obtaining prior approval by the State of any subcontractor and associated employees shall be a continuing obligation. The State further reserves the right to revoke approval of a subcontractor or an employee thereof in instances of poor performance, misconduct or for other similar reasons.

- B.3.2.** All payments for Products shall be made directly to the Vendor. No payments shall be made to the Vendor for any services performed pursuant to this Contract by unapproved or disapproved employees of the Vendor or a subcontractor.

B.4. Commercial Off-The-Shelf (Cots) Software

In the event that Vendor specifies terms and conditions or clauses in an electronic license agreement notice that conflict with the terms of this Contract, the additional terms and conditions or conflicting clauses shall not be binding on the State and the provisions of this Contract shall prevail.

B.5. Delivery and Acceptance of Time & Attendance and Debit Card Program

All products and services are subject to inspection and testing by the DHS and any that do not meet or exceed the specifications may be rejected.

The DHS shall be given up to ninety (90) days from the final completion of the installation (if installed by the Contractor) or up to ninety (90) days after delivery if the DHS installs (using the contractor's installation documentation or with the contractor working on-site with DHS staff) to test, evaluate, and accept the materials, software, and services (collectively, the deliverables) delivered or furnished under this contract.

If the Contractor's product or services fail to meet the specifications, then the same may be rejected and returned to the Contractor with a letter stating the reasons for non-acceptance. Such rejection will exempt the DHS from all related costs incurred by the Contractor. The Contractor shall be given thirty (30) days to cure the nonconforming products or services and re-submit the deliverable(s) to the DHS, with a letter explaining the corrections made, for inspection, re-testing, and re-evaluation. The DHS shall be given thirty (30) days to inspect, re-test, and re-evaluate the deliverable(s), and to issue a written notice of acceptance or rejection of the deliverables. If the deliverables submitted fail to pass acceptance within ninety (90) days, the DHS may, at its sole discretion, continue with the Contractor or terminate the agreement.

Deliverables must be accepted in writing by the DHS before title shall pass to the DHS or payment shall be authorized.

However, acceptance by the DHS following testing and evaluation shall not be conclusive that the deliverable(s) conform in all respects to the specifications. In the event that the DHS discovers nonconformance after acceptance, whether due to a latent defect or otherwise, the Contractor shall take whatever corrective action as necessary so that the deliverable(s) conform to the specifications, including but not limited to, modification or replacement of non-conforming products or services.

Contractor warrants that, upon receipt of written notice by the DHS of a latent defect in design, material, or workmanship, or a latent nonconformity of the software or services to the specifications, which would have constituted a basis for rejection if discovered prior to acceptance, it will repair or replace or otherwise correct the defect to the level of performance specified in this solicitation

B.6. Agency Policies

DISCLAIMER- All statistical and fiscal data contained in the request for proposal and any addenda, appendices or attachments of this contract reflects the data available to the state at the time the above cited documents were prepared. the state does not warrant the accuracy of any statistical or fiscal estimates or projections or information not generated by the state and shall not be liable for any errors or omissions, or the results of errors or omissions, which may be discovered, at any time, to exist in projections, estimates or information generated by the contractor, its representatives or subcontractors. The state does not warrant that future caseloads will be similar to historic caseloads

- B.6.1.** Hours of Operations - Provide all services required under this contract 24 hours per day, 7 days per week, and 365 days per year unless otherwise noted
- B.6.2.** Meetings- Contractor shall notify the State's Director of Electronic Payment Systems prior to scheduling or agreeing to participate in a meeting between Contractor and non-state parties related to this Contract, to include replacement of subcontractor. For the purpose of this paragraph, "meeting" shall include but not be limited to a telephone conference call. Such notice shall be in writing and shall be delivered prior to scheduling or agreeing to participate in the meeting. The State will respond to the notice within a reasonable period. The State may, at its option, participate in any meeting or require the Contractor to re-schedule any meeting to allow for State participation
- B.6.3.** Signature Authority- the Contractor shall provide a list to the State in writing within 30 calendar days of the effective date of the Contract of the person or persons that having binding signature authority on behalf of Contractor. Contractor shall notify the State in writing immediately if such designation is withdrawn or changed by Contractor at any time during the term of the Contract

- B.6.4.** Cooperation with Other Parties-Cooperate fully with any other Contractors, consultants, or other parties that may be engaged by the State in connection with the Contract and permit access by all such other parties, as requested in writing by the State, to any records and procedures that may be in the possession or control of Contractor
- B.6.5.** Liaison-Provide reasonable assistance as requested by the State in maintaining liaison and coordination with groups, committees, or similar bodies, which are interested in the performance or objectives of the Contract
- B.6.6.** Current Systems Manuals- Maintain up to date documentation and procedures manuals on systems relevant to the Contract as specified in Addenda 9 of the Request for Proposal. Documentation and manuals shall be updated within 30 calendar days of any changes and kept up-to-date during the term of this Contract. Contractor must maintain an original of such documentation and manuals on-site at all times during the term of the Contract. An original and six (6) copies shall be provided to the State within the specified timeframe or maintained in an electronic library.
- B.6.7.** Corporate Sale or Company Takeover- (Reference Section A.38 Assignment) -In the event of a Corporate sale or Company takeover of a majority ownership in Contractor by a person or entity that did not have such ownership interest on the day before the effective date of the resulting Contract, Contractor shall ensure that it or its successor organization continues to perform its duties under this contract. Contractor must inform all parties interested in buying or taking majority control of its business of its obligation to continue performing under this Contract, and shall not agree to any sale or takeover of its business without assuring that this Contract will continue to be performed until the term has expired.

B.7. Conformance with State and Federal Laws and Regulations-

Contractor shall comply with all Oklahoma and federal laws, regulations, and policies as they exist or as amended which are or may be applicable to the Contract, including those not specifically mentioned in the Contract. Work performed under the Contract must conform to the federal requirements set forth in 45 CFR, Parts 74 and 95.

B.7.1.1. Equal Employment Opportunity

Executive Order 11246, entitled "Equal Employment Opportunity", as amended by Executive Order 11375, and as supplemented by the Department of Labor Regulations (41 CFR Part 60): The Executive Order prohibits federal contractors and federally-assisted construction contractors and subcontractors who do over \$10,000 in Government business in one year from discriminating in employment decisions on the basis of race, color, religion, sex, or national origin. The Executive Order also requires Government contractors to take affirmative action to ensure that equal opportunity is provided in all aspects of their employment.

B.7.1.2. Anti-Lobbying Act

The Anti-Lobbying Act prohibits the recipients of Federal contracts, grants, and loans from using appropriated funds for lobbying the Executive or Legislative branches of the Federal government in connection with a specific contract, grant, or loan. As required by Section 1352, Title 31 of the U.S. Code and implemented at 34 CFR Part 82 for persons entering into a grant or cooperative agreement over \$100,000, as defined at 34 CFR Part 82, Section 82.105 and 82.110, the applicant certifies that:

- a) No federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress in connection with the making of any federal grant, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any federal grant or cooperative agreement;
- b) If any funds other than federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress in connection with this federal grant or cooperative agreement, the undersigned shall complete and submit Standard Form – LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions;
- c) The undersigned shall require that the language of this certification be included in the award documents for all sub-awards at all tiers (including sub-grants, contracts under grants and cooperative agreements, and subcontracts) and that all sub-recipients shall certify and disclose accordingly.

B.7.1.3. Americans with Disabilities Act

This Act (28 CFR Part 35, Title II, Subtitle A) prohibits discrimination on the basis of disability in all services, programs, and activities provided to the public and State and local governments, except public transportation services.

B.7.1.4. Debarment and Suspension

As required by Executive Order 12549, Debarment and Suspension, and implemented at 34 CFR Part 85, for prospective participants in primary covered transactions, as defined at 34 CFR Part 85, Sections 85.105 and 85.110.

a) The applicant certifies that it and its principals:

- 1) Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any federal department or agency;
- 2) Have not within a three-year period preceding this application been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (federal, state, or local) transaction or contract under a public transaction; violation of federal or state antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;
- 3) Are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (federal, state, or local) with commission of any of the offenses enumerated in paragraph (1)(b) of this certification; and
- 4) Have not within a three-year period preceding this application had one or more public transactions (federal, state, or local) terminated for cause or default.

b) Where the applicant is unable to certify to any of the statements in this certification, he or she shall attach an explanation to this application.

B.7.1.5. Contractor must complete and sign FNS Forms FNS-730, FNS-731, and FNS-732.

B.7.1.6. In addition, work performed under the Contract must conform to SNAP Program regulations at 7 CFR 271-285, which include but are not limited to, including all changes, updates, revisions and policy interpretations:

- 7 CFR, Section §274.1, Electronic Benefit Transfer Issuance System Approval Standards;
- Final Rule re: SNAP Program: Electronic Benefit Transfer Benefit Adjustments; Federal Register, Vol. 65, No. 129, Wednesday, July 5, 2000;
- Final Rule re: SNAP Program: Electronic Benefit Transfer (EBT) Systems Interoperability and Portability; Federal Register, Vol. 68, No. 122, June 25, 2003;
- Final Rule re: SNAP Program, Regulatory Review: Electronic Benefit Transfer (EBT) Provisions of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996; Vol. 65, No. 193, Wednesday, October 4, 2000.
- Debarment, Suspension and Other Responsibility Matters - The contractor certifies that they and its subcontractor's meet all requirements found at 7 CFR Part 3017.300 for prospective participants in primary covered transactions, as defined at 7 CFR Part 3017, Debarment, Suspension and other Responsibility Matters
- Anti-Kickback act- The contractor must comply with Federal Executive Order 11246, the Copeland "Anti-Kickback Act" if applicable.

The following regulations govern the administration of the SNAP Program issuance and use standards:

- CFR § 274.1 through 274.8, Issuance and Use of Program Benefits
- All changes, updates, revisions, and policy interpretations of the Federal regulations as enacted by law or USDA – FNS.
- The Contractor must comply with the software and automated data processing equipment ownership rights prescribed in 7 CFR 274.1(e). The Contractor is responsible for ensuring that the Contractor's EBT system meets the processing requirements and criteria established by USDA-FNS

B.7.2. Payment Schedule- Payment will be made based on the requirements of Sections F2.0 through F4.0. Payment against this resulting contract shall be on a cost per case month basis for EBT and per deposit basis for direct deposit associated with the debit card program and the state shall not pay, nor be liable for, any other additional costs, including, but not limited to, taxes, attorney fees, identified cost, etc.

The Contractor is advised the CPCM/CPD proposed for each set shall not change during the life of the contract with the exception of increases or decreases to the CPCM/CPD that may occur as a result of work authorizations jointly agreed to by the state and the Contractor. In addition, the supplier is advised that the CPCM costs for a lower or higher tier will automatically go into effect should the state's caseload move into the next lower or higher level.

B.7.3. Billing Information- Claims for services shall be submitted within ninety (90) calendar days of the provision of services. Supporting encumbrances may be canceled upon a lapse of six months from the actual provision of services, unless specified otherwise in the contract. If the Department of Human Services or the state of Oklahoma finds that an overpayment or underpayment has been made to the Contractor, the Department may

adjust any subsequent payments to the Contractor to correct the account. A written explanation of the adjustment is to be issued to the Contractor with an explanation as to the manner in which a request for reconsideration may be made.

B.7.4. Enhancements and Modifications- (Reference General Terms and Conditions Section A.17 Contract Modification subsections A.17.1 and A.17.2) -The State may request project changes or modifications not otherwise specified or required. Such requests shall be in writing and signed by the DHS Director of Electronic Payment Systems.

- The contractor shall have no more than thirty (30) calendar days in which to respond to the request and provide the cost of system changes, scheduled time frame for completion of the request, any impact to meeting the established project timeline and any impact to previously approved system changes that have not been completed. If additional time is required to complete the estimate, the Contractor shall provide the proposed response date within two weeks of receipt of the enhancement and/or change request. However, the extension shall never exceed more than sixty (60) calendar days.
- The State will have ten (10) calendar days in which to accept or reject the cost proposal from the contractor. If approved, the contractor will prepare detailed descriptions of the change requested which must be approved by the State before any programming occurs. The State will not be responsible for the cost to the contractor for providing cost and implementation timelines on system enhancements.
- The contractor will provide a monthly written description of all enhancements requested by the Department.
- All Enhancements or Modifications that impact the SNAP EBT system shall require the approval of FNS.
- The Contractor agrees that it will perform all the requirements of the contract until the State can successfully migrate to a new Contractor as outlined C.6.11.8 and C.8

B.7.5. Identified Costs

The Contractor agrees to the importance of this contract and performance standards agreed to herein. The State and the Contractor agree that in the event of failure to meet the contract requirements, deliverable dates or any standard performance within the time set forth under each Section, damage shall be sustained by the State and that it may be impractical and extremely difficult to ascertain and determine the actual damages which the State will sustain by reason of such failure. It is therefore agreed that the State, at its sole option, may require the Contractor to pay identified cost for such failures with the following provisions:

Where the failure is the sole and exclusive fault of the State, no identified cost shall be imposed.

For any failure by the Contractor to meet any performance standard, project task, project deliverable date or timeframes specified in any section of the contract, the State may require the Contractor to pay identified cost in the amount specified below per business day, per task, per deliverable, performance standard or timeframe for each and every business day thereafter until such task, deliverable or performance standard is completed and accepted by the State.

The Contractor agrees that there are some failures that so negatively impact our customers and clients that no advance notification will be provided before damages are imposed, these shall be agreed upon by the DHS and Bidder prior to award of the contract. For all other standards and tasks written notification of failure to meet a requirement shall be given by the DHS Director of Electronic Payment Systems to the Contractor (e-mail shall be an acceptable form of written notification). The State will notify the Contractor of the first incident of failure to meet one or more of the defined standards and request a corrective action plan. The State will set a date for submission of the plan. If the State does not receive the plan by the due date and no extension has been granted, the State may, at its sole discretion invoke the appropriate remedy per this schedule.

If the State receives the plan by the due date, it will cooperate with the Contractor to achieve a mutually agreed upon final corrective action plan and schedule. The State may, at its sole discretion, invoke the appropriate remedy if the Contractor does not meet the schedule and no extension has been granted.

The Contractor shall have:

- Five (5) business days to correct any delayed project task or project deliverable related to the transition to the new EPS system. The State may impose \$5,000 per deliverable after five business days;
- Five (5) business days to correct any delayed task related to the on-going maintenance of the EPS system. The State may impose \$5,000 per task after five business days;
- Twenty-four (24) hours to provide required reports or to correct reports that contained inaccurate information. The State may impose \$1,000 per occurrence, per day;
- Twenty-four (24) hours to transmit missing data files or to submit corrected files for previously transmitted files that contained inaccurate information. The State may impose \$5,000 per occurrence.

The State and the Contractor agree that the following figures represent the reasonable pre- breach estimate of probable loss that will be sustained by the State for each EPS program impacted:

The Contractor shall have:

- \$15,000 if Contractor changes Project Managers during transition or conversion without good cause as determined by the State;
- \$2,500 for each full percentage point below the tolerance levels on response times;
- \$5,000 for each full percentage point below the tolerance levels on system availability requirements;
- \$2,500 for each full percentage point below the tolerance levels on Help Desk requirements;
- \$500.00 per day for all manuals or documents not updated within 30 days of changes
- \$500.00 per day for failure to submit enhancement quotes and impact statements within agreed upon timelines;
- \$2,500 per day for any item listed in the contract and not specifically stated above;
- \$10,000 per occurrence for making any changes in the production system without the express written approval of the Director of Electronic Payment System Further, the State shall reduce invoices to offset any DHS staff costs in resolving issues arising from this action
- \$10,000 per occurrence for any system/operator error that results in inaccurate payments or inability to access benefits further, the State shall reduce invoices to offset any DHS staff costs in resolving system/operator error.
- \$2,500 per day for unavailable test systems
- \$5,000 per occurrence for release of system to UAT for testing that results in failure, when no documentation can be provided to show prior successful testing by the contractor.
- The parties may elect to use any or all remedies available to them on default whether set forth above or otherwise available to them by law.

B.7.6. Financial Liabilities-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 representative 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 damages or losses suffered by a Federal or State Agency due to negligence on the part of the Contractor
- Any loss of benefits caused by fraud or abuse by the Contractor or its representatives or subcontractors
- Any loss resulting from failure to reduce debit card benefit amounts after receipt of returned funds

B.7.7. Audit and Records –Reference Section A.22. Records and Audit Clause

The Contractor and subcontractors will maintain adequate and separate accounting and fiscal records and account for all funds provided by any source to pay the cost of the project, and permit audit and/or examination of all such records, procedures and accounts at any reasonable time by authorized personnel of the U.S. Department of Health and Human Services or other pertinent Federal agencies, and authorized personnel of the Oklahoma Department of Human Services, State Auditor and Inspector and other appropriate State entities.

Furthermore, such personnel shall have the right of access to any books, records, documents, accounting procedures, practices, or any other items of the service provider which are pertinent to the performance or payment of the resulting contract/grant in order to audit, examine and make excerpts of records. Contractor shall be required to maintain all records for seven (7) years after the Department makes final payment and all other pending matters are closed

B.7.8. Subcontracting- Reference Sections A.38 Assignment & B.3 Contractors and Sub-Contractors

The successful Contractor shall agree that its responsibilities within the resulting contract is unique and may not be assigned or delegated without the written approval of DHS and FNS. If the contractor cannot perform the services, as identified in the contract, the contractor will be responsible for subcontracting the services and making alternative arrangements for the provision of the services, only with the prior written approval from the Director of Electronic Payment Systems

B.7.9. Additional Professional/Technical, Errors and Omissions, or Miscellaneous Liability Insurance, unless otherwise specified within this the Contract, Contractor insurance minimum amounts will be as follows:

- 1) \$3,000,000.00 - per claim
 - 2) \$6,000,000.00 - annual aggregate
- a) Bidder must submit a certified financial statement that provides evidence that Contractor has adequate assets to cover any deductible that applies to this policy.

This policy will provide coverage for all claims for which the successful Contractor shall be legally obligated to pay resulting from any actual or alleged negligent act, error, or omission related to Contractor's professional services required under the resulting Contract. The amount of minimum coverage per claim is based on four days average SNAP and one week Time & Attendance system settlements.

The State reserves the right to immediately cancel this Contract if Contractor is not in compliance with the insurance requirements and retains all rights to pursue any legal remedies against Contractor. All insurance policies must be open to inspection by State, and copies of policies must be submitted to the Contract Officer within ten (10) calendar days of the contract begin date and upon written request.

B.7.10. Performance Bond

Contractor shall provide a performance bond in an amount of \$6,000,000.00. Contractor shall provide the performance bond to the Contract Officer ten (10) calendar days prior to the contract begin date. The form of bond required shall be the standard form of performance bond such as is usually and customarily written and issued by surety companies licensed and authorized to do business in the State of Oklahoma. After securing the performance bond, it shall be the responsibility of the Contractor to notify the issuing surety company of any change of circumstance. The bond will be used in the event of insolvency or failure by the Contractor for any reason, to fulfill its obligations under the contract. After notification of default procedures, collection against the Contractor's bond may be instituted for the amount of damage incurred. Actions against this bond are in addition to any other remedies specified in the Terms and Conditions or the Performance Standards and do not constitute a waiver of any additional remedy

B.7.11. Audit Requirements/Policies (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 SNAP 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 ninety (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 thirty (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.

B.7.12. FORCE MAJEURE

Definition: Except for payment of sums due, neither party shall be liable to the other or deemed in default under this contract if and to the extent that such party's performance of this contract is prevented by reason of force majeure. The term "force majeure" means an occurrence that is beyond the control of the party affected and could not have been avoided by exercising reasonable diligence. Force Majeure shall include acts of God, war, riots, strikes, fire, floods, or other similar occurrences.

Force Majeure shall not include, or be related to, the following occurrences:

- Late delivery of equipment, supplies or materials or an oversold condition of the market
- Inability of either the Contractor or approved subcontractor to acquire or maintain any required insurance, bond, license, or permit.

Notification: If either party is delayed by Force Majeure, said party shall provide written notification within forty-eight (48) hours. The notification shall provide evidence of the Force Majeure to the satisfaction of the other party. Such delay shall

cease as soon as practicable and written notification of it shall be provided. The time of completion for the suppliers' performance may be extended by contract modification for a period of time as determined by the State Purchasing Director equal to the time that the results or effects of such delay prevented the supplier from performing in accordance with this contract.

Rights Reserved: The state reserves the right to cancel all or part of this contract and/or purchase materials, equipment, or services from the best available source during the time of Force Majeure, and Contractor shall have no recourse against the state.

B.7.13. HIPAA and Data Privacy Rule

- 1) DHS and Provider satisfy the definitions of "covered entity" and "business associate," respectively, which are contained in the Health Insurance Portability and Accountability Act (HIPAA) regulations issued by the Department of Health and Human Services.
- 2) Capitalized terms used herein without definition shall have the meanings assigned to such terms in 45 C.F.R. Parts 160 and 164.
- 3) Provider may use and disclose PHI only as required to satisfy its obligations herein, as permitted herein, directors, officers, employees, contractors and agents do not use or disclose PHI received from DHS in any manner that would constitute a violation of the HIPAA Privacy Standards if so used or disclosed by DHS, except that Provider may use PHI:
 - a) For Provider's proper management and administrative services;
 - b) To carry out the legal responsibilities of Provider; or
 - c) To provide data aggregation services relating to the health care operations of DHS, if required under the resulting contract
- 4) Provider acknowledges that, as between Provider and DHS, all PHI shall be and remain the sole property of DHS, including any and all forms developed by Provider in the course of fulfilling its obligations pursuant to this contract. Provider further represents that any request that DHS discloses, PHI shall be for the minimum necessary PHI needed to carry out this contract.

Provider shall agree to the following:

- a) Not use or further disclose PHI other than as permitted or required by this contract or as required by law.
 - b) Use appropriate safeguards to prevent the use or disclosure of PHI other than as provided by this contract.
 - c) Immediately report to DHS any use or disclosure of PHI in violation of this contract of which it becomes aware. Ensure that any of Provider's agents, including contractors or subcontractors, to whom it provides PHI, which is received from, or created or received by Provider on behalf of DHS, agrees to the same restrictions and conditions that apply to Provider pursuant to this contract with respect to such PHI
 - d) Make PHI available to the Individual in accordance with 45 C.F.R. § 164.524.
 - e) Make available PHI for amendment and incorporate any amendments made by the individual to PHI in accordance with 45 C.F.R. § 164.526
 - f) Make available such information as is in Provider's possession and is required for the DHS to provide an accounting of disclosures in accordance with 45 C.F.R. § 164.528. In the event the request for an accounting is delivered directly to Provider, Provider shall within two (2) days forward such request to the DHS. Provider hereby agrees to implement an appropriate record keeping process to enable it to comply with the requirements of this Section
 - g) Make its internal practices, books and records relating to the use and disclosure of PHI received from, or created or received by Provider on behalf of, DHS available to the Secretary for purposes of determining DHS' compliance with the Privacy Standards
 - h) Upon termination of the Agreement, return or destroy all PHI received from DHS or created or received by Provider on behalf of DHS and which Provider still maintains in any form and retain no copies of such PHI. If the return or destruction is not feasible, Provider shall extend the protections of this contract to the PHI and limit further uses and disclosures to those purposes that make the return or destruction of such PHI infeasible
- 5) Federal regulations at 7 CFR 272.1(c) 1 and(c)(2).

For the purposes of executing its responsibilities and to the extent set forth in the Contract Contractor shall be considered part of the welfare system as defined in Oklahoma Statutes.

- 6) Contractor must agree to return any and all data furnished by the State promptly at the request of the State in whatever form it is maintained by Contractor. Upon the termination or completion of the Contract, Contractor

will not use any such data or any material derived from the data for any purpose and where so instructed by the State, will destroy or render its machines unreadable

B.7.14. Information Security

1) State of Oklahoma – Title 62, Chapter 1, Section 41.5v – Security Risk Assessments

DHS requires all entities that are hosting, storing, accessing, utilizing, managing, or manipulating data or information systems of DHS to adhere to Section 41.5v. Each entity must annually perform an information security risk assessment due to the Director of Electronic Payment Systems by the first day of November of each year for private entities and by the last day in January for public entities. The final information security risk assessment report shall identify, prioritize, and document information security vulnerabilities of the entity. The entity is granted sixty (60) working days after final report submission to respond with a mitigation plan for the identified security vulnerabilities. Failure to comply with the requirements of this standard may result in funding being withheld from the entity, and/or full audit and inspection of the entities security compliance as it pertains to this contract. Entities shall use either the standard security risk assessment created by the Office of State Finance or a third-party risk assessment meeting the ISO/IEC 17799 standards and using the National Institute of Standards and Technology Special Publication 800-30 (NIST SP800-30) process and approved by the Office of State Finance. The text of the Oklahoma State Statute is found on the Oklahoma Legislature Information System website in the Oklahoma State Statutes and Constitution webpage www.lsb.state.ok.us

2) State of Oklahoma – Title 74, Chapter 49, Section 3113.1

Disclosure of Security Breach of Personal Data - In accordance with this Oklahoma State law, DHS requires all entities that are hosting, storing, accessing, utilizing, managing, and/or manipulating data, or information systems of DHS to adhere to the requirements of Section 3113.1. Each entity shall disclose any breach of the security of the system following discovery or notification of the breach in the security of the data to any resident of Oklahoma whose encrypted or unencrypted personal information was, or is reasonably believed to have been, acquired by an unauthorized person. The disclosure shall be made in the most expedient time possible and without unreasonable delay to the DHS, Director of Electronic Payment Systems. The entity must deliver a final report of the breach post-mortem, citing the reason, sources, affected records, and mitigation plans or actions within ten (10) business days of breach discovery. Failure to comply with the requirements of this standard may result in funding being withheld from the entity, and/or full audit and inspection of the entity's security compliance as it pertains to this contract. The text of the Oklahoma State Statute is found on the Oklahoma Legislature Information System website in the Oklahoma State Statutes and Constitution webpage www.lsb.state.ok.us

3) Payment Card Industry (PCI) Data Security Standards

All entities that accepts, captures, stores, transmits, or processes payment card data as a merchant or service provider of DHS and must adhere to these standards for information security. These security requirements apply to all "system components." System components are defined as any network component, server, or application that is included in or connected to the cardholder data environment. The cardholder data environment is that part of the network that possesses cardholder data or sensitive authentication data. Adequate network segmentation, which isolates systems that store, process, or transmit cardholder data from those that do not, may reduce the scope of the cardholder data environment. Network components include but are not limited to firewalls, switches, routers, wireless access points, network appliances, and other security appliances. Server types include but are not limited to the following: web, database, authentication, mail, proxy, network time protocol (NTP), and domain name server (DNS). Applications include all purchased and custom applications, including internal and external (Internet) applications. The entity must provide DHS annual certification of compliance with this standard. The annual certification shall identify, prioritize, and document the entity's compliance and action plans for areas that need mitigation. The entity must provide the most recent certification report prior to the finalization and enactment of the contract. Failure to comply with the requirements of this standard may result in funding being withheld from the entity, and/or full audit and inspection of the entity's security compliance as it pertains to this contract.

4) Federal Information Processing Standards – FIPS 200

This standard promotes the development, implementation, and operations of secure information systems within governmental agencies by establishing minimum levels of due diligence for information security and facilitating a more consistent, comparable, and repeatable approach for selecting and specifying security controls for information systems that meet minimum security requirements. Failure to comply with the requirements of this standard may result in funding being withheld from the entity, and/or full audit and inspection of the entity's security compliance as it pertains to this contract. This publication is available from the NIST Computer Security Division web site at <http://csrc.nist.gov/publications>.

B.7.15. Inspection of Work Performed

The State of Oklahoma and its authorized representatives shall, at all reasonable times, have the right to enter the Contractor's work areas to inspect, monitor, or otherwise evaluate the quality, appropriateness, and timeliness of work or services being performed.

C. SOLICITATION SPECIFICATIONS

C.1. Purpose

The State of Oklahoma Office of Management and Enterprise Services (OMES) /ISD Procurement on behalf of the Oklahoma Department of Human Services (DHS) is accepting proposals from qualified vendors for a proven and successfully implemented Electronic Payment Services (EPS) that meets quality, performance and cost constraint requirements that include the possibility of using any one, or combination of more than one or a technology not listed such as: EBT (Electronic Benefit Transfer), Debit Card Services, Direct Deposits, Time & Attendance payment services, Biometric services, and hybrid cards for the delivery of the following benefits:

- SNAP
- Farmer's Markets
- Temporary Assistance to Needy Families (TANF);
- Time & Attendance system
- Child Support Enforcement
- State Supplemental Payment
- Adoption Payments
- DDS Payments;
- Foster Care including clothing
- Adoption Subsidy
- Energy Assistance
- Debit Card Services
- Debit Card Services with restricted cards
- Debit Card Services for other State Agencies

- Direct Deposit Services in conjunction with the Debit Card Program
- Provider and Retailer web portal

While no additional programs beyond those listed are anticipated at this time, the State reserves the right to add programs as well as system enhancements in the future and partner with other Oklahoma State Agencies including the addition of the following:

- a. Women's, Infants, and Children's benefit program in conjunction with the Oklahoma Dept. of Health;
- b. School Lunch Program in association with the Department of Education;
- c. Publication of client notices associated with EPS programs;
- d. TANF work and school Programs Self-Directed Services;
- e. The State also reserves the right to add, change, or remove programs;
- f. Emerging Technologies.

Addenda two (2) contain Historical Caseload Data for the programs. The historic data contained in Addenda two (2) is no indication or guarantee of future NAP caseloads. Caseloads change based on economic conditions, changes in federal law and regulations, changes in State law and policies, and other factors. Where specified in this RFP, the awarded Contractor will be required to exceed federal requirements in order to meet state requirements. The resulting contract is subject to the approval of the State CIO or designee and the United States Department of Agriculture, Food and Nutrition Service and shall not be binding until approved.

C.2. Background

Oklahoma implemented a statewide EBT program for the delivery of benefits for the SNAP and Temporary Assistance to Needy Families (TANF) Programs beginning in April 1997, with the system implemented statewide in September 1998. In April 1999 the state expanded its EBT programs with the addition of the Day Care system. This on-line time and attendance system was fully implemented statewide in November 2003. Benefits from the two systems are linked onto a single card. Further, Oklahoma transitioned TANF from an EBT environment to a debit card program in April 2007; this debit card program also includes payments to Child Support custodial parents and State Supplemental Payments, Foster and Adoption payments, DDSD, Energy assistance, and DDSD payments. Adult Daycare was added to the Day Care system in April 2012. EPS services currently are provided to the State by Xerox.

Listed below is a list of core services and functions provided under the current agreement:

- 1) Project management and system integration; System account management – Settlement and Reconciliation;
- 2) Processing services;
- 3) Transaction switching to comply with the FNS interoperability requirements;
- 4) Retailer and Provider management, including distribution and maintenance of Point of Sale and Point of Service devices
- 5) (POS), embossers, and retailer/provider agreements;
 - Card stock replacement;
 - POS terminal installation and maintenance;
 - Flat Card printer installation and maintenance;
 - Administrative Terminal Support;
 - Retailer and Provider education;
 - Management Reports from all systems;
 - Call centers (Help Desks);
 - Interfaces with Federal Systems;
 - Debit card services;
 - Direct deposit services;

- Client Debit card web portal

C.3. Current System Environment -See Addenda 5

The proposed solution must interface and be compatible with or exceed the DHS current system capabilities. Bidder should include in the proposed solution any obstacles or recommendations with the existing server, system, data capacity, or process that DHS may want to consider or plan for; that DHS does not have now or using to its fullest capability, which may expedite, assist, or otherwise facilitate a new system and data conversion.

C.4. Mandatory Specifications/Requirements

The Bidder shall propose an EPS system, for SNAP, a Time & Attendance payment system and Debit Cards/Direct Deposit. Federal requirements for EBT processing shall be considered the minimum standards for the EBT system. All EPS systems must meet the requirements of applicable federal and state laws and regulations.

Mandatory requirements are the minimum capabilities, features, and/or technical standards that must be met by the proposed solution to be determined responsive. Where required, Bidder shall provide a brief narrative, describing implementation process, installation and / or configuration requirements, and the proposed method to meet the requirements of this RFP. Bidder should provide examples, samples, and or screenshots as applicable to the proposed solution.

Requirements Common to all Three Programs:

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

C.4.1. File Transmissions

File Formats- The Contractor will be required to utilize current file formats and record descriptions unless otherwise specified or agreed to by the DHS Director of Electronic Payment Systems, in writing and in advance

- Data Exchange
- Real Time Messaging
- Batch files

Batch file transmissions from DHS will occur based on a scheduled run time, as opposed to the Real Time messaging that will be sent to the Contractor on a continuous basis via an IMS connection between the Contractor and the State. The schedule can be provided by DHS to the successful Bidder upon request. Both formats consist of recipient demographic and benefit information necessary to establish, update, and maintain accounts.

Batch files will be exchanged between DHS and the contractor using secured file transfer protocols, we are currently using Connect Direct, but reserve the right to change to the one being used by other DHS systems at the time of conversion. The successful Contractor will return confirmation files to the State to report varying activities posted to the transaction history of the electronic payment account and to confirm receipt of information from the State. All batch files must be processed within eight (8) hours of receipt. The State will not allow any suspense or carry over accounting with benefit issuance.

All authorization, demographics and benefit files can and will be updated using both processes listed above. Payment files for the debit card will only be updated with a batch.

C.4.1.1 File Control Numbers

The State has implemented a "Control Number" process to ensure accurate file processing and duplicate file editing for all batch processing. The Control Number is specific to the Batch ID for each sub-program type. In other words, Child Support file for Account set-up/maintenance will have a sequential control number different from the files received by TANF and SSP; SNAP files will have a sequential control number different from the files received for Time & Attendance system.

The State will increment the Control Number for each file sent within the program, with the exception of retransmitted files. For example, if the State sends control number 000000023 for an Account set-up/maintenance File and the Contractor rejects the file during pre-processing, the State will correct and resend control number 000000023. The Contractor will not increment the control number for validation until after the file has passed the preprocessing stage. This will allow for State resends of rejected files. To further clarify – the Contractor will not increment the control number if the entire file is rejected due to a header or trailer record error. The Contractor will reject a file in its entirety if a control number is out of sequence. The reject for a control number sequence issue will identify the expected control number.

Additional Program specification listed in section: C.7.3 and C.7.4.1.

C.4.1.2. Installation of Data Lines

All data communications lines, software, and required equipment necessary for the operation of the EPS Project will be installed prior to the time it is necessary for testing of the system. This includes card generation and PIN selection equipment and administrative terminal software necessary for retailer, client, provider, and recipient authorization.

The successful Contractor shall be responsible for the installation and maintenance of the dedicated line(s) and router and servers providing the communication link with the DHS mainframe and shall provide back-up routers/servers. Third party processors are responsible for all equipment, software, and/or cost of data lines necessary to communicate with the contractor's host system. All routers and communication lines in the DHS field and central offices will be owned and maintained by DHS.

C.4.1.3 Telecommunications Network

Bidder shall provide a detailed narrative describing the number of lines, types of modems, flexibility in responding to changes in inquiry, input and output volumes, redundancy, transmission rates, security features, protocols supported, and network description to include the number of other network uses and how the project will be prioritized. Bidder should provide examples, samples, and or screenshots as applicable to the proposed solution

C.4.1.4. Account set-up and Maintenance

The account set-up and maintenance function for SNAP requires generating an account set-up record for the system. Each new account being established will require an Account Setup to be sent through Real-Time Messaging or the batch interface between DHS and the Contractor

The following rules shall apply:

- 1) Account Setup/Maintenance records received via near-Real Time Messaging transactions will be processed and a response code will be provided (positive or negative) as to the result of the transaction
- 2) Each Account on the Contractors system will have only one cardholder with a unique card number (PAN) and PIN
- 3) An Account Record shall be established prior to posting of any benefit records
- 4) When sending an update to the client demographic information, the State will send all the demographic information in the record, which could include the Payee Indicator identifying which person on the account, is being updated. The Contractor's system will overlay the information on the database for the client with the information in the record for the case number/payee indicator combination

C.4.2. Account Maintenance File/Real Time Functions

The Account Maintenance File/Real Time Message will support the following functions:

- a) Add New Accounts
- b) Maintain Accounts (Demographic updates, Deactivate primary)
- c) Add and Deactivate Alternate Cardholders

C.4.2.1. Account Record Processing

For all incoming account records (batch or Real Time Messages) the Contractor system shall determine the action to be taken based on the disposition of the case number on the database. The following identifies the actions to be taken by the system based on the existence of the case number. The SNAP and Time & Attendance system will provide an incoming Payee Indicator, and an incoming Cardholder Access values

** Notes on the Payee Indicator (PI) Field:

- 1) The PI for alternates (02-99) must be maintained on the Contractors system
- 2) The State will send a new PI for each new alternate being added to the case
- 3) The PI will not necessarily be sent by the State in sequence. For example, the State could send a PI of 04 and the next PI for that case could be 08 and the next PI for that case could be 06
- 4) The State will not reactivate a deactivated cardholder (Primary PI or Alternate PI).

C.4.2.2. Client Re-enrollment

The State of Oklahoma client re-enrollment is accomplished through the external file process by updating the access to an account by sending a code to the Contractor

The Contractor shall not close accounts even when an account is closed on the DHS system. If a client was receiving benefits, left the program and then came back to the program, it will only be necessary to redirect benefits to the previously established account. If the client does not have the original card issued, the client will be advised on how to request a replacement card. The exception is when a deceased indicator is received.

C.4.2.3. Authorized Representatives/Secondary Cardholders

The State of Oklahoma provides a household the option of selecting an alternate/secondary cardholder for each benefit type (Time & Attendance system, SNAP, and Debit Card).

- 1) The successful Contractor shall provide a system that allows for an individual card for the authorized representative(s)/secondary cardholder that has a unique card number and PIN.
- 2) The card shall have the authorized representative's/secondary cardholder's name embossed on the card. Time & Attendance can allow for more than one secondary cardholder. A primary cardholder's record must always be received and processed prior to alternate records, or alternate information will be rejected
- 3) Secondary card holders for the Debit card will be set up by the contractor on the contractor's system

C.4.3. Equipment

Flat Card Printers - DHS currently issues and replaces EBT cards at the local County Office via the Data Card 55 SP flat card printer. The State currently owns 110 printers located in 96 local offices. The remaining fourteen (14) printers are utilized as back-up during maintenance and repair and during disasters. . Contractor will be provided a copy of the current maintenance information and shall continue to track all repairs for each individual printer

- a) The successful Contractor shall transfer all flat card printers, not currently installed, to their warehouse and shall immediately begin maintaining the printers and
- b) Shall continue to maintain and repair printers throughout the life of this contract.

It is not anticipated that any additional printers will be needed during the life of the contract; however Bidder should provide a cost for the purchase of new printers in the event that new printers may be required.

Printing Functionality- DHS currently operates flat card printing from the assignment of IP addresses which is accessed via the printer menu on the personal computers printer function. The Bidder shall either state their ability to support the printing of cards via this method or if unable the Bidder shall provide details on how it intends to support the printing function at local county offices and for remote printing by State Office staff. Regardless of the method, at no time shall the contractor capture the printing port for any one EBT program thereby requiring that one EBT program be closed before another EBT program can be opened and allowed to print cards. Further the DHS State Office serves as off-site EBT Specialist for many counties throughout the State.

- a) Bidder shall provide a system that allows for remote site printing capabilities.
- b) Once requested the printer will print the card at the local county office.
- c) All requirements for card issuance remain in effect for this process.

Printers with Picture Production Capabilities- DHS currently does not issue EBT cards which displays client's photograph. Bidder is requested to submit pricing with response; this in the event the State Legislature decides to fund and implement this requirement. Specifics of the functionality will be determined at any time during the Contract period that the state initiates this process

EBT-Only POS Terminals- See Section C.5.7.1 equipment requirements related to EBT-only POS terminals

Provider POS Terminals - See Section C.6.9.1 for equipment requirements related to provider POS terminals

Pin Terminals- The current system utilizes the VeriFone 510 POS terminal as the PIN terminal for SNAP and the VeriFone 570 POS terminal as the PIN terminal for the Time and Attendance System. If the proposed solution is unable to utilize the current PIN terminals then this must be so noted and provide a cost to the State for purchasing PIN terminals in the Cost Proposal. The successful Contractor shall be responsible for installing and maintaining PIN terminals throughout the life of the resulting contract.

*****The State requires the contractor to operate and maintain the ability for clients to select their PIN via an ARU.

However; the State continues to provide the option for local pin capability to its clients for EBT Cards. We currently have 90 county offices that could require PIN Terminals.

- a) Contractor shall provide pin terminals, for each EBT program, that allows clients to pin both card(s) locally

C.4.3.1. Cards-Technical Specifications

It is the intent of the State to take a "phased out" approach in issuing a new designed card. The Contractor should expect that while the functionality of both current and newly designed card will be identical; two different cards will be used during the phase out. Bidder should provide a cost for a contractor mailed card option, to include both new and replacement cards

- 1) The debit card systems shall provide online, real time access to cash benefits/payments by clients/customers via an access card containing a magnetic stripe that supports electronic transactions by multiple programs in accordance with Reg E Requirements.

- 2) The EBT systems shall provide online, real time access to clients' EBT accounts via a benefit access card containing a magnetic stripe that supports electronic transactions and can have additional programs, linked to the EBT card.
- 3) The Contractor shall design, produce, and mail Debit cards to DHS clients and customers in accordance with the specifications outlined in Section C.7 of the RFP.
- 4) The Contractor shall ensure that cards designed and produced for the Oklahoma systems complies with the specifications prescribed in the International Standards Organization (ISO) and American National Standards Institution (ANSI) standards relating to cards used for financial transactions.
- 5) The Contractor shall design, produce, and supply magnetic stripe cards for SNAP and the Time & Attendance systems to the State's County Offices.
- 6) The Contractor shall include processes and functions for the State to issue, replace, and distribute SNAP and the Time & Attendance cards to clients. The Contractor shall also maintain a centralized card issuance management database, which is to be described in their proposal, with replacement history on behalf of the state. Access to monitor database at the county level by the state is requires.

C.4.3.2. Card Design

EBT - The successful Contractor will be required to provide the State with a redesigned EBT card. This card will be used by both the SNAP and Time & Attendance programs. The copyright for the design of the card, including all artwork and print, shall be owned by the State of Oklahoma in perpetuity. The State will provide input to the design process and shall approve the card design. The State retains the right to rename the new EBT card. The face of the card will contain graphics approved by the State using a four-color printing process. However no other security features, such as a hologram, fine line printing, or ultraviolet ink, are required for the card.

- a) Bidder shall provide a detailed narrative for the proposed solution describing the capability to design and manufacture the State's benefit access card. In the narrative Bidder will identify any third party vendor and/or subcontractor involvement in the design and manufacturing process

All EBT benefit cards shall have the following:

- Client's name and the Primary Account Number (PAN) embossed on the face of the card.
- The back of the card shall clearly state, "Do Not Write PIN on Card"
- The toll-free numbers for Client assistance shall be printed on the card and the address for a secure Post Office Box where lost cards should be returned shall be included on the card and card sleeve
- The FNS non-discrimination statement shall be printed on the card or card sleeve as follows:
- The USDA is an equal opportunity provider and employer
- A signature panel shall be provided on the back of the card
- The following statement must be on the back of the card or on the card sleeve: "To report fraud visit www.usda.gov/oig/hotline.htm or call 1-800-424-9121."

C.4.3.3. Track 2 Format

The State of Oklahoma cards currently have a non-expiring expiration date of "2049" encoded on Track 2. The Service Code field is encoded with a value of "120". Cards provided by the current Contractor have a Card Authentication Value (CAV) encoded.

The encryption keys current being utilized will be transferred to the new contractor should they be the awardee of the resulting contract award.

The Contractor shall continue to encode the CAV field on Track 2 with a cryptographic value to validate the Track 2 data contents Track 2 of the EBT benefit card(s) shall be encoded in accordance with ISO 7813. The maximum character count in Track 2 shall not exceed 40 characters, including all control characters

The layout of the Track 2 for the current EBT card is as follows:

Filed Number	Field Name	Length
1	Start Sentinel	1
2	Primary Account Number	16

3	Field Separator	1
4	Expiration Date	4
5	Service Code	3
6	Card Authentication Value	3
7	Discretionary Data	2
9	Longitudinal Redundancy Check	1
1	Start Sentinel	1

C.4.3.4. Card Number/BIN Number

EBT - The State of Oklahoma's current BIN/IIN for SNAP is 50814700 and for Time & Attendance system are 60340700.

- a) The Contractor shall assign a 16 digit PAN that utilizes the State's current BIN/IIN when new cards are issued.
- b) The process by which the awarded vendor uses to calculate the PAN for issued cards shall not interfere with the existing card base being utilized by the State of Oklahoma's clients.

C.4.3.5. Card Sharing/Linking

Linking of SNAP and Time & Attendance cards is currently conducted by the State's County Offices. Remote printing occurs at the State Office level for these offices that require it.

- a) Bidder shall provide a brief narrative for the proposed solution describing the process and the ability to linking multiple programs onto a single card with the least manual process. Bidder must demonstrate the capability for the state to share one card for both the SNAP and the Time & Attendance Systems

C.4.3.6. Call Centers

The proposed solution must provide a primary call center and back-up call center, Location of call center that effects pricing must be noted in the Cost per Case Month. Pricing for all call center requirements, listed throughout the RFP, shall be included in the corresponding programs Cost per Case Month (CPCM).

C.4.3.7. Client Selection of PIN

Clients shall have the option at any time to select their own PIN by using a PIN select ARU. The proposed solution must provide a secure ARU PIN select procedure and a system that allows the hearing impaired access to pin their cards. When a client requests a new EBT or debit card the existing PIN shall be transferred to the new card. The system shall not generate a new PIN unless specifically requested by the client

C.4.3.8. Compromised PIN

Each client shall be able to report a compromised PIN by calling the Customer Service Help Desk. The system shall allow the client to select his or her own PIN by using the ARU PIN Select procedure

C.4.3.9. Cancelling Card

Clients are required to call the Customer Service Help Desk to report a lost, stolen, or non-functioning card prior to the State issuing a new card. Federal regulations require that the customer must be able to report a lost or stolen card and request card replacement twenty-four (24) hours a day, seven days a week. The old card shall be deactivated immediately. The State shall also have the ability to cancel lost, stolen, or non-functioning cards via the Administrative Terminal but the Customer Service Help Desk will be the initial point of contact for clients. The Customer Service Help Desk will not refer clients back to the State for cancellation of lost, stolen, or non-functioning cards

C.4.3.10. Conversion Process

The current EBT card and all corresponding data, including encrypted pin information, will be transferred to the new contractor so that all current cards and PINS must work in the system without having to issue new cards. If the State changes the EBT card the new card stock will be distributed and utilized beginning with system acceptance and implementation and will work in conjunction with the old card stock and its current data.

C.4.3.11. Data Warehouse

The state requires a web-based Data Warehouse solution that includes all transactional data that is allowed by law for all systems. The system must be easy to use, have multiple sort options and be able to join fields from other tables within the database (such as transaction date joined to client data). It must have the ability to have both build and run Ad Hoc queries. The queries must be downloadable in to Excel, txt, and html formats at a minimum as well as printable. Contractor must be able to import at a minimum three years of data from previous contractor. It must have multi-level security as to view only, enter selected search perimeters, or

create queries.

C.4.4. Administrative Terminal

Federal, State, and County staff primarily use the Administrative Terminal application for card issuance, status, reissuance, and inquiries into the system. In addition, designated State staff uses the administrative terminal to establish and fund accounts used for fraud investigations and to print cards. State and Local staff also uses the Administrative Terminal to change the status of a client's card. The majority of changes to the EBT card status are handled by the local County office, as are card replacements. Initial card issuance is handled through the Administrative Terminal process. All update screens must capture and display the associated user entering or updating programs and history of all changes for at least 180 days unless otherwise stated. The State requires a browser based Administrative Terminal that conforms to DHS communications protocols and must be accessible through the current state equipment -**See Addenda five (5)**.

The successful Contractor shall provide Administrative Terminal access to State and Federal users, including the USDA-OIG and FNS field and regional offices and arrange for that access to be implemented at the same time the State's EBT system is implemented. The successful Contractor shall provide Administrative Terminal software and communication protocols to State and County offices. Administrative Terminal functionality shall include multi-level access controls to ensure that only authorized individuals can process administrative transactions or access client account information through Administrative Terminals.

- a) Bidder shall provide detailed narrative or the proposed solution describing the Administrative Terminal functionality, including its multi-level access controls, the narrative must specify the hardware (terminals) and software that is necessary to support this function.

C.4.4.1. EBT Administrative Terminal-Training Requirements

The successful Contractor shall provide training material that covers all of the functionality supported by the administrative terminal. The material shall cover accessing the administrative terminal functions, security features within the system, and detailed explanation of the screens and functions supported by the administrative terminal application. The training material shall include an administrative terminal manual. Sufficient copies for each authorized administrative terminal user plus ten (10) additional copies shall be provided to DHS.

C.4.4.2. Administrative Terminal Security Functions

All aspects of the system shall have separate security functions to allow DHS to categorize users and authorize access by individual functions within the system. The State will define the user profiles, enter and assign user ID's and passwords for all DHS staff via the AT. The security system will track users by county, which will be entered, updated, and maintained by the State via a county table maintenance function. The successful Contractor shall provide a separate security interface that allows for privileged system administration users the ability to assign security functions. The contractor shall provide for users to reset passwords on-line by utilizing such features as secret questions. User ID's shall not be case sensitive.

The security system must support an automated process whereby the State will match a tape of terminated employees against administrative terminal users in order to purge personnel. The Contractor shall develop processes to ensure that its terminated employees, including contractors and vendors, are purged on a quarterly basis.

C.4.4.3. The security system must have the ability to produce a list of current users with their current systems privileges to be able to match current roles and responsibilities. Administrative Terminal Transactional Functions

At a minimum, the transaction set that shall be supported by administrative terminals includes:

- Adjustments (credits/debits)
- Audit history of updates to all data sent
- Authorization Search
- Case/Cardholder/Client Search; (by name, card, case, SSN)
- Card History
- Card issuance, linking, de-activation, cancellation and replacement
- Manual Claims Entry
- On-line reports
- FNS Retailer Authorization number.
- Provider Payment Inquiry
- Password resets whether by users or State Security staff

- Retailer/Provider Inquiry and Demographics
- Security
- Transaction History Inquiry; (by name, card, case, SSN)
- An Audit history of updates of all data sent;
- Broadcast Message; (for Time & Attendance only)
- Program related functionality is listed in each section
 - 1) The successful Contractor shall also support administrative transactions from an EBT Administrative Terminal. Transactions that originate at administrative terminals located in State and county offices will be sent to the Contractor in on-line processing mode.
 - 2) All screens will respond with requested data in less than twenty (20) seconds.
 - 3) The Contractor shall not restrict the use of the back button on any function associated with the Administrative Terminal

C.4.4.4. Inquiry Screens

The primary Administrative Terminal inquiry screens used by the State are the Provider, Case, Authorization, and Cardholder and Transactions Search Inquiry screens. Navigation and data formatting on these screens should be easy to use and understand, shall not be case sensitive, and shall perform searches upon the entry of partial data elements. The State would expect that all inquiry data could be accessed by navigating from one screen to another without the need to enter the main menu.

- a) Bidder shall provide a detailed narrative describing the navigation and data presentation ability of the administrative terminal. Transaction data shall be returned in single line format with a minimum of ten (10) lines displayed.
- b) Use of the “back button” for moving from one screen to another shall not be restricted.

Inquiry screens shall include a card history by case number with a reason for the replacement for a minimum of three (3) years. Screens will be designed in accordance to State specifications during the design phase.

C.4.4.5. Cardholder/Client screens

Cardholder/Client screens are limited in access to the appropriate personnel within the State. Card issuance, replacement, and cancellation screens are used daily by the local county offices and State Office off-site EBT Specialists. Initial card issuance is handled through the on-line transaction process

All cardholder screens must capture and display the associated user entering or updating programs and history indefinitely.

C.4.4.6. Password Management

Upon accessing the AT system for the first time, a user will be required to change their password to ensure it is not compromised. The proposed solution will feature a program that forces the changing of the passwords after a set timeframe has expired. The State will set this feature. The default password expiration timeframe will be 30 days; however this is a parameter that may be changed by the State. Password lockout will be enforced after three (3) consecutive invalid passwords; the password lockout threshold is also a settable parameter.

The password is to be stored in the database in one-way hashed form. It means it is not reversible, thus the password is only known to the holder. The system administrator will not know and cannot learn the password; however, a user with appropriate system administration rights may reset a password. User passwords, reset passwords must be changed on first use

C.4.4.7. Use Cases Required for Administrative Terminal Include but not limited to:

- View/Add/Update of Users by function
- Card issuance/linking/deactivation/cancellation and replacement;
- Provider/Case/Authorization and Cardholder inquiry screens;
- History screens;
- Transaction Inquiry screens;
- Adjustments (credits/debits);
- Manual claims entry;
- Session Management;

- Reporting;
- History;
- Broadcast messaging;
- Response times

C.4.4.8. Session Management

The State requires a system that remembers the individual working session and can force the user to re-authenticate to get the session back if a session is not active for a configurable period of time. The default session configuration is set at thirty (30) minutes; however this is a parameter that may be changed by the State.

The Contractor host will also enforce the navigation path restriction for different users. The session information is to be stored not only in memory but also in a distributed database, thus no session information will be lost due to system fail-over or fail-back. The State shall set the configured period of time during the design phase

C.4.4.9. Customer Service

The Contractor will support a customer service help desk for SNAP and Debit Card clients, the retailers and providers, and the State office staff. The Contractor shall provide the ability for DHS staff to remotely monitor live calls coming into both client and retailer CSR's. The monitoring will be available for all levels of the call center staff.

C.4.4.10. Client Help Desk

- a) The Contractor shall provide client/customer service 24 hours a day, 7 days per week, 52 weeks per year to provide current EBT account and benefit access information via a toll-free, "1-800" number.
- b) At a minimum, the Contractor shall have the capability to provide client help desk services in English and Spanish. Teletypewriter (TTY) capability must be provided to clients with hearing disabilities.
- c) The ARU must have functionality to work with the TTY.
- d) The State provides access, at its local County offices, for clients calling the help desk and therefore requires the contractor to block SNAP calls from pay phones. Time and Attendance clients will only utilize the ARU
- e) The contractor shall provide the ability for DHS staff to remotely monitor live calls coming into the provider CSR's at all staffing levels.

C.4.4.11. Customer Service Representatives

Performance standards regarding the Average Speed of Answer (ASA) and the abandoned calls for a Customer Service Representative (CSR) shall be as follows and shall be measured over a calendar month: At a minimum, 98% of all calls will be answered within twenty-five (25) seconds, and the remaining 2% shall be answered within forty (40) seconds. Incoming calls which are placed on hold or transferred are not to be considered as "answered calls."

- a) Bidder shall provide a detailed narrative describing how these standards will be achieved. In addition, the narrative shall describe exception reports used to monitor compliance with these standards and proposed procedures to handle exceptions.

C.4.5. Automated Response Unit (ARU)

The Contractor shall provide an ARU for clients to pin cards or to change their pin or check balances. The ARU shall be available 24 hours per day, 7 days per week, and 52 weeks per year. The same toll-free, "1-800" number used to PIN SNAP cards will be used for Time & Attendance clients.

At a minimum, the Contractor shall have the capability to provide ARU services in English and Spanish. Teletypewriter (TTY) capability must be provided to clients with hearing disabilities. The State provides access, at its local county offices, for clients to call the help desk and therefore requires the contractor to block SNAP calls from pay phones.

Performance standards regarding number of rings prior to answer and average time on hold shall be as follows for the Automated Response Unit (ARU) measured over the calendar month: At a minimum 99% of all calls will be answered within 4 rings (4 rings are defined as 25 seconds) and the remaining 1% shall be answered within 35 seconds

C.4.5.1. Functional Requirements for Help Desk and ARU

The Customer Service Center and ARU shall support the following functions:

Security of Account Information- Contractor will provide access controls that ensure security of clients account information by verifying case number, date of birth, and last four of SSN for ARU and address for CSR. All increased security verification must be

approved by the state. Furthermore the Contractor shall accept the data as transmitted by the State without altering the data transmitted.

Card Activation- Clients shall have the option at any time to select their own PIN by using a PIN select ARU. The Contractor is required to propose a secure ARU PIN select procedure.

Password- the Contractor should offer the capability to provide customers the option of establishing a password, when requested. Once established this would prevent cancellation of the card without the password being entered.

Report a Lost/Stolen/Damaged Card- An option will be provided to select a CSR to report lost/stolen cards. Prior to disabling the card, the caller's identity must be confirmed. The Contractor shall also display the date and local time that the caller placed the report.

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

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

Additional Transaction History-In addition to the on-line transaction history, a caller shall be able to request a minimum of three (3) month statement of transaction history by program for their account to be mailed to the last known client address within two (2) business days. All activity including deposits should be included.

PIN Change-Callers shall be given information needed about PIN re-selection procedures.

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

C.4.5.2. Benefit Availability Date- Callers selecting this option shall be given the date SNAP benefits will become available based on the issuance schedule

C.4.5.3. Customer Service Representative (CSR)

The Contractor shall provide CSR's to resolve client issues that cannot be resolved by the ARU, including requests for adjustments and disputes. The Contractor shall provide sufficient CSR capacity to meet the contractual service standards for client calls referred to a CSR and shall provide at a minimum both English and Spanish speaking CSR's. The Contractor shall provide for the capability of DHS staff to remotely monitor live calls coming into the client CSR's for all levels of the call center

C.4.5.4. Automated Response Unit Message (ARU)

The State reserves the right to review and approve the transaction flow and content of all ARU messages, prompts, and customer service scripts prior to their implementation. The Contractor shall not change ARU messages or menu functions without prior approval of the State. The ARU shall contain the ability for clients to opt out to a CSR at any time

C.4.5.5. Statistical Reports

For reporting purposes, the Contractor shall provide monthly Automated Response Unit (ARU) and Customer Service Center activity data reports

Bidder shall submit the following:

- a) A monthly statistical client and retailer/provider help desk reports on all current state projects (nationwide) for the current month and previous two months for both ARU Units and CSR's. The report shall also include the contractually required performance standards for the State's statistical reports being provided.
- b) Bidder shall describe exception reports that will be used to monitor compliance with the standards stated

C.4.5.6. System Availability

The Contractor's EPS host system(s) shall be available 99.9% of scheduled uptime, 24 hours a day, seven (7) days per week, and 52 weeks per year. Scheduled uptime shall mean the time the database is available and accessible for transaction processing, and excludes scheduled downtime for routine maintenance.

The total system, including the system's central computer, any network or intermediate processing facilities under the control of the Contractor (either service provider or subcontract to the Contractor) and test system, shall be available 99.9% of scheduled uptime, 24 hours per day, seven 7 days per week, and 52 weeks per year.

The State shall be notified 72 hours in advance of scheduled downtime for routine maintenance, which will occur during off-peak transaction periods. The State shall determine the off-peak transaction periods based on usage. The Contractor must provide the State with any scheduled downtime outside of that time required for routine maintenance. Such downtime must be approved by the State and can be denied

C.4.5.7. State Office Help Desk

The Contractor shall provide a state office Help Desk available from 8:00 a.m. to 5:00 p.m., Monday through Friday, except State holidays. The State office Help Desk shall be available to assist central office staff in the EPS Unit or county staff with the following:

Problem resolution of issues that cannot be resolved through other means for all programs

- Special reports/research
- Technical assistance to State office staff
- Assistance with deployment of new releases of the administrative terminal software
- Technical assistance to County staff on resolving problems with flat card printers and PIN terminals
- Ordering card stock and sleeves

C.4.6. Cooperation with Detection and Investigation of Abuse

The successful Contractor shall advise, assist, and appropriately act to aid the State in detection and investigation of abuses by stores, recipients, or workers, including but not limited to, reporting unusual activity. This may entail cooperation with various authorities of the State and Federal agencies that are responsible for compliance with laws and regulations. Stores authorized by the Food & Nutrition Service to accept SNAP benefits may become subject to monitoring and investigations by DHS investigators, USDA/Compliance, and Office of the Inspector General.

Bidder shall provide a brief narrative describing the methods used to protect information pertaining to payee accounts and the methods it employs to detect attempts to gain unauthorized access to its systems with intent to committing fraud upon the State or its cardholders. Bidder should provide any applicable examples, samples, and/or screenshots

C.5. Technical and Functional Requirements for the SNAP Program

C.5.1. Program

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

The SNAP Program is a food assistance program administered by the Food and Nutrition Service (FNS) of the U.S. Department of Agriculture (USDA). FNS sets national SNAP program policies and authorizes food retailers to accept program benefits. FNS monitors retailer program compliance and investigates retailers suspected of fraudulent activities. Although administered by FNS, the program is operated by the State. The State and County offices determine eligibility and authorize benefits. To maintain client eligibility caseloads, the State operates an eligibility certification system. State and county offices are also charged with investigating clients who are suspected of fraudulently obtaining benefits

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

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

Retailer Management- Retailers authorized by FNS to accept SNAP program benefits are required to comply with program rules. This may include traditional and non-traditional merchants. Any retailer listed on the FNS retailer database may receive Point of Sale (POS) equipment through the EPS system. SNAP program benefits can be used only to purchase food items designated as eligible food items by FNS. The Department of Agriculture's Office of the Inspector General (OIG), FNS Retailer Investigations Branch, Secret Service, and State or local law enforcement officials are responsible for retailer fraud investigations.

Funding-SNAP program benefits are 100% funded by the federal government. Benefit funds are not disbursed until the client uses the EBT card, a debit is posted to the clients account and an Automated Clearing House (ACH) settlement transaction has occurred. The federal and state Governments generally share the administrative cost of operating the SNAP program equally. Fees for interoperable SNAP transactions are 100% funded by the federal government to a maximum ceiling each federal fiscal year. Any interoperability costs associated with switching or settlement of interstate SNAP transactions that are not 100% reimbursed by Federal financial participation shall not be billed to the State.

Financial Liabilities-Federal Funds may not be drawn for over-issuances or transactions in excess of the authorized recipient benefit allotment.

C.5.1.1. Data Files

The successful Contractor will provide a daily transaction history file of all transactions impacting benefit authorizations for reconciliation, audit, and investigative purposes to the State. FNS Southwest Regional office has requested that the Oklahoma contractor provide a monthly transaction file on CD-ROM. The EPS Contractor shall provide three data files to the state as well as

FNS files specified below

The State files are:

- All Activity File (received daily)
- Benefit Aging File (received daily)
- Expungement File (received daily)
- Unsettled Funds File (received daily)

C.5.1.2. FNS Data Files

The successful contractor is required to support the data requirements of the federal government, and specifically FNS, for the SNAP EBT program. The four data files described below shall be provided to or retrieved from the federal government on a schedule as required by FNS. **File formats can be found in Addenda one (1) and three (3).**

C.5.1.3. AMA File- On a business day basis, the contractor must provide data necessary to support increases/decreases to the projects ASAP account balance to the Federal Reserve Bank of Richmond. The Federal Reserve Bank will serve as the Account Management Agent (AMA) for the FNS SNAP Program EBT benefit account. The AMA will interface with the Treasury Department's Automated Standard Application for Payments (ASAP), and will establish ASAP account funding limits based on projected SNAP program activity established by FNS for the State for SNAP EBT activity and perform reconciliations required by FNS. Consequently, it will be necessary for the contractor to interface with the AMA and provide the necessary data.

- a) The Contractor must provide summary information by availability date, including but not limited to, the following data elements
 - 1) Benefit authorizations, including adjustments
 - 2) Expungement

The transmission of issuance and returned benefit data elements shall be through daily automated batch processing in a file format specified by the Federal Reserve Bank of Richmond. File specifications may be obtained by contacting **the Federal Reserve Bank of Richmond at 804-697-8384**

C.5.1.4. STARS- On a weekly basis, the contractor shall provide detailed net daily SNAP redemption data by retailer identification number to STARS, the FNS SNAP redemption database, through the Benefit Redemption Systems Branch (BRSB) in Minneapolis. STARS provides data to FNS field offices, area offices, regional offices and the national office to monitor compliance with regulations by retailers, federal Reserve Bank member institutions, and EBT vendors that participate in the SNAP Program. The data format and requirements of this file are specified by FNS.

C.5.1.5. Alert File - The EPS Contractor shall provide transaction data, starting at implementation of operations, of store transaction history on a daily basis to FNS through the ALERT file. The Contractor shall be responsible for settling and reporting any manual vouchers that carry over from the previous EBT system.

C.5.1.6. REDE File- the EPS Contractor shall access the FNS's REDE system daily, Monday through Friday, for the exchange of retailer data. The file contains notification of newly authorized EBT retailers and EBT retailers who have been withdrawn or disqualified as participants in the SNAP program. The EBT processor is also responsible for removing a withdrawn or disqualified retailer from the EBT redemption process within two (2) days of notification from FNS. The file also contains updated changes to the data for the retailers.

C.5.1.7. The on-line method of entering AMA issuance should serve as a back-up to batch processing; any manual data entry will require State on-line certification before it will be allowed to update ASAP and requires special equipment and software provided by FRB. The technical requirements for on-line data entry capability are available from FRB of Richmond.

Upon implementation of batch processing, the State, and its Contractor must be certified by FNS to ensure the accuracy of data transmission.

C.5.1.8. Account Set-up and Maintenance

Account Set-up and Maintenance Records- Each new account being established will require an Account Setup to be sent through Real-time messaging interface between DHS and the Contractor.

The following rules apply:

- Account Setup/Maintenance records received via near-real time messaging transactions will be processed and a response code will be provided (positive or negative) as to the result of the transaction.

- Each Account on the Contractors system will have only one cardholder with a unique card number (PAN) and PIN
- Account Record must be established prior to posting of any benefit records.
- When sending an update to the client demographic information, the State will send all the demographic information in the record, including the Payee Indicator identifying which person on the account is being updated. The Contractors system will overlay the information on the database for the client with the information in the record for the case number/payee indicator combination.

C.5.1.9. Account Maintenance File/Real Time Functions

The Account Maintenance File/Real Time message will support the following functions:

- 1) Add New Accounts
- 2) Maintain Accounts (Demographic updates, Deactivate primary)
- 3) Add and Deactivate Alternate Cardholders

C.5.1.10. Account Record Processing

For all incoming account records (batch or real time messages) the Contractor system shall determine the action to be taken based on the disposition of the case number on the database.

The following identifies the actions to be taken by the system based on the existence of the case number, the incoming Payee Indicator, and the incoming Cardholder Access values.

*****Notes on the Payee Indicator (PI) Field

- 1) The PI for alternates (02-99) must be maintained on the Contractors system.
- 2) The State will send a new PI for each new alternate being added to the case.
- 3) The PI will not necessarily be sent by the State in sequence. For example the State could send a PI of 04 and the next PI for that case could be 08 and the next PI for that case could be 06.
- 4) The State will not reactivate a deactivated cardholder (Primary PI or Alternate PI).

C.5.1.11. Client Re-enrollment

The Contractor shall not close accounts even when an account is closed on the DHS system. If a client was receiving benefits, left the program and then came back to the program, it will only be necessary to redirect benefits to the previously established account. If the client does not have the original card issued, the client will be advised on how to request a replacement card.

The State of Oklahoma client re-enrollment is accomplished through the external file process by updating the access to an account by sending the Contractor either a "1" for active or a "0" for no access in the cardholder access field.

C.5.2. Benefit Authorization

The Contractor shall receive and process all authorization records transmitted by the State and shall have procedures in place to prevent duplicate benefit issuances. Should a duplicate benefit issuance occur the Contractor shall be responsible for restoring benefit authorizations to their approved levels, within twenty-four (24) hours and any funds expended prior to the restoration of authorized benefit levels become the financial responsibility of the contractor. The Contractor shall process benefit authorizations and post the authorized benefit amounts to the appropriate EBT accounts, based on the unique case numbers, benefit type, and unique authorization number generated by the State for each benefit authorization.

C.5.2.1. Benefit Availability – Batch

Currently SNAP benefits are staggered on the 1st, 5th and 10th days of the month. On the specified availability date, benefits shall be accessible by 12:01 a.m. CST. Monthly ongoing SNAP benefits shall be posted as available. The State shall provide an availability date, which is included in the benefit detail record passed to the Contractor in the monthly batch file. The Benefit records may contain benefit availability dates for past, current, or future availability dates. Benefits with the current or past available date are accessible to the client immediately after successful processing is completed. Benefits dated for future availability are applied to the accounts but remain unavailable until the specific future availability date has been reached. When access to the benefits is attempted, either via the Administrative Terminal (AT) or by a client via a transaction, the date of availability checked, and if the date has been reached, the benefits are available to the recipient.

C.5.2.2. Online- Benefit Availability

Benefits transmitted real time with date of availability equal to current date will be available immediately.

The Real-time Messaging Benefit Maintenance records transmitted from the State to the Contractor is used to send initial benefits, one-time benefits, or supplemental benefits for Emergency cases only. The message contains authorization information including the benefit document number, type of benefit, amount, and available date and time.

C.5.2.3. Benefit Aging

USDA regulations require that SNAP benefits residing on an EBT system, which are not used for a twelve (12) month period be “expunged” from the State’s EBT system and returned to USDA. This procedure is commonly referred to as the “aging” process. USDA regulations also require that SNAP households be notified in writing that they will no longer have access to the aged benefits at least thirty (30) days prior to the benefits being aged. The State requires an aging process which will work in the following manner:

DHS will not place benefits in dormant status but does require the contractor report aged benefits at 30, 60 and 330 days. Each benefit authorization will be expunged on a month-by-month basis in the following manner: When benefits are added to the database, the benefit last used timestamp should be set to the benefit available date.

All benefits on a case should be utilized in a first in, first out (FIFO) basis with the exception of disaster benefits which are always to be expended prior to any other benefit. The contractor shall expunge individual benefit grants (not the entire account) after the respective benefit grant has been in the EBT account for 365 days without any client activity on the account. Expungement benefits shall not be reinstated.

Farmer market cards will be expunged on a date selected by the state each year. The daily benefit-aging file will include a header record, a detail record for each benefit type and benefit record being reported on, and a trailer record. The detail record will include an aging indicator that identifies the aging period for the benefits, as well as the remaining balance on the benefits. Expungements are not to occur prior to the posting of all daily account activity.

C.5.2.4. Settlement/Reconciliation

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

Opening balance + credits - debits = End of day balance

On a daily basis, the Contractor shall ensure that the EBT system as a whole is in balance. The client accounts equal the change in the net position of program accounts at a summary level. The Contractor shall also ensure that the change in the net position in the sum of the program accounts is equal to the change in the net position (obligations outstanding) for the funding agencies.

The successful Contractor shall at a minimum replicate the State’s current settlement and reconciliation processes.

- a) Bidder shall provide a detailed narrative describing any proposed settlement and reconciliation process that will meet the requirements listed within this section. Bidder should provide any applicable examples, samples, and/or screenshots.

As SNAP are authorized by the State’s eligibility systems, reports are generated that provide benefit authorization detail. The benefits issued in the State’s eligibility systems are associated with the appropriate EBT account number by the Oklahoma EBT interface system. The EBT interface system creates and transmits a corresponding demographic record to the EBT system for each new benefit record being added, as well as transmitting the benefit files to the EBT Contractor.

The Contractor shall provide DHS with Daily Activity Files and Authorization Reports to ensure that all benefits passed to the EBT system have been posted or otherwise accounted for. The Oklahoma EBT interface system Daily Authorization Reports provide the availability date for the monthly issuance benefits. Benefit postings on the EBT system are compared to the totals that are expected to be available for the respective day. Benefit authorizations for SNAP are also compared to the totals the Contractor posts to the Account Management Agent (AMA) System for the respective date.

The Contractor shall provide DHS with a daily Activity File to determine the amount of funds to settle on a daily basis. The State performs the draw down for settlement of SNAP transactions through the U.S. Treasury’s Automated Standard Application for Payment (ASAP) System which is supported by the **Federal Reserve Bank (FRB) of Richmond**.

The Contractor shall balance and reconcile EBT accounts daily, including all debits and credits for all transactions for issuances, and redemptions. The Contractor’s EBT system shall operate on a twenty-four (24) hour processing cycle. At a designated cutoff time, as agreed upon by the State each day, the Contractor shall close out the current processing day and commence the next processing day, performing at a minimum the balancing and reconciliation processes described in the FNS EBT Reconciliation: Guidance for State Agencies.

Bidder shall provide their preferred designated standard daily cutoff time for EBT transaction processing. The twenty-four (24) hour period between the cutoff time on Day 1 and Day 2 constitutes the EBT transaction day. The specified cutoff time must allow the Contractor sufficient time to originate ACH payments for next work day settlement, including Monday settlement for Friday, Saturday and Sunday transactions and next work day settlement after a legal holiday.

The Contractor shall ensure that the ACH file enters the banking system in a timely manner to allow settlement of authorized transactions on the following business day.

The EBT cutoff shall coincide with the cutoff time of the prevailing EBT transaction switch to reduce the need for carry over accounting and the contractor shall notify the State of any suspense or carry over accounting amounts

The Contractor shall return, to the State, any funds that could not be settled to the retailer within thirty (30) calendar days of the initial ACH. The successful Contractor shall require and monitor the return of unsettled funds from all third-party processors in accordance with the requirements of this section

- a) Bidder shall provide a detailed narrative describing the process to be used to return unsettled fund and the process to be used to monitor and return unsettled funds from third-party processors.

C.5.3. FNS Requirements

The Contractor shall meet SNAP Program reconciliation requirements of 7 CFR §274.12(j)(1)(i) and be consistent with FNS reconciliation guidance of November 1999. At a minimum, Bidders shall propose procedures and reports for reconciling. The Contractor shall meet SNAP Program reconciliation requirements of 7 CFR §274.12(j)(1)(i) and be consistent with FNS reconciliation guidance of November 1999

- Bidder shall submit proposed procedures and reports for reconciling the following:
 - Client account daily beginning balance and net draws versus the ending balance
 - Client net redemptions versus retailer/acquirer settlement values
 - Total funds entering, exiting, and remaining in the system each day
 - Total net change in system-wide obligations outstanding to the sum of the net change in obligations outstanding for the SNAP Program
 - Total net change in system-wide obligations outstanding to the sum of the net change in obligations outstanding for all state and federal agencies
 - The net settlement value of all transactions to the sum of the net settlement values for the SNAP Program; and
 - The net settlement value of all transactions to the sum of the net settlement value for DHS
- a) Bidder shall provide a detailed narrative describing the methodology and reports used to assist the State to reconcile benefits posted to the household accounts on the central host computer with Issuance Authorization files consistent with the requirements at 7 CFR §274.12 (j)(1)(i)
 - b) The narrative shall specify how the Contractor will maintain audit trails throughout the reconciliation and settlement processes

C.5.3.1. State Responsibilities

DHS has the responsibility for ensuring that benefits authorized in the eligibility system are posted to the Contractor's EPS System or otherwise accounted for. DHS will ensure that SNAP benefits posted to the Contractor's EPS system are correctly reported to the AMA. DHS is responsible for draw down through the ASAP system for SNAP benefits utilized by clients. DHS will verify the liability remaining in the Contractor's EPS system at the end of the processing day for SNAP benefits against the outstanding liability on the Federal Reserve Bank's ASAP system. DHS will approve all adjustments to the ASAP account requested by the Contractor through the AMA System. The State will notify the Contractor of any variances that it encounters and require the Contractor to satisfactorily resolve the variances in a timely manner.

C.5.3.2. Contractor Responsibilities

The Contractor is responsible for the daily settlement of funds, including back-up purchase procedures, if used in the Oklahoma EBT system, to benefit redeemers either directly or through financial intermediaries such as Third Party Processors (TPPs). The Contractor is responsible for handling both credit and debit adjustments to the client's EBT account in the manner and timeframe dictated by Federal regulations

The Contractor shall ensure that settlement reports, such as the State Batch Issuance Report, used for the daily draw down, are received by DHS by 6:00 a.m. CST. The Contractor is responsible for providing detailed and accurate reports that allow DHS to reconcile benefit postings to the EBT system, settlement of benefits utilized by clients, and the outstanding liability remaining on the EBT system at the end of the processing day.

The Contractor will research all variances that the State forwards and provide documentation to support the resolution within ten (10) calendar days of notification

C.5.3.3. Retailer/TPP/ Settlement

Settlement to retailers and Third Party Processors (TPPs) networks shall be through the existing commercial banking ACH infrastructure. The Contractor shall have an originating and receiving relationship with the ACH, either directly or through one of its subcontractors. For transaction processing and settlement purposes, the Contractor shall also have access to the appropriate regional network(s) and be capable of settling POS transactions. For retail merchants, third parties, or other benefit redeemers that are directly connected to the Contractor's system, the Contractor shall originate an ACH credit for the total net balance due for EBT

benefits redeemed during the EBT processing day being settled. The benefit redeemer credits shall be entered into the ACH for settlement on the next banking day.

Bidder shall submit documentation of the relationships and processes described in this Section

C.5.3.4. Transaction Processing

The Contractor will be responsible for the authorization of client initiated SNAP transactions. The Contractor shall have the capability to receive and process client transactions from POS devices. The Contractor shall ensure that clients access their SNAP benefits only at POS terminals in "FNS" authorized food retailer locations. The Contractor shall meet the interoperability requirements with other states. The Contractor shall have the ability to generate, process, and return approved/denied messages to and from POS devices as appropriate. The State shall be provided with a description of all POS error codes.

Transaction authorization will require the following:

- Accepting transactions coming from an authorized transaction acquirer
- Authorizing or denying transactions
- Sending timely response messages back to the transaction acquirer authorizing or rejecting client transactions
- Logging the authorized/denied transactions for subsequent settlement and reconciliation processing, transaction reporting, and for viewing through transaction history
- The EBT system will go through a series of checks and processes to determine whether a transaction being initiated by a client should be approved.
- These checks should include determining whether:
 - The merchant has a valid FNS authorization number
 - The card number (PAN) is verified and the card is active
 - The number of consecutive failed PIN tries has not been exceeded
 - The PIN is verified as being entered correctly;
 - The PAN and PIN are linked to only one case;
 - The account is active;
 - The EBT account holds a sufficient balance in order to satisfy the transaction request.

If any one of the above conditions is not met, the Contractor shall deny the transaction. The Contractor shall ensure that client benefit accounts are not overdrawn and shall assume all liability if an account overdraft does occur. The system must return a message to the retailer/provider indicating the reason for denial (e.g., invalid PAN, invalid PIN, NSF, etc.). **See Section B. Identified Costs for Contractor's financial liability.**

C.5.3.5. Service Requirements

It is the responsibility of the Contractor to ensure that the EBT system meets performance, technical standards, and regulations, as found in 7 CFR 274.8 (b), entitled "Performance and Technical Standards, in the areas of:

- System processing speeds
- System availability and reliability
- System Security
- Ease-of-use
- Third party processors requirements
- Minimum card requirements
- POS terminals
- Transactions receipts
- Performance bonding
- Minimum transaction set;
- Interoperability;

- Waivers.
- In order of precedence, the Contractor will use:
- Federal regulations;
- FNS policy memos;
- State requirements set out in the contract;
- Prevailing industry performance standards

If there is a conflict within the governing regulations and guidelines regarding a specific standard, the State will determine the appropriate standard to which the EPS Contractor must adhere. In determining the appropriate standard, the State will allow consultation and input from the Contractor, however the final decision will remain with the State. The Contractor shall comply with all relevant processing speed requirements as stated in 7 CFR §274.8 (b) (2).

As defined in this RFP, the EBT system central computer shall permit no more than two inaccurate EBT transactions for every 50,000 EBT transactions processed. The transactions to be included in measuring system accuracy shall include:

All SNAP transactions occurring at POS terminals and processed through the host computer Manual transactions entered into the system and Credit adjustment to EBT accounts.

The Contractor will resolve all errors in a prompt manner but no more than fifteen (15) business days except where Federal regulations provide for shorter timeframes

- a) Bidder shall provide a detailed narrative describing the proposed back-up purchase procedures for FNS authorized retailers when the EBT system is unavailable; both for unscheduled and planned outages and the method and timeline by which retailers will be notified that the back-up procedures are being utilized

C.5.3.6. Interoperability Requirement

The Contractor shall support the federal requirement of processing interoperable SNAP transactions. Interoperability and Portability can be found in the Federal Register, Vol. 68, No. 122, June 25, 2003. In addition, the Contractor shall have the capability of accepting and processing Oklahoma SNAP client transactions occurring at out-of-State (non-Oklahoma) retailers. Interoperability regulations must be referenced in all agreements with retailers and third party processors. Agreements with third party processors shall specify that the third party processor is required to load and update BIN numbers for all states. Retailer agreements shall direct Oklahoma retailers to execute SNAP redemption transactions for an out-of-state card.

C.5.4. SNAP Transactions

C.5.4.1. SNAP Purchase and Returns

An approved transaction allows the merchant to accept food benefit authorizations from a cardholder as payment for allowable food items. For all SNAP transactions the Contractor shall validate through the FNS REDE system that the transactions originated at an FNS authorized retail location. The Contractor shall maintain a database of authorization numbers for all current FNS authorized retailers in accordance with the Retailer Validation Requirements specified in 7 CFR §274.8 (a) (2). The Contractor shall verify the retailer identification number is that of an FNS-authorized retailer prior to completing its processing of a transaction.

The Contractor must assure refunds to SNAP recipients can only be in the form of credits to the EBT accounts. The Contractor must provide safeguards that assure refunds and/or returns to recipients are reasonable and limited by designated amounts that when exceeded will be detectable. The designated amount shall be set at \$100.00 for a calendar month per account unless the return or refund is provided through the dispute process. These safeguards must protect the rights of retailers and recipients. Further, refund requests, made outside the dispute process (requested by the retailer or State) due to duplicate authorizations, shall be returned to the client (upon Contractor or State verification).

Bidder shall provide a detailed narrative describing how this requirement will be met; narrative must contain the timelines for crediting client accounts once verified.

C.5.4.2. Manual Authorizations

The Contractor shall process manual SNAP transactions, including purchases and returns. A back-up purchase procedure shall be designed and distributed by the Contractor to FNS-authorized retailers for use in processing manual SNAP transactions.

- a) Bidder may submit other alternative processes for SNAP transactions whenever the EBT system is inoperable. This process may be used for the manual processing of SNAP benefits by:
 - Retailers who do not have immediate access to a POS device at the time of purchase, including stationary food stores that choose to make home deliveries to FNS certified households

- House-to-house trade routes that operate on standing orders from customers
- Food buying cooperatives, farmers markets, and other retailers authorized to participate in the SNAP Program
- Retailers who do not possess a POS terminal, such as those who do not qualify to receive State provided equipment based on their total monthly FNS SNAP sales.
- Retailers who have POS equipment, but their POS terminals are inoperable, there are issues with the telecommunications network between the POS terminal and the EPS host processor, or the EPS system is down or otherwise not available.

The Contractor will bear all liability for any losses resulting from back-up purchase procedures when the result of the loss is due to the Contractors or subcontractor's telecommunications, network, or host processor system failures.

C.5.4.3. SNAP Voice Authorization

The retailer is required to complete the back-up purchase procedure and receive a voice authorization from the EBT system prior to completing the SNAP sale.

- 1) The client is required to produce their EBT card and complete the procedure.
- 2) A toll-free telephone number shall be provided to retailers to obtain authorizations for the back-up procedure.
- 3) The authorization process should be automated as part of the Help Desk ARU functionality.
 - Upon providing a telephone authorization for a manual SNAP transaction, the Contractor shall place a "hold" on the amount of benefits necessary to fund the transaction. The Contractor shall maintain the hold on SNAP benefits until the manual transaction is "cleared", up to a maximum of fifteen (15) calendar days.
 - A retailer has fifteen (15) calendar days to submit the manual transaction, either electronically or by paper copy, to complete the transaction.
 - If the retailer fails to submit the transaction within the fifteen (15) days, the hold shall be released and the use of these funds shall revert back to the client. The retailer or acquirer bears the liability for the transaction if the back-up purchase procedure is not submitted in a timely basis.
 - If the retailer cannot access the Contractor's system because it is unavailable, the Contractor must allow for "stand-in" processing of SNAP purchases up to a minimum of \$25 per transaction for which the Contractor shall be liable if funds in the client's account are not sufficient.
 - There shall be no more than three (3) "stand-in" purchases allowed on each account within a twenty-four (24) hour period. Stand-in processing must be authorized by the Director of Electronic Payment Systems or approved representative prior to implementing said procedures.
 - The Contractor's system shall be designed to prevent merchants from representing back-up procedure transactions in subsequent months, except as defined and closely monitored by the following situation: Adjustments consistent with requirements at 7 CFR §274.8 (d).
 - a) Bidder shall submit detailed narrative clearly defining the circumstances and /or occurrences and allotted timeframes that will be used to determine the EBT system unavailable. An amount of time defined in hours and minutes must be specified. The required narrative must describe the process by which retailers will be notified that "stand-in" processing is in effect, as well as how these transactions will be processed and settled.

C.5.4.4. Voucher Clear

There are two methods by which a manual transaction can be cleared.

- 1) If the authorized retailer has a POS device, the retailer will convert the manual transaction to an electronic transaction for transmission to the Contractor when the POS device is again able to communicate with the EPS Host.
- 2) If the retailer is a non-traditional or low-volume (per FNS waiver) FNS authorized retailer who does not have a POS device, the back-up procedure shall be followed

C.5.4.5. Voids or Cancellations

A transaction may be voided/cancelled by a retailer at a POS device. The void/cancellation message will include the trace number,

the exact dollar amount, and other identifying information from the original transaction and shall not be restricted to the POS in which the transaction occurred, in other words the void/cancellation shall be tied to the card, not a POS terminal.

- a) The Contractor shall have the capability to accurately process the void or cancellation transaction and have the effect of the void/cancelled transaction immediately and appropriately reflected in the client's E7BT account.

C.5.4.6. Balance Inquiry

Balance Inquiry is a part of the mandated transaction set. A SNAP client shall be able to obtain a real-time account balance at a POS (SNAP only), or through the ARU or CSR. The balance inquiry transaction prints a receipt with the current available balance of a cardholder's food benefits

C.5.4.7. Reversals

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

- a) The Contractor shall have the capability to accurately process the reversal transaction and have the results reflected immediately and appropriately in the client's account.

C.5.4.8. Adjustment Processing

The Contractor or retailer/TPP can initiate an adjustment to resolve errors and out-of-balances related to system problems. FNS has applied a broad interpretation to what constitutes systems errors. The Contractor, in response to a client complaint directly from the client or forwarded by the State, will initiate an adjustment to resolve a transaction error. The adjustment will reference an original settled transaction, which is partially or completely erroneous. The Contractor shall have the capability to process the adjustment and have this reflected in the client's account consistent with 7 CFR 273.13(a)(4). In addition, the Contractor shall provide a mechanism for the State to comply with client notification requirements at 7 CFR 273.13 (a)(4).

These regulations can be found at: http://www.fns.usda.gov/fsp/EBT/EBT_REGULATIONS.htm

Adjustments made by the Contractor must be in compliance with USDA regulations. Adjustments made by the Contractor will cause money to be moved either to or from the client's EBT account, and will impact the daily settlement. Timely notification must be provided to the State of pending debit adjustments to the clients account so that notification can be provided to the client in accordance with CFR 273.13 and CFR 273.15.

C.5.4.9. Key-Entered

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

- a) The Contractor shall adopt other security measures to prevent client and retailer abuse/misuse of the key-entry feature.
- b) The Contractor shall ensure that the PAN printed on the transaction receipt is truncated, and the Contractor's system must be able to selectively disable or deny the capability of an EBT-only POS device from completing key-entered transactions via functionality on the Administrative Terminal. Finally, the Contractor shall track key-entered transactions by card number and by retailer site.
- c) Bidder shall submit detailed narrative describing procedures for responding to client reports of malfunctioning or defective equipment at retailer sites, including both EBT-only POS devices and retailer owned devices.

C.5.4.10. Claims Repayment

The Contractor shall have the capability to recover and account for non-settling overpayments to SNAP recipients on behalf of the State.

- a) Bidder shall provide detailed narrative describing procedures for handling overpayments.

C.5.4.11. Settlement and Closeout Transactions

The Contractor shall have the capability to process and maintain an audit trail for any settlement and closeout transactions necessary to transition in and out of the contract or as required during the life of the contract. The Contractor shall provide these

extraordinary transactions to the State for written approval prior to their execution

C.5.4.12. Transaction Fees

FNS regulations prohibit the charging of a fee for any SNAP transactions

C.5.4.13. EBT Administrative Terminal

At a minimum, the SNAP Administrative Terminals will support in real time a transaction set that shall include these functions:.

Functionality in addition to common programs

- EBT Account Set-up;
- EBT Account Maintenance;
- Benefit Authorization; or Cancellation (prior to availability date);
- Transaction History by FNS;
- Repayment Functionality;
- Retrieval of Archived Data;
- Retailer enable/disable functionality;
- Cards issued by county.

C.5.4.14. Update Screens

Update screens are limited in access to the appropriate personnel within the State. EBT Account Set-up functionality is used in production by the State. The benefit authorization screen may be used to add benefits to fraud investigator's EBT accounts. Card issuance and replacement screens are used daily by the local county offices and State Office off-site EBT Specialists. Card cancellation and replacement is conducted by the local county office, State Office EBT Specialists and in conjunction with the Client Help Desk. The majority of changes to the EBT card status are handled by the local county office, as are card replacements. Initial card issuance is normally handled through the on-line transaction process. All update screens must capture and display the associated user entering or updating programs and history of all changes for a minimum of 180 days

C.5.4.15. 180-Day History

Current EBT account balances and a minimum of a rolling 180-day transaction history for each account shall be maintained for on-line access through the EBT administrative terminals. After 180 calendar days, transaction history data must be maintained off-line for a minimum of three (3) full years (i.e., three years in addition to the current year), or longer if required by FNS or Federal legislation. At a minimum, the data elements available for inquiries shall include the following for each transaction

- PAN (card number)
- EBT account number
- Client case identification number
- Benefit program identifier
- FNS Number
- Retailer Name
- Retailer identification numbers (FNS and acquirer) and Regulation E data for retailer information
- Terminal identification number
- Transaction type
- Transaction request/approved amount
- Beginning balance
- Ending balance
- Transaction date
- Transaction results (approval code or denial reason)
- Transaction time at host computer
- Unique trace number for each transaction

a) Bidder shall provide a detailed narrative describing how data maintained off-line is retrieved,

timeframes and any associated costs for retrieval.

C.5.4.16. Federal Investigative Access

In order to assist in ongoing investigations, FNS must have access to the State agency Administrative Terminals for selected field office, regional office, and investigative staff. The Contractor must provide on-line inquiry-only access to the State's Administrative Terminals that is browser based to the locations identified by FNS. Access shall include a method to interface with the EBT host or transaction history from multiple locations through internet, VPN or handled directly between FNS and the Contractor's system using standard methods employed for other States (or subsequently designed if standard doesn't exist).

C.5.5. Retailer Customer Service

C.5.5.1. Retailer Customer Service

The Contractor shall provide Retailer/Merchant Customer Service to provide retailer EBT support via a toll-free, "1-800" number, 24 hours a day, 7 days per week, and 365 days a year. The retailer Help Desk shall be located within the same geographical area as the client help desk and meet all performance standards as required by the client help desk. The contractor shall provide a retailer portal for retailers to access deposit, dispute and adjustment activity. The Contractor shall provide for the capability of DHS staff to remotely monitor live calls coming into the retailer CSR's at all CSR levels.

C.5.5.2. Service Requirements (Standards)

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

For reporting purposes, the Contractor shall provide ARU and Retailer Customer Service Center activity data. See C.4.5.5 (EBT Reporting). Additionally, TTY (Teletypewriter) capability must be provided to retailers/merchants with hearing disabilities.

The Contractor shall provide a retailer Help Desk that is:

- 1) Toll-free and without charge or fee to the retailers
- 2) Toll free number for retailers used exclusively for retailer support;
- 3) Operated and staffed in an industry standard manner that is fully described in the Bidder's response and subject to approval by the State;
- 4) Provides access controls that ensure security of retailers account information by verifying the FNS retailer number at call entry

In addition to the functional requirements listed, the Bidder is encouraged to recommend for consideration any other uses of the ARU/Help Desk that would represent an effective and economical application of this technology

C.5.6. Voice Authorizations

The Contractor shall equip and program the ARU to provide voice authorization for SNAP transactions. CSR's shall also support voice authorizations

C.5.6.1. EBT-only Retailer Support

The Contractor shall provide via the Retailer Help Desk, the following additional services for EBT-only retailers.

- 1) Support and problem resolution on EBT-only POS equipment;
- 2) Settlement information and reconciliation procedures;
- 3) Support on system adjustments and resolution of out-of-balance conditions;
- 4) General information as requested by callers;
- 5) Referrals to the DHS Finance Division EPS Office on questions regarding state and federal policies, as appropriate

C.5.7. POS Requirement

C.5.7.1. Equipment/Software and Maintenance

The State provides POS equipment to all EBT-Only Retailers for the SNAP program. The contractor shall utilize the VeriFone 510 POS terminals currently owned by the State. The State currently owns 1,750 EBT-only POS terminals. Thirty (30) days prior to conversion the new Contractor shall transfer all uninstalled POS terminals to its warehouse and shall immediately begin maintaining all State owned POS terminals and shall continue to maintain and repair terminals throughout the life of this contract. The contractor shall be provided a copy of the previous Contractors maintenance information and shall continue to track all repairs for each individual POS terminal. It is not anticipated that any additional terminals will be needed during the life of the contract;

The terminal software will be programmed to guide the user through every step of the process, providing transaction-processing

capability for retailers and clients alike. The software program shall include a "training mode" that does not transmit any data or access benefits while in training mode. When the terminal is in training mode the POS terminal must clearly print "Training Mode" on all receipts.

The POS terminal must be able to accept remote software downloads which shall occur only with the approval of the DHS Director of Electronic Payment Systems.

The Contractor shall maintain all POS equipment throughout the life of this contract, maintaining a maintenance database on all repairs, by POS and permanently replacing POS terminals that exceed the maintenance threshold of seven (7) internal processing repairs.

To ensure compliance with ANSI standards, vendors must ensure that unique terminal IDs are used for government supplied POS terminals and must be included as part of the SNAP transaction data set, at a minimum.

- a) Bidder **shall** provide a detailed narrative describing processes in place to prevent the use of relocated equipment, replication of government supplied equipment, the capabilities to detect, monitor, and report such abuses.
- b) Bidder should provide a cost for the purchase of new VeriFone 510 POS terminals in the event that additional terminals may be needed or a replacement terminal that is at least equivalent to this device in terms of functions, features, and technical compatibility

C.5.7.2. Farmers Markets – Wireless terminals

The State currently owns twenty-four (24) VeriFone Vx610 wireless terminals; maintenance will need to be provided. We request pricing for additional wireless terminals for Farmers Markets which have the ability to process EBT as well as debit transactions. We are open to alternative equipment in addition to the Vx610. If the primary vendor plans to subcontract this service, please provide the name of that vendor. Provide description of equipment. This is dependent on the availability of federal and/or state funding for wireless processing at Farmers Markets. Billing through the primary contractor is required.

C.5.7.3. POS Transaction Sets

The EBT system must be able to accept EBT transactions from POS devices located in authorized FNS retailers only, must have a unique terminal ID number, and only allow authorized SNAP transactions at EBT-only retailers (no cash back transactions are allowed)

C.5.8. Retailer Management

The Contractor shall be responsible for managing retailer participation in the Oklahoma EBT program.

The Contractor's primary roles and responsibilities include:

- 1) Providing every FNS authorized retailer with the opportunity to participate in the EBT system;
- 2) Ensuring that the Oklahoma EBT system is interoperable with other States' EBT systems as defined in 7 CFR §274.8 (b) (10) and (10) (i).
- 3) Assuring that a sufficient number of retailers have agreed to participate in the system to allow clients adequate access to SNAP benefits, including those clients that normally shop at "non-traditional" retailers such as farmers' markets;
- 4) Assuring that the participating retailers and third party processors understand their responsibilities in regards to the policy, operating rules, and operations of the EBT system;
- 5) The Contractor shall enter into an agreement with the retailer and third party processor in accordance with 7 CFR §274.3 (c). These agreements are subject to review and approval by the State and FNS prior to execution; Maximize the use of the existing commercial POS terminals, consistent with 7 CFR §274.3;
- 6) Installing, maintaining and otherwise supporting Contractor provided EBT-only POS equipment as necessary in accordance with FNS policy for retailer participation as defined in 7 CFR §274.3 (b). "Otherwise supporting" shall include but is not limited to reimbursing EBT-only retailers for supplies and supplying telephone lines if requested;
- 7) Retrieve POS from retailers no longer excepting SNAP;
- 8) Providing Help Desk services to retailers for resolving issues/problems on Contractor supplied EBT-only POS equipment and helping resolve settlement and dispute questions and issues;
- 9) Maintain the retailer database;
- 10) Conduct an annual survey of lane coverage in retail stores

- 11) Training retailers
- 12) The Contractor will conduct quality assurance, calling a percentage of retailers following installation. Quality assurance standards will be agreed upon between the state and the Contractor;
- 13) If a subcontractor is used a portion of the technician's pay will be based on the responses received from the retailers "during the calls conducted in 12 above", regarding the quality of installation/training. Written feedback will be provided to the State monthly;
- 14) The contractor shall maintain sufficient inventory of POS equipment for replacement;
- 15) POS replacements must be shipped within twenty-four (24) hours in metro areas (Oklahoma City and Tulsa) and within forty-eight (48) hours for all remaining counties;
- 16) The contractor may mail replacement terminals with printed instructions for installation, but must provide telephone or on-site technical assistance if necessary or requested;
- 17) The Contractor shall maintain a database of POS installations and repairs by retailer and shall include dates of installation and number of repairs. This database is to be made available to the State upon request.
- 18) The contractor shall maintain a retailer help desk, specifications will be provided during the Design phase.

C.5.8.1. Service Requirements (FNS Standards)

Federal regulations at 7 CFR §274.3(a)(1)(ii) require that newly authorized EBT-only retailers shall have access to the EBT system within two weeks of FNS authorization. However, whenever a retailer chooses to employ a third party processor to drive its terminals or elects to drive its own terminals, access to the system shall be accomplished within a thirty (30) day period or a mutually agreed upon time, to enable any required functional certification to be performed by the Contractor.

Federal regulations in 7 CFR §274.8(b)(1) require that for leased line communications, 98% of transactions shall be processed within ten (10) seconds or less, and 100 % of transactions will be processed within fifteen (15) seconds. For dial-up systems, 95 % of transactions shall be processed within fifteen (15) seconds or less, and 100 % of transactions shall be processed within twenty (20)

C.5.8.2. EBT-Only Retailers

According to Federal regulations at 7 CFR §274.3(b) POS terminals shall be deployed as follows:

- 1) For an authorized food retail store with SNAP benefit redemption amounting to fifteen (15) % or more of total food sales, all checkout lanes shall be equipped;
- 2) For an authorized food retail store with SNAP benefit redemption representing less than fifteen (15)% of total food sales, supermarkets shall, receive one terminal for every \$11,000 in monthly redemption activity up to the number of lanes per store. All other food retailers shall receive one terminal for every \$8,000 in monthly redemption activity up to the number of lanes per store.
- 3) For newly authorized food retailers, the Contractor and the food retailer shall negotiate a mutually agreed level of terminal deployment up to the number of lanes per store with at least one terminal deployed. If the Contractor and the food retailer are unable to reach a mutual agreement, the State will make the decision.
- 4) All conversion of EBT Only retailers POS terminals, including software must be completed prior to the contracted conversion date.

C.5.8.3. Third Party Processors

To support retailers that deploy their own terminals, within thirty (30) calendar days of the start of the contract, the Contractor shall provide the State with interface specifications that would enable these retailers and third party terminal drivers to interface directly with the Contractor to perform SNAP EBT transactions. The State and FNS must approve all interface specifications prior to being implemented by the Contractor. The Contractor shall provide these specifications to retailers and third party terminal drivers as well. The Contractor shall certify third party processors.

The Contractor shall not unduly withhold certification for retailers and third parties that enter into direct connect arrangements with the Contractor. Third party processors are responsible for all equipment, software and/or the cost of data lines necessary to communicate with the contractor's host system.

The successful Contractor shall certify that third party processors connected to the EBT system comply with FNS regulations and other State requirements. The selected Contractor shall develop for State and FNS review and approval an agreement to be executed with all TPP's and their retailers.

The agreements must include handling of back-up purchase procedures. The successful Contractor shall make a "good faith" effort to enforce the agreements at the request of the State when problems are identified in TPP activities. Requirements of third party

processors shall include, but are not limited to.

C.5.8.4. Terminal Identification

Each TPP must give each terminal, within a store site, a unique terminal identification number and include the unique terminal identification number with every transaction submitted to the Contractor. The Contractor shall include the unique terminal identification number in the ALERT data submitted to FNS

C.5.8.5. Transactions

Each TPP must be able to support the entire transaction set included in FNS regulations. The Contractor must be able to process all of these transactions and shall not display any confidential client information. The Contractor shall insure that the PAN will be truncated when printed on receipts.

C.5.8.6. Interoperability

Each TPP must be able to process transactions for EBT cards issued by all States for all POS equipment each TPP supports. The Contractor shall insure that the PAN will be truncated when printed on receipts.

C.5.8.7. Balance information

Each TPP must be able to display the client's remaining balance on the printed receipt for all POS equipment they support and shall not display any confidential client information.

C.5.8.8. FNS Authorized Retailers

Each TPP shall only route SNAP transactions for retailers authorized by FNS to redeem SNAP benefits

C.5.9. Support of Group Living Arrangements

In addition to the traditional retail merchants, SNAP Program merchants may include drug/alcohol treatment centers, blind/disabled group living facilities, battered women and children shelters, homeless meal providers, restaurants, elderly/disabled communal dining facilities, meal delivery services, and route vendors. Being designated a SNAP Program merchant may not necessarily require the installation of POS equipment. However, group living arrangements meeting the monthly minimum SNAP redemption total and which have been authorized by the USDA FNS as retailers in the SNAP Program shall have the option to receive EBT-only POS devices.

To support these facilities, the Contractor shall install POS devices in the facilities. Each facility site is required to have its own POS terminal. This would allow for the benefits from the client's account to be deposited into the facility's bank account at their financial institution just as is done for any other authorized merchant

C.5.10. Retailer Web Site

The successful Contractor shall develop and maintain a web site for SNAP Retailers. The web-based application will be security protected to ensure a user has access to only that information applicable to each approved retailer agreement. Reports will be defined during the design phase.

The following minimum requirements shall be available

- 1) Website to be available via public website;
- 2) Site will be up 24 hours per day, 7 days per week, 365 days per year unless DHS has preapproved a scheduled maintenance outage which will occur during off peak hours as determined by DHS.
- 3) Must have adequate number of in-coming port for activity;
- 4) At a minimum, the Contractor shall provide support in English.
- 5) Capture and maintain retailer e-mail addresses and transmit, via batch file, addresses to DHS;
- 6) Must have settlement information available;
- 7) Contractor will use industry best security practices and allow retailers to manage account specific information such as E-mail, PIN, Secret Question / Answer for password resets;
- 8) Provide 3 years of 1099 data;
- 9) Provide links to DHS specified sites
- 10) Data to be included will be decided in the Design phase, but at a minimum will include account settlement transactions and history.
- 11) The Retailer Help Desk shall assist with problem resolution and answer questions regarding the operation of the web site.

C.5.10.1. Client Web Site

The successful Contractor shall develop and maintain a web site for SNAP Clients. The web-based application will be security protected to ensure a user has access to only that information applicable to them. Reports will be defined during the design phase.

The following minimum requirements shall be available:

- 1) Website to be available via public website
- 2) Site will be up 24 hours per day, 7 days per week, 365 days per year unless DHS has preapproved a scheduled maintenance outage which will occur during off peak hours as determined by DHS;
- 3) At a minimum, the Contractor shall provide support in English and Spanish.
- 4) Must have adequate number of in-coming port for activity;
- 5) Must provider account balance as well as transaction history;
- 6) Capture and maintain client e-mail addresses and transmit, via batch file, addresses to DHS;
- 7) Contractor will use industry best security practices and allow client to manage account specific information such as E-mail, PIN, Secret Question / Answer for password resets;
- 8) Provide links to DHS specified sites;
- 9) Data to be included will be decided in the Design phase.
- 10) The Client Help Desk shall assist with problem resolution and answer questions regarding the operation of the web site.

NoteBidder can list additional features that would be included in the price bid that were not required.

C.6. Technical and Functional Requirements for Time & Attendance Payment

The Bidder shall propose an EPS system, for SNAP, a Time & Attendance payment system and Debit Cards/Direct Deposit. Federal requirements for EBT processing shall be considered the minimum standards for the EBT system. All EPS systems must meet the requirements of applicable federal and state laws and regulations

Mandatory requirements are the minimum capabilities, features, and/or technical standards that must be met by the proposed solution to be determined responsive. Where required, Bidder shall provide a brief narrative, describing implementation process, installation and / or configuration requirements, and the proposed method to meet the requirements of this RFP. Bidder should provide examples, samples, and or screenshots as applicable to the proposed solution.

C.6.1. Section Overview

This Section is intended to provide details on the specific functional and technical requirements to develop, test, implement, and operate a system for a time and attendance payment system with the option of using biometrics and must be in conformance with federal regulations, applicable national standards, and the State's performance expectations. Within this Section are the specifications and requirements for equipment, software functionality, telecommunications, card production, card maintenance, reporting, training, and on-going operational support

The use of Biometrics will be determined at award of the contact. All requirement lists will be for either system unless noted. The State of Oklahoma currently uses a Time and Attendance payment program for Child Care and Adult Day Care. Child Care is a subsidy program administered by the Administration for Children and Families (ACF), US Department of Health and Human Services. Adult Daycare is a state administrated system.

C.6.2. Program

The state reserves to rights to extend the time and attendance system to any program that requires time and attendance be reported.

Benefit Restrictions- Payments are currently paid directly to the providers weekly; two weeks in arrears via data captured by the POS devices located in providers locations. No cash payments are allowed in this program.

Provider Management -Equipment will be installed within 10 (ten) days of a valid authorization being issued. The Contractor shall utilize a provider database to collect and store data necessary to track provider information and establish the basis for provider authorization and settlement. The technical specifications for the database contain all fields identified by DHS in the Design, Operations, and Use Case documents. In addition, the database will be able to store and track settlement information such as the provider bank routing and account numbers necessary for

settlement. Technical details of the provider database will be provided in the Design, Operations, and Use Case Documents.

The Contractors may become aware of suspicious activity, abusive activity, or problems in a facility; in the event of any of occurrence of the aforementioned, **the designated DHS staff shall be notified immediately, in writing either through a fax or electronic transmission.**

Procedures and format for notification will be established through mutual agreement between DHS and the Contractor.

C.6.2.1. Account Set-up and Maintenance

The account set-up and maintenance function for Time & Attendance requires generating an account set-up record for the EBT system.

Account Set-up and Maintenance Records

Each new account being established will require an Account Setup to be sent through Real-time messaging interface between DHS and the Contractor.

The following rules shall apply:

- 1) Account Setup/Maintenance records received via near-real time messaging transactions will be processed and a response code will be provided (positive or negative) as to the result of the transaction.
- 2) Each Account on the Contractors system will have only one cardholder with a unique card number (PAN) and PIN.
- 3) An Account Record must be established prior to posting of any benefit records.
- 4) When sending an update to the client demographic information, the State will send all the demographic information in the record, including the Payee Indicator identifying which person on the account is being updated. The Contractors system will overlay the information on the database for the client with the information in the record for the case number/payee indicator combination

C.6.2.2. Maintenance File/Real Time Functions

The Account Maintenance File/Real Time message will support the following functions:

- 1) Add New Accounts
- 2) Maintain Accounts (Demographic updates, Deactivate primary)
- 3) Add and Deactivate Alternate Cardholders

C.6.2.3. Account Record Processing

For all incoming account records (batch or Real Time Messages) the Contractor system shall determine the action to be taken based on the disposition of the case number on the database. The following identifies the actions to be taken by the system based on the existence of the case number, the incoming Payee Indicator, and the incoming Cardholder Access values.

**** Notes on the Payee Indicator (PI) Field:**

- 1) The PI for alternates (02-99) must be maintained on the Contractors system
- 2) The State will send a new PI for each new alternate being added to the case
- 3) The PI will not necessarily be sent by the State in sequence. For example, the State could send a PI of 04 and the next PI for that case could be 08 and the next PI for that case could be 06.
- 4) The State will not reactivate a deactivated cardholder (primary PI or alternate PI).

C.6.2.4. Client Re-enrollment

The Contractor shall not close accounts even when an account is closed on the DHS system. If a client was receiving benefits, left the program and then came back to the program, it will only be necessary to redirect benefits to the previously established account. If the client does not have the original card issued, the client will be advised on how to request a replacement card.

The State of Oklahoma client re-enrollment is accomplished through the external file process by updating the access to an account

by sending the Contractor either a "1" for active or a "0" for no access in the cardholder access field.

C.6.3. Benefit Authorization

The Contractor shall:

- 1) Receive and process all authorization records transmitted by the State.
- 2) Have procedures in place to prevent duplicate authorizations.
- 3) Process benefit authorizations and post the authorized benefits to the appropriate EBT accounts, based on the unique case numbers, person number, date, benefit type, and unique authorization number generated by the State for each benefit authorization
- 4) Benefit Availability - Batch

Currently benefits are issued by the month. On the specified availability date, benefits shall be accessible by 12:01 A.M. CST. The Benefit records may contain benefit availability dates for past, current, or future availability dates.

C.6.3.1. Benefit Availability – On-line

Benefits transmitted real time with date of availability equal to current date will be available immediately. The Real-time Messaging Benefit Maintenance records transmitted from the State to the Contractor is used to send initial benefits, one-time benefits, or benefit changes. The message contains authorization information including the case, person, days, dates, and rates, and copayment amounts as well as authorization number.

The Contractor shall coordinate the timing for processing Case and benefit issuance Maintenance Files to ensure benefits are not posted to a pending file awaiting the issuance of a card.

C.6.4. Settlement Subsystem

The Contractor shall at a minimum replicate the State's current settlement and reconciliation processes.

The current settlement subsystem performs weekly payment processing on attendance data; on a Sunday through Saturday pay cycle pays two weeks in arrears. Processing starts on Sunday 12:01A.M., the days of the week to be processed are from Sunday to Saturday. Nightly processing will also create daily activity files, which are transmitted to the state. After each payment file is created, the weekly All Activity File (AAF) is built and populated with the payment detail data.

The settlement processing function builds the weekly payment file on the designated day of the week and is sent to the providers. The contractor shall transmit the weekly AAF to the State before 05:00 A.M. CST on Monday of each week. The transaction types shall total the amount of the ACH deposit and match the amount on the Contractor's on-line report

- a) Bidder shall provide a detailed narrative describing any proposed settlement and reconciliation process that will meet the requirements listed within this section. Bidder should provide any applicable examples, samples, and/or screenshots

C.6.4.1. Provider Settlement

Settlement to Providers shall be through the existing commercial banking ACH infrastructure. The Contractor shall have an originating and receiving relationship with the ACH, either directly or through one of its subcontractors. For transaction processing and settlement purposes, the Contractor shall also be capable of settling POS transactions.

The Contractor shall originate an ACH credit for the total net balance due providers during the EBT pay cycle being settled.

The Contractor will reduce any balances or increase balances based on manual claims, adjustments, or credit entered via the AT. The Contractor shall make all deposits on Tuesday of each week. The Bidder's proposal shall provide a detailed description of the relationships and processes described in this Section

C.6.4.2. Deposits

Each Provider will have an account at the financial institution of their choice. The provider database holds and displays this information. The Contractor shall be responsible for inputting and maintaining this information with a 100% accuracy level. Further the contractor shall remedy any provider account in which an error was made in entering the account information within twenty-four (24) hours of problem identification. Providers reporting incorrect deposit data shall not have their payments deposited until the contractor has received the funds back from the banking institution or other account holder.

The Contractor shall also be responsible for resolving any payment issues with the provider's bank. All account information is to be entered and/or updated within twenty-four (24) hours of receipt

C.6.4.3. Unsettled Funds

The Contractor shall return, to the State, any funds that could not be settled to the provider within thirty (30) calendar days of the initial ACH.

- a) Bidder shall provide a detailed narrative describing of the process to be used to return unsettled funds. Bidder should provide any applicable examples, samples, and/or screenshots

C.6.4.4. Provider 1099's

The Contractor shall be responsible for the issuance all of IRS Miscellaneous Form 1099. Form 1099 must be issued and mailed no later than January 31st of each year as required by the Internal Revenue Service.

The Contractor shall be responsible for meeting any requirements set forth in the Internal Revenue Code

The Contractor shall be responsible for all printing, mailing, communications and corrections with Providers as it relates to 1099 issuance

C.6.5. Time & Attendance Transactions

C.6.5.1. Payment Processing

Payment processing starts by matching Time-in's, Time-out's transactions by case, authorization number, person number, and provider. Reprocessing occurs on all unpaid days that have been affected by changes to the system. The payment file itself is built once weekly, for the period ending two weeks previous; and it uses the matched transaction records, authorizations, and authorization rates in force at the time of the transaction, along with the attendance day and time counters to calculate and create payments. The full amount of the co-pay for the month must be satisfied before the provider receives payment.

An ACH credit file of provider payments is created and transmitted to the designated bank and payment information, including detail records, are sent to DHS in the weekly payment detail report. DHS reconciles to transaction-level detail with this report. Following reconciliation the state verifies the payment amount and wires funds to the project debit account at the designated bank, which then distributes the payments according to the instructions in the credit file. Providers also receive a separate monthly electronic payment for supply reimbursement (paper for the POS device). A separate ACH payment file will be created on the 27th of the month, and sent to each provider's designated bank.

C.6.5.2. Attendance

Full Time – More than Four hours of Time & Attendance system attendance at the same provider during a single Calendar day

Part Time – Four hours or less of attendance at the same provider during a single Calendar day.

Each authorization contains both a full and part-time rate for the provider. Full time attendance will be paid at the full time rate, if there are full-time days available a full time day will be charged against the authorized monthly full-time benefit; if there are no full-time days available, and then a part-time day will be charged and paid, if available. Part time days will always be paid at the part time rate; the attendance day will be charged against the authorized monthly part-time benefit, if available if there are no part-time days available, the part-time attendance day will be charged against the authorized full-time monthly benefit, if available, but it will still be paid at the part-time rate.

Full-time days utilized on a part-time only authorization are paid at the part-time rate. Part-time care on a full-time only authorization is paid at the part-time rate.

C.6.5.3. Transaction Matching

The transaction matching process pairs a check-in transaction with a check-out transaction so that time in care may be computed. There can be multiple check-ins and check-outs per day to accommodate school-aged children who leave Time & Attendance system and return at times when the cardholder is not present.

The following business rules apply to transaction matching:

- 1) Use the attendance check-in or check-out time (not the transaction capture time) for transaction matching
- 2) If there is only one check-in and only one check-out during a Calendar day, match these two transactions and compute the duration. Assign the duration to the check-in transaction
- 3) If a check-in exists without a corresponding check-out, assign one-minute duration to the partial

transaction

- 4) If there are multiple check-in/check-out consecutively paired transactions during a 24-hour period, match the earliest check-in with the earliest check-out; the next check-in with the next check-out, etc.
- 5) If there are multiple check-in/check-out transactions that are not consecutively paired during a 24-hours period, match the earliest check-in with the latest check-out; discard the other transactions.

C.6.5.4. Payment Cycle

Payment is figured two weeks in arrears from the end of a payment cycle. No swipes can change any deposited payments but additional payments can be made on a current cycle if stored or pended transactions are posted for a previously paid cycle and those stored or pended transactions change the outcome of the original payment

C.6.5.5. Rates

Part-Time— Care given to any client with an approved authorization, with remaining authorized days, either part-time or full-time, in which care is four (4) hours or less.

Providers are never paid in excess of a part-time rate when care is four (4) hours or less even if the only available days are full-time. No payments will be made in excess of authorized days, regardless of swipe approval.

Full-Time— Care given to any client with an approved authorization, with remaining authorized full-time days, in which care is greater than four (4) hours.

A part-time rate can be paid for full-time care when only part-time days remain available.

The full-time rate can only be paid when there remain full-time days available and the care is > than four (4) hours. No payments will be made in excess of authorized days, regardless of swipe approval.

C.6.5.6. Current Day (In vs. Previous In/Previous Out)

Current day swipes are always decremented from the authorized days bucket before previous swipes

C.6.5.7. First In/Last Out

Swipes are aligned at the end of the ten (10) day period affecting a pay cycle. This means that ten (10) days from the last day in a pay cycle swipes for that cycle will be realigned for payment purposes. The first In (regardless of In or Previous In and the last out, regardless of Out or Previous Out) will be used to determine payments.

Exception: Any In swipe where the time in is later than an out swipe will be considered a valid swipe for payment purposes and the hours combined for payment processing.

C.6.5.8. Overnight

Contractor shall provide an overnight attendance transaction process. Parent would check their child in as usual, but, the next morning, using, an agreed upon POS key, parents would indicate an overnight check-out which will trigger the next nightly match process to create the equivalent of the previous out and previous in.

When the nightly match process finds an overnight out, it will find the previous day's last check-in transaction, generate the pseudo transactions for each day, and mark all four transactions as being part of a single logical transaction. The service hours from Day 1 Check-In to Day 1 Pseudo Check-Out will be assigned to Day 1. The service hours from Day 2 Pseudo Check-In to Day 2 Overnight Check-Out will be assigned to Day 2

C.6.5.9. Voids

Voided transactions will be removed from the payment alignment. Voids for overnight transactions will remove all swipes for that service from the payment alignment. Void swipes at a minimum should be at the POS terminal, the portal in addition, voiding at the Admin Terminal by State staff would be preferred.

C.6.5.10. Pending Swipes

Pending swipes occur when an authorization is in application status or when a client uses a provider other than that authorized. The Contractor's host will revisit all pending transactions nightly and recalculate benefits based on changes to the authorization. Pending swipes should be changed to approved or denied upon nightly revisit of swipes.

Upon the State's approval of an authorization from application status to open status or update of an authorization to correct a provider, the host will approve pending transactions based on authorized day availability. Pending swipes will be held for ninety (90) days and revisited nightly. Pending swipes are to be posted to the correct authorization once they have moved from "pending" to "paid" status.

C.6.5.11. Co-Pay

Will be deducted based on the information provided before any payments are made to a provider.

If there is co-pay due on the case, the amount is contained in the case record and the co-pay flag in the authorization record is set to 'yes.' More than one child in a case may be designated for co-pay. In this case, the Contractor will reduce the co-payment balance, by the amount of the full- or part-time rate, as appropriate, for each child in attendance each day until the co-payment balance is zero. Co-pay is not required in all cases.

The contractor shall track and apply any remaining copayments owed when a mid-month authorization has been submitted changing providers. The contractor shall not withhold more than the stated co pay amount.

C.6.5.12. Absent Payment

Only those authorizations that contain a numerical number in the "absent days" field will be paid an absent payment IF the minimum number of full-time days has been met. Part-time days will only be used to determine the amount of the absent payment once the full-time minimum has been met. No payment will exceed the total amount of the full-time days x the authorized full-time rate.

If the authorization record contains a non-zero, positive value in the max _absent _days field, the provider may be due the full amount of the month's subsidy, even if the child was not in attendance all days during the month. A minimum attendance threshold, which is determined by subtracting 'absent days allowed' from 'full-time days allowed,' must be met before any absent day benefits will be paid to a provider. Not all authorizations include absent day benefits.

Absent day payments are calculated on the 10th of the month for eligible authorizations used during the previous month. But not paid until the first pay cycle after the 10th of the month. This delay in calculation accommodates the ability of the parent/guardian to use the previous check-in/out functions to register missed swipes

C.6.5.13. Manual Claims

Any manual claim entered successfully shall be paid in the next available weekly payment

C.6.5.14. Adjustments (Debits/Credits)

Case level adjustments will be summed by provider and combined with any outstanding provider level adjustments for a single debit/credit to the provider's weekly payment.

C.6.5.15. Payment File

The weekly payment file will include only those swipes used to determine payment but will include the co-pay amount withheld daily and the daily rate applied to the swipes used for payment.

C.6.5.16. Transaction Processing

Transaction Processing includes all the interactions that can occur between the Oklahoma participants, providers, and the host system via the POS device at the provider site, or via another electronic transaction capture mechanism, such as a manual claims entry system. Normal daily activity interactions are initiated at provider sites, i.e., when a participant uses their access card at the provider's POS device to perform a Time in/out transaction, or a provider or staff member performs a void or requests a POS-based report. POS transactions could also trigger auxiliary actions by the host: for example, a broadcast message may be delivered to a participant or provider after the host receives a transaction from that party.

"Time & Attendance system activity transactions" will include all methods of transaction capture unless otherwise specified.

- 1) The Contractor shall have the capability to receive and process transactions from POS devices.
- 2) The Contractor shall ensure that clients access their benefits only at POS terminals in authorized provider locations.
- 3) The Contractor shall have the capability to receive process and return approval/pending/stored/denied messages from POS devices

Transaction authorization will require:

- 1) The system should go through a series of checks and processes to determine whether a transaction being initiated by a client should be approved. If any approval conditions are not met, the Contractor shall deny the transaction and return a denial message to the client with a reason code. Denial message will stand out on the POS machine.
- 2) All Stored, Pending, and Denied messages shall be reversed highlighted on the transaction receipt for easy identification.

C.6.5.17. Use Cases Required For Transaction Processing

Include but are not limited to:

- Validate Provider
- Validate POS
- Validate Multi-terminal transparency
- Validate PIN
- Validate Image;
- Validate Authorization Benefits
- Validate Transmission Date Time for Stored transactions
- Retrieve Broadcasting Message(s)
- Validate POS User Password;
- Check-In
- Check-Out
- Previous Check-In
- Previous Check-Out
- Overnight
- Void Earlier Transaction
- Void an Overnight Transaction
- Process Pending Transactions
- Process Stored Transactions
- Manual Claims
- Masking of Child Protection Cases

C.6.6. EBT Administrative Terminal

C.6.6.1. History Screens

AT screens shall display a minimum of six (6) months history of all data. The six (6) month shall not be rolling but rather a full six (6) months of data displayed. After six (6) months data can be maintained off-line for three (3) full years (i.e., three years in addition to the current year), or longer if required by the State. The Contractor shall describe in its proposal how data maintained off-line is retrieved and timeframes and if there will be any associated costs for retrieval.

C.6.6.2. Manual Claims

Manual Claims users will be able enter new manual claims and review existing manual claims. Both functions will be accessed from a screen which allows the user to enter an authorization number, case number or a provider facility name (or partial name) and/or a contract number. New claims shall be allowed for the same time period that the history screens are for. Manual claims will be allowed pass the 90 POS window. A detail history of the manual claims will be maintained and viewable on the AT. The following minimum requirements will be used for the manual claims program:

Manual Claims authorized users will be able enter new and review existing manual claims. Both functions will be accessed from a screen which allows the user to enter an authorization number, case number or a provider facility name (or partial name) and/or a contract number.

A list of authorizations matching the authorization number entry will be retrieved and displayed to the user. The user will select the desired authorization from the list of matching authorizations.

The manual claim entry page will contain a read only area identifying the selected authorization:

- Authorization number
- Provider name
- Provider contract number
- Person name
- Case and person number
- Authorization effective dates
- User-id (user creating manual claim)
- Current date
- Remaining FT and PT days on this authorization

The manual claim entry page will contain an entry for each day of the authorization month, indicating whether the date currently has FT or PT attendance, the attendance type (POS or manual claim), the payment status (settled or unsettled), and user id (if manual claim). Editable days will contain radio buttons to select FT or PT. Unsettled manual claim dates will also include a delete button. Settled PT POS attendance dates may be promoted to FT using a manual claim. From the manual claim entry page, the user may elect to submit any newly entered claim data or cancel. Edits for invalid dates and date formats will be performed on submission. When the inquiry (e.g., by provider partial name) retrieves more than one matching provider with manual claims, the system displays a provider list, from which the user selects a provider to view authorizations with manual claims

When the inquiry or selection retrieves more than one authorization, the system displays a list of authorizations with manual claims. Once the user inquiry has resulted in the selection of a single authorization for which to view manual claims, the system displays the claim interface as described above, and the interface will function in the same manner as above. A user may cancel out of a

manual claims review without performing any edits. After a user submits a new or edits existing claims, the system will return a response page which will update the authorization interface with the new benefit balance on the authorization and the new status of each of the claimed or edited dates

Settlement of an approved manual claim (one in unsettled status) will take place along with normal weekly processing (early Sunday AM). DHS may enter manual claims for non-POS providers before regular settlement days have occurred. DHS will enter manual claims for POS providers during the claim month or after a claim has completely settled (including absent payments). An approved manual claim may place an authorization that was otherwise not fully utilized into a state where it is eligible for an 'absent day payment.' The system shall pay any absent payment owed. Manual Claims shall have a separate transaction code when being reported in the weekly payment AAF

C.6.7. Data Management

There are six fundamental types of data in the base Time & Attendance system:

- Provider Data
- Client (Case) Data
- Authorization data
- Time & Attendance system Activity Data
- Payment Data
- Card related information

With the exception of bank routing information, all other data is owned by the state and is imported into the Time & Attendance system from the state's eligibility system. This information is transmitted throughout the day in defined message formats; additionally, the client and authorization records are refreshed monthly through a batch interface. The batch interface may be used throughout the month for large sets of data.

Attendance data is captured real-time from the POS devices at Time & Attendance system facilities and used to build the payment.

C.6.7.1. Provider Data

Most provider data is transmitted from DHS's eligibility system in the form of provider records, which contain provider demographics, Time & Attendance system facility characteristics, contract status, overpayments, and licensing data. Provider bank account and bank routing data will be entered by Contractor's project office staff through the Administrative Terminal interface based on documentation sent to the project office by the providers. In addition, project office staff may set the multi-terminal flag for inventory purposes and update the provider's time zone.

Provider data imports come from the Oklahoma eligibility system. The provider data message format is to be described in the Interface Control Document but the Contractor is to use the current formats.

A small number of State Office workers are able to enter and modify provider data. New provider records are created upon approval of a new provider contract. Provider records may also be updated to reflect facility changes or to end date the contract (effectively removing the provider from the active Time & Attendance system services list). Providers can be reactivated.

Updates to provider records will be sent via the near-real-time message interface from the State to the Contractor's host computer. An audit history of updates to provider data is to be maintained and to be viewable via the Administrative Terminal interface.

C.6.7.2. Enabling/Disabling Provider POS Terminals or Payment

There are occasions that the State may need to disable a provider's POS terminal for an undetermined amount of time. The State requires that the Contractor provide an on-line mechanism for disabling a POS terminal and subsequently enabling the POS terminal upon problem resolution; via the administrative terminal. There are occasions that the State may need to flag a provider's payment to be held until it is released or limit the amount of money released

C.6.7.3. Cases required for Provider data include but is not limited to;

- Add a provider record;
- Update a provider record;
- Deactivate (end date) a provider record;
- Archive provider records;
- Add banking record;
- Update banking record;
- Add POS terminal record;
- Update POS terminal record;
- Enable/Disable POS terminal record;
- Check Provider history updates;
- Enter an adjustment
- Enter a broadcast message

- Hold a provider payment

C.6.7.4. Case/Client Data

Case data is transmitted from the Oklahoma eligibility system in the form of client records and authorization records. Client records contain demographic data, card data, and co-pay information and authorization records contain rates, the enumeration of the authorized benefit, and match cases with providers.

Oklahoma case data imports come from its PS2 eligibility system. The state owns the case data. Case data message formats – Client and Authorization – shall be defined in the Oklahoma EBT Time & Attendance system Interface Control Document but the Contractor shall utilize the existing formats. These imports will be accepted in separate Client and Authorization batches, or through the on-line messaging interface, and data records will be added or modified, according to instructions contained in the record file or message header. New Client records are created when county workers identify a first-time services participant. Client records represent the case-level detail associated with the system services benefit recipient(s) and includes the amount of co-pay – if any – that the benefit recipient will pay directly to the provider.

Mid-month co-payment updates will be applied as of the effective date against any unsettled transactions. The remaining co-pay due from the client for the affected month will be determined as follows:

- 1) New monthly co-pay value minus co-pay already paid for the month = remaining co-pay to be paid
- 2) If the remaining co-pay to be paid is < 0, the remaining co-pay to be paid = 0

Client records may be updated at any time during the month, but the client record currently in effect for each day is the one that the Contractor will use to apply a payment value to an attendance day with respect to co-pay. Subsequent updates to a client record that would affect the payment value will cause the host to reassess pending payments, but not payments that have already been disbursed. An audit history of updates to client data is to be maintained and viewable via the Administrative Terminal interface.

Cases required for Client (Case) data include but are not limited to;

- Initial record receipt and posting to host;
- Update client record;
- Deactivate client record
- Update Co-pay amount
- Archive client records
- Check Case history updates

C.6.7.5. Authorization Data

Authorization records are identified by the combination of:

- Authorization Number
- Case Number
- Child Number
- Provider
- Authorization Effective Dates
- Archive authorization records

These records may be updated at any time during the month, but the authorization currently in effect is the one that the Contractor will use to apply a payment value to an attendance day. Subsequent updates to an authorization that would affect the payment value will cause the host to reassess pending payments, but not payments that have already been disbursed. Authorization records are created when a Client applies for benefits for Time & Attendance system services for a specific child associated with a case.

New authorization records may be created at the time of the interview and transmitted to the host, or they may be created after a Client's application for services has been fully investigated.

Changes to authorization records can also be made during a subsidy period and some of the changes have an effect on payment processing. The payment processing subsystem will use the authorization record in effect at the time of each attendance transaction to determine the payment rate.

However, if an update is made to an authorization, against which payments are pending at the time of the update, the pending payments may be recalculated based on the updated data (e.g., a rate change). In addition, when there is a mid-month update to the fields containing the maximum number of authorized full- or part-time days, the Contractor's system will set a flag for any unsettled transactions on the authorization and will reprocess affected days with the new values; in addition, the host will determine the delta between the old and new authorized days values and adjust the days used/remaining days to reflect the new values.

Authorization updates are transmitted as authorization messages during the day. The next month's authorization records are currently refreshed on the 27th of the month. An audit history of updates to authorization data is to be maintained and viewable via the Administrative Terminal interface.

C.6.7.6. Cases Required for Authorization Data Include but are not Limited to

- Add authorization record
- Update authorization benefits
- Deactivate authorization (end date)
- Change application status to open status
- Check Authorization history updates

C.6.7.7. Time & Attendance system Activity Data and Co-Pay Tracking

Time & Attendance system Activity Data is based on POS attendance transactions and calendar month co-pay accumulations are updated daily based on this activity. When a participant checks in, the POS device displays the static daily full-time and part-time rates and the current total monthly (static) co-pay due. This alerts the provider and participant that co-pay amounts need to be satisfied before the provider will receive the DHS subsidy. Attendance data may be captured for the current day or any of the preceding nine (9) days at the POS device, for a total of ten (10) days of transactions. Client records and co-pay can be refreshed each month.

Co-payments are transmitted at the case level therefore the Contractor must track co-payments for all children within a family even though attending another provider unless the State has transmitted a co-pay exception flag.

The contractor will not include exempt children in co-pay calculations.

An audit history of co-payment data is to be maintained and viewable via the Administrative Terminal interface. The history data will also display the date and time co-payment updates are received by the host.

C.6.7.8. Use Cases Required for Co-pay Data Include but are not limited to;

- Send co-pay flag;
- Change co-pay flag;
- Co-pay on multiple providers;
- Check co-pay history updates;
- Payment

C.6.7.9. Payment Data

The Contractor will create payment data weekly by using attendance and case (client and authorization), provider data, approved, pending, and stored transactions, adjustments and manual claims. The weekly report of payment data is used to assemble the ACH file that the bank processes as electronic fund deposits into the designated provider bank accounts. A payment activity file is also created for transmission to the state for their audit and reconciliation use. To accommodate the ten (10) day previous check-in/out functionality, the actual weekly payment is based on a Sunday through Saturday cycle and made two weeks in arrears.

A weekly Totals Payment Report is prepared for each payment; this report displays the cumulative total of cases, authorizations, adjustments, absence payments, and the totals paid for each week. It also includes the POS transactions used for the basis of payment.

An audit history of payment data is to be maintained and viewable via the Administrative Terminal interface.

C.6.7.10. Use cases required for Payment data include but are not limited to:

- Payment for daily swipes;
- Calculation of correct hours;
- Incrementing and decrementing of authorized days buckets;
- Voids;
- Payment with co-pay required;
- Payment without co-pay required;
- Payment of multiple providers same child;
- Payment for swipes with change in authorization;
- Payment of pending swipes;
- Payment of stored swipes;
- Payment of absent payment;
- Full-time;
- Part-time;
- Adjustments;
- Manual Claims.

C.6.7.11. Card Related Information

The Contractor will capture card data through the Administrative Terminal interface. The State shall transmit the type of card data needed to allow the host system to determine if a new card is required (Time & Attendance system only cases) or if an existing card must be linked to a multi benefit case (SNAP and Time & Attendance system). Card shall not be reprinted. Oklahoma has two BIN's' to differentiate between multi benefit and Time & Attendance system only cards. The Time & Attendance system only BIN is 603407 The Multi (SNAP and Time & Attendance system) BIN is 508147 PIN data –for new cards and replacement PINS – are captured through county PIN select terminals or through the client help desk.

An audit history of cardholder data is to be maintained and viewable via the Administrative Terminal interface for three (3) years. History for Cardholder data shall include: PAN, date and time, issue or replacement data, reason code, user login and name.

C.6.7.12. Use cases required for Cardholder data include but are not limited to:

- Card issuance;
- Linking card issued from other benefits;
- Card cancellation and reissuance;
- Printing of restricted cards (SNAP);
- Pin issuance;
- Card enable/disable functions.

C.6.8. Provider Customer Service

C.6.8.1. Provider Help Desk

The Contractor shall provide a Provider Help Desk within the continental United States, to provide POS and deposit/banking support via a toll-free, "1-800" number, 24 hours a day, 7 days per week, 52 weeks per year. At a minimum, the Contractor shall provide support in English and Spanish. The Contractor shall provide the ability for DHS staff to remotely monitor live calls coming into provider CSR's. The state will utilize its own staff for payment related issues.

C.6.8.2. Functional Requirements

The successful Contractor shall provide a Provider Help Desk with the following capabilities:

- Toll-free and without charge or fee to the Providers;
- Operated and staffed in an industry standard manner;
- Provides access controls that ensure security of both Providers and client's payment information;
- Responds to questions and problems regarding installation, support and problem resolution on POS equipment;
- Knowledgeable and can communicate POS instructions on accessing utilities;
- Knowledgeable and can communicate settlement information and reconciliation procedures;
- Knowledgeable and can communicate support on system adjustments and resolution of out-of-balance conditions;
- General information as requested by callers;
- Document each call so a record exists for each help desk call; these records will be made available to the State upon request.
- Referrals to the State or County Offices of questions regarding authorized benefits state and federal policies, as appropriate.

C.6.8.3. Service Requirements (Standards) for Provider Help Desk

The Contractor shall ensure through technical design, resource allocation, and staffing that each provider call is answered in accordance with the prescribed Performance Standards for reporting purposes, the Contractor shall provide Provider Customer Service Center activity data. Additionally, TTY (Teletypewriter) capability must be provided to providers with hearing disabilities. ARU utilized is not utilized on the Provider Help Desk.

The Contractor shall provide a Provider Help Desk that meets the following service requirements (standards):

Performance standards regarding the Average Speed of Answer (ASA) and the abandoned calls for a Customer Service Representative (CSR) shall be as follows and shall be measured over a calendar month:

At a minimum, 98 % of all calls will be answered within twenty-five (25) seconds, and the remaining 2% shall be answered within forty (40) seconds. Performance standards regarding problem resolution shall be established at 95% over a twenty-four (24) hour period.

- a) Bidder shall provide a detailed narrative describing how these standards will be achieved these standards. The required narrative shall include exception reports used to monitor compliance with these standards and the procedures use to handle exceptions

C.6.9. POS Requirements

C.6.9.1. Equipment/Software and Maintenance

The State provides POS equipment to all contracted Providers. The state is currently utilizing the VeriFone 570 POS terminals owned by DHS. These terminals are not capable of biometrics. The contractor shall recommend POS terminals that will allow for biometrics, in the event we choose to go with biometrics. The State currently owns 4,600 VeriFone 570 POS and will transfer to Contractor. Thirty (30) days prior to conversion the new Contractor shall transfer all uninstalled POS terminals (approx. 1,200) to its warehouse and shall immediately begin maintaining all State owned terminals and shall continue to maintain and repair POS terminals throughout the life of this contract. The contractor shall be provided a copy of the previous Contractors maintenance information and shall continue to track all repairs for each individual POS terminal. If new terminals are ordered, existing terminals will be returned to the state.

The terminal software will be programmed to guide the user through every step of the process, providing transaction-processing capability for providers and clients alike. The software program shall include a "Training Mode" that does not transmit any data or post swipes to the database while in training mode. The POS terminal must clearly print "Training Mode" on all receipts. POS software must have the capability of "Automatic" downloads including date and time synchronizing capabilities. The State has final approval of all POS program processes.

The Contractor will provide one terminal for each thirty (30) people authorized in the facility. The Contractor agrees to cooperate with the State to identify facilities that would require more than one terminal based on this criteria. The 1/30 ratio is based on the number of people authorized per provider. To ensure compliance with ANSI standards, Contractor must ensure that unique terminal IDs are used for government supplied POS terminals. The Contractor shall maintain all POS equipment throughout the life of this contract, permanently replacing POS terminals that exceed the maintenance threshold of five (5) repairs.

- a) Bidder may recommend POS equipment that will at a minimum accommodate digital, rotary, pulse dialing and internet and voice over IP without and increased cost. The Contractor will be responsible for providing line splitters necessary to utilize existing phone lines, and additional wiring necessary to connect the POS equipment.
- b) Bidder should describe processes that are currently in place to prevent the use of relocated equipment, the replication of equipment, and to detect, monitor and report such abuses should they occur.

C.6.9.2. Paper Reimbursement

Providers also receive a separate monthly electronic payment for supply reimbursement (paper for the POS device). The payment calculation is based on the attendance transactions during the month. The transactions for each provider are totaled and multiplied by the reimbursement factor set by the state. The reimbursement rate shall be agreed upon during design phase.

C.6.9.3. POS Transaction Sets

The EPS system currently has six (6) transaction types.

- In
- Out
- Previous In (current day and previous nine days); this number could be adjusted down if biometrics is used.
- Previous Out (current day and previous nine days); this number could be adjusted down if biometrics is used.
- Overnight
- Voids

POS Functions must include not only the above, but report capabilities with certain functions restricted to provider only access. Contractors shall insure that POS transaction sets are not restricted to a single POS for providers with multiple terminals. All transactions are to appear seamless to clients and providers alike.

C.6.9.4. Child Welfare Protective Custody Cases

All case that begins with KK (which is our Child Welfare Case) will be masked. The Contractor shall mask the name and demographic information of these children on both the Administrative Terminal display for customer service representatives as well as on the POS tape printed at the provider facility. The information will be masked for both the primary and secondary cardholders. The masking of demographic data for the Administrative Terminal shall be a function selected by the State when establishing a user profile.

C.6.10. POS Case Inquiry Requirements

The POS terminal shall provide real time case/authorization inquiry abilities

C.6.10.1. POS Receipt Requirements

POS transaction receipts must print the following information for each pending approved or denied swipe.

- Daily Sequence Number;

- Child Name;
- Child Number;
- In/Out Indicator, indicating attendance type selected;
- Date of Birth;
- Case Number;
- Transaction Number;
- Transaction Time;
- Static PT rate currently in effect;
- Static FT rate currently in effect;
- Static Co-pay Amount currently in effect;
- Status message from host, indicating success or a failure reason for this child;
- Optional information message meant for the provider/parent/child;
- Optional state broadcast message;
- Masking of Child Welfare Protective Custody Cases

The system must return a message to the POS indicating the reason for a denial (e.g., invalid PAN, invalid PIN, NSF, etc.). All Stored, Pending, and Denied messages shall be reversed highlighted on the transaction receipt for easy identification. The Contractor shall provide the State with a list of all POS error codes with a detailed description of what the error codes mean and the party responsible for resolution.

If the host system is Offline, the terminal will need to store the transaction for later sending to the host system once online. This will need to show up on the tape with reverse printing. The message must contain information to all for tracking of the transaction. Recommended information is last 4 of the card number, date, time, person numbers, transaction type, and transaction number.

C.6.10.2. Stored Transactions

Stored transactions are generated whenever the POS terminal fails to communicate with the online host system during transaction processing. The POS must have a way to clear the stored transactions once communication has been established. The process needs to have the option of both automatic and manual transmission of stored swipes. A time frame will be established during the Design phase as to how long a transaction will be accepted once it has been stored.

C.6.10.3. Key-Entered

While the State does not currently allow manual entry for Time & Attendance system, the Contractor must allow for such transactions but prevent this function until the State requests the functionality. The Contractor shall track key-entered transactions by cardholder, case, authorization, and provider.

C.6.10.4. POS Maintenance Functions

The State has experienced previous problems with yearly time changes and the need to manually download software changes. For that reason, the Contractor will be required to provide POS programming that automatically requests information from the host, such as current date/time and any software updates, just prior to a normal transaction being sent to the host. This is not a user-selectable transaction, as it is up to the POS to decide when it is sent.

C.6.10.5. Voiding Transactions

The voiding of a transaction is done at the POS with the provider identifying the transaction that needs to be voided. This information is captured within the POS and the transaction would be voided at the point the information is sent to the host. Voids are also performed on overnight transactions.

Voided transaction will require re-processing of previous approved but not yet paid transactions. The contractor shall successfully evaluate all voided transactions, overnight voided transactions, adjusting remaining days, co-pay amounts, and perform settlement based on corrected transactions.

C.6.10.6. Host-Initiated Messages

The State requires a message system. They currently utilize "Host-Initiated" messages for contacting clients and delivering messages to providers across the State.

- a) The Contractor shall provide for Host Initiated Message System that can be delivered to all providers in the state, selected providers (based on county), or a specific case, multiple case, or provider.

User management rules govern which staff can generate messages and what level they are authorized to designate.

C.6.10.7. Batch Messaging to Providers

The State is requesting the ability to send messages in a batch file to the provider to be viewed on the provider web site. The message can be at a provider, case, or person level. Additional points will be awarded for contractors that can provide this feature.

C.6.10.8. POS Settlement Reports

There are currently two types of Totals (payment) reports that are being delivered to the POS: detailed and summary. DHS sets a flag in the provider record to indicate which POS report each provider should receive. The Contractor shall mask the name of any child where the State has identified and transmitted the protected case indicator. Totals reports are to be available for the past three payment cycles (the most recent and two previous).

- 1) Detailed Totals Report – The detailed report breaks down the provider's total payment by day by child including adjustment amount, co-payment withheld, and absent day payments.
- 2) Summary Totals Report – The summary report provides by child the total payment amount, adjustment amount, co-payment withheld, and absent day payments

C.6.10.9. Administration and Security

Transaction Security- All PIN transmissions shall conform to Federal requirements to insure confidentiality and security of the data during POS transmissions to the host.

PIN Storage - PIN's are to be stored in the Bidder's database in encrypted form. The key used to encrypt the PIN in the database should be different from the key used to decrypt the PIN sent from the POS or other devices. No individual, including the Security Administrator, shall be able to view the PIN in clear text form.

Processor and POS Access Management - The system shall keep track of the sign-on time for each processor and directly controlled POS terminal. A POS or processor access privilege is to be checked against each transaction.

C.6.10.10. Cases required for POS Terminal Functions include but are not limited to:

- Terminal set-up;
- Case Inquiry;
- Check in;
- Check out;
- Previous check-in;
- Previous check-out;
- Overnight;
- Void transaction;
- Stored transactions;
- Multi-terminal transparency;
- Maintenance transaction (Internal to POS);
- Install Terminal;
- Download Updates;
- Demo Mode;
- Detailed Totals Report;
- Summary Totals Report;
- Reprint Last Receipt;
- POS ↔ Host Communications Process;
- Error code display;
- Broadcast Messaging;
- Masking of Child Welfare Protective Custody Cases

C.6.11. Provider Management

The Contractor shall be responsible for Provider management in Oklahoma.

The Contractor's primary roles and responsibilities are described in the following section.

C.6.11.1. POS Installation

The contractor will install POS terminals at any Provider with application status or open authorizations within ten (10) days of first authorization transmission to host. The Contractor will conduct quality assurance, calling a percentage of providers following installation, and shall provide a copy of this report to DHS each month.

If a subcontractor is used a portion of the technician's pay will be based on the response from the providers regarding the quality of installation/training. Written feedback will be provided to the State monthly.

C.6.11.2. Contract Closure

The Contractor has ten (10) days from contract closure to pick-up POS terminals and ten (10) days from end of a thirty (30) day period if no authorizations are on file. Once notification of a provider contract end is received by the Contractor, staff will immediately make arrangements with the provider to de-install POS equipment. The procedure for de-installation will involve either a personal visit to the facility by the Contractor or, with provider agreement, the equipment may be returned to the Contractor office through the use of Federal Express at no cost to the provider.

The provider shall be responsible for the cost of equipment if the contractor has contacted the provider within the required timeframe as stated above. The contractor shall be responsible for the cost of equipment which has not been returned should notification not have occurred with the required timeframe.

C.6.11.3. POS Training

The contractor is required to provide the initial training in person or on the phone which shall include a script and be available in both English and Spanish. Any Contractor or subcontractors personnel who will be entering provider facilities will undergo a background check conducted by the DHS Office of Inspector General prior to entering the facilities, with associated expense to be borne by Contractor. Child abuse reporting training will be provided by DHS, Contractors and subcontractors must carry identification, issued by the Contractor, for presentation to providers.

C.6.11.4. Repair and replacement of all POS equipment

The contractor shall maintain sufficient inventory of POS equipment for replacement.

The contractor shall provide detailed instructions on how they will meet the below timelines for replacement POS. POS replacements are to occur within twenty-four (24) hours in metro areas (Oklahoma City and Tulsa) and within forty-eight (48) hours for all remaining counties. The contractor shall provide Help Desk services to providers for resolving issues/problems on POS equipment

C.6.11.5. Database

The Contractor shall maintain a database of POS installations and repairs, by provider and shall include dates of installation and number of repairs. This database is to be made available to the State upon request. Retrieval of POS machines for providers no longer keeping participants.

The database shall include:

- Provider Settlement
- Inputting and maintaining direct deposit banking information
- Preparation and distribution of 1099's
- Provider Help Desk
- Provider Website

C.6.11.6. Adjustments (Debits/Credits)

Adjustments will be entered at the authorization, case, or provider level. Data will include a set of "Reason Codes" as defined by the state for the adjustment with 144 bytes allowed for comments. Reason codes will be added, deleted, or modified via a Table Maintenance screen to authorized users. A detail history of all adjustments will be maintained and viewable on the AT for five (5) years.

The following minimum requirements will be used for adjustments:

- Authorized users will be able enter or update adjustment data and review existing adjustments. All functions will be accessed from a screen which allows the user to enter a valid authorization, case, or contract number.
- The adjustment screen will be utilized by DHS only.
- The contractor shall have a separate screen and functions for any adjustments required but contractor

initiated debits shall not occur in conjunction with DHS debits. That is, if DHS is in the process of collecting a debit from a provider any contractor debits will not begin until the full amount of the DHS debit has been collected.

- The adjustment entry/update page will contain a read only area identifying the selected authorization, case, or provider and shall include:
 - Authorization/case/provider name
 - Provider contract number
 - User id (user creating/updating adjustment)
 - Current date
- A user may cancel out of an adjustment without performing any edits.
- All adjustments will have a total amount to be credited /debited
- Ability to enter notes on case/person adjustment
- Adjustments entered at the authorization or case level shall be rolled up and added together for a single payment to the provider each week.
- The contractor shall provide the ability for the State to stop a previously entered adjustment but shall maintain the original information entered for viewing.
- Adjustments may be entered as either a total dollar amount to be credited/debited, a specific dollar amount to be debited each week or a percentage to be debited each week, until the debit is satisfied to the provider's weekly payment.
- The contractor shall track adjustments and cease crediting/debiting any provider's weekly payment once the adjustment has been satisfied in full or the adjustment has been stopped by an authorized user.
- Adjustments may be stopped at any point in the credit/debit settlement process
- The system will maintain all history of amounts debited/credited on all entries
- Settlement of an outstanding credit/debit adjustment will take place along with normal weekly processing and shall be identified separately on the provider's weekly POS Totals report as either a State or Contractor adjustment.
- Adjustments shall be displayed on the Administrative Terminal as either a State or Contractor adjustment along with amounts.
- Adjustments shall be displayed on the Provider web-site as either a State or Contractor adjustment along with amounts.
- Adjustments will not be edited against any transactions, co-payments, or absent payments.

C.6.11.7. Provider Web Site

The successful Contractor shall develop and maintain a web site for Time & Attendance system Providers. The web-based application will be security protected to insure a user has access to only that information applicable to each approved contract. Reports will be defined during the design phase.

The following minimum requirements shall be available:

- Website to be available via public website
- Site will be up 24 hours per day, 7 days per week, 365 days per year unless DHS has preapproved a scheduled maintenance outage which will occur during off peak hours as determined by DHS
- Capture and maintain provider e-mail addresses and transmit, via batch file, addresses to DHS
- Contractor will use industry best security practices and allow providers to manage account specific information such as E-mail, PIN, Secret Question / Answer for password resets;
- Allow providers with multiple contracts to access all accounts without the need to reenter the website
- Provide three (3) years of 1099 data

- Provide links to DHS specified sites
- Publish and allow DHS forms for child care providers to be accessed and printed;
- Authorization and co-pay data;
- On-line, real-time swipe data to include all swipes (approvals, denials, error codes; pending, stored transactions)
- Adjustment data
- Manual Claims information
- Provide reports necessary for reconciliation by provider, by case, by authorization, by month in complete detail and summary form
- Reports that provide the necessary data required for determining swipe exceptions
- Reports that show co-pay
- Reports shall be available in “printer friendly” versions
- Reports shall be downloadable into a minimum of Excel, PDF, and TXT format.

At a minimum the following fields shall be required:

- Provider Name
- Provider Address
- Provider Telephone Number
- License Capacity
- Banking Status
- Case Number
- Person Number
- Name
- PAN# (swipe)
- Transaction Date
- Transaction Time
- Transaction Type

Providers will have access ONLY to information pertaining to cases and authorizations authorized for their facility. Swipe, adjustment, and manual claim information shall be available for current month and previous three (3) months.

- a) The Contractor shall provide for DHS and Help Desk staff to be able to access all provider contracts via a provider web security feature. DHS and Help Desk staff shall be able to view all data in conjunction with a provider as well as password reset.
- b) The Provider Help Desk shall assist with problem resolution and answer questions regarding the operation of the web site.

C.6.11.8. Transition

Transition from the current Contractor to the selected Contractor will consist of two phases as described below

POS Terminals- During the conversion it is critical that clients not be negatively impacted in their ability to conduct swipes for services and that business operations of providers not be negatively impacted due to the conversion to new terminals and terminal drivers.

EBT Daycare Database- Contractor shall perform database conversion (conversion from existing databases to new databases) overnight on the weekend.

- The Contractor shall:
- PIN Encryptions

- Card Encryptions

NoteBidder can list additional features that would be included in the price bid that were not required.

C.7. Technical and Functional Requirements for Debit Cards

The Bidder shall propose an EPS system, for SNAP, a Time & Attendance payment system and Debit Cards/Direct Deposit. Federal requirements for EBT processing shall be considered the minimum standards for the EBT system. All EPS systems must meet the requirements of applicable federal and state laws and regulations.

Mandatory requirements are the minimum capabilities, features, and/or technical standards that must be met by the proposed solution to be determined responsive. Where required, Bidder shall provide a brief narrative, describing implementation process, installation and / or configuration requirements, and the proposed method to meet the requirements of this RFP. Bidder should provide examples, samples, and or screenshots as applicable to the proposed solution.

C.7.1. Program

DHS currently delivers seven programs through a single Debit Card program. Clients/Customers are also offered the option of receiving payments via direct deposit to their bank accounts. Due to new State and Federal Laws, the state will entertain either a two card approach or a single card approach that allows blocking of vendors defined in State and Federal law. While the State will entertain proposals for either a Visa or MasterCard branded program additional points will be awarded to a Bidder that provides services under the MasterCard brand in order to mitigate the need to convert this program.

Regardless of the branded card the Bidder and the debit card system used, the bidder must provide documentation that it complies with 12 CFR 205 Regulation E: Electronic Funds Transfers, and assume all responsibility for the product. Each cardholder account balance shall be FDIC insured up to \$100,000. A "zero liability" policy shall be provided to cardholders and the States.

The Oklahoma EPS interface system, which serves as a focal point for EPS account set up and maintenance information (provider/case/client demographic data) being transmitted to the Contractor's EPS systems has a standardized client numbering system and requires that the contractor utilize the account number as provided by the State.

The Contractor may not deny enrollment to any cardholder referred by a State for participation in the program. In instances of program abuse by cardholders, the State will work cooperatively with the Bidder to determine a mutually acceptable resolution.

The Contractor shall provide all manuals for State staff prior to Debit Card/Direct Deposit operations as described under Addenda Nine (9).

C.7.2. File Transmissions

Each sub-program currently sends its own account (demographic) set-up and maintenance records. The State data systems are not integrated at this time but a single file would be considered. If a client receives deposits from each program they are set up and maintained independently on each State system, thus generating independent deposit files to the Contractor. The Contractor shall then combine the different records to create a system, allowing the client to use either one or two card or choose direct deposit to access their funds from multiple sources.

The State may opt to transmit all account data via on-line real-time process with deposit data to be transmitted nightly in batch via a secure connection. The contractor shall process and edit files, based on design requirements, and correctly apply deposits to the proper account and direct the flow of funds to support the preferred payment method, i.e., direct deposit or debit card. An acknowledgement file shall be returned to the State confirming the accounts that were successfully created and providing error information for any accounts and deposits that could not be created due to problems with the transmission or files. In addition to the daily files, several DHS programs will produce monthly deposit files; a schedule will be provided by DHS.

C.7.3. File Control Numbers

The Control Number is specific to the Batch ID (SS, CS, TA, AD, FC). In other words, Child Support file for Account set-up/maintenance will have a sequential control number different from the files received by TANF and SSP.

C.7.4. Required Files

The following table represents the files currently being sent between DHS and the Contractor. New processes could result in additional files.

File/Data	Frequency	DHS to Contractor	Contractor to DHS
Demographic and Change File	Conversion and Daily	Demographic and Change File	Summary File
Deposit File	Daily/Monthly	Deposit File	Summary File

File/Data	Frequency	DHS to Contractor	Contractor to DHS
Account Status File	Daily		Account Status File
Demographic Change File	Daily		Demographic Change File
Deposit Confirmation File	Daily		Deposit Confirmation File
Card Mailer File	Daily		
Demographic Maintenance Reject File	Daily		Demographic Maintenance Reject File
Deposit Reject File	Daily		Deposit Reject File
Account Reconciliation File	Monthly		Account Reconciliation File
Deposit Expungement File	Daily		Deposit Expungement File
Deposit Escheatment File	Daily (Based on 5 years inactivity)		Deposit Escheatment File OST/DHS

C.7.4.1. Description of Required Files

Below is a brief description of some of the required files. All descriptions are meant as information only and are not all encompassing, as all files and file requirements will be established during the Design phase and documented in the Interface Control Document for debit card/direct deposit.

Maintenance Add and update records when their respective systems are updated. The data on the State systems is not integrated. If a client receives deposits from each program, they will be set up and maintained independently on each State system, thus generating independent Demographic Maintenance File records to the Contractor. The goal is to combine the different program records to create one account and allow the client to use.

Demographic and Change File- All programs will be connecting to the Contractor’s system via the same connectivity. Each program will send their own demographic with one card to access their deposits from multiple sources (Child Support, Aid to the Aged Blind and Disabled (aka State Supplemental) Foster Case, Adoption Subsidy and TANF). The Demographic Maintenance File shall, at a minimum support the following functions:

- Create Accounts and Issue the new debit card
- Add additional programs to existing accounts
- Create accounts to support direct deposit
- Accounts Maintenance and demographic updates

Deposit File- Deposit File Processing Rules

The following minimum business/processing rules shall apply to the Deposit File:

Account Deposit files will be processed at the batch level and return files generated at the end of each batch processed. The Contractor shall perform a pre-processing view of the file to determine fatal file errors. Files are to be rejected in their entirety when criteria defined in the pre-processing steps fail (header and trailer error edit checks). Once the pre-processing pass/fail criterion is validated, individual records shall be processed. Within this processing phase, individual records shall be rejected when the defined edit criteria is not met.

The Contractor will reject a file in its entirety if a control number is out of sequence. The reject for a control number sequence issue will identify the expected control number in the summary report. The Account must be established on the Contractor's system prior to receipt of any deposit records.

The Contractor shall define, in its proposal, what constitutes a settlement day. Any deposits received that have the available date in the file less than the settlement date will set the available date to the settlement date. This will ensure that deposits received after the settlement day, will be available next day when funding can occur, versus current day.

When a deposit record is received and processed, the Contractor shall check the direct deposit flag on the system to determine if the deposit is for a debit card or direct deposit account.

Accounts Status File -The Contractor shall create an Account Status File daily for each program. The process shall run nightly (even on holidays and weekends) just after midnight and identify the activity for that calendar day. The minimum file requirements for account activity information are as follows:

A detail record shall be sent when a new Account record is successfully setup on the Contractor's system. Each program will receive a record in their Account Status File indicating that the account has been established or that a program has been added to an existing account. For example, each file will contain a detail record for each program as they are added to the system. Therefore if Contractor receives an account set-up for Child Support and then a record for TANF was sent to add that program, a record would be written to the file for the Child Support account set-up, and a record would be written to the TANF file as well. Updates shall not be included in the Account Status File, only new adds.

A detail record shall be sent to the State when a PIN has been selected by the primary or alternate cardholder. Each program that the client has on their account at the time the Account Status File is generated will receive this detail record in their Account Status File indicating that a PIN has been selected.

A detail record shall be sent to the State to identify any accounts where the Primary client's card has been stasured as "Returned", identifying an undeliverable card. The Contractor shall write a record to the Account Status File for each card stasured as "Returned" during the calendar day. Each program that the primary client has on their account at the time the Account Status File is generated will receive this detail record in their file indicating a returned card.

A detail record shall be sent to the State to identify any accounts where the client has selected and has established a direct deposit account on the Contractor's system. Direct deposit account management will be entered and maintained by the Contractor and entered via the Administrative Terminal (AT).

A detail record shall be sent to the State to identify any accounts where the client has either voluntarily withdrawn from direct deposit or requested conversion to a debit card or incorrect banking information exists and the client is converted to an electronic payment card after five (5) days.

A detail record shall be sent to the State to identify any accounts where a card is issued to a primary cardholder only; this detail record will be returned to the State if the card is an initial card and or replacement.

A detail record shall be sent to the State to identify any accounts where a card is issued to a secondary only; this will be returned to the State if the card is an initial card and or replacement.

Demographic Change File- the Contractor shall create a daily file to report back to DHS any demographic updates made to accounts on the Contractor's system through either the Administrative Terminal or external files. Data records contained in this file shall be transmitted to DHS as a result of changes in demographic data through:

- Demographic changes (addresses or telephone numbers) by clients to CSR's;
- Returned Card updates to address information if card is re-mailed as a result of a USPS forwarding address label being on the returned envelope;
- Batch file updates from the programs.
- This file is used only for one-way reporting of Account Changes (the Contractor to DHS).

Minimum Business Rules:

- The Account Record must be established prior to input of the Account Change information.

- The Contractor shall produce a single file daily and send the file back to DHS.
- Any change to client demographic data will result in a record being included in the Demographic

Change file:

All changes made to an account will be included in the file in the order processed by the Contractor.

- Entry or updates to e-mail addresses by the client on the client portal will be included in this file.
- Each record in the file shall identify the source of the update as either one of the programs or through the Administrative Terminal (AT)
- If an account is updated multiple times in a single day, the Demographic Change File will contain multiple records, one for each update identifying the source of each update.
- The file will not contain changes on alternate cardholder information.

Deposit Confirmation File- Every calendar day, the Contractor shall transmit to the State a Deposit Confirmation File that contains the details of deposits (debit card or direct deposit) posted to the Contractor's system. The records written to the Deposit Confirmation File shall be based on posting date (entry date), not available date, or settlement date. Therefore, if a Deposit File is received and processed at 03:00 am CST on 6/02/14, the Deposit Confirmation File that runs just after midnight on 06/03/14 for 06/02/14 deposits will include the 03:00 am deposit (regardless of the availability date of the deposit). The file will also include deposit records that are for direct deposit accounts. A file will be created for each program.

Accounts Reconciliation File- On the 1st day of each calendar month, the Contractor shall generate the Account Reconciliation File that contains the listing of primary client accounts on the Contractor's system. All records in the file will represent the disposition of the data as of the time the process runs for creating the file. The following business rules are minimum requirements and shall apply to the Account Reconciliation File:

- Accounts added to the Contractor's system after midnight on the last day of the month will be on the next month's Account Reconciliation File.
- The Contractor shall send a separate file for each program.
- Each file shall contain a detail record for each program that is on an account. Therefore if an account had Child Support and TANF at the time the Account Reconciliation File ran, a record would be written to the Child Support Account Reconciliation File and the TANF Account Reconciliation File.
- The file will include only Primary cardholders.
- The file will include all clients regardless of the status of their current card/direct deposit.
- The file will include a flag identifying if an account has a debit card.
- The file will include a flag identifying if an account has Direct Deposit. Note: A single record could have both the debit card flag and the Direct Deposit flag if the account had a debit card and then changed to direct deposit.

Accounts Reconciliation File- On the 1st day of each calendar month, the Contractor shall generate the Account Reconciliation File that contains the listing of primary client accounts on the Contractor's system. All records in the file will represent the disposition of the data as of the time the process runs for creating the file. The following business rules are minimum requirements and shall apply to the Account Reconciliation File:

Accounts added to the Contractor's system after midnight on the last day of the month will be on the next month's Account Reconciliation File.

The Contractor shall send a separate file for each program.

Each file shall contain a detail record for each program that is on an account. Therefore if an account had Child Support and TANF at the time the Account Reconciliation File ran, a record would be written to the Child Support Account Reconciliation File and the TANF Account Reconciliation File.

- The file will include only Primary cardholders.
- The file will include all clients regardless of the status of their current card/direct deposit.
- The file will include a flag identifying if an account has a debit card.
- The file will include a flag identifying if an account has Direct Deposit. Note: A single record could have both the debit card flag and the Direct Deposit flag if the account had a debit card and then changed to direct deposit.

Deposit Expungement File- Every calendar day, the Contractor shall transmit to the State a Deposit Expungement File for each program that contains the details of deposits that have been expunged from the system. The records written to the Deposit Expungement File are based on settlement date of the expungement. Funds will expunge from an account in the following conditions:

- Returned Expunged - applies to transactions that have inactive cards for ninety (90) days. Inactive is defined as never having pinned the card.
- Returned card - once an initial card has been returned, funds will be returned to the State by program. Returned cards that are replacement cards will not trigger an expungement of the balance of the account.
- Funds sent in error, or funds sent after a cardholder's date of death.

The following minimum business rules will apply to the Deposit Expungement File:

- a) The file shall contain a record for each individual deposit being expunged
- b) Funds may or may not be for the total deposit.
- c) If a primary has a card that is not pinned for more than ninety (90) days but the secondary cardholder does have a pinned card the Contractor shall not expunge benefits for this account

Deposit Escheatment File- the Contractor shall transmit to the State a Deposit Escheatment File for accounts that contain deposits that have been escheated from EPPIC after five years of inactivity. The records written to the Deposit Escheatment File are based on settlement date of the escheatment. Funds will escheat from an account in the following condition:

- a) Returned Escheatment - applies to accounts that have had no activity for five years.
- b) Inactivity is defined as no transaction activity based on swipe activity for a debit, deposits do not count as activity.

C.7.4.2. ICD

The Contractor shall develop an Interface Control Document detailing the required format for each file that is sent between DHS and the Contractor as specified. The Contractor shall also include with each file a discussion of the processing rules that apply to that file. Further the contractor will make every attempt to utilize current file formats in order to minimize the need for the State to change file formats.

C.7.4.3. Account Set-up and Maintenance

An account record must be established prior to receipt of any deposit records. Account Record name/address changes (updates) will not trigger a new issuance of a debit card, only an update to the Account Record. The exception to this rule is the returned card process (a replacement fee shall not be assessed for this rule). The contractor shall issue a replacement card if it determines the record is an update (change) and the existing card on the account is stashed as "returned".

- 1) Contractor shall receive and update demographic changes (address and telephone number changes) and transfer of said information shall occur as follows:
- 2) The Contractor will receive and updating demographic changes from cardholders and transferring that information to the State.
- 3) The State will receive and update demographic changes from cardholders and transferring that information to the Contractor.
- 4) The State will send updating demographic changes and transferring that information to the Contractor for update.

C.7.4.4. Adding a Program to an Existing Account

As previously described, add records will be received for each program from the State. When the incoming file is processed, if the account number exists on the Contractor's system, then the system will check the program of the record being sent in and compare it to the program already on the system for that account number. If the program already exists for the incoming account number, the Demographic record will be processed as an update to the primary client on the account. If the account number exists, and the system determines that the program in the record does not already exist on the account for that account number, the system will add that program to the client's account.

For example an account exists with the following:

Account number = A123456789

Program = Child Support

*****The Contractor's system then receives a Demographic Maintenance Record with the following:

Account number = A123456789

Program = Aid to the Aged, Blind and Disabled

The Contractor's system will add the AABD program to the existing account. When adding the additional program to the existing account the Contractor's system will do the following:

Add the new program to the existing account.

The system will modify demographic data with the add record of the new program, regardless of whether or not the data is different.

The Family Violence Indicator will only be updated by a Child Support update.

Ignore the Card Issuance Flag for the new program being added to the account. The card issuance flag will not be treated as an initial issue or a reissue when adding an additional program to an existing account regardless of how the flag is set in the record.

C.7.4.5. Direct Deposit for New Program Add to Existing Account

As described, the Contractor will determine if the record being processed is a new account set-up or a new program being added to an existing account. When adding an additional program to an existing account, the Contractor's system will ignore the direct deposit fields. This will result in the following:

If the existing program on the account was set-up as a direct deposit account, all subsequent programs added to the account will be set-up as direct deposit.

If the existing program on the account was set-up as a debit card, all subsequent programs added to the account will be set-up as a debit card.

The client may elect at any time to switch from direct deposit to debit card or from debit card to direct deposit. The switch will be made for all programs on the account. The client is not able to select certain programs be direct deposit and other programs be debit card.

C.7.4.6. Account Update

Updates to client's demographic information will be triggered by Demographic Maintenance File records sent by any of the programs. When sending an update to the client demographic information, the State will send all the demographic information in the record.

The Contractor's system shall overlay the information on the database for the client with the information in the record. The State may send an updated record from each program when a modification is made to a particular system. Each update record is to be treated independently.

For example, if an account is set-up with CS and SSP, and the client data is updated within both of these State systems, the data in each update record may be different (i.e. CS may send John Smith and SSP may send Jonathan Smith), the Contractor will process the records independently. The update is to be processed as an overlay and processed as they are received; one program does not take precedence over another.

If an update to an Account is sent in the same file as the Account Setup record, it will not matter which record appears first. The first record received will be processed as an add and the second record should always be treated as an update.

C.7.4.7. Account Maintenance and Closure

Bidder shall provide a detailed narrative describing cardholder account maintenance and closure process. The description shall, at a minimum, detail a process that has the following capabilities:

Assures each cardholder account remains available for load until the State advises that it no longer intends to make loads to that cardholder account; provides for no charges or fees associated with the level of cardholder account activity or inactivity;

Provides the ability for the State to identify duplicate account numbers and status those accounts as inactive. The inactive status shall only be displayed on the Admin Terminal and shall not affect the card or usage of the card by the cardholder

C.7.4.8. Family Violence Indicator

The DHS will transmit a Family Violence indicator (FVI) for Child Support accounts. The Contractor shall display the indicator prominently for Customer Call Center staff to ensure the address is never given to any person. The FVI will be maintained and displayed for both the primary and secondary cardholders. The Contractor shall not remove the FVI when another record is sent by another program.

C.7.4.9. International Addresses

The Contractor shall accept, process, and distribute cards for international addresses in the following manner:

- All account set-ups will be processed on-line, real-time, or via batch files. Should the State have an international address field that must be populated (with a field type other than USA) the State will transmit zeroes in the country code.

- The Contractor will not issue a card based on the transmission of zeros in the country code.
- The populated zero cases will not reject at the batch file level during the time of transmission.
- All State updates to the international address field will be via the Administrative Terminal.
- Should the State perform an update against a country code that is "000" to a valid country code (for example) "USA" an update to the record and country code would occur but a card will not be issued.
- DHS will also have the ability to add account set-up and maintenance via the Administrative Terminal as an alternate method to sending demographics that include international addresses.
- Once an international address has been updated DHS designated staff shall issue a card via the Admin Terminal.
- All other requirements for debit card shall be in effect for international addresses.

C.7.4.10. Deposits

The Contractor shall receive and process all deposit records transmitted by the State and shall have procedures in place to prevent duplicate deposit posting. Should a duplicate deposit occur the Contractor shall be responsible for restoring deposit amounts to their approved levels within a maximum of forty-eight (48) hours and any funds expended prior to restoration of authorized deposit levels prior to availability date. The Contractor shall process deposits and post the deposit amounts to the appropriate debit card/direct deposit accounts, based on the unique account number, program type, and unique authorization number generated by the State for each payment/benefit authorization.

C.7.4.11. Availability

The State shall provide an availability date, which is included in the deposit detail record passed to the Contractor, in the nightly batch files. The Bidder must clearly state the timeframe after receipt of the deposit files when funds will be posted to the cards and available for cardholder use. Availability dates can be in the past, current date or future dated. The contractor shall post all deposits with a date in the past or current date upon receipt and settlement. All deposits with a future availability date shall be made available at 12:01 am (CST) on the specified date.

C.7.4.12. Direct Deposit

The Contractor shall provide for customers/clients to receive deposits via a checking or savings account in accordance with NACHA standards. The Contractor shall be responsible for entering and maintaining account information with a 100% accuracy level. Further the contractor shall remedy any client account in which an error was made in entering the account information within twenty-four (24) hours of problem identification. Clients reporting incorrect deposit data shall not have their deposits corrected until the contractor has received the funds back from the banking institution or other account holder. The Contractor shall also be responsible for resolving any payment issues with the client's bank. All account information is to be entered and/or updated within twenty-four (24) hours of receipt. The State requires staff responsible for entering and updating direct deposit information be located in Oklahoma.

Each DHS Program will initiate electronic deposit records through automated batch file transfers. The contractor will determine whether a deposit is for Direct Deposit or for a debit card based on the disposition of the account on the contractor's system.

The Contractor will receive and post ACH reject files for deposits that were not accepted by the receiving bank. The deposit will repost on the Contractor's system as undelivered. System accounting totals for Direct Deposit will be adjusted and funds will be held in suspension while the Contractor initiates communications with the recipient to correct the account information or transition the direct deposit to debit card.

Clients may switch to and from Direct Deposit and the debit card as often as requested

C.7.4.13. Minimum Direct Deposit Business Rules

The following business rules shall also apply to Direct Deposit account holders:

- Once direct deposit is established all future deposits will be sent to the client's bank account.
- Already existing cash balances on the case when direct deposit is added will remain on the debit card account and be assessed with the debit card at a minimum. The ability to transfer debit card balances to direct deposit will result in extra points being awarded.
- The Contractor shall log in history the incoming deposit and the outgoing ACH deposit transaction.
- Direct deposit account holders can establish a user ID and Login on the client portal

C.7.4.14. Minimum Direct Deposit Enrollment Form Business Rules

The Contractor shall be responsible for providing primary cardholders with Direct Deposit Enrollment Forms. The State shall have final approval of the Direct Deposit Enrollment Form. The following business rules shall apply to Direct Deposit Enrollment Forms:

- The primary cardholder sends the completed Direct Deposit Enrollment Form to the Contractor's Oklahoma based location
- The Contractor then enters the direct deposit information into the existing account through the administrative terminal.
- Incomplete/incorrect forms will be rejected and returned to the account holder within twenty-four (24) hours of receipt.
- When a Direct Deposit Form is rejected, the individual will continue to receive their deposits via the debit card.
- Incomplete forms will be returned to the account holder with an explanation of the error.
- Primary account must exist on the Contractor's system to add direct deposit information.

C.7.4.15. Direct Deposit for International Customers

The Contractor shall allow for the deposit of funds at any US bank regardless of country in the same manner as prescribed in Section C.7.4.12.

C.7.4.16. Direct Deposit to Debit Card

There will be occasions where direct deposit funds to a personal bank account will be returned because of closed accounts, change in banking relationships, invalid ACH account numbers, incorrect numbers, as well as banks will merge and retire old routing transit numbers, etc. When these conditions occur, the Contractor will initiate a call campaign and attempt to locate the individual whose deposit has been returned. If the recipient is reached and new personal bank account information is obtained, the authorized user will update the account information and the nightly batch cycle will create a deposit record in the next ACH file process. The deposit is correctly routed and posted to the personal bank account.

When the individual is not reached (within five days) the contractor will convert an account from direct deposit to debit card by updating the account information through the Administrative Terminal. Prior to any card issuance the Contractor will validate that an active card does not already exist from a prior account set-up. This action will provide better customer service to the client by maintaining their existing card. The updated account record will transition the account to debit card and a debit card will be issued in the nightly cycle to the cardholder.

The Contractor will send a letter to the individual in question, informing them of this action and recommend the reading of the rights and responsibilities of the individual as defined in the Disclosure Statement that will be issued with the card. This letter will inform the individual that no further direct deposits will be made to the personal account previously used and that all future deposits will be accessible through the use of the Oklahoma Electronic Payment Card. The Contractor shall submit a monthly report (ACH Reject Report) of all direct deposit rejects, date of reject, date(s) of contact and date the account was switched to a debit card.

C.7.5. Expungements/Unclaimed Property

Expungements- It is the State's position that undelivered cards and unpinned cards do not constitute ownership of funds and therefore requires that the contractor expunge and return deposits under the following conditions:

- Unpinned Cards - applies to accounts that have inactive cards for ninety (90) days. Inactive is defined as never having pinned the card (for primary or secondary).
- Undelivered Cards - once an initial card has been returned and stasured by the Contractor funds will be returned to the State by program.

C.7.5.1. Expungement File

The Contractor shall produce and transmit a daily Deposit Expungement File for each program that contains the details of deposits that have been expunged from client accounts. The records written to the Deposit Expungement File are based on settlement date of the expungement.

The following business rules will apply to the Deposit Expungement File:

- The file will contain a record for each individual deposit being expunged.
- Expungement will be by direct deposit

The following business rules apply to the Office of State Treasurer Expungement ACH file:

- Each program will receive an ACH file for their specific program funds (TANF and SSP will be combined).
- Funds will be returned at the sum level for each program, meaning that no individual detail records will be included in the ACH file except for the funds amounts.

- The Contractor will ACH the returned funds to the States individual bank(s) of choice.

C.7.5.2. Funds sent in Error

Funds sent in error will be returned in the same manner that expungement funds are received. DHS staff will have the ability to status an account as pending and to request funds be returned for error or if funds were sent after the eligibility ended. These can be included in the same expungement file or a new file created.

- The file will contain a record for each individual deposit being returned.
- The return money will be returned by program, but each program can be returned at the sum level or deposit level.
- Partial refund will be required by program and deposit.
- The pending status will be by program.

C.7.5.3. Unclaimed Property

In accordance with the State's Unclaimed Property laws the contractor shall return all funds residing on the system that have not previously been expunged and have not been accessed for five (5) years. Each case will be expunged on a yearly basis in the following manner: When benefits are added, the benefit last used timestamp should be set to the benefit available date. The contractor shall expunge the entire account after the respective benefit has been in the account for the respective number of years (currently five (5) years) without any client activity on the account.

C.7.5.4. Settlement/Reconciliation

- a) Bidder shall provide a detailed narrative describing settlement and reconciliation processes for the proposed solution.
- b) Narrative shall include the system cut-off time for debit cards, direct deposit, and transitioning from direct deposit to debit card for ACH rejects.
- c) Bidder shall describe the settlement and reconciliation processes with sub-contractors and Visa or MasterCard as applicable to the proposed solution.
- d) Bidder shall provide a Settlement and Reconciliation manual as **required in Addenda 9**

C.7.5.5. Daily Settlement to Contractor

To fund the client's accounts for debit card and Direct Deposits, the State shall initiate two wire transfers, per program, based on the deposit amounts successfully loaded to the Contractor's system.

- a) Bidder shall identify the wire processing windows available to the State and what banking days are available for deposits to cardholder's accounts and ACH accounts.
- b) Bidder shall provide a detailed flow chart, including timelines, of the daily processing schedule from start to finish.

C.7.5.6. Transaction Processing

Bidder shall provide a detailed narrative describing the transaction processing process and the type of transactions allowed for the proposed solution.

At a minimum the following transactions shall be supported:

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

At a minimum the Contractor shall validate the following information before processing a transaction:

- a) Verify client card number (PAN) is active.
- b) Verify PIN is correctly entered.
- c) Verify number of consecutive failed PIN tries (maximum of four) has not been exceeded.
- d) Verify sufficient client balance to complete transaction. If any of the conditions are not met, the transaction is denied. The final validation of sufficient balance ensures that each deposit is properly

posted based upon availability of funds.

C.7.6. Administrative Terminal

Bidder shall provide a detailed narrative for the proposed solution describing the Administrative Terminal functionality; the narrative shall provide the following

- 1) Who will have access to each of the functions and multi-level access controls to ensure that only authorized individuals can access cardholder data, perform direct deposit entries, convert direct deposit rejects to debit card, status and replace cards, access reports and/or settlement reports as dictated by the DHS Director of Electronic Payment Systems

C.7.6.1. Access

The contractor shall secure the necessary permissions to allow State Office staff access to assist in problem resolution when clients contact members of the Legislature, Governor's Office, or the Director of Human Services. These permissions shall include viewing of deposit history, card issuance, and transaction activity

C.7.6.2. History

- 1) Bidder shall provide a detailed narrative detailing the length of time data will remain on-line and when and what data will be moved off-line.

C.7.7. Cardholders

C.7.7.1. Use of Cardholder Information

Bidder, Contractor, Subcontractors, or any other individuals associated with this program may not use the individual information about any cardholder provided by the State for any purpose or activity not necessary for the fulfillment of the terms of a contract arising out of this RFP without the express written permission of the cardholder, provided that such permission of the cardholder may be solicited only in writing, and no more often than annually.

C.7.7.2. Cardholder Changes

The Contractor shall provide sixty (60) calendar day advance written notice to the State of changes affecting cardholders

C.7.7.3. Client Portal

The Contractor shall provide cardholders, free of charge, with a secure web-based management tool that, at a minimum, provides the following:

- Establish a use-rid and password upon verification;
- Change password upon verification;
- View and print on-line statements (a minimum of three (3) months) of detailed financial transactions posted to the account. Prints statements in "printer friendly" formats;
- Provides detail deposit information by program;
- Provide detail child support deposits by FGN;
- Current balance information;
- Access to all cardholder notification materials, collaterals, Frequently Asked Questions, Call Center contact info, links to DHS, Direct Deposit form, Secondary Cardholder form, location of banks accepting the card, and ATM locations throughout the State;
- Shall be available to direct deposit customers as well as debit card customers. The site will display provided deposit information on direct deposit accounts.
- DHS shall have final approval of the design and contents of the website

C.7.7.4. Additional Cardholder Services

The Bidder shall provide a detailed narrative for the proposed solution describing the following processes

- How the State shall be notified of changes affecting the Cardholders.
- How Cardholders are notified of changes in policy or procedures that affect them.
- How errors (provide specific examples of errors) are resolved and timeframes associated with the process.
- Detail all other services the Bidder will provide to Cardholders.
- Describe the process for accessing the client portal and how cardholder's will navigate

through the portal. .

- Describe any limitations placed on the Cardholder, such as amount available to withdraw daily, number of transactions permitted daily and minimum withdrawal amounts at teller windows.

C.7.7.5. Card Specifications/Distribution

The Contractor may be required to provide the State with a redesigned debit card. The copyright for the design of the card, including all artwork and print, shall be owned by the State of Oklahoma in perpetuity. The State will provide input to the design process and shall approve the card design. The State retains the right to rename the new debit card. The Bidder's proposal must describe in detail its capabilities to design the State's debit card and identify any third party vendor or subcontractor involvement in the process. The card shall be a branded VISA or MasterCard card, shall operate via the VISA or MasterCard network, shall be accepted by any participating merchant, and the card will allow for PIN-based and signature-based purchases. The card must operate as a debit card or another electronic payment-type card and have no line of credit associated with it

C.7.7.6. Card Number/BIN Number

The State of Oklahoma's current BIN for debit card is 521403

C.7.7.7. Card Production/Distribution

The State requires a magnetic card which is fully compliant with all federal laws and regulations, meeting industry standards for quality. It must be similar in design and technology to any bank-issued ATM card. The card must include security features to activate the card and to prevent counterfeiting. The following are the minimum standards for cards:

- The primary or secondary's name and PAN (Primary Account Number) shall be embossed on the face of the card. The primary cardholders name to be embossed will be identified in the file sent by the State.
- A statement that clearly states, "Do Not Write PIN on Card."
- A toll-free telephone number for cardholders to contact the twenty-four (24) hour Customer Service Call Center for card and account assistance.
- A tamper-evident signature panel on the back of the card for the cardholder signature.

The Contractor shall be responsible for card production and issuance of both initial and replacement cards. The initial card will be provided to the cardholder at no cost to the State or cardholder and replacement cards, at the rate of one per year, will be provided to the cardholder at no cost to the State or cardholder. Cards are required to be mailed to the cardholder within a maximum of forty-eight (48) hours after receipt of account set-up/maintenance files. The Bidder shall include a description of the card distribution process. The State shall have final approval for the design and content of the card mailer and instructional materials associated with the usage of the account and card.

C.7.7.8. Returned Cards

Returned/undeliverable cards shall be forwarded to a location selected by the Contractor for handling but must be within the continental United States. Returned cards with no USPS provided forwarding address shall be destroyed and stasured as "Returned" by the Contractor through the Administrative Terminal.

The following minimum standards shall apply:

- Once a card has been stasured (new or replacement) as Returned, the Contractor will send (nightly) the Account Status File to the State which contains notifications of account numbers that had PAN's stasured as "Returned" that day.
- Once a card has been returned and stasured the funds associated to that account will be expunged and returned to the State.
- The State shall determine the correct address and send an updated Demographic Maintenance File.
- A card is reissued automatically by the Contractor based on an incoming Demographic Maintenance File record when all of the following conditions exist:
 - 1) An update code is received.
 - 2) The current card on the account has a status of "Returned"
- The address in the account update record is different than the address on the Contractor's database.
- Secondary cardholders will not automatically be reissued a card upon status of "Returned". Secondary cardholders will have to contact the Customer Call Center to request a new card but shall

not be charged a card replacement fee.

- There shall be no replacement card fee for replacement cards generated by a batch file update for returned cards nor will the contractor increment the free replacement counter when a card is replaced that was previously statused as returned.
- Returned cards with a USPS forwarding address sticker will be re-mailed to the primary cardholder with the correct address.
- The card will be placed in a new envelope and mailed to the USPS provided forwarding address.
- The address will be updated by the Contractor on the administrative terminal.
- The card will not be statused as returned.
- The State will receive the address update record in the Demographic Change File.

C.7.7.9. Expired Cards

- The Contractor shall automatically track the card expiration date for all active cards and mail a new card (of the same card number) to the client prior to the card expiration date. No replacement cards will be issued if the account is "inactive" AND the account balance is less than \$5.
- The Contractor shall automatically send out a new card (of the same card number) even after the old card expiration. The new card should be considered the first card after the previous card expiration. A card replacement fee for replaced cards due to expiration shall not be imposed.
- The contractor shall keep the existing card active while a new card (of the same card number) is mailed before its expiration date. The existing card will be deactivated upon activation of the new card,
 - a) Bidder shall provide a detailed narrative for the proposed solution's card replacement process and state the number of years a card is valid before expiration.

C.7.7.10. Secondary Cardholders

The contractor shall provide for a primary account holder to authorize another individual (secondary cardholder) to have access to accounts. The contractor shall be responsible for all secondary cardholder forms, entry and shall validate a secondary cardholder request and will require an original signature from the primary account holder before adding any secondary cardholders.

Further the contractor shall track and report, to the State, secondary cardholder activity such as when the card is pinned, expunged or reissued. The contractor will treat the primary and secondary cardholder as two separate people, the secondary cardholders card will carry the secondary cardholders name and have a unique PAN separate from the primary and have unlimited access to the accounts funds. All secondary cards will be mailed to the primary cardholders address.

C.7.7.11. Secondary Cardholder Business Rules

Following are the minimum business rules for secondary cardholders:

- Only primary cardholders can request one secondary card for their account.
- There shall be no State validation or notification to the State of a primary cardholders request to add a secondary.
- The Contractor will not validate secondary cardholders SSN against a third party database.
- Secondary cardholder demographic data shall not be sent back to the State.
- The Family Violence indicator on an account containing Child Support will be maintained for the primary and secondary cardholder.
- The Secondary will select their own PIN utilizing the predefined PIN select criteria.
- Secondary address changes will be excluded from the Demographic Change File.
- Secondary cardholders shall not have access to any of the primary cardholders account information supplied via the contractor's debit card website; however, active secondary bio information will display on the website.
- Primary account holders may request removal of secondary cardholders through the Customer Call Center or in writing. The Call Center shall verify the required account information before disabling a cardholder.

- The secondary will be added to the accounts cardholders' history.
- Once disabled the secondary's slot for an active secondary becomes available.

C.7.8. Pin Management

C.7.9. The DHS requires that each cardholder have a Personal Identification Number (PIN). The PIN shall be a series of 4 numeric characters. Using a PIN to access deposits helps to ensure that only the intended cardholder can obtain the authorized deposits.

The Contractor will validate the PIN at the host for all electronic transactions processed as cash back transactions and ATM's. Signature-based transactions do not validate PINs.

C.7.9.1. IVR PIN Selection

PINs shall not be assigned to cards when the cards are created. The clients must select their PINs before the card can be used. The Contractor shall provide for clients to pin cards via an IVR PIN selection option. DHS requires that the Contractor allow for the client to enter either the last four digits of their SSN or account number and DOB to validate a callers identity. The Contractor shall also allow for PIN changes ia the same process

C.7.9.2. PIN Fails

The cardholder shall be allowed four (4) consecutive invalid PIN attempts before the card will be locked. Once the cardholder reaches the maximum PIN fails threshold, the transactions performed by the card will be denied due to excessive PIN fails, even if the cardholder uses the correct PIN. The PIN shall be reset at midnight each day, allowing the cardholder open access to the posted deposits. The cardholder may unlock the card by selecting a new PIN, if immediate access is needed

C.7.10. ATM Access

The card must perform through an operating ATM network and allow for nationwide and international. The number of free ATM transaction shall not be less than not be less than two (2) per month. Bidder specify in the response to this solicitation the number of free ATM transactions available per month national ATM access and the withdrawal of cash through a normal ATM transaction.

- Bidder shall provide a schematic of ATM's and branch location that offer free/surcharge fee withdrawals across the state.
- Bidder shall identify the locations (by State and town) of all in-network (non-surcharge) ATM's available for use by the cardholder in the State.

The State will award additional points for options that benefit the cardholder i.e. banking, unused no-charge ATM withdrawal rights for future use etc.,.

- Bidder shall provide a detailed narrative with list of any fees or surcharges that will apply to a cardholder if no fees or surcharge are associated with transaction this must be state in the narrative.
- Bidder shall describe the extent of surcharge-free ATM access available to the cardholders. Bidder shall identify and describe the costs and/or surcharges imposed for use of non-network ATMs that will be passed on to cardholders

Additional points will be awarded based on the lowest fees or surcharges and the highest number of surcharge- free ATM sites

C.7.10.1. POS Access

The card shall be used by the cardholder to purchase goods and services anywhere the brand (Visa/MasterCard) is accepted, including via the internet, mail order, and telephone order. The operating network shall query the cardholder's available balance at the time of any PIN-based POS transaction and will disallow those that would exceed the cardholder's balance. The cardholder may receive cash back with a POS transaction based on either the store limit or the negotiated cash-back withdrawal limit.

C.7.10.2. Bank Teller Cash-Back Access

The Contractor shall provide for bank teller cash-back access.

- Bidder shall identify the physical locations for bank teller cash-back access (by town) and any minimum withdrawal limits that would be imposed

C.7.11. Customer Services

C.7.11.1. Client Help Desk

The Contractor shall provide a client Help Desk that at a minimum meets the following service requirements (standards):

C.7.11.2. Functional Requirements

- a) Bidder shall describe the procedures used to verify the identity of the cardholder when accepting changes via customer service or by the cardholder on the client portal.

The ARU and Customer Service Center shall support the following functions:

- Cards which have been classified/ categorized as “Deceased” as a result of a call from a family member shall not be reissued or be allowed to add a secondary cardholder without the express approval of the Director of Electronic Payment Systems.
- Cards which have been stasured as “Fraud or Deceased” will transfer to a CSR
- Report Demographic Changes- The Contractor shall update address and telephone number changes when reported to the CSR’s and transmit the updates daily, via the demographic change file
- Direct Deposit- info shall be available to direct deposit customers/clients
- Contractor shall allow for caller to “opt out” to a CSR for direct deposit questions or assistance
- Distribution of Forms - A caller shall be able to select an option to request either a direct deposit enrollment or secondary cardholder form mailed to the current verified address within two (2) business days of request.

C.7.11.3. Dispute Resolution Process

Disputes occur when a cardholder identifies discrepancies in the balance of their debit card record, or when a merchant is not paid for transactions that provided goods or services to a cardholder. The challenge is to identify the individual affected and adjust funds to compensate and complete the transaction between the merchant/ATM and the cardholder. All dispute finding will be reported to the state.

- a) Bidder shall provide detailed narrative describing policies, procedures business rules, processes, and timelines for dispute resolution.

C.7.11.4. Client Training Material

Contractor shall provide instructional materials to the cardholders. The materials must be written in both English and Spanish at a reading level no higher than the seventh grade. The State shall have final approval of instructional materials provided with the card.

Training materials will be included in the card issuance packet to ensure that the cardholder understands how to activate the account, their rights, and responsibilities, how to use the card, identification of any associated fees, and where to call in case of questions for reporting of claims/issues

- a) Bidder shall submit examples of all materials that will be sent to the cardholder at card issuance.
- b) Bidder shall also include instructional material for state staff on the use of the on-line web based enrollment functionality.

C.7.11.5. Client Web Site

The Contractor shall develop and maintain a web site for Debit Card Clients. The web-based application will be security protected to ensure a user has access to only that information applicable to them.

The following minimum requirements shall be available:

- Website to be available via public website;
- Site will be up 24 hours per day, 7 days per week, 365 days per year unless DHS has preapproved a scheduled maintenance outage which will occur during off peak hours as determined by DHS.
- Capture and maintain e-mail addresses and transmit, via batch file addresses to DHS;
- Contractor will use industry best security practices and allow providers to manage account specific information such as E-mail, PIN, Secret Question, / Answer for password resets;
- Provide a minimum of 3 years of data;
- Provide the ability to download the data.
- Reports shall be available in “printer friendly” versions.
- Reports shall be downloadable into a minimum of Excel, PDF and txt format.

At a minimum the following fields shall be required:

- Banking Status
- PAN# (swipe)
- Transaction Date
- Transaction Time
- Transaction Type
- Deposit amount
- Transaction amount

NoteBidder can list additional features that would be included in the price bid that were not required.

C.8. Data Conversion (Includes all systems)

C.8.1. 1 EBT-only POS terminals

During the conversion of EBT-only equipment it is critical that clients not be negatively impacted in their ability to redeem their benefits due to conversion and that business operations of stores using EBT-only terminals not be negatively impacted due to the conversion to new terminals and terminal drivers. Therefore, the Contractor shall convert all existing EBT-only terminals and associated terminal software prior to the database conversion. See Section A.4.0 for additional transition requirements.

C.8.2. EBT Database

Contractor shall perform database conversion (conversion from existing databases to new databases) overnight on the weekend. The Contractor shall analyze monthly transaction volumes and select a weekend when the fewest number of retailer and clients would be impacted as determined by the State based on usage. The State shall have final approval of the date and time selected. The entire conversion shall be completed in ten hours or less. During conversion no stand-in, manual vouchers, or transactions of any type will be allowed.

The Contractor shall:

- Provide adequate notice to clients and retailers
- Provide three dry runs
- Perform significant testing of the conversion process, including performing test transactions against the converted database in the test system;
- Accept three years of transaction history to be transferred from the current EBT Contractor
- Provide for conversion of most recent 180 calendar days of online transaction history onto the new system
- Have checkpoints and reconciliation procedures built into the conversion process to ensure that no benefits or records are dropped
- Have a contingency fallback plan in case the conversion cannot be completed in a timely manner due to problems

C.9. Project Organization and Staffing

The Bidder shall submit its approach to project/staff management that includes:

- Description of industry standards followed.
- Lines of responsibility
- Tools and processes used.

How those tools and processes were applied on past projects. Tools can be defined as those "things" (e.g., systems, software, or documents) that are used in carrying out an activity or process.

C.9.1. Staffing

Provide the number of key positions proposed in each phase of this project.

- C.9.1.1.** A project staffing organization chart showing all proposed personnel by job title and lines of supervision for the Bidder and each subcontractor for this project.

- C.9.1.2.** A table listing job titles, the employee, work location, and major responsibilities for each key position.
- C.9.1.3.** It should also indicate what other States, if any, will share the position during the time the position will be assigned to Oklahoma, and at what stages of the project will the position be shared.
- C.9.1.4.** The percentage of time that will be spent on this project for each phase
- C.9.1.5.** Indicate which key positions will be filled by a current employee of the Bidder or subcontractor, and which positions will need to be filled.

Personnel shall include but not be limited to:

	SNAPS	Time & Attendance	Debit Care/ Direct Deposit
Project Manager	X	X	X
Conversion Manager	X	X	X
Operation Manger	X	X	X
Retail Manager	X	X	X
Provider Manager	X	X	X
Settlement Manger	X	X	X
Call Center Manager	X	X	
Chief Technical Liaison	X	X	X
Primary Technical Staff	X	X	X
Technical Writer	X	X	X

- C.9.1.6.** Resumes shall not exceed two (2) pages in length: each resume shall include: Name, physical location, training, role suggested for this project, education, employment history, current projects working on, and experience related to role with name, dates, and brief description of project.

C.9.2. Key Personnel

The Contractor must have the appropriate number and mix of project staff during the period of this contract, as determined by the DHS Director of Electronic Payment Systems, during this project to ensure the successful transition and operations of the system.

Points will be award based on:

Staff that have experience in successfully converting a SNAP system and experience in operating SNAP

- C.9.2.1.** Time & Attendance System;

- C.9.2.2.** Debit Card systems.

Which, shall be evidenced by resumes submitted

- C.9.2.3.** The Contractor shall provide a Project Manager for the life of the project however it is recommended that one Project Manager be assigned to each program. The Project Manager(s) shall be responsible for the tasks in this RFP.

- C.9.2.4.** The Project Manager(s), Conversion Manager(s), and Primary Technical staff shall be dedicated to this project through conversion or systems acceptance, whichever is applicable, of all three programs.

The key personnel outlined in this RFP shall meet the following requirements:

- C.9.2.5.** Minimum of thirty-six (36) months of experience in a project in similar size and scope

- C.9.2.6.** Shall have successfully managed/participated in a conversion of EBT of similar size and scope as Oklahoma;

- C.9.2.7.** At a minimum, the personnel listed in this RFP shall start work on the project upon contract award and continue until the State's written systems acceptance or written acceptance of a successful conversion, whichever is applicable, of the current system to Contractor's system.
- C.9.2.8.** During start up and through the successful conversion or systems acceptance of the current system to the Contractor's system, the Project Manager(s) shall be on-site in Oklahoma beginning each week at 8:00 am on Monday and shall remain until 5:00 pm on Friday and maintain daily contact with the State's DHS Director of Electronic Payment Systems and designated staff members.
- C.9.2.9.** Changing Project Managers before operational phase of this contract without good cause, as determined by the state will result in Identified cost.
- C.9.2.10.** During the Operational phase the Project Manager(s) and/or Operations Manager(s) will be available by telephone within one (1) hour and on-site in the State within forty-eight (48) hours upon request by the State through the life of the project at no additional cost to the State. Points will be award for a Project Manager that resides in Oklahoma
- C.9.2.11.** The appointment and continuing service of the Project Manager(s), Operations Manager(s) and all other key personnel are subject to State approval. A replacement may be required for any reason at the State's option and the replacement is also subject to State approval. The Bidder shall maintain staffing patterns equal to or exceeding that in the original offer throughout the life of the contract.
- C.9.2.12.** If a change in key personnel is made after contract award the Bidder shall present the proposed replacement to the State, and the State will have right of refusal privileges. If refused, another proposed replacement will be offered within seven (7) days.
- C.9.2.13.** If any of the proposed Key Personnel or the Project Manager(s) is not currently in the employ of the Bidder or a subcontractor, a letter of intent to accept employment shall be included in the response.

C.9.3. Project Management Plan

Offer shall provide details on their intended project management plan and project control methods. These shall clearly illustrate and explain how the Bidder proposes to manage the project, control project activities, report progress, ensure required staffing, relate and report to the State, respond to requests by State, and interact and coordinate with other involved entities.

At a minimum, this Section should include:

- C.9.3.1.** Description of what and how the selected Contractor will coordinate and communicate with subcontractors or sub-units of the Bidder's organization, and the State to ensure effective integration of services
- C.9.3.2.** A description of the proposed lines of authority, including a description of the decision making authority the Bidder's Project Manager(s) will have within the organization in relation to this EPS project
- C.9.3.3.** A description of the selected Contractor's expectations of the State's involvement in project decision-making
- C.9.3.4.** A description of the proposed escalation process for resolving problems as they arise, including the name and contact information for each position in this process and proposed timeframes for response times when an issue is escalated
- C.9.3.5.** Description of a process for review, revision, and sign off of planning documents, testing processes, and other deliverables
- C.9.3.6.** A description of the change order process

C.10. Work Plan

The Bidder shall submit, and be evaluated on, a Work Plan, including a narrative description and calendar-based work plan that summarizes the work through conversion including any due dates, reports, milestones, etc. for every section, subsection and Addenda of this RFP.

This Section of the RFP describes the required phases of the project and should be used by the Bidder as an outline for preparing the work plan, which is a component of the Bidder's response to this RFP

The State intends on implementing/converting the systems listed within this RFP in the following order:

- SNAP
- Time & Attendance System (Daycare)
- Debit Card

- C.10.1.** The project work plan shall include a detailed narrative description and a calendar-based Gantt chart that summarizes the level of effort for the entire project, in the order prescribed, including any due dates, plans, reports, milestones, etc. for every Section and subsection below and shall meet the twelve (12) month time.
- C.10.2.** The timeline shall clearly specify timeframes which will be required for each task and shall include adequate time for all required state and federal approvals.
- C.10.3.** Bidder's narrative shall include significant detail describing and explaining its rationale for conversion strategies, conversion risks and risk mitigation measures throughout the project work plan.

The State envisions the EPS project consisting of five generally sequential (although there may be some overlap) phases. These phases are:

C.11. Design

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

- C.11.1.** Functional Design Documents - These documents shall, at a minimum, provide a functional overview and a description of the operating environment, procedures, flow charts and workflow of the EPS systems consistent with the individual program requirements as listed in Sections C and E of this document. A separate document shall be provided for each individual program and shall be updated within thirty (30) calendar days of any changes.
- C.11.2.** Interface Control Documents (ICD) -The ICD documents shall describe the total system configuration, including system hardware, functionality, file layouts, message and file flows, data elements, data access, and system interfaces. A separate document shall be provided for each individual program implemented and shall be updated within thirty (30) calendar days of any changes.
- C.11.3.** Design, Operations and Use Cases Document -The Design, Operations and Use Cases document shall address the system from the perspectives of the various stakeholders – providers, retailers, third party processors, clients, and the OKDHS staff. The system design, operations and use cases document shall provide a detailed design and detailed description of each function that the system(s) needs to accommodate including flow charts of all processes. Further the document shall include administrative terminal and software applications, administrative terminal layouts, pre- and post- conditions of all functions, the designated actor, and the specific validations and checkpoints that the system will make to ensure it operates as designed. The design, operations and use cases document is the primary guide for the system developers. A separate document shall be provided for each individual program and shall be updated within thirty (30) calendar days of any changes.
- C.11.4.** The Design, Operations and Use Cases Document shall describe all the expectations of the system and shall be used for testing.
- C.11.5.** Life Cycle Testing Approach -The Contractor shall provide a system Life Cycle Testing Plan. The basic premise of the life cycle testing approach is that any changes made, whether it be the Contractor's system or the State's system, should be properly tested prior to being introduced into a production environment. It is therefore required that the Contractor test system operate under the same system requirements as the production system. The plan shall include, at a minimum, the tests identified in this Section, as appropriate, for each of the project's phases. The plan shall 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. All plans will include testing mirroring the production environment. OKDHS will have sole discretion in determining if accelerated testing will be conducted. A test plan shall be developed for each individual program.
- C.11.6.** Test Plan -The Contractor shall develop system test plans during the Design Phase for SNAP and shall be approved by the State prior to testing. The State will develop system test plans for the other programs. Test plans shall, at a minimum, outline the test purpose, scripts, methodology, environment, and approval rating system. Test plans shall be developed for regression testing, State and Federal system acceptance test, system and network capacity test, ARU test, call center test, system interface tests for interfaces with state eligibility systems and Federal interfaces, and field tests. Test plan timelines shall be based on production timeframes.
- C.11.7.** Training Plan - The Contractor shall prepare and submit a comprehensive Training Plan that identifies the proposed deadlines and supportive tasks for the planning, design, development, production, and distribution of all training materials to support conversion and ongoing operations.
 - 1) The training plan should address the timeline for creation of the deliverables as noted in section B and C and the timeframe for training the Federal, State and local office staff, providers, clients and retailers. The plan should outline deliverable dates of training products with sufficient time allowed for State review and approval. The state may or may not, at its discretion, implement said training plans.

C.12. Development

The Development Phase shall commence following the successful completion of the Design Phase. The Contractor shall notify the State in writing that all of the requirements of the Design Phase have been completed. The State will respond in writing with a list of unresolved issues or a statement that the State is satisfied that the Design Phase has been successfully completed. During the Development Phase of the project, the Contractor shall configure and test the Oklahoma system(s) according to the system specifications defined and agreed upon as stated in the ICD and DOUC documents consistent with federal regulations. All deliverables for the development phase identified within the Project Work Plan are subject to State review and approval. Many deliverables also require federal review and approval. The Contractor shall allow an appropriate time for state and federal review and comment upon the deliverable prior to commencement of work. The Contractor shall complete system testing, as well as provide the final training materials during the Development Phase.

- C.12.1.** System Testing -System testing shall be performed on all components and functional areas of the application system before delivery of the system and shall continue throughout the life of the contract by OKDHS EPS staff. All test systems must be kept current and be available 24 hours per day, 7 days per week, 365 days per year and shall reside on separate servers to ensure no test files affect the production system. See individual program requirements for testing section B and C. State system testing shall not begin until after the Contractor has completed thorough internal testing, all programming is completed, and approval of all documents has been received in accordance with Section B, C, and E of this RFP.
- C.12.2.** Interface Testing- Tests shall be conducted between the State eligibility systems and the Contractor's EPS system to ensure that all files sent between the two systems are properly received, accepted, and processed. Additional Interface testing shall be performed as noted in section B and C. individual programs. At a minimum, acceptance of Interface testing will require that interfaces are stable and operation ready as determined by the State.
- C.12.3.** Transition Testing - The Contractor shall be required to demonstrate the conversion process of the EPS systems from the current Contractor. Part of the conversion test is a validation of conversion results, and the ability to perform test transactions against the converted database. Test transactions performed against the converted database shall include, at a minimum, client transactions (e.g., SNAP, Time & Attendance system and debit card cash transactions) and administrative transactions (e.g., Time & Attendance system swipes, authorizations, benefit adds, card cancellation and replacement transactions, direct deposit/debit card activities). The State will require a minimum of three "dry runs" before actual conversion for all EPS programs.
- C.12.4.** System Acceptance Tests - The system acceptance tests provide both state and federal representatives the opportunity to test the EPS system, ensure compliance with the system design requirements. And is the final test required before systems acceptance can be approved. The state will conduct its own system acceptance test in advance of the USDA federal system acceptance test for the SNAP Program portion of the system.
- C.12.5.** Tests shall consist minimally of the Design, Operations and Use Cases functional requirements, security, recovery, system controls, and "what if" testing. In addition, as part of the system acceptance testing, the Contractor must demonstrate the methods and processes for performing daily reconciliation between the State and Contractor interface and processing activities including but not limited to return of unsettled funds, federal EBT interoperability requirements, issuance balancing, provider and retailer financial settlement, and debit card settlement, expunged funds, ACH payments and escheated funds. During the formal test script portion of the acceptance test, testing representatives will follow the Design, Operations and Use Cases document developed by the Contractor and approved by the State and USDA (for the SNAP program only). The test scripts should cover all facets of the system's operations and test all of the system processing options and environmental conditions (e.g., POS hardware, flat card printer and communications failure and entry of erroneous data).
- C.12.6.** Accessible testing will be done prior to or be part of system acceptance test.
- C.12.7.** 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 have not been included in the test scripts and to challenge the system's operations and design.
- C.12.8.** All testing will occur at a location chosen by the State. If the State opts for systems acceptance testing at the Contractors lead facility, the Contractor shall be responsible for all travel costs for five (5) OKDHS staff that will be participating in the testing. Additionally, if the State opts for testing at its Project Office the contractor shall have adequate staff attend testing in order to support the State. The contractor shall support on-going testing in the same manner.
- C.12.9.** At a minimum, System Acceptance requires 100% payment accuracy, 100% deposit and transaction accuracy, 100% accessibility testing and no outstanding issues that could cause hardship on clients, providers, or retailers as determined by the State

C.13. Performance (Stress) Testing

The purpose of this test is to ensure that there is sufficient capacity within the EPS system being provided to the State to handle the

expected transaction volume. Test results from the stress test shall be used to formulate a system capacity model to determine the appropriate hardware and software requirements and configuration so that the Oklahoma EPS system can accommodate the anticipated transaction volumes.

The Contractor may, as an option, choose to use current production data in order to develop a system capacity model for modeling the anticipated transaction volumes. If the Bidder is anticipating that they will utilize this option, the Bidder should provide a description on how the modeling will be performed, and how the results of the modeling exercise will be reported to the State.

- C.13.1.** ARU Testing - The ARU system shall be tested to ensure that the system properly accepts, processes, and transfers both retailer and client calls consistent with the system requirements and within the specifications defined in this RFP.
- C.13.2.** Call Center Testing- The Call Center shall be tested to ensure that the CSR's respond appropriately to customer inquiries and that calls are answered within the specifications defined in this RFP.
- C.13.3.** Field Testing- POS- Production cards will be made available to the Contractor to field test the system at a retailer's POS. The State will participate in field-testing.
- C.13.4.** Time & Attendance system - POS terminal requirements will be tested at OKDHS State Office.
- C.13.5.** Field Testing- Flat Card Printers - Production cards will be made on flat card printers to field test the system at the OKDHS State Office (remote printing) and County office locations. The State will participate in field-testing.
- C.13.6.** Test Reports - The Contractor shall be required to provide documentation of its internal testing results describing the results of each test that is performed for SNAP, Child Care, Debit Cards and Direct Deposit. The documentation shall also describe the intended scope and results from the tests, and any system modifications that are identified as necessary to resolve system errors and deficiencies found during the testing. The Contractor shall submit the test reports before any State testing occurs.
- C.13.7.** Updates to all Documents- The Contractor shall revise all documents to reflect any system modifications identified and made as a result of the system testing. If revisions are required, the updated design documents shall be completed within 30 calendar days of change and are subject to state approval. Federal review and approval will be required for any changes affecting SNAP.

C.14. Development of Procedural Manuals

The Contractor shall develop comprehensive procedural manuals for each program that documents the system and its operation in a form acceptable to OKDHS. The State shall review and approve procedural manuals. The Contractor will develop the following manuals

System Operations/Interface Procedures Manual

The Contractor shall provide a manual on Systems Operations/Interface Procedures for State and federal interfaces for each EPS program that shall include an introduction giving the purpose, audience, organization, procedures, and documentation.

This manual should include, but is not limited to:

- Federal and state batch files and the times of transmission;
- On-line file transmission;
- Procedures for balancing file transmissions sent/received;
- Administrative terminal configuration;
- Problem resolution and escalation procedures;
- Work order approval procedures;
- Batch maintenance record formats and conventions.

- C.14.1.** System Operations/Interface Procedures Manual- the Contractor shall provide a manual on Systems Operations/Interface Procedures for State and federal interfaces for each EPS program that shall include an introduction giving the purpose, audience, organization, procedures, and documentation

This manual should include, but is not limited to:

- Federal and state batch files and the times of transmission;
- On-line file transmission
- Procedures for balancing file transmissions sent/received;
- Administrative terminal configuration;

- Problem resolution and escalation procedures;
 - Work order approval procedures;
 - Batch maintenance record formats and conventions
- 1) **Required reports are described in Addenda Six (6).** A Reports Manual shall be provided for each EPS program describing all standard reports to be generated by the Contractor, the frequency they are produced, and how the state will access them. The Reports Manual shall also provide a brief description of the data files provided to the State for internal report generation, including file format and frequency. The manual shall also describe the Contractor's capability to provide ad hoc reports within forty-eight (48) hours of request.
- C.14.2.** Settlement Manual- the Contractor shall provide a Settlement/Reconciliation Manual for each EPS program that provides guidance and procedures to the State on performing a daily reconciliation of the Contractor's EPS System. The manual should identify the specific EPS reports from the Contractor's system that are required for settlement and reconciliation of the Contractor's system. In addition, the Manual should describe in detail any reports that the State must generate to complete reconciliation. The SNAP manual must include instructions on how to reconcile SNAP transactions that are in suspension for settlement.
- C.14.3.** Administrative Terminal User's Manual- the Contractor shall provide Call Center scripts and a procedures manual for each EPS program describing the operations of the provider, client and retailer call centers consistent with technical requirements as prescribed in this RFP.
- C.14.4.** Call Center Scripts and Procedures Manual- the Contractor shall provide Call Center scripts and a procedures manual for each EPS program describing the operations of the provider, client and retailer call centers consistent with technical requirements as prescribed in this RFP.
- C.14.5.** Facility Security Manual- the Contractor shall provide a Facility Security Manual for each EPS program describing the Contractor's data facilities and security measures.
- C.14.6.** Business Continuity Manual-The Contractor shall provide a Business Continuity Manual for each EPS program describing the practices and measures to be applied to insure the continuation of business for such issues as cross-training of critical functions including Project staff and programmers with specific knowledge of the Oklahoma systems. The manual shall also include disaster recovery for not only the Contractor's Project Office and Data Center operations but for such events as a pandemic

C.15. Transition In

The Transition Phase consists of the activities required to convert the EPS systems from the current Contractor to the new Contractor. In addition, the new Contractor shall use the FNS published transition guidelines for SNAP. It is anticipated that some of the Transition Phase activities, specifically the EBT-only retailer and provider software conversion, will begin prior to the end of the Development Phase. However, it is expected that none of the database conversion activities shall occur until the development activities have been completed, and specifically tested as described above. No database conversions will be conducted until written approval has been received from the State and USDA, as required.

The activities within the Transition Phase shall include but are not limited to the following:

- Three (3) dry runs will be conducted
- Implementing agreements with a branded debit card provider, ATM networks, third-party processors, EBT only retailers, self-processed retailers, Time & Attendance system providers, Call Center and networks, including gateways and switches. A copy of the signed agreements must be provided to the State upon request
- Providing a cash access plan for State approval to be updated annually
- Ensuring that subcontractors, third-party processors, providers, retailers, state and county offices, FNS (as needed), financial institutions and recipients are adequately trained consistent with the requirements of this RFP
- Participating with FNS and the State in providing written notification and other materials to authorized SNAP retailers regarding the conversion and related activities
- Preparing for transition of Call Centers and ARU's
- Certifying third party processors
- Establishing and implementing procedures for financial transition of settlement and reconciliation processes from current Contractor to selected Contractor, including but not limited to returning unsettled funds, establishing cut-offs, required reports and documentation, transition of ASAP balance, settlement of outstanding manual vouchers, transfer of outstanding transactions affected by the back-up purchase procedures for settlement, and dispute resolution procedures

- Installation of EBT-only POS terminals 30 days prior to conversion
- EBT-only retailer conversion, including non-traditional retailers
- Provider conversion
- Debit card/Direct Deposit conversion
- Admin Terminal software conversion
- Cardholder Database Conversion, which includes but is not limited to
- Transaction history – 180 most current days plus a minimum of three (3) years historical data;
- Benefit Aging history;
- Expungement history;
- Client card and demographic data;
- Benefit data;
- Deposit data;
- Debit Card transactions;
- Time & Attendance system Provider settlements

The activities taking place during the Transition Phase shall follow the process defined within the State approved Transition Plan submitted during the Design Phase.

C.16. Operations

The Operations Phase begins after the Debit card, Retailer, Provider, Case, and Cardholder Databases, POS terminals and AT has been converted from the previous Contractor to the selected Contractor. During the Operations Phase the Contractor shall maintain ongoing communication to the State on EPS operations and immediate notification to the State of any issues or system problems or changes, including changes in what entity perform critical system functions. The Contractor shall maintain a minimum of one Operations Manager for ongoing communications.

The ongoing communications required from the Contractor includes a monthly status report containing open and closed issues, monthly status meeting between the State and the Contractor, and other state reports/meetings requested by the State. Of particular importance is the advance notification of scheduled system downtime to the State by the Contractor. The Contractor shall be required to communicate to the State any scheduled system downtime at least seventy-two (72) hours prior to the scheduled down time for production and test systems. Routine maintenance shall be scheduled during hours that are least disruptive to the continuing operations of all EPS systems and will be determined by the State.

During the Operations Phase, the Contractor shall maintain and update as required the design and operational manuals delivered during the Design and Development Phase as the JOPM, which shall include, but is not limited to, the following procedures, policies, and design documents.

- Interface Control Document;
- Design, Operations, and Use Cases Document;
- Back-up and Recovery Plans;
- System Security Plan;
- Business Continuity Plan;
- System Operations/Interface Procedures Manual;
- Reports Manual;
- Settlement/Reconciliation Manual;
- Administrative Terminal Manual;
- Call Center Scripts and Procedures Manual;
- Third-Party Processor Certifications;
- Training Manuals;
- Provider and Retailer Manuals;
- Quick Reference Guides;

- Debit Card Collaterals;
- Debit Card Client Notification Letters.

All manuals, design documents, collaterals, and client notification letters shall be approved by the State prior to implementing system acceptance testing or any operational modifications into production.

C.16.1. End-of-contract transition out

Planning for the end-of-contract transition out is as critical to the success of the new Contractor as the beginning- of-the contract transition in. As part of the Work Plan, the Bidder shall lay the groundwork for the transition out at the end of the contract. While the replacement Contractor shall have the lead responsibility, the incumbent Contractor shall at a minimum cooperate in the following manner:

- Meeting with the new contractor as requested for the purposes of planning and coordinating an orderly transition;
 - Developing an agreement with the selected contractor laying out timeframes, work products, mutual expectations during transition;
 - Maintaining staffing levels consistent with levels during the operational phase of the contract through the end of the contract;
 - Providing test data for conversion testing;
 - Provide for conversion of 180 calendar days of the most recent online transaction history onto the new system;
 - Providing up-to-date agreements, design documents and procedural manuals;
 - Coordinating with the new contractor to minimize suspense accounting during the final settlement;
 - Coordinating the swap of all Call Center numbers to the new contractor;
 - A minimum of three (3) dry runs will be conducted when transitioning to a new contractor;
 - Documenting the reconciliation of account balances and final settlement so that there is a clear and transparent audit trail;
 - Management of all State owned EBT equipment including the maintenance and repair history of all equipment.
- i. Specifically, the work plan shall include timeframes and deliverables that the Contractor shall perform and project documents the Contractor shall provide to ease the transition to a new contractor. In addition, the Contractor shall propose a process which ensures adequate coordination between the existing and new contractor to minimize the risk of any disruption of service to clients, retailers or the State.
 - ii. The Bidder shall provide specific assurances that it will cooperate fully and maintain historic staffing levels during the transition out. At the end of the contract, the State will hold back the final payment until the Contractor successfully completes all transition requirements, including but not limited to, transferring project documentation that accurately describes the EPS systems on the date of the fourth generation award.
 - iii. Due to the many possible factors impacting the timeline required for the design, development, and transition to the new system, the Bidder shall define the anticipated timelines and estimated completion dates for the project deliverables within each phase in the Project Work Plan submitted with the Bidder's response. The Bidder's work plan shall take into account the order the programs will be implemented SNAP, Time & Attendance, then Debit Card, the need for multiple reviews of documents and shall meet the time requirements set forth in subsection 2.14 of this RFP.
 - iv. Bidder will provide a detailed risk-analysis showing all internal and external variables that could impact the conversion from the current Contractor to the new Contractor, including but not limited to system design, development and transition, shall be completed so that operations may begin as soon as possible but no later than twelve months from date of award without disruption of service to clients, providers, retailers or OKDHS county offices.

The Contractor shall be subject to identified cost described in B.6.12 Prior to the ending of the contract or termination of the contract, the Bidder shall agree to meet with the new contractor and the state's designated representative(s) to develop a written agreement that sets forth in writing how the entities will cooperate to ensure a smooth transition. The plan will include but not be limited to: Client/Case/Authorization data transfer, most recent 180 days of history, POS terminal software installation, PAN and PIN data, contact information for a designated point of contact for each entity, a calendar of regularly scheduled meetings, a mechanism and timeframes for transmitting documentation of the current system, a detailed list of

documentation and test data that will be shared, and a clear description of the mutual needs and expectations of both entities. The State shall review and approve this agreement prior to its execution.

C.17. Disaster Recovery Plan

The Contractor shall develop a Disaster Recovery Plan that addresses the following:

- C.17.1.** The Disaster Recovery Plan shall describe the successful contractor's approach that will be used to guide the preparation for and delivery of necessary disaster services in response to any disaster requiring extraordinary services response
- C.17.2.** The Plan will identify resources involved in contingency operations, problem management and escalation procedures. Any changes to content must be approved by the state in advance

The Disaster Recovery Plan shall include the following

- a) An overview of the Contractor's proposed approach to disaster services;
 - b) Areas of the system most susceptible to failure or disaster that would result in downtime;
 - c) Recommendations for system recovery processes, or steps to take in the event of a downtime event;
 - d) Recommendations for comprehensively effectively mitigating the risk of a downtime event;
 - e) Recommendations for maintaining the security of the system during a period of emergency operation;
 - f) A test plan with metrics to assess the effectiveness of the Plan.
- C.17.3.** The plan will describe the approach to the required annual SNAP EBT Systems back-up Facility testing. The test needs to include:
- A test of the State's eligibility and EBT interfaces systems from the State's back-up site to the Contractor's primary data center
 - A test of the State's primary eligibility and EBT interface systems to the Contractor's back-up data center;

C.18. Incident Management and Problem Escalation

Bidder shall provide procedures for incident management resolutions and problem escalation for the proposed solution. Procedure must show how the bidder will address problem situations as they occur and timeframes for resolution and levels of escalation during the performance of the contract.

Reporting methods and available options

Repair/restoration status updates — for different types of problems

- a. The maximum duration that a problem may remain unresolved at each level before automatically escalating to higher level for resolution
- b. Circumstances in which the escalation will occur in less than the normal timeframe,
- c. The nature of feedback on resolution progress, including the frequency of feedback,
- d. Identification of and contact information (name; title; address; telephone and fax numbers; and e-mail address) for progressively higher levels that would become involved in resolving a problem,
- e. Contact information (same as above) for persons responsible for resolving issues after normal business hours (i.e., evenings, weekends, holidays, etc.) and on an emergency basis
- f. Process for updating and notifying the State Project Manager of any changes to the Problem Escalation Procedure

C.19. Bidder's Objections

A Bidder wishing to protest the selection decision shall submit a written notice to the State Purchasing Director of a protest of an award of contract by a state agency or the Purchasing Division within ten (10) business days of contract award. The protest notice shall state facts and reasons for protest. (OAC 580: 15-4-13)

The address of the ISD Procurement is as follows:

OMES/ISD Procurement
Attention: Matt Singleton/ISD Procurement
3115 N. Lincoln Blvd
Oklahoma City, OK 73105
Matt.Singleton@omes@ok.gov

THE PROTEST MUST CONTAIN THE FOLLOWING AS A MINIMUM:

- a) The name and address of the protestor;
- b) Appropriate identification of the solicitation;
- c) A statement of the reasons for the protest specifically identifying any alleged violation of the Oklahoma Central Purchasing Act or other law, any associated rules, or the solicitation itself, including the evaluation or award; and
- d) It is not sufficient to simply state that you are protesting, that your product is better, or the winning proposal is not in the best interest of the State. We must have detailed reasons to support the protest. Failure to do so may result in your protest being denied.

D. EVALUATION

D.1. Evaluation and Award

Offers shall be evaluated on the "best value" determination.

The State reserves the right to request demonstrations and question clarifications from any or all-responding contractors.

D.2. Proposal Clarification Questions

The State reserves the right, at its sole discretion, to request clarifications of technical proposals or to conduct discussions for the purpose of clarification with any or all contractors. The purpose of any such discussions shall be to ensure full understanding of the proposal. If clarifications are made because of such discussion, the contractor(s) shall put such clarifications in writing. The clarification shall not alter or supplement the proposal.

D.3. Competitive Negotiations of Offers

The State of Oklahoma reserves the right to negotiate with one, selected, all or none of the vendors responding to this solicitation to obtain the best value for the State. Negotiations could entail discussions on products, services, pricing, contract terminology or any other issue that may mitigate the State's risks. The State shall consider all issues negotiable and not artificially constrained by internal corporate policies. Negotiation may be with one or more vendors, for any and all items in the vendor's offer.

Firms that contend that they lack flexibility because of their corporate policy on a particular negotiation item shall face a significant disadvantage and may not be considered. If such negotiations are conducted, the following conditions shall apply:

Negotiations may be conducted in person, in writing, or by telephone.

Negotiations shall only be conducted with potentially acceptable offers.

The State reserves the right to limit negotiations to those offers that received the highest rankings during the initial evaluation phase.

Terms, conditions, prices, methodology, or other features of the bidder's offer may be subject to negotiations and subsequent revision. As part of the negotiations, the bidder may be required to submit supporting financial, pricing, and other data in order to allow a detailed evaluation of the feasibility, reasonableness, and acceptability of the offer.

The requirements of the Request for Proposal shall not be negotiable and shall remain unchanged unless the State determines that a change in such requirements is in the best interest of the State Of Oklahoma.

BEST and FINAL – The State may request best and final offers if deemed necessary, and shall determine the scope and subject of any best and final request. However, the vendor should not expect an opportunity to strengthen its offer and should submit its best offer based on the terms and condition set forth in this solicitation.

D.4. Selection Criteria

D.4.1. Technical Responses Section C & E

D.4.2. References

D.4.3. VPAT ****Note: Accessibility is required to be a part of the selection criteria

D.4.4. Cost

D.5. Evaluation Process

D.5.1. Evaluation Process – Determination of Solicitation Responsiveness

A responsive offer is defined as an offer that meets all the general mandatory requirements as outlined below:

- Responding Bidder Information Sheet complete Form 076
- Certification for Competitive Bid and Contract (Non-Collusion Certification) Form 004
- Amendments, if issued, are acknowledged.

Meeting all requirements outlined above allows the offer to proceed in the evaluation process. Failure to meet all of the above may result in the proposal being disqualified from further evaluation.

Note: The following evaluation process is not presented in any sequence as any selection process may overlap the other in the evaluation.

D.5.2. Evaluation Process - Evaluation of Offer

The technical section of the offer is evaluated based on the required submittals in Section E.

D.5.3. Evaluation Process - Evaluation of Cost

Comparisons are performed.

D.5.4. Evaluation Process – Demonstrations

If desired by the evaluation committee, the vendor may be required to provide product/services demonstrations.

D.5.5. Best Value Evaluation of Product/Services

D.5.5.1. Selection

The selection and award of contractor is based upon which contractor best meets the needs of the State.

The State reserves the right to negotiate with one or more contractors, at any point during the evaluation. The State may negotiate any and all content of the offer.

D.5.6. Contractors should be prepared to participate in oral presentations and demonstrations to define their submittal, to introduce their team, and to respond to any and all questions regarding their offer if requested by the State prior to award.

Evaluation Criteria and Scoring Method for this RFP

Mandatory Requirements: 0-2 = did not meet =0 - met =1- exceeds 2

Evaluators are required to provide comments in the comments section of the scoring document to justify scoring for any scores of "0 or 2"

Criteria	Points Available	Percentage	Final Score
Technical/Work plan	295	22%	
References	300	20%	
Staffing /Experience	200	23%	
VPAT	5	2%	
Cost	200	33%	
Total Points Available	1000	100%	

E. INSTRUCTIONS TO BIDDER

E.1. Introduction

Prospective contractors are urged to read this solicitation carefully. Failure to do so shall be at the bidder's risk. Provisions, terms, and conditions may be stated or phrased differently than in previous solicitations. Irrespective of past interpretations, practices or customs, offers shall be evaluated and any resultant contract(s) shall be administered in accordance with the plain meaning of the contents hereof. The bidder is cautioned that the requirements of this solicitation can be altered only by written amendment approved by the State and that verbal communications from whatever source are of no effect. In no event shall the bidder's failure to read and understand any term or condition in this solicitation constitute grounds for a claim after contract award.

E.2. Preparation of Offer

- E.2.1. Any usage amounts specified are estimates only and are not guaranteed to be purchased.
- E.2.2. Information shall be entered on the form provided or a copy thereof.

E.3. Submission of Offer

- E.3.1. Completeness of offer(s): It is desirable that the bidder respond in a complete, but concise manner. It is the bidder's sole responsibility to submit information in the offer as requested by the solicitation. The bidder's failure to submit required information may cause its offer to be rejected. However, unnecessary information should be excluded from the bidder's offer.
- E.3.2. Copies: Proposal should be paginated and indexed in alpha order with reference to RFP sections. **Proposal must include an original hardcopy, and eight (8) duplicate copies for a total of nine (9) hardcopy documents.** The documents' front pages should indicate original or copy.
- E.3.3. The bidder should include a "machine readable" version, preferably in Microsoft WORD format, on CD or DVD, of the bidder's offer. **One original, plus three (3) copies for a total of four (4) electronic documents, one electronic version should be indicated as the original.**
- E.3.4. Proprietary and/or Confidential
- E.3.5. Bidders claiming any portion of their offer as proprietary or confidential must specifically identify what documents or portions of documents they consider confidential and identify applicable law supporting their claim of confidentiality. The CIO shall make the final decision as to whether the documentation or information is confidential pursuant to 74 O.S. §85.10.
- E.3.6. If an bidder believes particular information requested by the RFP for evaluation purposes is proprietary, the bidder shall submit that information separate and apart from its response and mark it Proprietary and Confidential. If ISD in its sole discretion agrees the information is proprietary, ISD will maintain the information as Confidential. If ISD does not acknowledge the information as proprietary, ISD will return or destroy the information with proper notice to the bidder and the evaluation will be completed without consideration of the information marked Proprietary. **PROPOSALS MARKED, IN TOTAL, AS PROPRIETARY and/or CONFIDENTIAL SHALL NOT BE CONSIDERED.**

E.4. Oklahoma Open Records Act

Proposals are subject to public disclosure in accordance with the Open Records Act and will not be considered confidential except as determined by the Oklahoma Chief Information Officer in his sole discretion.

E.5. Communications Concerning Solicitation

The contracting officer listed on the cover page of this solicitation is the only individual in which the bidder should be in contact with concerning any issues with this solicitation. Failure to comply with this requirement may result in the bidder response being considered non-responsive and not considered for further evaluation.

E.6. Bidder Clarifications

Bidders who believe solicitation requirements or specifications are unnecessarily restrictive or limit competition may submit a request for administrative review, in writing, to the Contracting Officer listed herein. To be considered a request for review must be received no later than 3:00PM Central Time on **June 19, 2014**. The State shall promptly respond in writing to each written review request, and where appropriate, issue all revisions, substitutions or clarifications through a written amendment to the solicitation. Requests for administrative review of technical or contractual requirements shall include the reason for the request, supported by information, and any proposed changes to the requirements.

E.7. General Solicitation Questions

- E.7.1. Bidder may submit general questions concerning the specifications of the solicitation. All questions and answers regarding this RFP shall be posted to the IT procurement wiki at:

<https://wiki.ok.gov/display/itprocurement/8300001101>

E.7.2. Questions received via any other means will not be addressed. If your firm is not currently registered with the State of Oklahoma with wiki access, you may go to the link below to request access.

<https://wiki.ok.gov/display/itprocurement/Home>

E.7.3. In order to guarantee that your access is created prior to closing date for submitting questions for a solicitation, please request access at least 5 business days prior to the closing date for questions. The State of Oklahoma cannot be responsible for a vendor's lack of access if the request is not made within this timeline.

E.7.4. When posing questions, every effort should be made to:

- a) Be concise
- b) include section references, when possible
- c) do not use tables or special formatting, use simple lists

E.7.5. These questions shall be answered directly on the wiki and in the form of an amendment and posted on the OMES website and linked on the wiki. Bidders are advised that **any questions received after July 10, 2014, shall not be answered.**

E.8. Deliverables

E.8.1. Responses should be tabbed by section and clearly marked as Original or Copy.

Note: Deliverables are to be in both hard copy and in a single machine-readable format, preferably in Microsoft Word format, on either CD or DVD.

E.8.2. Section One – Introduction

- a) Letter of Introduction
- b) Completed "Responding Bidder Information" OSF Form 076ISD.
- c) Completed "Certification for Competitive Bid and Contract" OSF Form 004ISD.
- d) Signed Amendment(s), if any.
- e) Any exceptions to solicitation terms and conditions.

E.8.3. Section Two – References

Provide three references from customers where similar work was performed. References provided must contain a contact person with full contact information (i.e., current employer, telephone number, mailing address, e-mail address, and fax number).

E.8.3.1. One must be last converted

E.8.3.2. One must be state with most programs

E.8.3.3. Bidder must have experience in developing, implementing and managing financial systems such as EBT, EFT, Debit Card, and financial network services, transaction/data processing, etc.

E.8.3.4. Bidder's experience combined with that of any subcontractor shall demonstrate the capability to successfully meet the requirements of this RFP.

E.8.3.5. Bidder must have the experience and qualifications that prepare it to execute an on-time conversion of EPS services from the existing Contractor to the replacement EPS system with no disruption of service to clients, providers, retailers or the state.

Bidder's proposal shall include:

- a) A business structure organizational chart. Each organizational chart should include a header with the name of the entity, the entity's relationship to the project (Contractor or subcontractor), and the entity's functional role in the project (e.g., transaction processor, retail management, etc.).
- b) Bidder shall provide a detailed narrative describing the entity's role and responsibilities for the EPS project.

E.8.4. Section Three – Company Information

Vendor must provide detailed information on its company, including principals involved, number of employees, location, years in existence, a statement of financial stability, and any litigation or pending litigation for the past five years, or a statement indicating there is no litigation

The Bidder shall disclose, and be evaluated on, if they or any subcontractors have been involved in any EPS litigation during the past five years or should note if there has been no litigation. The Bidder must identify for all projects undertaken for the past five

years any claims, disputes, or disallowances imposed by any funding agency, including but not limited to notices of default, unsatisfactory performance, administrative protests, or other action, involving state or federal government and private companies that relate to the quality or performance of EBT, EPS, Electronic Funds Transfer (EFT) or related services for any local, county, state or federal government agency, public or private association, or private entity, judgments or decisions from courts-of-law.

E.8.4.1. In addition, a statement of any assignments, contractual obligations, and the Bidder's involvement in litigation that could affect this work shall be included.

E.8.4.2. Bidder must identify any contract termination(s) that have occurred or that were initiated by Bidder as well as any actions or letters of intent removing the Bidder from good standing with any state or federal agency.

E.8.4.3. Failure to provide full disclosure of this information may result in rejection of the proposal.

E.8.4.4. Bidder shall provide details if the litigation has been mutually resolved or is currently unresolved.

E.8.5. Section Four – Response to Requirements

Provide detailed response to specifications/requirements outlined in Section C and E.

- Termination or suspension of contracts;
- Technical Approach
- EBT System Description and Capabilities;
- Security;
- Business continuity and recovery plans

E.8.6. Section Five – EITA Compliance

Provide adequate information defining your products level of EITA compliance by providing a Voluntary Product Accessibility Template (VPAT) that indicates compliance of all products offered with the provisions of Section 508 of the Rehabilitation Act Amendments included in the Workforce Investment Act of 1998. **Bidder will complete the attached VPAT & Accessibility - OMES form 053 -attached is the VPAT Instructions Template.**

E.8.7. Section Six – Bidder Agreements

Bidder shall provide any required software licenses, maintenance, or service agreements.

Note: Any software licensing, maintenance, or service agreements the bidder requires, should they be the successful contractor, not submitted with contractor's original offer shall not be considered

E.8.8. Pricing

All information relating to costs are to be sent in a separate binder/envelope, clearly marked as "Price."

E.9. Awardee Financial Status

Prior to award the state may choose to request information from the proposed awardee to demonstrate its financial status and performance, in the form of the last three years audited financial statements or the last three years of tax returns. A certified review may be accepted (clarification may be required). If the contractor is a subsidiary of another entity, the last three years audited financial statements of three years tax returns for the parent company must also be submitted. The State reserves the right to withhold award to a contractor who is deemed financially weak. The State reserves the right to determine financial status at their sole discretion.

Clarification or additional documents may be requested.

E.10. Notice of Award

A notice of award in the form of a PO or contract resulting from this solicitation shall be furnished to the successful contractor and shall result in a binding contract.

F. PRICE AND COST

F.1. COST PROPOSAL

Pricing information must be submitted in a separate sealed envelope and clearly labeled as "Cost Proposal".

The price quotations shall be submitted in the format specified in this Section. Responses that do not provide price quotations in the required format may be rejected at the option of the State. Unless identified otherwise, prices quoted shall apply for the duration of the Contract (year's one through seven) executed as a result of this RFP.

F.1.1. Cost Proposal Outline

The cost proposal shall contain:

- Financial statements for the Bidder and its subcontractors/vendors
- Statement of independent price determination
- Authorized signatures
- Maximum total price for the life of the contract
- Maximum total price by year
- Narrative explaining assumptions used in arriving at maximum total price by year
- IRS form W-9
- Price schedules 5.1 through 5.08

Details and price schedule forms regarding these requirements follow.

F.1.2. Price Warranty

By submitting a proposal under this RFP, the Bidder warrants its agreement to the pricing schedules for the life of the contract.

F.1.3. Authorized Signatures

Where a signature line is indicated, the Bidder's authorized corporate official shall sign and date the pricing schedule.

The contractor shall agree to accept the negotiated rates as total reimbursement for all contract activities including payment to subcontractors.

Using the information in this RFP and its appendices, the Bidder shall propose the total price to provide EPS services statewide for the life of the contract.

F.1.4. IRS W-9

The Bidder shall submit a copy of its completed and signed IRS W-9 form

F.2. Price Quotation Requirements

Responses shall include prices for services in the following categories of EPS-related functions and activities as specified in the RFP

- Startup costs for System Development and System Transition;
- Cost per case month (CPCM) pricing for SNAP and Time & Attendance system cases each priced separately;
- Options for Food stamp mailed card or pictures cards will be priced separately.
- Options for Time & Attendance Biometrics will be priced separately.
- Cardholder fees for debit card;
- Professional Services
- Hourly Ad Hoc reporting costs

Price quotations for the core EBT services shall be expressed in terms of Cost per Case month (CPCM). CPCM represents the fixed cost to deliver all services to an active single case for one month. An active case is defined below. Price quotations provided on the system shall include all costs associated with operation of the EBT system as listed within this RFP. Pricing will be volume based ("tiered") dependent upon the total actual number of active cases on the EBT system.

F.2.1. Pricing Assumptions

Bidders should use the following assumptions in developing its pricing tables:

The start-up costs shall be fixed based upon the requirements within the RFP.

- The CPCM pricing provided by the Bidders shall be fixed for the life of the contract.
- Bidders should use the tiers within the CPCM pricing schedule to cover fluctuations in the case volumes.

F.2.2. Definition of Active Case for SNAP

Active cases are those for which a benefit authorization has been posted and made available during the billing month. A "case" is defined as a single household unit receiving benefits through a single client EBT account. The State shall not be charged for cases that have had no benefit authorization activity (credits) posted and made available during the billing month. An active case may only be counted once per month regardless of the number of postings made on the case. Monthly benefits posted prior to the end of the month shall not constitute a billable case until the benefit has been made available to the client (e.g., availability date of the benefit has been reached).

F.2.3. Definition of Active Authorization for Time & Attendance system

Active authorizations are those for which an application status or open case has been posted and made available during the billing month and have paid at 100% accuracy. An "authorization" is defined as a single child with a unique provider receiving benefits.

The State shall not be charged for authorizations that have had no swipe activity posted and made during the billing month. An active authorization may only be counted once per month regardless of the number of changes made on an authorization. Monthly authorizations posted prior to the end of the month shall not constitute a billable authorization until the benefit has been made available to the client (e.g., availability date of the authorization has been reached)

F.2.4. Definition of a Direct Deposit Payment

The OKDHS will pay for each deposit made to a direct deposit account during the billing month. The Bidder should express the cost on a per deposit basis. Monthly deposits posted prior to the end of the month shall not constitute a billable deposit until the deposit has been made to the client's account.

The DHS will pay for each deposit made to a direct deposit account during the billing month. The Bidder should express the cost on a per deposit basis. Monthly deposits posted prior to the end of the month shall not constitute a billable deposit until the deposit has been made to the client's account.

F.2.4.1. The DHSR will pay for each deposit made to a direct deposit account during the billing month. The Bidder should express the cost on a per deposit basis. Monthly deposits posted prior to the end of the month shall not constitute a billable deposit until the deposit has been made to the client's account.

F.2.4.2. The State will pay a fixed price to the Contractor for System implementation and transition costs from the current Contractor's EPS System to the new Contractor's EPS System. The Bidder shall provide costs within the defined categories as follows:

- EPS System Design and Development
- EBT-only Terminal Conversion Costs
- Provider POS Conversion Costs
- EPS Database Conversion Costs
- Flat Card Printer Conversion Costs

The format of the response is contained in Schedule 5.1, Pricing Table for Oklahoma EPS Start-up Costs. Bidders should include a narrative explaining the costs included within each component and assumptions used to arrive at the costs.

The fixed-price start-up costs shall be paid to the Contractor in three installments. The first installment, consisting of 30% shall be paid upon the successful completion of the RFP requirements for SNAP including system acceptance test (evidenced by sign-off of both State and Federal agencies) and conversion of the program from the current contractor to the new contractor. The second installment, consisting of an additional 40% of the costs shall be paid upon completion of the RFP requirements for the Time and Attendance system including system acceptance test (evidenced by sign-off by the State) and conversion of the program from the current contractor to the new contractor. The final installment consisting of the remaining 30% shall be paid upon the successful completion of the RFP requirements for debit card/direct deposit including system acceptance test (evidenced by sign-off by the State) and conversion of the program from the current contractor to the new contractor.

F.2.4.3. Additional price options that make be implemented after awards of contact. Please specify any start-up cost associated with the options listed below.

- Contractor mail all replacement cards. County offices will still print new cards.
- Contractor to install new software and new printers and maintaining them to be able to print pictures on Food Stamp/Daycare Cards
- Contractor to install software to allow biometric readers at county office and new POS terminals with biometric readers at all providers

F.2.5. CPCM Pricing Schedule

Bidders should use the pricing table contained in F.5 Schedules 5.3, and 5.4, Pricing Table for Oklahoma EBT SNAP CPCM and Pricing Table for Oklahoma EBT Time & Attendance system CPCM, to reflect Cost Per Case Month (CPCM) pricing for the EPS

contract. Active case counts shall be the total unduplicated case count on the Contractor's EBT system for the billing month.

If during the life of the contract, the total unduplicated case counts fall outside of the range provided within the pricing table, the price will be set and remain at the lowest and highest case ranges within the pricing table.

- CPCM pricing for Option listed in schedule 5.2.
- Increase cost for contractor to mail replacement card to the CPCM.
- Increase cost to CPCM for the rental and maintenance of printers with pictures capabilities.
- Increase cost to CPCM for the rental and maintenance of POS and biometric readers.

F.2.6. CPCM pricing for Option listed in 5.2

- Increase cost for contractor to mail replacement card to the CPCM.
- Increase cost to CPCM for the rental and maintenance of printers with pictures capabilities.
- Increase cost to CPCM for the rental and maintenance of POS and biometric readers.

Bidders should use the pricing table contained in Schedule 5.5, Pricing Table for Debit Card/Direct Deposit, to reflect Cost Per Deposit (CPD) pricing for the EPS contract. Deposit counts shall be the total deposits made against cases on the Contractor's Debit Card/Direct Deposit system for the billing month.

F.2.7. Professional Services Pricing

Pricing Schedules 5.6 through 5.8 contain the hourly rate pricing that would be charged to the State for professional services such as a system enhancement request to support new functionality and ad hoc reports. A per hour price should be provided for each labor category contained in the pricing table, by program, and any other labor category not included within the table, but utilized by the Contractor.

F.2.8. Alternative/Incentive Pricing

Bidder shall include any pricing options considered as alternative pricing schedules. The State will consider any suggestions or recommendations the Bidder wishes to propose to reduce costs to the State for SNAP and/or Time & Attendance systems.

F.3. Debit Card Cost Proposal

The State is interested in our cardholders receiving at no cost or the lowest possible cost the set of services associated with use of the card. These services would include but not limited to: point of sale use, point of sale with cash-back use, ATM access to cash, teller access to cash and balance inquiry by telephone and ATM. IVR answered calls need to be unlimited at no cost to the client.

F.3.1.1. The State will not accept cost proposals that specify costs to the State to implement or operate the EPC except as allowed in 5.5 of the Cost Proposal.

F.3.1.2. Clients receiving cash payments/benefits must be provided with a minimum of two (2) free cash withdrawals per month per case before the Contractor can assess a transaction fee. These transactions can occur at either an ATM or a POS device, no cash back transactions will be allowed on EBT-only POS terminals). The Contractor shall define in this Section the per transaction fee that will be assessed to the Client after a minimum of two free transactions have been performed. However, the maximum fee that can be charged to clients is capped at \$0.85 per successful cash withdrawal transaction beginning after the free cash withdrawals in any given month.

F.3.1.3. Cost Proposal – Cardholder Fee Schedule-The Bidder shall provide a pricing schedule that itemizes the individual costs and fees associated with this program that will be borne by the cardholder, e.g. ATM withdrawal fee. The Bidder shall clearly describe any terms associated with how the fee would be assessed. For example, whether a particular fee would only be charged after some number of withdrawal transactions or whether a particular fee would be waived under certain conditions or situations. The Bidder shall also indicate any changes to the amount of the fee depending on volume. The price breaks shall be stated in terms of total dollars loaded to all debit cards in use by the State.

F.3.1.4. Alternative/Incentive Pricing -The Bidder shall include any pricing options considered as alternative pricing schedules. The State will consider any suggestions or recommendations the Bidder wishes to propose to reduce costs to the State and cardholders. Bidder should list any incentive money provided to publicize the debit card program.

F.3.1.5. Evaluation of Cardholder Fees

Evaluation of cardholder cost shall constitute a major portion of the cost evaluation

**Cost proposals that include fees to the State will not be accepted.

F.4. Invoicing and Payment

The State shall make monthly payments to the Contractor for services rendered during the previous calendar month. This information can be provided by the state after the 3rd of the month or the contractor can provide it. Contractor shall then prepare an invoice for services rendered following the last working day of each calendar month being billed. The invoice must be accompanied by the supporting files as required in this RFP or use the states numbers. Invoices will not be paid until reconciled against the states numbers. At a minimum, the monthly bill should contain the following:

- Report period (month/year);
- Previous amount due/payments received;
- As applicable, billable startup costs;
- Number of active EBT accounts within each category;
- Applicable CPCM for active EBT accounts within each category;
- Total CPCM pricing (total of active EBT accounts times the CPCM);
- An itemized list of the fee for services provided and total cost;
- Total amount due.

F.5. Pricing Schedules

The Bidder shall clearly state the assumptions on which its pricing schedules are based in a narrative attached to each price schedule. Business proposals that do not include a narrative with clearly stated assumptions for each price schedule may be rejected. The State may reject any cost proposal that is incomplete or which contains inconsistencies, blanks or inaccuracies.

- Oklahoma EPS Start-Up Costs
- Oklahoma EBT Maintenance Costs
- Oklahoma EBT Replacement Equipment Costs
- Oklahoma EBT CPCM
- Oklahoma Debit Card/Direct Deposit Pricing Schedule CPD
- Oklahoma EPS Fee for Additional Professional Services

Schedule 5.1

Pricing Table for Oklahoma EPS Start-up Costs – Bidder must provide cost as specified below.

Category	Cost Total Amount
SNAP System Design and Development	
Time & Attendance System Design and Development	
Debit Card/Direct Deposit System Design and Development	
Debit Card Incentive Funds	
SNAP conversion costs (includes all cost related to conversion)	
Time & Attendance conversion costs (includes all requirements related to conversion)	
Debit Card/Direct Deposit conversion costs (includes all requirements related to conversion)	
Flat Card Printer conversion costs (includes all requirements related to conversion)	
Total Start-Up Costs	
**Options:	
Design and Development Picture printers & Software	

Design and Development Biometrics Time & Attendance system	
Design and Development of contractor printing replacement cards.	

*** Will not be included in cost evaluation score

Bidder: _____ Date: _____

Schedule 5.2

Pricing Table for Oklahoma EPS Maintenance –

Bidders must provide cost as specified below

Category – Maintenance on State owned Equipment	Cost Must be expressed in + or – to CPCM cost
EBT-only VeriFone 510 POS terminal and pin pads	
Farmer Market Wireless terminals	
Time & Attendance VeriFone Vx570 POS terminal	
DataCard 55 SP Flat Card Printer	
EBT-only PIN terminal	
Total EBT Maintenance costs	
	Cost Must be expressed as a Per Terminal Cost
Replacement VeriFone VX 610 Wireless terminals or equivalent	
Alternative Option to wireless terminals	
Replacement EBT-Only VeriFone 510 POS terminals or equivalent	
Replacement Pin Pan for VeriFone 510 or equivalent	
Replacement Provider Vx570 POS terminals or equivalent	
Replacement DataCard 55SP Flat Card Printers or equivalent	

Bidder: _____ Date: _____

Schedule 5.3

Pricing Table for Oklahoma EBT SNAP CPCM

With State issuing all cards

Active Cases for Billing Month	SNAP CPCM
<125,000 – 140,000	
140,001 – 160,000	
160,001 – 175,000 >	

With State issuing picture cards

Active Cases for Billing Month	SNAP CPCM
<125,000 – 140,000	
140,001 – 160,000	
160,001 – 175,000 >	

With contractor issuing/mailling replacement cards

Active Cases for Billing Month	SNAP CPCM
<125,000 – 140,000	
140,001 – 160,000	
160,001 – 175,000 >	

Bidder: _____ Date: _____

Schedule 5.4

Pricing Table for Oklahoma EBT Time & Attendance CPCM

Active Cases for Billing Month	Time & Attendance without Biometrics CPCM	Time & Attendance with Biometrics
All Case Levels		

Bidder: _____ Date: _____

Schedule 5.5 - Pricing schedule for Debit Cards/Direct Deposit

Item	Fee	Transaction
ATM Withdrawal (after a minimum of 2 free) – Domestic		
Surcharges (must specify when and where surcharges will be applied)		
ATM Withdrawal - outside US		
Surcharges (must specify when and where surcharges will be applied)		
Pin POS Transactions Purchase/Decline		
Bank Teller Transactions		
ATM Balance Inquiry		
Inquiries through toll-free IVR (must specify type of inquiry and the charge associated)		
Inquiries through CSR (must specify each type of inquiry and the charge associated)		
OTHER CHARGES THAT MAY APPLY		
Pinless Signature-based Purchase		
Secondary Cardholder Card Issuance		

Card Replacement (must provide one free replacement per year)		
Express delivery fee		
ATM Transaction Decline		
Negative Balance Fee		
Research Fee on Disputed Charges		
Card to Card Transfer		
POS Declines		
Monitoring Blocked ATM		
Monitoring Blocked POS		
Blocking ATM's		
Blocking POS		
Other Charges – be specific		
Other Charges – be specific		

Bidder: _____ Date: _____

Schedule 5.6 Pricing Table for Additional Professional Services for SNAP

Professional Services Rate	Hourly Rate	Number of free hours before pricing is in effect
Project Manager		
Operations Manager		
Database Specialist		
Senior Programmer/Analyst		
Programmer/Analyst		
Software Test Specialist		
Technical Writer		
Ad-Hoc Reports		
**Other:		
**Other:		

** Will not be included in cost evaluation score

Bidder: _____ Date: _____

Schedule 5.7 Pricing Table for Additional Professional Services for Time & Attendance

Professional Services Rate	Hourly Rate	Number of free hours before pricing is in effect
Project Manager		
Operations Manager		
Database Specialist		
Senior Programmer/Analyst		

Programmer/Analyst		
Software Test Specialist		
Technical Writer		
Ad-Hoc Reports		
**Other:		
**Other:		

** Will not be included in cost evaluation score

Bidder: _____ Date: _____

Schedule 5.8 Pricing Table for Additional Professional Services for Debit Card/Direct Deposit

Professional Services Rate	Hourly Rate	Number of free hours before pricing is in effect
Project Manager		
Operations Manager		
Database Specialist		
Senior Programmer/Analyst		
Programmer/Analyst		
Software Test Specialist		
Technical Writer		
Ad-Hoc Reports		
**Other:		
**Other:		

** Will not be included in cost evaluation score

Bidder: _____ Date: _____

G. CHECKLIST

- G.1.1.** Responding Bidder Information (OMES/ISD Procurement – Form 076)
- G.1.2.** Certification for Competitive Bid and Contract (OMES/ISD Procurement – Form 004)
- G.1.3.** Workman's Comp Insurance Certification
- G.1.4.** Vendor/Payee Form or W-8BEN (as required)
- G.1.5.** References (Section E.8.3)
- G.1.6.** Company Information (Section E.8.4)
- G.1.7.** Implementation/Workplan w/Data Conversion Plan (Section C.10)
- G.1.8.** Project Organization Staffing Plan (Section C.9)
- G.1.9.** Training Plan (Section C.11.7)
- G.1.10.** Disaster Recovery Plan (Section C.17)
- G.1.11.** Incident and Problem Escalation Procedures (Section C.18)
- G.1.12.** VPAT (Section (E.8.6))
- G.1.13.** Cost- (Section F)



**State of Oklahoma
Office of Management and Enterprise Services
Central Purchasing Division**

**Certification for Competitive
Bid and/or Contract
(Non-Collusion Certification)**

NOTE: A certification shall be included with any competitive bid and/or contract exceeding \$5,000.00 submitted to the State for goods or services.

Solicitation or Purchase Order #: _____

Supplier Legal Name: _____

SECTION I [74 O.S. § 85.22]:

A. For purposes of competitive bid,

1. I am the duly authorized agent of the above named bidder submitting the competitive bid herewith, for the purpose of certifying the facts pertaining to the existence of collusion among bidders and between bidders and state officials or employees, as well as facts pertaining to the giving or offering of things of value to government personnel in return for special consideration in the letting of any contract pursuant to said bid;
2. I am fully aware of the facts and circumstances surrounding the making of the bid to which this statement is attached and have been personally and directly involved in the proceedings leading to the submission of such bid; and
3. Neither the bidder nor anyone subject to the bidder's direction or control has been a party:
 - a. to any collusion among bidders in restraint of freedom of competition by agreement to bid at a fixed price or to refrain from bidding,
 - b. to any collusion with any state official or employee as to quantity, quality or price in the prospective contract, or as to any other terms of such prospective contract, nor
 - c. in any discussions between bidders and any state official concerning exchange of money or other thing of value for special consideration in the letting of a contract, nor
 - d. to any efforts or offers with state agency or political subdivision officials or others to create a sole brand acquisition or a sole source acquisition in contradiction to 74 O.S. 85.45j.1.

B. I certify, if awarded the contract, whether competitively bid or not, neither the contractor nor anyone subject to the contractor's direction or control has paid, given or donated or agreed to pay, give or donate to any officer or employee of the State of Oklahoma any money or other thing of value, either directly or indirectly, in procuring this contract herein.

SECTION II [74 O.S. § 85.42]:

For the purpose of a contract for services, the supplier also certifies that no person who has been involved in any manner in the development of this contract while employed by the State of Oklahoma shall be employed by the supplier to fulfill any of the services provided for under said contract.

The undersigned, duly authorized agent for the above named supplier, by signing below acknowledges this certification statement is executed for the purposes of:

the competitive bid attached herewith and contract, if awarded to said supplier;

OR

the contract attached herewith, which was not competitively bid and awarded by the agency pursuant to applicable Oklahoma statutes.

Supplier Authorized Signature

Certified This Date

Printed Name

Title

Phone Number

Email

Fax Number



**State of Oklahoma
Office of Management and
Enterprise Services
Information Services Division**

Responding Bidder Information

*"Certification for Competitive Bid and Contract" **MUST** be submitted along with the response to the Solicitation.*

1. **RE: Solicitation #** _____

2. **Bidder General Information:**

FEI / SSN: _____ VEN ID (if unknown, leave it blank): _____

Company Name: _____

3. **Bidder Contact Information:**

Address: _____

City: _____ State: _____ Zip Code: _____

Contact Name: _____

Contact Title: _____

Phone #: _____ FAX#: _____

Email: _____ Website: _____

4. **Oklahoma Sales Tax Permit¹:**

YES – Permit #: _____

NO - Exempt pursuant to Oklahoma Laws or Rules

5. **Registration with the Oklahoma Secretary of State:**

YES – Filing Number: _____

NO - Prior to the contract award, the successful bidder will be required to register with the Secretary of State or must attach a signed statement that provides specific details supporting the exemption the supplier is claiming (www.sos.ok.gov or 405-521-3911).

6. **Workers' Compensation Insurance Coverage:**

Bidder is required to provide with the bid a certificate of insurance showing proof of compliance with the Oklahoma Workers' Compensation Act.

YES – include a certificate of insurance with the bid

NO – attach a signed statement that provides specific details supporting the exemption you are claiming from the Workers' Compensation Act (Note: Pursuant to Attorney General Opinion #07-8, the exemption from 85 O.S. 2001, § 2.6 applies only to employers who are natural persons, such as sole proprietors, and does not apply to employers who are entities created by law, including but not limited to corporations, partnerships and limited liability companies.)²

Authorized Signature

Date

Printed Name

Title

¹ For frequently asked questions concerning Oklahoma Sales Tax Permit, see <http://www.tax.ok.gov/faq/faqbussales.html>

² For frequently asked questions concerning Workers' Compensation Insurance, see

http://www.ok.gov/oid/Consumers/Workers'_Compensation/index.html



The Voluntary Product Accessibility Template is a tool to assist in making preliminary assessments regarding the availability of electronic and information technology products and services with features that support accessibility.

The VPAT provides a summary view of criteria specific to various types of technologies identified in the Oklahoma Information Technology Accessibility Standards. There are three sections in each table. Section one of the Summary Table describes each section of the Standards. The second section describes the supporting features of the product or refers you to the corresponding detailed table, "e.g., equivalent facilitation." The third section contains any additional remarks and explanations regarding the product.

Oklahoma EITA Procurement Clause:

Pursuant to Title 74, Section 85.7d and OAC 580:15-6-21 electronic and information technology procurements, agreements, and contracts shall comply with applicable Oklahoma Information Technology Accessibility Standards issued by the Oklahoma Office of State Finance.

EIT Standards may be found at www.ok.gov/DCS/Central_Purchasing/index.html or http://www.ok.gov/OSF/documents/isd_itas.doc.

- 1) For Information Technology or Communications Products, Systems and Applications not requiring development and/or customization. The Contractor shall provide a description of conformance with the applicable Oklahoma Information Technology Accessibility Standards for the proposed product, system or application by means of either a Voluntary Product Accessibility Template (VPAT) or other comparable document, upon request.

The Contractor shall indemnify and hold harmless the State of Oklahoma and any Oklahoma Government entity purchasing the products, systems, or applications not requiring development and/or customized by the Contractor from any claim arising out of the Contractor's failure to comply with applicable Oklahoma Information Technology Accessibility Standards subsequent to providing certification of compliance to such Standards.

- 2) For Information Technology or Communications Products, Systems or Applications requiring development and/or customization. The Contractor shall provide a description of conformance with the applicable Oklahoma Information Technology Accessibility Standards for the proposed product, system, or application developed and/or customized by means of either a Voluntary Product Accessibility Template (VPAT) or other comparable document, upon request. Additional requirements and documentation may be required and compliance will be necessary on the Contractor's part. Such requirements will be stated in documents such as State Bids, Request for Proposals, Contracts, Agreements, Purchase Orders, and Amendments.

The Contractor shall indemnify and hold harmless the State of Oklahoma and any Oklahoma Government entity purchasing the products, systems, or applications from the Contractor, from any claim arising out of the Contractor's failure to comply with applicable Oklahoma Information Technology Accessibility Standards subsequent to providing certification of compliance to such Standards. However, the Contractor shall no longer have an obligation to indemnify the State for liability resulting from products, systems or applications developed and/or customized that are not in compliance with applicable Oklahoma Information Technology Accessibility Standards ("Standards") after the State has tested and confirmed that the product, system or application meets the accessibility requirements in the Standards.

How to Get Started - Begin with your product's specification or a list of its known features:

1. Determine which subsection(s) of the Oklahoma Information Technology Accessibility Standards (IT Standards) apply to your product. Document the product's ability to meet the standards in the applicable areas, such as software, operating system, and so on.
2. For each standard in the applicable area(s), determine if the product meets or supports the standard.
 - o If the product appears to meet or support the standard, then you have the option of providing examples of features that are accessible or of specific accessibility features that exist.
 - o If the product appears to not meet the standard, remember that the OK Information Technology Accessibility Standards allow for alternative products provided that they result in substantially equivalent or greater access. The product can meet the standard as long as the feature performs in the same manner as it does for any other user. This is called "functional equivalency."



3. When the VPAT draft is complete, translate the technical language into language that will be understood by a state agency procurement officer. We encourage use of suggested language noted in the section "Suggested Language for Filling out the VPAT".
4. **Suggested Language for filling out the VPAT**
Suggested language below has been developed for use when filling out a VPAT. All or some of the language may be used. You are encouraged to use consistent language in VPATs throughout the form.

<u>Supporting Features</u>	
Supports	Use this language when you determine the product fully meets the letter and intent of the criteria.
Supports with Exceptions	Use this language when you determine the product does not fully meet the letter and intent of the criteria, but provides some level of access relative to the criteria.
Supports through Equivalent Facilitation	Use this language when you have identified an alternate way to meet the intent of the criteria or when the product does not fully meet the intent of the criteria.
Supports when combined with Compatible AT	Use this language when you determine the product fully meets the letter and intent of the criteria when used in combination with compatible AT. For example, many software programs can provide speech output when combined with a compatible screen reader (commonly used assistive technology for people who are blind).
Does not Support	Use this language when you determine the product does not meet the letter or intent of the criteria.
Not Applicable	Use this language when you determine that the criteria do not apply to the specific product.
Not Applicable - Fundamental Alteration Exception Applies	Use this language when you determine a fundamental alteration of the product would be required to meet the criteria (see the IT Standards for the definition of "fundamental alteration").

Remarks & Explanations (third section on VPAT)

Providing further explanation regarding features and exceptions is especially helpful. Use this section to detail how the product addresses the standard or criteria by:

- Listing accessibility features or features that are accessible;
- Detailing where in the product an exception occurs; and
- Explaining equivalent methods of facilitation (See Section 3.5 of the IT Standards for definition of "equivalent facilitation").



The following VPAT provides a sample format used to evaluate IT Standards applicable to Web-Based Internet Information and Applications established in Section 4.3 of the official IT Standards. The standards are based on the Federal Section 508 Electronic and Information Technology Accessibility Standards developed by the Access Board as well as the access guidelines, version 1.0, developed by the Web Accessibility Initiative of the World Wide Web Consortium. These provisions ensure access for people with visual, hearing, motor and cognitive disabilities who rely on various assistive products to access computer-based information, such as screen readers. Screen readers translate the computer screen display into automated audible output and refreshable Braille displays. Certain conventions, such as verbal tags or identification of graphics and format devices, such as frames, are necessary so that these devices can "read" them for the user in a sensible way. The standards do not prohibit the use of Web site graphics or animation. Instead, the standards help ensure that such information is also available in an accessible format. Generally, this means use of text labels or descriptors for graphics and certain format

Responses to "Meet Standard and How" and "Not Applicable and Why" should be completed in detail. Simple "yes" or "comply" answers provide insufficient information necessary to conduct an informed assessment.

Product Name/Description: _____

Date VPAT Completed: _____

Supplier Name: _____

Name of Person Completing Form: _____

Telephone Number: _____

Web-based Internet information and applications - IT Standards Section 4.3 Voluntary Product Accessibility Template
Criteria: (a) A meaningful text equivalent for every non-text element shall be provided (e.g., via "alt", "longdesc", or in element content) except for captioning of audio information which shall comply with (b) of this section.
Supporting Features:
Remarks and explanations:

Criteria: (b) Equivalent alternatives for any multimedia presentation shall be synchronized with the presentation.
Supporting Features:
Remarks and explanations:

Criteria: (c) Web pages shall be designed so that all information conveyed with color is also available without color, for example from context or markup. Ensure that foreground and background color combinations provide sufficient contrast when viewed by someone having color deficits or when viewed on a black and white screen.

Supporting Features:

Remarks and explanations:

Criteria: (d) Documents shall be organized so they are readable without requiring an associated style sheet.

Supporting Features:

Remarks and explanations:

Criteria: (e) Redundant text links shall be provided for each active region of a server-side image map.

Supporting Features:

Remarks and explanations:

Criteria: (f) Client-side image maps shall be provided instead of server-side image maps except where the regions cannot be defined with an available geometric shape.

Supporting Features:

Remarks and explanations:

Criteria: (g) Row and column headers shall be identified for data tables.

Supporting Features:

Remarks and explanations:

Criteria: (h) Markup shall be used to associate data cells and header cells for data tables that have two or more logical levels of row or column headers.

Supporting Features:

Remarks and explanations:

Criteria: (i) Frames shall be titled with text that facilitates frame identification and navigation

Supporting Features:

Remarks and explanations:

Criteria: (j) Pages and elements shall be designed so that screen flicker does not occur between frequencies 2 Hz and 55 Hz.

Supporting Features:

Remarks and explanations:

Criteria: (k) A text-only page, with equivalent information or functionality, shall be provided to make a web site comply with the provisions of these standards when compliance cannot be accomplished in any other way. The content of the text-only page shall be updated whenever the primary page changes. The non-accessible version must be as accessible as possible.

Supporting Features:

Remarks and explanations:

Criteria: (l) When pages utilize scripting or other programmatic elements to display content, the information provided by the script shall also be provided in an equivalent text format that can be processed and interpreted by assistive technology. When pages utilize scripting or other programmatic elements to create user interfaces, user interaction shall be input device independent.

Supporting Features:

Remarks and explanations:

Criteria: (m) When a web page requires that an applet, plug-in or other application be present on the client system to interpret page content, the page must provide a link to a plug-in or applet that complies with Oklahoma Software Applications and Operating Systems standards (a) through (l).

Supporting Features:

Remarks and explanations:

Criteria: (n) When electronic forms are designed to be completed on-line, the form shall allow people using assistive technology to access the information, field elements, and functionality required for completion and submission of the form, including all directions and cues.

Supporting Features:

Remarks and explanations:

Criteria: (o) A method shall be provided that permits users to skip repetitive navigation links.

Supporting Features:

Remarks and explanations:

Criteria: (p) When a timed response is required, the user shall be alerted and given sufficient time to indicate more time is required.

Supporting Features:

Remarks and explanations:

Criteria: (q) Use valid, industry recognized web programming standards including a document type definition or the equivalent.

Supporting Features:

Remarks and explanations:

Criteria: (r) Identify the primary natural language of the document.

Supporting Features:

Remarks and explanations:

Criteria: (s) A link to the agency's Web site accessibility policy (if existing) and contact information for compliance issues related to the accessibility of electronic and information technology shall be included on home pages and other key pages.

Supporting Features:

Remarks and explanations: