

Appendix B

Scope of Work and Project Requirements

Business Case Number – BC0003045

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SCOPE OF WORK

A. Minimum Requirements

1. All Offerors must address all tasks listed below and adhere to all specified requirements.

Proposals for a new or significantly modified system must clearly state, in detail, how the proposed system meets each of the task requirements. In the case of minor (or no) changes to the existing system, offerors should attest that the proposed system meets the specified requirement.

2. All Offerors must agree to provide e-WIC systems that conform to the most current (i.e. latest) version of industry and government standards, and government guidance, including (but not limited to) the following FNS documents:
 - a. WIC EBT Technical Implementation Guide (TIG);
 - b. WIC EBT Operating Rules;
 - c. Functional Requirements Document (FReD) for a Model WIC Information System; and
 - d. The Food and Nutrition Service (“FNS”) WIC Universal MIS-EBT Interface Specifications (WUMEI).

FNS guidance and standards, including the Operating Rules (Version 3.0), Technical Implementation Guide (TIG), WIC Universal MIS-EBT Interface standards (WUMEI) and links for various ANSI standards for an e-WIC system can be found at:

[WIC Universal MIS EBT Interface \(WUMEI\)](#)

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

B. Deliverable Protocols

1. The format of all deliverables is defined in Task 14.
2. The Delaware Health and Social Service (DHSS), Information Resource Management Section (IRM) will be part of the deliverable review and approval process.

The IRM unit is responsible for providing DHSS divisions with direct programming support of automated systems, as well as consulting support and management of automated systems software, contractors and development projects.

IRM consists of:

- Applications Development,
- Technology Planning,
- Base Technology,
- Telecommunications, Security, and
- Help Desk support groups who participate in all phases of the project lifecycle as appropriate.

IRM will appoint a:

- Project Director with broad oversight authority for all project activities
- Technical Manager will be appointed and report to the Project Director for project-related activities.

The Contractor on this project will report to the Project Director. The Project Director will report to the Director of Information Resource Management and have a dotted line to DTI's (Department of Technology Information) Director of Major Projects.

C. Task Requirements

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

All tasks except Task 19 (System Transition) will be required, to a greater or lesser degree, depending on whether or not the contract is awarded to the incumbent. Upon award, the State and the successful contractor shall mutually agree to the extent required.

Task 1 - e-WIC Project Management

1.1 Project Kickoff Meeting

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

- Introduce the State's Project Manager;
- Give the State an opportunity to provide the Contractor with all the information and materials relevant to the e-WIC project;
- Update the Contractor with the current status of the e-WIC project;
- Provide direction for the Contractor to begin its review of tasks, including any additional detail for the tasks and the timetable for the completion of those tasks;

- Review the preliminary project work plan and schedule, establish the project communications structure and discuss the management of change orders;
- Discuss the required deliverables and schedule for submission of the deliverables, and confirm the acceptance criteria;
- Discuss the content and structure of weekly status calls and status reports; and
- Develop a schedule for joint application design (JAD) sessions, at which system requirements and design will be finalized.

1.2 Project Management Plan

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

- Integration Management
- Time Management
- Scope Management
- Configuration Management
- Change Control
- Cost Management
- Quality Management
- Human Resource Management
- Communications Management
- Complaint and Dispute Resolution
- Risk Management

- Vendor Management
- Training, and
- Status Reporting

1.3 Project Management Team

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

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

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

1.4 Project Work Plan

- 1.4.1 As part of its proposal, each Offeror shall prepare a preliminary project work plan, observing the protocols and intervals specified in Task 14 of the RFP. The Contractor is expected to have the project

work plan for the kickoff meeting (See 1.1 above) for review and scheduling. It is expected that the project work plan will be updated and maintained throughout the life of the project. All updates must be approved by the State's Project Manager.

1.4.2 The project work plan shall identify the following:

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

The project workplan shall be provided and maintained in MS Project and .PDF formats.

Task 2 - MIS Interface

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

Voyatek LLC (formerly GCOM) is the WOW Operation and Maintenance O&M contractor and hosts the system on servers located in Maryland.

The Delaware WOW system is compliant with the USDA FNS WIC Universal MIS EBT Interface (WUMEI) Specification version 2022 version, updated September 2024. Exhibit A reflects interface specifications between WOW and EBT.

The latest version of the WUMEI is at:

[WIC Universal MIS EBT Interface \(WUMEI\)](#)

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

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

2.1 Connectivity

The Contractor shall:

2.1.1 Establish high performance connectivity between the Contractor's primary and back-up e-WIC systems, and WOW's primary and back-up systems.

2.1.2 Provide all necessary hardware and software to ensure connectivity (this does not include provision of computers).

2.2 Interface

The Contractor shall:

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

2.3 Data Exchange

The Contractor shall:

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

Task 3 - e-WIC Systems Requirements

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

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

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

3.1 System Availability

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

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

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

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

3.2 Approved Product List (APL)

- 3.2.1 The e-WIC systems shall receive and maintain the APL product information which contains the Universal Product Code (UPC), categories and subcategories, etc. from WOW on a scheduled and ad-hoc basis.
- 3.2.2 The e-WIC systems shall transmit the APL, including the current UPC's and/or PLU's, to authorized WIC vendors and third-party processors (TPP's). The e-WIC system shall allow WIC vendors and TPP's to automate the download of the APL or to request the APL on-demand. The e-WIC systems shall provide authorized users with viewing access to the APL (current and previous) source data. The e-WIC systems should have the ability for vendors and TPP's to view APL files created by date. The APL file must conform to the latest version of the ANSI X9.93 V4 type 2 specifications.
- 3.2.3 To the extent possible, the Contractor shall provide tools to facilitate vendors' handling and processing of APL files.
- 3.2.4 At present the State has sixteen (16) APL's; however, the EBT system should be capable of accepting additional APL's if required by the State. Each APL represents its own vendor peer group.

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

The e-WIC systems shall:

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

3.4 Intentionally left blank.

3.5 Not-To-Exceed (NTE) Amounts

- 3.5.1 The e-WIC systems will provide a mechanism and necessary data to enable the State to set the initial NTE for each UPC at the UPC or subcategory level for each APL (peer group). (The NTE shall be the bid-price agreed to by the State with each of their vendors). The e-WIC systems will allow the State the ability to determine which food items' NTE will be set by UPC and which by subcategory, and the ability to change this determination at any time.
- 3.5.2 The e-WIC systems shall accept file transfers to update all/some of the NTE's and also allow authorized users to adjust the NTE on an item basis. The e-WIC systems shall also provide automated and on-demand activation of new NTE amounts and allow authorized users to override calculated NTE's deemed inappropriate by the State.
- 3.5.3 The e-WIC systems shall provide redemption data to enable the State to calculate the NTE amount based on the statewide redemption at the average sub-category level.

- 3.5.4 The e-WIC systems shall maintain the NTE amounts and shall have the capability to automatically transmit NTE data to WOW at pre-determined time intervals. The e-WIC systems shall provide authorized users with viewing and download access to current and historical NTE prices.

3.6 Account Set-Up, Maintenance and Changes

This paragraph 3.6 addresses the interface messaging between WOW and the EBT system. Participant interface with the EBT system is addressed in Task 11 Customer Service.

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

3.6.1 Account Set-Up

- 3.6.1.1 The e-WIC systems shall accept a unique identifier (family ID) and associated demographics from WOW via a real-time, online messages. The e-WIC systems shall validate the uniqueness of the family ID and ensure there are no duplicate ID's. The e-WIC systems shall validate the integrity of identifying data (e.g., name, date of birth, etc.). If all data is validated, the e-WIC systems shall establish an e-WIC household account.
- 3.6.1.2 Specific identifying and demographic data elements, as needed, will be addressed during joint application design (JAD) sessions between the State and the Contractor.

3.6.1.3 The e-WIC systems shall create a unique EBT account number for use in identifying each EBT household account in the e-WIC systems.

3.6.1.4 The e-WIC systems shall maintain an EBT account structure to ensure that:

- a. benefit balances are accurately maintained;
- b. benefits accessed by cardholders are drawn from the appropriate category/subcategory and
- c. benefit accounts are not overdrawn.

The Contractor shall be liable for any benefits or funds drawn from an incorrect account, for overdrafts against EBT benefit accounts, for access to benefits prior to or after their availability dates, and for EBT host transaction processing errors.

3.6.2 Account Maintenance

3.6.2.1 The e-WIC systems must maintain an account for each WIC household. The e-WIC systems shall not make changes or updates to account demographic data unless authorized by the State (via a WOW transmission) to do so.

3.6.2.2 The e-WIC systems shall classify as “pending” any new household EBT accounts without associated benefits and will maintain the account as pending until benefits are posted to the account. The e-WIC systems shall only post benefits to the account upon receipt of a benefit issuance record from WOW.

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

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

3.6.3 Account Changes

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

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

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

3.7 Benefit Issuance

3.7.1 The e-WIC systems shall receive food and cash value WIC benefit issuance records from WOW and assign them to the designated

household account. Benefits will be aggregated at the household level and will indicate the household account number, the category/subcategory, quantity/size and benefit availability date(s).

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

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

3.8 Benefit Processing

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

The e-WIC systems shall:

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

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

3.9 Benefit Maintenance

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

3.10 Benefit Availability and Expiration

- 3.10.1 The e-WIC systems will manage benefits based on their availability date and time.
- 3.10.2 Benefits issued host-to-host for an initial certification shall be available to the household immediately upon receipt of the data by the e-WIC host.
- 3.10.3 Records received during the business day containing current month's benefits must be processed and benefits made available immediately upon receipt. Future months' benefits will be available to a household at 12:00 AM local time on the first day of their availability period.

- 3.10.4 The e-WIC systems will ensure benefits are not redeemed prior to their availability date.
- 3.10.5 Benefits will expire at 11:59 PM local time on the last day of the benefit availability period.
- 3.10.6 The e-WIC systems will ensure that expired benefits are not redeemed after their expiration date and time. The systems shall also accommodate transactions, such as store-and-forward (SAF) purchases or adjustments, which may need to be applied to an expired benefit.
- 3.10.7 The e-WIC systems will expunge expired benefits from a household account after a pre-determined period of time to allow for SAF's and adjustments to be applied. A record of expired benefits will be kept by the e-WIC systems and available in a reportable format.
- 3.11 Modification/Cancellation of Benefits
 - 3.11.1 The e-WIC systems shall allow authorized users to modify and/or cancel current and future months' available benefits using real-time, online messages from WOW.
- 3.12 Transaction History
 - 3.12.1 Transaction history data must be maintained as required by State, FNS, Federal Reserve Board, and Federal law.
 - 3.12.2 The e-WIC systems shall maintain and support online access to current account balances and a rolling three-year transaction history for each account.

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

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

3.12.4.1 For Vendor Transactions:

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

3.12.4.2 For Clinic Transactions:

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

3.12.4.3 For e-WIC Administrative System Transactions:

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

Task 4 - EBT Card and PIN Management

4.1 Card Management

- 4.1.1 The State does not intend to reissue or redesign the current EBT card under the contract resulting from this RFP.

4.1.2 The Contractor shall produce and supply magnetic stripe cards, using the current design and specifications, for bulk distribution to the State Agency. See Exhibit D for technical EBT card specifications.

4.1.3 All initial e-WIC cards will be issued over-the-counter (OTC) by the clinics. The authorized clinic user shall enter the PAN of the card to be issued into the WOW system. That information will be transmitted online, real-time, to the e-WIC systems. The e-WIC systems shall link the PAN, online, and real-time to the household account.

4.1.4 At the present time, the State does not issue any proxy cards.

4.2 Card Replacement

4.2.1 The e-WIC systems must provide cardholders with the ability to report lost, stolen or damaged cards 24 hours per day, 7 days per week.

4.2.2 All replacement cards will be issued OTC at the clinic. The Contractor shall not issue any replacement cards.

4.2.3 Prior to allowing a replacement card to be issued, the e-WIC systems shall validate that the previous card has been “statused” (deactivated) in the e-WIC system. If a previous card is still active, the e-WIC system will deactivate that card before issuing the new card to a specific cardholder.

4.2.4 The e-WIC systems shall return a daily file of all replacement cards issued by the clinics. Formats, schedule, etc. shall be determined during the JAD sessions.

4.3 PIN Management

- 4.3.1 The e-WIC systems shall allow a cardholder to select and/or change their PIN at any time via the ARU or secure client web portal. The e-WIC systems shall provide functionality to positively identify a cardholder requesting an initial or changed PIN.
- 4.3.2 When a replacement card is issued, the cardholder's existing PIN must be useable with the replacement card.
- 4.3.3 The State will not use PIN-select devices.
- 4.3.4 PIN security must meet the guidelines set forth in the most recent version of the WIC EBT Operating Rules and conform to industry standards.

4.4 Test Cards

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

Task 5 - POS Transaction Processing

5.1 Transaction Handling

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

5.2 Transaction Performance and Security

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

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

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

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

- The vendor has a valid WIC vendor number;
- The PAN is valid, and the card is active;

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

5.3 Minimum Transaction Set

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

- Balance Inquiry;
- Food Purchase;
- Cash Voucher Benefit Purchase;
- Mixed Basket (not required for single-function equipment);
- Coupon and discount application;
- Reversal or Void;
- Store and Forward (not required for single-function equipment); and
- Key-entered transactions

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

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

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

5.4 Transaction Types

5.4.1 Balance Inquiries

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

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

5.4.2 Food Purchases

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

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

5.4.2.2 Purchase Confirmation and Completion

Prior to completing a purchase (including CVB purchases) the e-WIC system shall afford the purchaser the opportunity to review the complete purchase and change/delete items. The confirmation shall be accomplished via a paper list or viewing on a terminal screen.

Once the purchase has been verified (with or without changes) the e-WIC systems shall:

- determine the transaction settlement amount based on the total requested amount for each item minus any discounts and NTE adjustments; and
- The e-WIC systems will return the new account balance to the retail system along with data on NTE adjustment and settlement amount.

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

5.4.3 CVB (Cash Value Benefit) Purchases

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

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

5.4.4 Mixed Basket

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

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

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

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

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

5.4.5 Discounts and Coupons

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

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

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

- 5.4.5.4 The benefit of a price discount shall accrue to the State by reducing the total cost of the approved food item.
- 5.4.5.5 The Contractor's systems shall follow the rules for processing e-WIC transactions under different types of discount and coupon promotions as defined in the WIC EBT Operating Rules. Coupons and discounts shall be applied in the same order as the mixed basket.
- 5.4.5.6 The e-WIC systems shall accommodate store/loyalty shopping cards as prescribed in the WIC EBT Operating Rules.
- 5.4.6 Reversals and Voids
 - 5.4.6.1 The e-WIC systems shall allow the cancellation of the purchase of one or more WIC food items(s), a method of payment for WIC food items, or the entire transaction.
 - 5.4.6.2 A void shall not be allowed to credit the WIC account if an item is returned. WIC item returns are item exchanges, on a one-for-one basis, conducted at the WIC vendor's option and shall not result in an e-WIC transaction.
- 5.4.7 Store and Forward Transactions
 - 5.4.7.1 A store and forward transaction is stored electronically with an encrypted PIN by a POS terminal operator when the POS terminal is unable to communicate with the EBT host. The transaction is later forwarded to the EBT host when communications are restored.

- 5.4.7.2 Store and forward transactions may be conducted at the WIC vendor's discretion and must be conducted in accordance with the WIC EBT Operating Rules.
- 5.4.7.3 Store and forward transactions shall be processed at the vendor's risk.
- 5.4.7.4 Re-presentation to obtain the uncollected balance from current or future months' benefits is not allowed for store and forward transactions. The e-WIC systems shall prevent the use of store and forward as a way of accessing the cardholder's future month's benefits.

5.4.8 Key-Entered Transactions

- 5.4.8.1 Transactions may be key-entered at times when a card presented by a cardholder is damaged and/or the POS device is unable to read the magnetic stripe accurately. The e-WIC systems shall accept and process EBT transactions in which the PAN has been manually entered (key-entered) into the POS device. The EBT card must be present for a WIC vendor to conduct a key-entered transaction.
- 5.4.8.2 The validation of the cardholder's PIN is still required on key-entered transactions. If a PIN pad is defective or if, for other reasons, a PIN does not accompany the transaction to the EBT host for processing, the e-WIC systems shall deny the transaction.
- 5.4.8.3 The Contractor shall adopt security measures to prevent cardholder and WIC vendor abuse/misuse of the key-entry feature.

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

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

5.5 Transaction Denials

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

5.5.1 Invalid Foods

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

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

5.5.2 Invalid PIN

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

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

5.6 Adjustments and Disputes

5.6.1 Adjustments

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

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

- The POS device;

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

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

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

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

5.6.2 Disputes

A "dispute" arises when one (or more) party to a transaction (typically, a participant or vendor) has or may incur a financial loss resulting from the transaction. Unlike system errors (adjustments), disputes usually address items such as over/under payment, rejected transactions, benefit availability, etc.

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

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

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

Task 6 - Reconciliation and Settlement

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

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

6.1 Reconciliation

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

- Household account daily beginning category/subcategory balance, purchases, and net category/subcategory ending balance;
- Household net redemptions in dollar value to acquirer settlement values;
- Total funds entering, existing, and remaining in the system each day;

- Total net change in outstanding system wide obligations and the sum of the net change in obligations outstanding for all government funding agencies;
- The net settlement value of participant account adjustments with the sum of the net settlement value of adjustments settled to WIC vendors and acquirers;
- The net settlement value of all transactions to the sum of the net settlement values for all clinics; and
- Net redemptions in dollar value versus the daily suspended transactions in dollar value that overlap daily ACH cut-off times and the current daily activity in dollar value.

- 6.1.2 The Contractor shall determine the total amount of money necessary to reimburse its accounts for the total credits due to EBT acquirers. The information generated during system cutoff and balance processing shall be used by the Contractor to prepare the daily settlement files.
- 6.1.3 The Contractor shall specify procedures for maintaining audit trails throughout the reconciliation and settlement processes.
- 6.1.4 Prior to making any change in reconciliation reports, processes or data displays, etc., the Contractor must provide 90 calendar days advance notice to the State, afford the State an opportunity to review and approve or reject changes prior to implementation.
- 6.1.5 The Contractor shall develop procedures and reports that will enable the State to maintain (and streamline) its reconciliation process.
- 6.1.6 The Contractor shall provide initial reconciliation training to designated State staff as part of State training prior to operations.

- 6.1.7 The training shall be updated as needed during the course of the Contract to reflect changes to the reconciliation reports, processes or data displays.

6.2 Settlement

In fulfilling its settlement responsibilities, the Contractor shall:

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

- 6.2.7 Make payments to WIC vendors, acquirers and TPP's for approved, cleared transactions within two processing days of the settlement date of the transaction.

6.3 Rejected Payments

For any rejected payments, the Contractor shall:

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

Task 7 - Administrative Terminal Functionality

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

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

7.1 Administrative Terminal Design

- 7.1.1 The Contractor shall provide administrative access to the e-WIC systems to State personnel, specified clinic supervisors, and to those Federal agencies at Headquarters and in field offices designated by the State.
- 7.1.2 The Contractor shall provide e-WIC administrative system or host-to-host software and communication protocols for State staff and clinics.
- 7.1.3 To support administrative access, the Contractor shall ensure data must be encrypted in transit and at rest. This interface shall provide authorized users with a windows Graphic User Interface (GUI) environment that includes drop down screens and point and click capabilities.
 - 7.1.3.1 While bidders may propose alternative methods of access support, the alternative method must support all other requirements of this RFP.
- 7.1.4 The Contractor shall assure that the Admin Terminal systems include multi-level access controls to ensure that only authorized

individuals can process administrative transactions or access cardholder account information through the e-WIC administrative systems.

7.2 User Profiles

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

7.3 Program Level Administrative Functions

- 7.3.1 The Contractor shall provide the administrative functions defined below. It is anticipated that any these functions may be used when access through WOW is unavailable:

- Create e-WIC accounts;
- Update or correct EBT account information, including activating or deactivating an account;
- Authorize benefits;
- Cancel benefits prior to their availability date;
- Deactivate, issue, or replace EBT cards;

- Search by name, State ID, PAN, or WIC vendor number to access account, benefit, or WIC vendor information or the online transaction history;
- Access online history for a minimum of three years;
- Execute request for archived data;
- Search for pending cards and/or accounts;
- Purge pending accounts and pending cards;
- Make an adjustment payment to a WIC vendor via ACH;
- View current and historic NTE's, set NTE start and stop dates and adjust NTE's calculated by the e-WIC system;
- View APL, categories, subcategories and UPCs;
- Input additions, changes and deletions (including start and stop dates, when applicable) to the approved APL;
- Access and view system reports and export into a State-designated format; and
- Password change.

7.4 Clinic Admin Functions

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

- View EBT household account information;
- Search functionality to locate a household account;
- Navigate between the account screen, the transaction history screen and the card history screen for a single account;
- Provide the history of account activity, including credits, debits, card changes, PIN changes and PIN unlocks; and

- Display current benefit balances and future (pending) benefit issuances.

7.5 Query Functionality

7.5.1 Admin terminal query functionality shall include the ability to set date parameters on queries, and to allow export of the data.

7.5.2 Users shall be able to conduct queries into redemption activity and have the ability to print and export data resulting from a summary query:

- By household;
- By card number; and
- By WIC vendor.

7.5.3 The e-WIC systems shall also support navigation between queries, including the following:

- Account status queries;
- Between WIC vendor and household queries;
- From summary to detail and from detail to summary; and
- From reconciliation to exception reports.

7.6 FNS Administrative Functions

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

Task 8 - Vendor Initiatives

8.1 Vendor Management

8.1.1 The Contractor shall be responsible for managing WIC vendor e-WIC participation in Delaware. The Contractor's primary roles and responsibilities include:

- Providing every authorized WIC vendor with the opportunity to participate in the e-WIC system;
- Developing and obtaining direct-connect and TPP vendor agreements;
- Certifying and de-certifying ECR/POS systems and TPP's/networks, as needed;
- Training the participating exempt WIC vendors on the use of single-function equipment, and their responsibilities with regard to operating rules, and operations of the e-WIC system;
- Maximizing the use of existing commercial POS terminals;
- Minimizing the use of separate single-function terminals.;
- Installing, maintaining and otherwise supporting stand-beside single-function POS equipment for exempt vendors, as necessary, in accordance with WIC EBT Operating Rules;
- Allowing dial-up and direct-connect communications between the WIC vendor's stand-beside terminal or integrated system to the e-WIC system; and
- Providing help desk services to WIC vendors utilizing single-function equipment for resolving issues/problems on Contractor supplied stand-beside POS equipment and helping to resolve settlement and dispute questions and issues.

- 8.1.2 The Contractor shall provide interface specifications and technical assistance during design, development and testing for those vendors using integrated/TPP-provided POS systems. The Contractor shall encourage vendors to adopt an integrated POS solution.
- 8.1.3 The Contractor shall ensure that WIC vendor transactions occur only at vendors that have valid agreements with the Contractor.
- 8.1.4 The Contractor shall assume all liability if transactions are completed against an invalid WIC vendor number.
- 8.1.5 The Contractor shall cooperate with the State and Federal personnel conducting investigations or audits and provide all requested information within a mutually agreed upon time.

8.2. Vendor Participation

- 8.2.1 The Contractor is responsible for ensuring WIC vendor participation in e-WIC. This effort must be carried out in such a manner so that there are an adequate number of access points for cardholders in their communities.
- 8.2.2 The Contractor shall advise all authorized vendors of any system changes (including new POS deployments, changes in acquiring software, etc.) resulting from implementation of any enhancements, changes to, or replacements of the existing e-WIC system.
- 8.2.3 The Contractor shall ensure access to the e-WIC systems to all authorized vendors who elect to use their own equipment (i.e. “direct-connect”) or who participate using equipment provided by TPP’s (i.e. “integrated” vendors).

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

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

8.3. Acquirer and TPP Agreements

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

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

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

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

8.3.2.2 The agreements with exempt vendors and TPP's will describe the terms and conditions regarding the arrangements for use of the POS equipment, transaction

processing, and the operating procedures and rules. At a minimum, the agreements must include language that requires:

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

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

8.4 State Provided Single-Function Equipment

- 8.4.1 The State currently does not have any single-function POS terminals deployed at authorized vendors (i.e. the State does not have any exempt vendors). However, the State reserves the right to invoke the

requirements of this section when/if deployment of such terminals becomes necessary to assure participant access to WIC benefits.

- 8.4.2 The Contractor shall supply single-function stand-beside POS equipment, as directed by the State, at no charge to the vendor. The Contractor shall also provide supplies and maintenance at no charge to the vendor.
- 8.4.3 The Contractor shall disable the POS equipment of any vendors whose authorization is terminated within twenty-four (24) hours of receiving notification from WOW. This requirement shall also apply to terminated vendors processing via direct-connect or through TPP's, as well as those using single-function equipment.
- 8.4.4 The Contractor is responsible for retrieving stand-beside POS terminals from vendors who have been terminated by the State, who voluntarily withdraw from the WIC program, and from vendors who have elected to move to integrated systems.
- 8.4.5 During implementation, the Contractor shall provide weekly reports, as part of the weekly status report, detailing the number of authorized WIC vendors for which the Contractor has signed agreements, and the percent of WIC vendors with signed agreements in relationship to the total number of WIC vendors.
- 8.4.6 Following implementation, these reports (in addition to those specified in Task 13) must be provided on a quarterly basis.

8.5 POS Terminal Deployment

- 8.5.1 Single-function POS equipment provided by the Contractor shall include the terminal, PIN pad, printer, and UPC scanner. POS

terminals shall be deployed in accordance with the latest FNS formula and approved by the State.

- 8.5.2 The Contractor shall adjust the number of terminals deployed to each vendor annually, based on input from the State.
- 8.5.3 The single-function stand-beside POS equipment shall meet the operational requirements of the e-WIC systems and support the full e-WIC transaction set. All POS equipment deployed by the Contractor must comply with the following:
- WIC EBT Operating Rules;
 - ANSI X9.58-2007, ANSI X9.93, ISO 8583, ISO 9510; and
 - USDA-FNS Technical Implementation Guide (TIG).
- 8.5.4 The POS equipment deployed by the Contractor shall be industry standard and meet the performance requirements specified in Task 18 “Performance Requirements.”
- 8.5.5 Each terminal deployed to WIC vendors shall be assigned a unique terminal ID. The Contractor shall be responsible for ensuring that each terminal is listed under its unique ID number and WIC transactions completed on that terminal are reported under that ID number.
- 8.5.6 Any POS device that is replaced shall have a new, unique terminal ID that is different from the ID of the terminal that was replaced.
- 8.5.7 The stand-beside POS equipment shall support:

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

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

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

- 8.5.9 The State must approve the remote installation of terminals and performance of vendor training, rather than on-site.
- 8.5.10 The Contractor shall provide supplies (paper, ribbons, etc.) and POS maintenance (including replacement, when appropriate) for the life of the Contract at no additional cost.
- 8.5.11 Deployment of single-function terminals authorized by the state shall be accomplished and the terminals operational within fourteen (14) days of receiving the vendor's information from WOW.
- 8.5.12 For those WIC vendors who also accept SNAP with stand-beside equipment provided by the State's SNAP-EBT provider, the State prefers that they not need two separate terminals to conduct SNAP and WIC transactions.

8.6 POS Lease/Purchase Arrangements

- 8.6.1 The Contractor is encouraged to provide additional POS equipment to authorized WIC vendors and farmers at their request.
- 8.6.2 The Contractor may charge the WIC vendor or farmer for providing and supporting this additional equipment. The State reserves the right to review and approve any such charges.
- 8.6.3 Any agreement covering a terminal lease/purchase arrangement shall be between the Contractor and the WIC vendor or farmer; the State will not be party to any such agreements.

8.7 Vendor Database Management

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

Task 9 - Vendor Certification

- 9.1 The Contractor shall provide direct-connect WIC vendors and TPP's with the interface specifications to participate in the e-WIC project and shall make all reasonable efforts to obtain certification for direct-connect WIC vendors and TPP's.
- 9.2 The Contractor is responsible for testing, certifying (Level 3 certification) and decertifying TPP's and WIC vendor integrated ECR/POS systems and POS terminals, (including developing and implementing test and certification requirements and procedures).

- 9.3 The Contractor shall support WIC vendors and TPP's with testing and certification by providing certification scripts and test e-WIC cards. The State (including the State's Quality Assurance contractor, if any) and FNS may participate in testing. The State may review the Contractor's certification requirements and procedures at any time and may require the Contractor to modify such requirements and procedures when necessary.
- 9.4 The Contractor shall not decertify or take any other adverse action against a direct-connect WIC vendor or a TPP without the expressed approval of the State.
- 9.5 At the direction of the State, the Contractor shall coordinate, participate in, and verify any vendor Level 2 certifications.
- 9.5.1 At a minimum, the Contractor shall coordinate the certification schedule with the vendor, write and provide test scripts, oversee the certification, and provide a certification report to the State.
- 9.5.2 Under normal circumstances, Level 2 certifications should be completed within thirty (30) days. Certifications longer than thirty (30) days must be reported to the State.

Task 10 -Testing

10.1 Testing Requirements

- 10.1.1 The Contractor shall provide testing for the duration of the Contract as outlined in this section. The initial e-WIC systems and any changes thereto shall be properly tested and approved by the State prior to being introduced into production. The Contractor shall be

required to meet all FNS testing requirements, including the UAT requirements.

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

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

10.2 Connectivity Testing

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

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

10.3 Interface Testing

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

- 10.3.2 Interface testing shall demonstrate rejection of duplicate files or records and correction of transmission errors.
- 10.3.3 The interface testing shall be successfully completed at least thirty (30) days prior to the UAT.

10.4 Functional Demonstration

- 10.4.1 The functional demonstration shall provide State and FNS representatives with the opportunity to review and observe planned EBT System operations. The functional demonstration shall ensure that the design is proceeding according to the expectations of the State.
- 10.4.2 The Contractor shall prepare a report of the demonstration results including any System modifications that were identified.
- 10.4.3 The functional demonstration shall be held at least thirty (30) days prior to the UAT.

10.5 User Acceptance Test (UAT)

- 10.5.1 The Contractor shall conduct a UAT to provide the State and FNS the opportunity to test all system functionality and ensure compliance with the design requirements. The UAT shall also include testing of all ARU systems and web portals.
- 10.5.1 The UAT must test, at a minimum, functional design requirements including, but not limited to, security, recovery, system controls, settlement (including multiple days), benefit aging, transaction processing, administrative functionality, reporting, account maintenance, and "what if" testing.

- 10.5.2 In addition, as part of UAT, the Contractor must demonstrate the methods and processes for performing all daily reconciliation with the e-WIC systems.
- 10.5.3 During testing of e-WIC systems functionality, the Contractor will monitor testing activities, support UAT participants, and assist in troubleshooting of issues.
- 10.5.4 During the formal test script portion of UAT, testing participants will follow detailed test scripts developed by the Contractor and approved by the State and FNS.
- 10.5.5 The ad hoc ("what if") portion of UAT shall provide the State and FNS the opportunity to include various transaction sets and sequences that were not included in the test scripts and to challenge system operations and design.
- 10.5.6 The Contractor shall have appropriate staff on-site during the UAT so as to coordinate its execution and to validate the success of each test scenario.
- 10.5.7 The Contractor shall provide processes and methods for recording and tracking all defects identified during this process and the subsequent resolution.
- 10.5.8 The Contractor shall prepare and submit a report and test matrix detailing the outcome of all tests performed.
- 10.5.9 The UAT will not be deemed complete until all tests (scripted and ad-hoc) have been successfully completed.

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

10.6 Stress Testing

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

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

10.7 ARU & Web Testing

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

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

10.8 Contingency Testing

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

Task 11 - Customer Service

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

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

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

11.1 Participant ARU Customer Service

- 11.1.1 The Contractor shall provide e-WIC cardholders with ARU customer service and a cardholder web portal, 24 hours a day, 7 days a week. The Contractor shall also provide access for participants with hearing difficulties.
- 11.1.2 The State does not require live customer service support. For any issues that cannot be satisfied by the ARU, the participant shall be referred to their local clinic.
- 11.1.3 Prior to allowing any functionality or providing any information via the ARU and/or web portal, the e-WIC system must authenticate the caller/user, using security criteria agreed to with the State. If the identity cannot be authenticated, the caller/user shall be directed to contact their local clinic, and no further information disseminated.
- 11.1.4 The Contractor shall provide an ARU system that supports the following customer service functions in English and Spanish:

- **Lost/Stolen/Damaged Card:** The cardholder's identity must be confirmed utilizing State-approved criteria prior to disabling the card or issuing a replacement.
- **Current Balance Inquiry:** Cardholders shall receive the available balance remaining from the current month's benefit;
- **Benefit Expiration Date:** Cardholders shall be given the date current benefits will expire;
- **PIN Selection or PIN Change:** Cardholders shall have the option of selecting or changing their PIN via a single call to the ARU; and
- **Transaction History:** The cardholder shall be able to obtain the dates of the last ten (10) transactions (either credit or debit).

11.2 Participant Web Portal Customer Service

11.2.1 The Contractor shall provide a secure participant web portal, with the same functionality as that of the ARU.

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

11.3 Vendor Customer Service

11.3.1 General

11.3.1.1 The Contractor shall provide a WIC Vendor Service Center (VSC), available via a toll-free number, 24 hours a day, 7

days per week for all authorized WIC vendors utilizing single-function equipment. The VSC number shall not be the same as that used for participant customer service.

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

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

11.3.1.4 The Contractor shall provide a VSC that is:

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

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

11.3.2 Vendor ARU

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

- Training, equipment usage and problem resolution:

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

11.3.3 Vendor Web Portal

11.3.3.1 The Contractor shall provide a vendor web portal, with the same functionality as that of the ARU for all vendors utilizing state-provided equipment.

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

11.4 Program and Local Clinic Support

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

Task 12 – Training

12.1 Training Management

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

At State discretion, Staff and clinic training sessions may be recorded.

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

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

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

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

12.1.4 The Contractor shall be responsible for providing space for the classroom training; while State facilities may be available, their use cannot be guaranteed. Virtual classrooms may be used with State approval.

12.2 UAT Training

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

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

12.3 Program Staff Training

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

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

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

12.4 Clinic Training

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

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

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

12.5 Train-the-Trainer

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

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

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

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

12.6 Vendor Training

- 12.6.1 The Contractor shall train current and future WIC vendors who elect to use State-provided single-function POS equipment.
- 12.6.2 The Contractor shall provide vendor training upon completion of terminal installation and will cover areas such as log on/log off procedures, using the terminal for all types of e-WIC transactions, and the settlement and reconciliation process. Upon approval by the State, training may be provided remotely immediately after the POS installation.
- 12.6.3 Regardless of whether the POS equipment is deployed in person or by mail, the Contractor shall provide a user guide for store managers, a tip sheet to provide managers and cashiers with an easy reference during transactions, and the toll-free number for equipment and customer service support.
- 12.6.4 Those vendors that use TPP's to acquire WIC transactions will be trained by their TPP's on how to perform an e-WIC transaction, and on the settlement and reconciliation process. Upon request, the Contractor shall provide TPP's with WIC vendor training information, such as that provided to WIC vendors with stand-beside equipment, to support TPP training.

Task 13 - Reports

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

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

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

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

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

13.1 Financial Reports

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

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

- Adjustment details; and
- Dispute details.

13.2 Participant-related Reports

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

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

13.3 Vendor-related Reports

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

- POS installations/removals;
- Vendor transaction activity report;

- Vendor ARU Customer Support calls;
- “Hits” on the vendor web portal;
- Key-entered transactions; and
- Other user-defined reports as required.

13.4 System Performance Reports

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

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

13.5 Fraud Reports

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

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

- 13.6 Intentionally left blank.
- 13.7 The Contractor shall also provide up to eight (8) “ad hoc” reports upon request of the State. Once created, the ad hoc reports shall remain available and updated for the life of the contract.
- 12.8 If offerors include report samples in their proposals, they must be limited to one-half and/or one-page samples. Do not include multiple pages of individual reports.

Task 14 – Deliverables

(Note: Should the incumbent contractor be awarded the contract resulting from this RFP, and should the provided system be substantially the same as the current system, the deliverables listed below (currently existing) need only be updated quarterly, as appropriate, for the life of the new contract.)

Should the contract be awarded to other than the incumbent, or should the proposed system be substantially different to the current system (as determined solely by the State), complete deliverables will be required. In all cases, the deliverable protocols specified in items 1 through 4 and a) through j) below shall apply).

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

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

- e. Unless explicitly stated otherwise, the schedule for all deliverables shall be as reflected in the latest version of the approved e-WIC project work plan.

5. Each deliverable shall meet the following minimum acceptance criteria:

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

14.1 Deliverables to be provided:

14.1.1 Requirements Document

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

14.1.2 Detailed System Design Document

This document shall describe the total system configuration including system hardware, functionality, file layouts, message and file flows, automated response unit (ARU) scripts, data elements, system interfaces, settlement and reconciliation functions, and the system security plan.

4.1.3 Functional Design Document

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

14.1.4 Interface Design Document

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

14.1.5 Telecommunications Design Document

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

14.1.6 Test Plans and Scripts

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

14.1.7 Operations Manual

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

14.1.8 Settlement and Reconciliation Manual

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

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

14.1.9 Reports Manual

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

14.1.10 Administrative Terminal Manual

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

14.1.11 Training Plan

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

14.1.12 Vendor Enablement and Readiness Plan

This plan must address:

- Vendor integration promotion activities;
- Vendor and acquirer/TPP agreements;

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

14.1.13 Retailer Certification Plan and Test Scripts

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

14.1.14 Intentionally left blank.

14.1.15 Continuation of Business (COB) Plan

This plan will provide an evaluation of the types of service interruptions (natural disasters, systems failures, telecommunications failures, etc.) that may impact the e-WIC systems' operations and therefore require the use of a backup and recovery process. For each potential interruption type, the Contractor will, at a minimum, detail the steps to be taken to survive and recover from the interruption. See Task 15 for more detail.

14.1.16 Disaster Recovery Plan

This plan shall define the steps the Contractor will take in reaction to a disaster in all or part of the State. The plan shall include considerations for participant benefit and card availability, vendor

readiness and related assessments, as well as system back-up plans as described in Task 15.

14.1.17 Security Plan

This document shall detail:

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

Task 15 – Disaster Recovery

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

15.1 Continuation of Business (COB) Plan

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

- 15.1.2 The plan shall specify the amount of time expected for the transition from the primary to the back-up system and shall also specify the amount of time expected to move operations back to the primary system. Post-incident recovery procedures and responsibilities should also be required to facilitate the rapid restoration of normal operations at the primary site or, if necessary, at an alternate facility following destruction, major damage or other significant interruptions of the primary site. During the operations phase, disaster recovery testing should be conducted annually to ensure that back-up operation plans are adequate. The test results must be provided to the State within 30 days of test completion.
- 15.1.3 The plan and procedures shall describe the approach to meet both back-up system operations and COB plans for benefit delivery. It must also include how communications will be established between WOW and the Contractor's primary and back-up systems.
- 15.1.4 The COB plan shall describe the actions to be taken, the resources to be used and the procedures to be followed before, during and after any event that would render inoperative a function supportive to the EBT system.
- 15.1.5 The COB plan shall cover all events of total or partial cessation of operations or destruction of the database or physical facility.
- 15.1.6 The plan shall include the names, phone numbers, and e-mail addresses of the Contractor's personnel that will serve as contacts, as well as emergency contact escalation procedures. The plan must also include an escalation process that includes notification to the State staff.

15.2 Participant-Related Disaster Services

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

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

15.3 Vendor-Related Support Services

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

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

15.4 Other Technical Support

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

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

Task 16 – Security

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

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

16.1 Physical Security

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

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

16.2 System Security

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

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

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

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

- Unissued card stock must be safeguarded against loss, theft and abuse. The Contractor shall be responsible and bear liability for all unissued card stock until such stock is either received by the applicable State clinic or mailed to cardholders;

- The Advanced Encryption Standard (AES) algorithm shall be used to control all PINs. The Contractor shall ensure that clear text representation of the PIN will never be displayed on PIN entry devices, POS terminals, Administrative Terminals, or elsewhere.
- Authentication of data encoded on the card's magnetic stripe and PIN offset, and the PIN controls listed in the WIC EBT Operating Rules shall conform to ISO 9564;
- All users of the system shall be identified and authenticated prior to gaining access to the system. The system shall require unique identification from each user to access the system;
- The security system shall protect authentication data to make it unavailable to any unauthorized user. The security system shall support an administratively defined lock out threshold for excessive invalid access attempts;
- The security system shall support the immediate deletion or disablement of accounts for users no longer authorized;
- The security system shall provide an audit trail of access to the system and maintain and protect such records from modification, unauthorized access and destruction;
- The security system shall record log on, log off, change of password, program initiation and all actions by system operators, administrators and security officers, including date and time of occurrence; and
- The State's security administrator shall be able to selectively audit the actions of one or more e-WIC systems users, based on individual identity.

16.3 Communications Security

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

- 16.3.2 Appropriate software shall be employed to strictly control and monitor communications access to the e-WIC systems.
- 16.3.3 Communications message validation shall provide for control edits for message completeness, file and field formats and control and authentication measures, and confirmation that messages are transmitted across secure communication lines and links.
- 16.3.4 The Contractor shall have the ability to perform error checking of transmitted data.

16.4 Data Security

- 16.4.1 Data shall be protected to ensure that system and confidential information is not disclosed for unauthorized purposes.
- 16.4.2 The Contractor shall not provide any Program, local agency or Federal agency with access to system data without advance approval from the Program. Such data security controls shall include the following:
 - The Contractor shall ensure that designated users from the Program may access only that Program's e-WIC system. Users from other States may not access the State's system without express authorization;
 - Any sensitive information made available in any format shall be used only for the purpose of carrying out the provisions of this Contract; Information contained in such material shall not be divulged or made known in any manner to any person except as may be necessary in the performance of this Contract;

- Sensitive information shall be accounted for upon receipt and properly stored before, during and after processing. In addition, all related output should be given the same level of protection as required for the source material;
- The Contractor shall destroy magnetic media or delete the information from magnetic media when no longer required. The Contractor's destruction/erasing methodologies shall meet or exceed the Guidelines for Media Sanitation as written by the National Institute of Standards and Technology (NIST);
- The Contractor shall provide adequate internal controls through separation of duties and/or dual control for appropriate functions. This includes the separation of operations from control functions (such as reconciliation controls), account set up, benefit authorization and settlement authorization;
- The Contractor shall ensure that the mechanisms within the application that enforce access controls shall be continuously protected against tampering and/or unauthorized changes; and
- All confidential information contained in e-mail sent by the system shall be appropriately encrypted.

- 16.4.3 The Contractor shall notify the State of any instances of non-compliance with, or breach of, security measures (whether or not enumerated in this Task 16) within 48 hours of its discovery. Notification shall include a description of the non-compliance or breach, and the corrective action planned and/or taken.

16.5 Inspections, Audits and Investigations

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

reports, personnel and other appropriate aspects of the e-WIC system.

- 16.5.2 The Contractor and any subcontractor(s) shall arrange for the performance of an annual review of the e-WIC systems by an independent auditor acceptable to the State.
- 16.5.3 The review shall be performed in accordance with the guidance in Government Auditing Standards issued by the Comptroller General of the United States, for a financial audit, specifically, Statement of Standards for Attestation Engagements No. 18 (SSAE No. 18) and the Statement on Auditing Standards No. 70 (SAS 70), as updated through the life of the Contract.
- 16.5.4 The report resulting from this review shall be sent to the State for review and acceptance.
- 16.5.5 The Contractor shall authorize the State or its representatives to perform audits and/or inspections of its records at any reasonable time during the term of the Contract and for a period of three (3) years following the end of the Federal fiscal year during which the Contract is terminated or until State, and Federal audits of the Contract have been completed, whichever is longer.
- 16.5.6 The Contractor shall permit the State and any other governmental agency authorized by law, or their authorized designee, to monitor all activities conducted by the Contractor pursuant to the terms of each Contract. Such monitoring may consist of internal evaluation procedures, special analysis, on site verification, and any other reasonable procedure that does not unduly interfere with Contract work.

Task 17 - Business Requirements

17.1 Liability

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

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

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

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

17.2 Accounting and Audit Requirements

- 17.2.1 The Accounting and audit requirements of this paragraph supplement and are in addition to those specified in paragraph 16.5 above.
- 17.2.2 The books, records, documents, and accounting practices of the Contractor and all subcontractors on this Contract shall be subject to audit at any reasonable time and upon reasonable notice by the State, FNS, or their duly appointed representatives.
- 17.2.3 In the event of any audit, claim, negotiation, litigation or other action, records shall be retained for the duration of the event.
- 17.2.4 Financial and accounting records pertaining to the Contract shall be maintained for the duration of each Contract and for three (3) years following the end of the Federal fiscal year during which the Contract is terminated or until State and Federal audits of the Contract have been completed, whichever is longer.

Task 18 - Performance Requirements

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

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

- 18.1 e-WIC systems Response Time. The e-WIC systems shall initiate a response to a request to transmit or retrieve a file within two (2) seconds from the time

such request is received by the EBT system, 99.99% of the time, excluding scheduled downtime, on a monthly basis. (OR 6.1.b).

- 18.2 Transactions Processed. No more than two (2) in every 10,000 transactions processed by the e-WIC systems shall lead to an adjustment resulting from an EBT system error. (OR 6.1.c).
- 18.3 Authorized Transaction Source. The e-WIC systems shall ensure that WIC transactions are originating from authorized WIC vendors only, by validating the WIC identification information in the Retailer Agreements, and by validating electronic transactions in the course of transaction processing. (OR 6.1.d).
- 18.4 Central Computer Uptime. The e-WIC central computer systems shall be available 99.9% of the scheduled up-time, twenty-four (24) hours per day, and seven (7) days per week. Scheduled up time shall mean the time the database is available and accessible for transaction processing and excludes scheduled downtime for routine maintenance. (OR 6.1.e).
- 18.5 e-WIC Transaction Response Time. The e-WIC systems shall initiate a response to a transaction request within two (2) seconds from the time such request is received by the EBT System, 98.0% of the time, on a monthly average basis. (OR 6.1.f).
- 18.6 e-WIC System Uptime. The e-WIC systems shall have an uptime of 99.9% on an hourly basis, excluding maintenance. (OR 6.1.g).
- 18.7 Vendor Settlement. WIC Vendors shall be paid for approved, cleared transactions within 2 processing days of the settlement of the transaction. (OR 12.3.a).

- 18.8 Disputes. The Contractor shall investigate and respond to the WIC Program or WIC vendor-initiated cardholder adjustments within 10 business days of the date the adjustment request is initiated. (OR 14.2.c).
- 18.9 EBT Transaction Response Time. All e-WIC transactions shall be processed within 20 seconds. Transaction time shall be measured from the point of sending the transaction from the WIC vendor to the EBT host. Contractor shall meet this requirement at least 95% of the time.
- 18.10 Administrative Terminal-Host Response Time. Host response time for administrative terminal transactions shall not exceed 2 seconds 98% of the time. Measured on a monthly basis.
- 18.11 Benefit Availability. Benefits shall be available no later than 12:00 AM local time on the availability date 100% of the time.
- 18.12 Helpdesk Calls. 95% of all calls shall be answered by the ARU within 2 rings (2 rings are defined as approximately 15 seconds).
- 18.13 Abandoned Calls. Abandoned calls shall not exceed 3% per month.
- 18.14 Equipment Replacement for single-function stand-beside WIC Vendor Terminals. The Contractor shall ship, via overnight express, replacement POS equipment within 48 hours of receipt of a request for a replacement. Contractor shall meet this requirement at least 95% of the time.
- 18.15 Settlement Accuracy. The request for funds (draw down) will be made with 100% accuracy within a rolling 60-day period.
- 18.16 Settlement Discrepancies. The Contractor shall advise the State of settlement or reconciliation discrepancies within 12 hours of occurrence.

- 18.17 Access to System by WIC Vendors Using a Third-Party Processor or Direct-Connect vendors. The Contractor shall assure access to the e-WIC systems for WIC vendors using a third-party processor (or direct-connect vendors) within 30 days of receipt of the request for such access.
- 18.18 Response to System Enhancement/Change Requests. The Contractor shall respond to system enhancement change requests with estimated hours and cost within twenty-one (21) business days of receiving request.
- 18.19 Test Platform Availability – The Contractor shall make the test platform available to the State in accordance with an agreed-upon schedule.

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

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

Failure to have the final e-WIC system fully operational within the agreed upon schedule will result in a liquidated damage of \$5,000 per day, for each day EBT is delayed.

- 18.21 Deliverables - The Contractor shall submit each deliverable specified in paragraph 14 in accordance with the latest approved version of the project work plan.
- 18.22 Corrective Action Plan - For any performance deficiency identified above, the Contractor shall submit a corrective action plan (CAP) within fifteen (15) days of the performance measurement period. The CAP must include a schedule

by which the deficiency will be corrected and be approved by the State. If the Contractor does not achieve compliance with the standard within the schedule in the CAP, the liquidated damages specified above may be imposed.

- 18.23 Multiple Deficiencies - In the case of multiple deficiencies occurring in one event, the deficiency with the most severe liquidated damages will be imposed. The maximum liquidated damages assessable in one calendar month shall not exceed \$20,000.
- 18.24 Offsets - Amounts imposed by the State may be offset from any money payable to the Contractor, or billed by the Contractor as a separate item, which shall be payable within thirty (30) days. The State shall make any claims against the Contractor for liquidated damages within ninety (90) days after discovery of an instance of non-conformance with performance standards.
- 18.25 Contractor Liability – The Contractor shall be liable for any errors in processing benefits or reimbursements, including without limitation any overpayments or duplicate payments, except to the extent such errors arise from the actions or errors of the State. This liability shall be in addition to any other liability for processing errors established by operation of law. Such liabilities may, at the State’s option, be offset from payments due the Contractor.

Task 19 – System Transition

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

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

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

- An overall description of the process;
- Identification of specific individuals responsible for the transition and their roles (i.e. the transition team);
- A detailed schedule for the transition, including all tasks, timeframes, and resources required;
- Definition of what data, if any, needs to be transferred (or converted) between the current and proposed systems;
- Vendor management & migration (including Retail Agreements and equipment deployment);
- Card replacement;
- System and Acceptance Testing;
- Training;
- Customer Service;
- Participant and vendor communications;
- Details regarding system outages, if any; and
- Quality assurance points, go/no-go criteria

19.1 Initiation

- 19.1.1 The incoming e-WIC Service Provider shall convene an initiation meeting either virtually or at a location designated by the State. The e-WIC Service Provider's Project Manager and other key e-WIC Service Provider staff, as deemed necessary by the State Agency shall attend the meeting in person.

- 19.1.2 The e-WIC Service Provider shall review the project plan, schedule, and deliverables and will establish the project communications structure. In addition, the meeting shall include a discussion of the required deliverables, submission of those deliverables, and confirmation of acceptance criteria. The agenda shall include a discussion of the content and structure of recurring status calls and status reports including establishing status reporting schedule.
- 19.1.3 Within five (5) business days of the initial meeting the e-WIC Service Provider shall deliver a technical memorandum documenting all agreements, understandings and contingencies arising from the project initiation meeting.
- 19.1.4 Upon agreement between the State Agency and the e-WIC Service Provider, requirements validation sessions may also begin during the e-WIC Service Provider's time on site for the initiation meeting.

19.2 Requirements Validation Sessions

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

19.3 System Configuration

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

19.4 Continuity of Services

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

19.5 WIC Vendor Conversion

- 19.5.1 The e-WIC Service Provider shall provide a plan for converting all vendors.
- 19.5.2 As part of the conversion effort, the incoming e-WIC Service Provider must establish agreements with all TPPs and vendors using stand-beside equipment provided by the outgoing e-WIC Service Provider. The agreements must be approved by the State Agency and FNS.
- 19.5.3 Single Function Equipment Deployment
 - 19.5.3.1 It is critical that cardholders not be impacted negatively in their ability to access their benefits due to the conversion to the incoming e-WIC system and during the conversion of stand-beside equipment provided by the outgoing e-WIC Service Provider. The replacement process will be established to ensure stand-beside vendors have their equipment replaced prior to system conversion. No replaced equipment may be disconnected and removed until the new replacement equipment is installed and tested.
 - 19.5.3.2 The e-WIC Service Provider shall ensure that new and replacement terminals are provided in such a fashion as to ensure the vendor is capable of installing the equipment.
 - 19.5.3.3 The e-WIC Service Provider shall contact the e-WIC vendor and provide the stand-beside contract no later than seventy-five (75) calendar days prior to system conversion. The State Agency shall be notified of any exceptions to this timeframe.

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

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

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

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

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

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

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

19.5.4 Third Party Processor (TPP) Transition

19.5.4.1 The e-WIC Service Provider shall work with all TPP's involved in routing e-WIC transactions for the State to transition from the outgoing e-WIC Service Provider to the incoming e-WIC Service Provider.

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

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

19.5.4.4 If all TPP's have not been rerouted to the incoming e-WIC Service Provider prior to conversion, the incoming e-WIC Service Provider must have an adequate arrangement with

the outgoing e-WIC Service Provider to ensure that such entities can process their transactions through to the correct authorizing host.

19.6 Database Conversion

- 19.6.1 Database conversion (conversion from outgoing e-WIC Service Provider's database to the incoming e-WIC Service Provider's database) shall take place overnight on a weekend.
- 19.6.2 The entire conversion for the State Agency shall be completed in 12 hours or less.
- 19.6.3 During conversion, no transactions shall be conducted.
- 19.6.4 In preparing for the database conversion, the incoming e-WIC Service Provider shall analyze monthly transaction volumes and select a mutually agreed upon date and time when the least number of vendors and cardholders would be impacted.
- 19.6.5 At both two (2) months prior to conversion and at one (1) week prior to conversion, the incoming e-WIC Service Provider shall notify all authorized vendors of the scheduled outage.
- 19.6.6 The incoming e-WIC Service Provider shall perform thorough testing of the conversion process, including performing test transactions against the converted database in the Test System. Testing shall also validate that PINs have been converted successfully.

- 19.6.7 The incoming e-WIC Service Provider shall accept a minimum of seven (7) full FNS audit years of transaction history to be converted from the outgoing e-WIC Service Provider.
- 19.6.8 At a minimum, three (3) years of data shall be accessible online through the administrative system and data warehouse.
- 19.6.9 An additional four (4) years of data shall be converted and made available to the State on demand.
- 19.6.10 The incoming e-WIC Service Provider shall have checkpoints and reconciliation procedures built into the conversion process to ensure that no benefits or records are dropped.
- 19.6.11 The incoming e-WIC Service Provider shall have a contingency fallback plan in case the conversion cannot be completed in a timely manner due to issues with the conversion.
- 19.6.12 The incoming e-WIC Service Provider shall be required to work with the State and the outgoing e-WIC Service Provider to clean up the database prior to conversion, if necessary.
- 19.6.13 A minimum of two (2) trial runs of the data conversion shall occur prior to the actual database conversion.

19.7 e-WIC Card Conversion

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

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

19.8 Training

- 19.8.1 The e-WIC Service Provider shall provide training to state-level users prior to the start of User Acceptance Testing (UAT).
- 19.8.2 The e-WIC Service Provider shall provide training to additional state-level users prior to system conversion.
- 19.8.3 Training shall include system administration and system security.
- 19.8.4 Training shall include reports, data analytics, and data warehouse functions.
- 19.8.5 Training shall include reconciliation and settlement processes.
- 19.8.6 At a minimum training shall be performed via webinar, although onsite training is preferred

Task 20 - System Enhancements and Planning Support

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

- Web services;
 - Innovative implementation or operational strategies;
 - Enhanced card and POS technologies;
 - Wireless and mobile technology; and
 - Detection and prevention of fraud.
- 20.2 Participate in various planning committees and activities with the State in exploring and evaluating various system enhancements and/or improvements. Efforts will include participation in developing and evaluation of various processes and/or procedures to enhance the overall WIC EBT experience.

Task 21 – Online WIC Purchasing (Option)

- 21.1 The State reserves the option to require the contractor to implement and support online WIC purchasing at any time within the life of this resultant contract, as fully extended.
- 21.2 Upon request, the contractor shall provide an estimate for implementation and operation of online purchasing. The estimate shall include estimated cost, estimated schedule (intervals rather than dates) and proposed scope of work.
- 21.3 The SOW shall conform with but not be limited to:
- a. Adhering to all applicable FNS regulations and industrial standards for online purchases;
 - b. Ensuring that online purchases are only from FNS-authorized online vendors;
 - c. Requiring that all online purchases require a PIN, in addition to the Pan;
 - d. Ensuring that the purchase message captures the purchase delivery address (street address, city, state and zip code).

- e. Including a suite of performance and activity reports as agreed-to with the State.

21.4 For guidance, contractors are referred to the FNS proposed rule “Special Supplemental Nutrition Program for Women, Infants, and Children (WIC): Online Ordering and Transactions and Food Delivery Revisions to Meet the Needs of a Modern, Data-Driven Program” issued February 23, 2023.

21.4.1 Contractors are expected to design an online ordering system to conform to the ultimate final rule on the subject; in the interim, the contractor and the state will jointly agree on the ultimate scope of work and requirements for an online ordering system.

21.5 The request for estimate shall not commit the State to implement online purchasing. Such commitment will be dependent on a fully executed amendment to the contract.

Exhibit A – Current WOW/EBT Interface Control Document (ICD)

Website link for the WIC Direct to MIS Interface Control Document.

[WIC Direct to WIC MIS ICD-2014.pdf](#)

Exhibit B – Required Federal Clauses

The following Federal Procurement Clauses are included by reference:

- a. CFR 200.315 Intangible property
- b. CFR 200.317 Procurements by states
- c. 2 CFR 421.10 Drug-Free Workplace Act
- d. 2 CFR 200 Appendix II (Contract Provisions for Non-Federal Entity Contracts Under Federal Awards)
- e. 28 CFR Part 35, Title II, Subtitle A (Americans with Disabilities Act)

Exhibit C– e-WIC Statistical Abstract

Participants Enrolled: 25,034

Currently Participating: 23,410

Authorized Vendors: 74 (all integrated)

Commissary: 1 (integrated)

Single-function POS terminals deployed: 0

Farmers' Markets/Wireless Terminals: 0

Average of new EBT cards issued/month: 150-200

Average OTC replacement cards issued/month: 50

Replacement cards issued via mail: 350-375 by way of WIC State Agency

Average of participant calls to the ARU: 100-150/month

Below are the name and addresses of all WIC clinics, and the latest number of households served.

DE WIC Serves Approximately -16,140 Households

Claymont Community Center. - 3301 Green St., Claymont, DE 19703 -

Westend Neighborhood House – 710 N. Lincoln St., Wilmington, DE 19802

Northeast State Service Center – 1624 Jessup St., Wilmington, DE 19802

Hudson State Service Center - 501 Ogletown Rd., Newark, DE 19711

Smyrna State Service Center – 100 Sunnyside Rd., Smyrna, DE 19977

Williams State Service Center – 805 River Rd., Dover, DE 19901

Milford Riverwalk – 253 NE Front St., Milford, DE 19963

LaRed Health Center – 21444 Carmean Way, Georgetown, DE 19947

Anna C. Shipley Center – 350 Virginia Ave., Seaford, DE 19973

Pyle State Service Center - 34314 Pyle Center Rd., Frankford, DE 19945

Exhibit D EBT Card Specifications

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

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

EBT Card Obverse (Front)

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

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

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

Table 1-EBT Card PAN Layout

The IIN is a six-digit number encoded on the magnetic stripe that begins immediately after the start sentinel and must (and does) comply with ISO 7813. The DE IIN is 507678.

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

EBT Card Reverse

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

- High coercivity magnetic stripe;
- The toll-free customer service phone number;
- The customer service web portal URL;
- A nondiscrimination statement as directed by USDA or the State; and
- Other printed information, such as a barcode or QRC code, as specified by the State.

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

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

Table 2-EBT Card Track 2 Layout

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

EBT Card Distribution and Inventory Control

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

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

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

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

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

- Card boxes are to be shipped with a numbering system and accompanying inventory list in hard copy and electronic format that will indicate card numbering sequences so that the contents of the box may be ascertained without inspection (opening the box).
- Each sleeve shall be labeled with the card number sequence it contains and be sealed with security tape to identify unauthorized access.
- Sleeves should be packed in cartons in numeric sequence, i.e., from lowest sequence number in lowest carton number to highest sequence number in highest carton number.
- Cartons should be sealed with security tape to identify unauthorized access.
- Cartons should not be labeled in a manner that reveals their contents, but should be labeled with their sequence, i.e. “1 of 20”, “2 of 20”, etc.

Below is an image of the current Delaware e-WIC card:



Figure 1-DE e-WIC Card

Exhibit E– Glossary

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Exhibit F– Price Proposal Form

RFP for e-WIC Processing Services for the Delaware Women, Infants and Children Program,
RFP # 27-008

(Firm Name)

(Address)

(City, State, Zip)

1. Transition Phase:

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

The total price for the transition shall be \$0.00.

2. Hardware Price

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

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

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

Monthly Lease Price: _____

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

Monthly Lease Price: _____

3. Cost Per Case Month (CPCM)

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

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

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

4. Vendor Level 2 Certification

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

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

Firm Name: _____

Authorized Official: _____

Typed Name: _____

Title: _____

Exhibit G – Information Resource Management (IRM) Requirements

The State of Delaware standards, policies and guidelines are located at:

[Delaware standards, policies and guidelines](#)

Terms and Conditions Governing Cloud Services and Data Usage Policy [Terms and Conditions Governing Cloud Services and Data Usage Policy](#)

Terms and Conditions Governing Cloud Services and Data Usage Agreement

[Terms and Conditions Governing Cloud Services and Data Usage Agreement](#)