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Chief Deputy Treasurer

**MARYLAND STATE TREASURER'S OFFICE**

**Louis L. Goldstein Treasury Building  
80 Calvert Street, Room 109  
Annapolis, Maryland 21401**

**REQUEST FOR PROPOSALS  
FOR  
E-WIC PROCESSING SERVICES  
FOR THE  
WOMEN, INFANTS AND CHILDREN PROGRAM  
FOR THE  
MARYLAND DEPARTMENT OF HEALTH AND MENTAL HYGIENE  
AND  
THE GOVERNMENT OF THE VIRGIN ISLANDS  
DEPARTMENT OF PROPERTY AND PROCUREMENT**

**RFP #MD/VI-EWIC-02182015**

**DUE DATE: APRIL 29, 2015**

**ISSUED: February 18, 2015**

**KEY INFORMATION SUMMARY SHEET**

**Maryland State Treasurer's Office  
Request for Proposals  
For e-WIC Processing Services for the  
Women, Infants and Children Program for the  
Maryland Department of Health and Mental Hygiene and  
the Government of the Virgin Islands  
Department of Property and Procurement**

**RFP #MD/VI-EWIC-02182015**

**Procurement Officer:** Anne Jewell  
Tel.: (410)260-7903  
Fax: (410)974-3530  
Email: [procurement@treasurer.state.md.us](mailto:procurement@treasurer.state.md.us)

**Submit Proposals to:** Maryland State Treasurer's Office  
Attn: Anne Jewell, Procurement Officer  
Louis L. Goldstein Treasury Building  
80 Calvert Street, Room 109  
Annapolis, Maryland 21401

**Solicitation Issue Date:** February 18, 2015

**Deadline for Receipt of Questions:** March 11, 2015 by 2:00 p.m. Local Time

**Pre-Proposal Conference:** March 25, 2015 at 11:00 a.m. Local Time

**Proposal Due Date and Time:** April 29, 2015 at 2:00 p.m. Local Time

**Oral Presentations:** May 28, 2015

**Tentative Contract Award:** July 24, 2015

**Notice:** Prospective offerors (the "Offerors") who received this document from eMaryland Marketplace (<https://emaryland.buyspeed.com/bso>), or from a source other than the Issuing Office, should immediately contact the Procurement Officer and provide their name and mailing address in order that amendments to this Request for Proposals ("RFP" or "solicitation") or other communications can be sent to them. Any prospective Offeror who fails to notify the Issuing Office with this information assumes complete responsibility in the event that they do not receive the amendments and other communications from the Issuing Office prior to the closing date.

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**SECTION I. PROCUREMENT INFORMATION**

**1.01 Summary Statement**

The State Treasurer's Office (the "Office"), on behalf of the Maryland Department of Health and Mental Hygiene, Women, Infants and Children Program is seeking a provider for e-WIC processing services for WIC-EBT systems for the State of Maryland and the United States Virgin Islands. Maryland is the lead for procuring and administering the e-WIC services.

**1.02 Procurement Method**

The Office will conduct this solicitation in accordance with the competitive sealed proposals process under COMAR 21.05.03 and will award one contract for Maryland WIC Program and one contract for the US Virgin Islands WIC Program arising out of this RFP (the "Contract").

**1.03 Issuing Office and Procurement Officer**

Maryland State Treasurer's Office  
Louis L. Goldstein Treasury Building  
80 Calvert Street, Room 109  
Annapolis, Maryland 21401

Procurement Officer: Anne Jewell  
Phone: (410) 260-7903  
E-mail: [procurement@treasurer.state.md.us](mailto:procurement@treasurer.state.md.us)

The sole point of contact for purposes of this procurement is the Procurement Officer. The Procurement Officer may designate others to act on her behalf. The Office may change the Procurement Officer or the limits of her authority at its discretion.

**1.04 Contract Officer**

The Contract Officer monitors the daily activities of the Contract and provides technical guidance to the Contractor. The State Contract Officer is:

Chris Harr  
Chief, WIC Information Technology  
Maryland WIC Program  
201 W. Preston Street  
Baltimore, Maryland 21201  
Email: [chris.harr@maryland.gov](mailto:chris.harr@maryland.gov)

**1.05 Use of eMaryland Marketplace**

eMaryland Marketplace (<https://emaryland.buyspeed.com/bso>) is a free electronic commerce system administered by the Maryland Department of General Services. The RFP, associated materials, and all other solicitation-related material will be provided via eMaryland Marketplace.

This means that all such information is immediately available to subscribers of eMaryland Marketplace. All subscribers will receive solicitation notifications as well as solicitation update/change order notifications. Because of the instant access afforded by eMaryland Marketplace, it is recommended that all Offerors interested in doing business with Maryland State agencies subscribe to eMaryland Marketplace. The successful Offeror will be required to subscribe to eMaryland Marketplace upon Contract award.

**1.06 Schedule of Events**

<u>Event</u>	<u>Date</u>
Solicitation Issue Date	02/18/2015
Deadline for Receipt of Questions	03/11/2015 by 2:00 p.m. local time
Pre-Proposal Conference	03/25/2015 at 11:00 a.m. local time
Proposal Due Date	04/29/2015 by 2:00 p.m. local time
Oral Presentations	05/28/2015
Tentative Date of Contract Award	07/24/2015

**1.07 Questions and Inquiries**

All Offerors should direct their questions and inquiries to the Procurement Officer identified in Section I., 1.03 above. **Questions must be submitted in writing by mail or via email and received by the Issuing Office no later than 2:00 p.m. on local time on Wednesday, March 11, 2015.** Oral questions will not be permitted. If the questions or inquiries pertain to a specific section of the RFP, Offerors must reference the relevant page and section number(s).

**1.08 Pre-proposal Conference**

**A pre-proposal conference will be held on Wednesday, March 25, 2015 at 11:00 a.m. local time at the, Louis L. Goldstein Treasury Building, Assembly Room, 1<sup>st</sup> Floor, 80 Calvert Street, Annapolis, Maryland 21401.** If you plan to attend the Pre-proposal Conference, please notify the Procurement Officer by email at: [procurement@treasurer.state.md.us](mailto:procurement@treasurer.state.md.us) (identified in Section I., 1.03 above). Please provide your contact information and the number of individuals expected to attend.

**1.09 Submission Requirements and Deadline**

To be considered for award, Offerors must submit to the Procurement Officer a package containing one (1) written original, and five (7) copies (total of 8) of the Technical Proposal

and the Price Proposal, each in separate sealed envelopes. All submissions shall indicate the RFP Title and number and the Offeror's name and address. **Proposals must be received by the Procurement Officer at the Issuing Office no later than 2:00 p.m. local time on Wednesday, April 29, 2015.** Additionally each Offeror must provide to the Procurement Officer on compact disks one electronic copy of the Technical and Price Proposals submitted. As with the written submission, the electronic copy submission of the Technical Proposal and the Price Proposal must be provided in separate sealed envelopes. Refer to Section IV. Proposal Format for Two-Volume Submission requirements.

The Office will not grant requests for extension of the submission date or time. Offerors mailing proposals should allow sufficient mail and internal delivery time to ensure timely receipt of the proposals by the Procurement Officer at the Issuing Office. Except as permitted under COMAR 21.05.02.10, the Office will not consider proposals or unsolicited amendments to proposals arriving in the Issuing Office or received by the Procurement Officer after the closing date and time, regardless of the method of their transmission. The Office will not consider proposals submitted by electronic means only (facsimile or e-mail).

#### **1.10 False Statements**

Offerors are advised that State Finance and Procurement Article, §11-205.1, Annotated Code of Maryland provides as follows:

(a) *In general.* - In connection with a procurement contract a person may not willfully:

- (1) falsify, conceal, or suppress a material fact by any scheme or device;
- (2) make a false or fraudulent statement or representation of a material fact; or
- (3) use a false writing or document that contains a false or fraudulent statement or entry of a material fact.

(b) *Aiding or conspiring with others.* - A person may not aid or conspire with another person to commit an act under subsection (a) of this section.

(c) *Penalty.* - A person who violates any provision of this section is guilty of a felony and on conviction is subject to a fine not exceeding \$20,000 or imprisonment not exceeding 5 years or both.

#### **1.11 Duration of Offer**

Proposals submitted in response to this solicitation are irrevocable for 120 days following the later of the proposal due date or the date the Procurement Officer receives final best and final offers, if any. At the request of the Procurement Officer, the Offeror may agree in writing to extend this period.



## SECTION II. GENERAL INFORMATION

### **2.01 Electronic Distribution**

This RFP is published on *eMaryland Marketplace*, posted on the websites for the Office, and emailed to eWIC providers known to be interested in receiving RFPs. The RFP will also be published on the *WIC Technology Partners Website* (<http://www.wictechnologypartners.com/index.php>). Potential Offerors wishing to receive copies of the written document should contact the Procurement Officer identified in Section I, 1.03, above.

### **2.02 Revisions to the RFP**

The Office reserves the right to amend this RFP at any time prior to the proposal due date and time. If it becomes necessary to revise this RFP at any time prior to the proposal due date and time, the Office will provide amendments to all prospective Offerors that were sent this RFP or otherwise are known by the Procurement Officer to have obtained this RFP. Offerors will be required to acknowledge in writing the receipt of all amendments. In addition, the Office will post amendments to the RFP on the Office's Web Page at [www.treasurer.state.md.us](http://www.treasurer.state.md.us), (select "Procurement" and then "RFP for e-WIC Processing Services for Maryland and USVI"), and through eMaryland Marketplace at: <https://emaryland.buyspeed.com/bso>. The Office will send amendments made after the due date for proposals only to those Offerors who submitted a timely proposal.

Failure to acknowledge receipt of amendments does not relieve the Offeror from complying with all terms of any such amendment.

### **2.03 Cancellation of the RFP; Rejection of All Proposals**

The Office may cancel this RFP, in whole or in part, or may reject all proposals submitted in response whenever this action is determined to be fiscally advantageous to the State or otherwise in its best interests.

### **2.04 Proposal Acceptance; Discussions**

The Office reserves the right to accept or reject any and all proposals, in whole or in part, received in response to this RFP, to waive or permit cure of minor irregularities, and to conduct discussions with all qualified Offerors in any manner necessary to serve the best interests of the State of Maryland. The Office also reserves the right, in its sole discretion, to award the Contract based upon the written proposals received without prior discussions or negotiations.

**2.05 Oral Presentation**

In support of their proposals, Offerors may be required to make an oral presentation, or conduct a demonstration, or both, not more than two calendar weeks after the Office has requested an Offeror to do so. Failure to be prepared to make an oral presentation or conduct a demonstration within this time period may prevent the Offeror's proposal from receiving further consideration. All written representations will become part of the Offeror's proposal and are binding if the Contract is awarded to the Offeror.

**2.06 Incurred Expenses**

The State will not be responsible for any costs incurred by an Offeror in preparing and submitting a proposal in response to this RFP, including costs incurred in making an oral presentation, if required.

**2.07 Proposal Form**

Offerors should prepare proposals simply and economically, providing a straightforward, concise description of the Offeror's proposal for meeting the requirements of this procurement. The Office will not accept oral, telegraphic, facsimile, mailgram, or electronically transmitted proposals.

**2.08 Multiple Proposals**

The Office will not accept multiple or alternative proposals.

**2.09 Access to Public Records Act Notice**

An Offeror should give specific attention to the identification of those portions of its proposal that it considers confidential, proprietary commercial information or trade secrets, and provide justification why such materials, upon request, should not be disclosed by the State under the Access to Public Records Act, State Government Article, Title 10, Subtitle 6, Annotated Code of Maryland. The Office may charge a fee for copies and search and preparation time, in accordance with COMAR 25.01.04.09. The Office may require payment of such fees before releasing the requested information.

**2.10 Protests**

Any protest or dispute related respectively to this solicitation or the resulting Contract shall be subject to the provisions of COMAR 21.10 (Administrative and Civil Remedies). Offerors must file in writing any protest regarding this solicitation with the Procurement Officer. If the reason for the protest is apparent before the proposal opening, the Offeror must file the protest before the proposal opening. In all other cases, the Offeror must file the protest within 7 calendar days after the reason for the protest is known or should have been known.

The term "filed" means receipt by the Procurement Officer who has issued this solicitation.

The protest must be in writing and must contain (1) the name and address of the protester; (2) the appropriate identification of the solicitation and, if a Contract has been awarded, the Contract number if it is known; (3) a statement of the reasons for the protest; and (4) any supporting exhibits, evidence, or documents to substantiate any claims unless the documents are not available within the filing time, in which case the date by which the supporting documents are expected to be available is to be noted.

### **2.11 Proposal Opening**

Proposals will not be opened publicly.

### **2.12 Bid/Proposal Affidavit**

All proposals submitted by an Offeror must be accompanied by a completed Bid/Proposal Affidavit. A copy of this Affidavit is included as Appendix B to this RFP.

### **2.13 Living Wage Requirements**

A solicitation for services under a State contract valued at \$100,000 or more may be subject to State Finance and Procurement Article, Title 18, Annotated Code of Maryland. Additional information regarding the State's Living Wage requirement is contained in this solicitation (see Appendix C entitled Living Wage Requirements for Service Contracts). If the Offeror fails to complete and submit the Affidavit of Agreement (see Appendix D), the State may determine an Offeror to be not responsible.

Contractors and subcontractors subject to the Living Wage Law shall pay each covered employee at least \$13.19 per hour, if State contract services valued at 50% or more of the total value of the contract are performed in the Tier 1 Area. If State contract services valued at 50% or more of the total contract value are performed in the Tier 2 Area, an Offeror shall pay each covered employee at least \$10.06 per hour. The specific Living Wage rate is determined by whether a majority of services take place in a Tier 1 Area or Tier 2 Area of the State. The Tier 1 Area includes Montgomery, Prince George's, Howard, Anne Arundel, and Baltimore Counties, and Baltimore City. The Tier 2 Area includes any county in the State not included in the Tier 1 Area. If the employees who perform the services are not located in the State, the head of the unit responsible for a State contract pursuant to §18-102 (d) shall assign the tier based upon where the recipients of the services are located.

The Contract resulting from this solicitation has been deemed to be a Tier 1 contract.

**All proposals must be accompanied by a completed Living Wage Affidavit of Agreement. A copy of this Affidavit is included as Appendix D to this RFP.**

### **2.14 Contract Affidavit**

All Offerors are advised that if a Contract is awarded as a result of this solicitation, the successful Offeror will be required to complete a Contract Affidavit. A copy of this Affidavit is included for informational purposes as Appendix F to this RFP. This Affidavit need not be submitted with an Offeror's proposal.

### **2.15 Representations**

By submitting a proposal in response to this RFP, the Offeror represents that (a) it is not in arrears in the payment of any obligation due and owing the State or any department or unit thereof, including but not limited to the payment of taxes and employee benefits (the "State Obligations"), and (b) it is in compliance with all federal, State and local laws applicable to its activities and obligations under the Contract. Further, if selected for award, the Offeror agrees that these representations will continue in effect during the term of the Contract.

### **2.16 Minority Business Enterprises**

The Office has not established a minority business enterprise subcontractor participation goal for this solicitation, but Offerors are encouraged to work with certified MBE subcontractors. A directory of certified MBEs is maintained by the Maryland State Department of Transportation Office of Minority Business Enterprise. The directory is available online at [www.mdot.state.md.us](http://www.mdot.state.md.us). Select the "Minority/Disadvantaged Business Enterprise" label.

### **2.17 Veteran-Owned Small Business Enterprise**

The Office has not established a veteran-owned small business enterprise ("VSBE") subcontractor participation goal for this solicitation, but Offerors are encouraged to work with certified VSBE subcontractors. A VSBE must be verified by the Center for Veterans Enterprise of the United States Department of Veterans Affairs. The VSBE list is at: <http://www.vetbiz.gov>.

### **2.18 No Guarantee of Work**

No Contractor is guaranteed any minimum amount of work or compensation.

### **2.19 Order of Precedence**

The Contracts between the parties (both between the Offeror and Maryland and between the Offeror and the USVI) will be embodied in the Contract documents which will consist of the following, listed in their order of precedence:

1. the executed Contract;
2. the RFP; and
3. the Offeror's proposal.

The Office (and the USVI Department of Property and Procurement) will not accept any modifications to the order of precedence provision of this solicitation. If the Offeror proposes any terms and conditions inconsistent with the requirements of the solicitation, the Offeror must clearly state those terms and conditions in its proposal.

## **2.20 Federal Funding Acknowledgement**

1. There are programmatic conditions that apply to this Contract due to Federal funding. (see Appendix E-3)
2. The total amount of Federal funds allocated for the Prevention and Health Promotion Administration is \$216,885,838 in Maryland State fiscal year 2015. This represents 60.75% of all funds budgeted for the unit in that fiscal year. This does not necessarily represent the amount of funding available for any particular grant, contract, or solicitation.
3. This Contract contains federal funds. The source of these federal funds is: United States Department of Agriculture (USDA), Food and Nutrition Service (FNS). The CFDA number is: 10.557. The conditions that apply to all federal funds awarded by the Department are contained in Federal Funds Appendix E-3. Any additional conditions that apply to this particular federally-funded contract are contained as supplements to Federal Funds Appendix E-3, and Offerors are to complete and submit these Attachments with their Proposal as instructed in the Attachments. Acceptance of this agreement indicates the Bidder/Offeror's intent to comply with all conditions, which are part of this Contract.

## **2.21 USVI Specific**

A proposer filing a proposal hereby certifies that no officer, agent or employee of The Government of the Virgin Islands (GVI) has a pecuniary interest in this proposal or has participated in contract negotiations on behalf of GVI; that the proposal is made in good faith without fraud, collusion, or connection of any kind with any other Bidder for the same request for proposals; the Bidder is competing solely in its own behalf without connection with, or obligation to, any undisclosed person or firm.

The successful Offeror must obtain and submit a valid V.I. business license within ten (10) working days after award. This license must be maintained for the duration of the contract. See [www.dlca.gov.vi](http://www.dlca.gov.vi) for additional information regarding the business license requirements.

The successful Offeror may also be subject to the USVI Gross Receipts Tax. See <http://www.vibir.gov/index.html> for additional information on the Gross Receipts Tax provisions.

The successful Offeror will be required to obtain and have in place public liability insurance and other insurance necessary as requested in this proposal package. Insurance policy(ies) shall name the Government of the Virgin Islands as "**Additional Insured**". The public liability insurance shall have a minimum limit of not less than **one hundred thousand (\$100,000.00) dollars** for anyone occurrence for death or personal injury and **one hundred thousand (\$100,000.00) dollars** for anyone occurrence for property damage. **Bidder must provide public liability insurance within ten (10) working days after award.**

Within ten (10) working days after award of project the successful bidder must submit a copy of their certificate providing that his firm and his agents are covered by Workers' Compensation Employee's Liability.

Except as indicated below, or when clearly inappropriate based on context, all the Terms and Conditions contained in the contract between the successful Offeror and Maryland will be included in the contract between the successful Offeror and the USVI.

Claims and Disputes:

- a. Any dispute will be addressed with the Office of Property and Procurement for a determination of validity and resolution. If the dispute is valid, it will be referred to the Association of Mediators who will provide resolution.
- b. If either party does not accept the proposed resolution, the case will be referred to an Arbitrator who will make the final determination. This determination will be final and binding.

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**SECTION III – SCOPE OF SERVICES AND REQUIREMENT****3.01 Summary****Objective**

Maryland is the lead State for procuring and administering e-WIC services and is seeking a provider of quality e-WIC processing services to provide WIC-EBT systems in Maryland and in the United States Virgin Islands (USVI).

**Program Background**

The Special Supplemental Nutrition Program for Women, Infants and Children (“WIC”) provides nutrition screening and education, referrals to preventive health care programs, breastfeeding education and support, and access to selected foods to supplement the diets of low income, pregnant, lactating and postpartum women, infants and children up to age five who are at nutritional risk. WIC is administered by the United States Department of Agriculture, Food and Nutrition Service (“FNS”). FNS provides federal grants to State agencies for food costs and a separate grant for nutrition services and administration costs.

In Maryland, the WIC Program is administered by the Maryland Department of Health and Mental Hygiene (“DHMH”). The Maryland WIC program serves an average of 137,300 women, infants and children (99,500 households) each month. The Maryland WIC staff is comprised of approximately 320 employees statewide; WIC services are provided through 18 local agencies and 95 clinics located throughout the State.

In 2006, at the request of FNS, Maryland WIC signed a Memorandum of Understanding with the United States Virgin Islands WIC Program to transfer and host the Maryland Management Information System (“MIS”), WIC-on-the-Web (“WOW”), for the USVI WIC Program. The USVI WIC Program serves approximately 4,600 participants (3,000 households) and has a staff of twenty-four (24) employees. The USVI WIC Program is headquartered in St. Croix, and has seven (7) clinics: three (3) on St. Croix, three (3) on St. Thomas, and one (1) on St. John.

In both Maryland and the USVI, participants purchase foods and infant formula from authorized retail outlets such as grocery stores and pharmacies using Food Instruments (“FIs”) in the form of paper checks provided by the local WIC clinic. The checks list the specific items and quantities authorized for purchase. If a participant purchases fewer items (or lesser quantities) than those listed on the check, the balance is forfeited. The cashier writes the purchase amount on the check before the checks are deposited in the retailer’s bank account, and processed through the commercial banking system and the banking contractor for Maryland or USVI, as applicable.

Both Maryland and the USVI also issue Cash Value Vouchers (“CVV’s”) with which participants can purchase fresh produce. CVV’s are issued for specific dollar amounts that participants can use at authorized grocery stores and farmers’ markets.

Each month in Maryland, approximately 890 retailers and 295 farmers redeem roughly 445,000 FIs and CVVs, accounting for over \$10 million in total food expenditures. The USVI WIC Program has twelve (12) authorized retailers and issues approximately 17,500 FIs and CVVs per month for approximately \$0.5 million in monthly food expenditures.

WIC clinic staffs in Maryland and the USVI utilize the web-based MIS, WOW, to certify and issue benefits to participants. WOW is an advanced web-based WIC information system which takes advantage of modern web-based technology by using a centralized database and an intuitive user interface developed in Microsoft Visual Basic.NET with an Oracle 11 database. The USVI MIS is a mirror image of the Maryland MIS. It is accessed through a separate URL, but the application and database reside on Maryland WIC Program servers. The web-based front end allows the system to be used by authorized WIC Program staff from any computer with internet access. The web-based back end allows Maryland and USVI staffs to manage retailer activities and reconcile financial information with each Program's banking contractor and FNS.

### Project Background

In July, 2012, FNS approved the Feasibility Study and Cost Alternatives Analysis jointly submitted by Maryland and the USVI to replace the current paper-based benefit issuance systems with electronic benefit transfer ("EBT") systems, e-WIC. This study recommended on-line, outsourced solutions for both Maryland and the USVI.

Since Maryland and the USVI utilize the same MIS, synergies can be realized via the common elements of the two systems. Therefore separate e-WIC systems will be developed and implemented for Maryland and for the USVI by the same e-WIC Processing Services provider (the "Contractor").

### **3.02 e-WIC Processing System**

The Contractor shall design, develop, implement, operate and maintain separate e-WIC systems for Maryland and for the USVI. Since Maryland and the USVI utilize the same MIS, many of the design, development and test activities (including the User Acceptance Test) can be done simultaneously. Although many of the system components will be substantially similar, there will be distinct differences between the Maryland and USVI WIC systems. After a successful User Acceptance Test (UAT), the Contractor will implement a three-month pilot in Maryland, followed by a staggered statewide rollout. The Contractor will commence a three month pilot in USVI midway through the Maryland rollout. Following the pilot in USVI, the Contractor will conduct an island-wide rollout.

Statistical abstracts of program participation for Maryland and for the US Virgin Islands are contained in Exhibits 1 and 4, respectively. Clinic listings and participation levels both programs are contained in Exhibits 2 and 5 respectively; vendors participating in each program are contained in Exhibits 3 and 6, respectively. It is anticipated that participation levels in each program may increase by 1%-3% per year, and the vendor participation will remain relatively static.



The e-WIC system must be in conformance with Federal regulations, national standards and minimum standards defined in section 3.04 Minimum Requirements. The technical and functional requirements to support the design, development, implementation, operation and maintenance of an on-line e-WIC system are defined in section 3.06 e-WIC Processor Tasks and Requirements. The system must be an industry standard application primarily relying on the commercial Electronic Funds Transfer (EFT) networks and Point-of-Sale (POS) terminals.

### Responsibility/Roles

The overall structure for the procurement of the e-WIC system and delineation of Maryland and USVI responsibilities is defined below:

1. As a result of this RFP, two (2) separate, stand-alone contracts will be awarded to a single successful Offeror. One contract will be between the State of Maryland and the Offeror, the other between the USVI and the Offeror. Examples of each contract, including their terms and conditions, are included in Appendices E and G. Neither Maryland nor the USVI will be a party to the other's contract. Where "State or USVI" is used in this RFP, reference is meant to apply to the respective Contract that the State or USVI has with Offeror.
2. Maryland will be singularly responsible for administering and enforcing the Maryland contract and USVI will be singularly responsible for administering and enforcing the USVI contract.
3. The Maryland contract will encompass:
  - Design and development of the e-WIC systems for Maryland and the USVI through UAT;
  - Three month pilot in Maryland;
  - Rollout for Maryland;
  - Ongoing e-WIC operation and maintenance in Maryland;
  - All settlement activities and costs (food costs) in Maryland beginning with the pilot and continuing through operations and maintenance;
  - Three month pilot in USVI, excluding settlement (food) costs for USVI; and
  - Rollout in USVI, excluding settlement (food) costs for USVI

Maryland will be responsible for paying the following fees to the successful Offeror:

- All design and development costs for Maryland and USVI;
- All costs-per-case-month for Maryland;
- All settlement costs (food costs) for Maryland; and
- All costs-per-case-month for the USVI through island-wide rollout.

4. The USVI contract will encompass:

- All settlement costs for the USVI pilot through island-wide rollout; and
- Ongoing e-WIC operation and maintenance in the USVI.

The USVI will be responsible for paying the following fees to the Offeror:

- All settlement costs (food costs) for USVI and
- All costs-per-case-month for the USVI following island-wide rollout.

#### Project Work Environment – Execution of Contracts through Rollouts in Maryland and the USVI

The Project Manager appointed by Maryland shall administer the design and implementation of the e-WIC systems through rollouts in Maryland and USVI. The e-WIC Processor will work with Maryland's Quality Assurance (QA) contractor in an efficient and professional manner. Both the QA contractor and the e-WIC Processor shall report to the Maryland Project Manager. If there is a conflict between the governing regulations and guidelines regarding a specific standard, the Maryland Project Manager will determine the standard to which the Contractor must adhere. In making the determination, the Maryland Project Manager will consider the Contractor's input, but the Maryland Project Manager has the final decision.

While the majority of the work will be performed in Maryland, Contractor personnel shall work on site in Maryland and in the USVI as agreed in the kickoff meeting, and when determined necessary by the Maryland Project Manager.

All clock times specified in this RFP (i.e. 1:00AM) shall be Maryland or USVI local time, as appropriate. Offerors should be aware that Maryland is in the Eastern Time Zone and the USVI is in the Atlantic Time Zone. Maryland observes Daylight Savings Time, but the USVI does not.

#### Project Work Environment – Maintenance and Operation after Rollouts in Maryland and USVI

After rollout in Maryland, the Maryland Project Manager will continue to administer the operation and maintenance of the eWIC system for Maryland. After rollout in the USVI, the USVI Project Manager will administer the operation and maintenance of the eWIC system for USVI.

### **3.03 e-WIC Project Kickoff Meeting**

Within 10 days of the start of the contract, the Contractor will be expected to attend an on-site project kickoff meeting led by the State at the Maryland WIC Program office in

Baltimore. The Contractor's project manager and other key Contractor staff will participate in this meeting. The objectives of the meeting are to:

- Introduce the State's Project Manager and establish the working relationship between Maryland, the Contractor, the USVI, and the QA contractor;
- Provide the State and the USVI an opportunity to provide the Contractor with all the information and materials relevant to each e-WIC project;
- Update Contractor with the current status of each 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.

### **3.04 Minimum Requirements**

In its proposal, each Offeror must demonstrate that it meets the requirements described in this section for Maryland and the USVI. Failure to do so may result in the rejection of the proposal.

#### **Maryland Requirements:**

1. The Offeror is a financial institution, as defined in State Finance and Procurement Article, §6-201, Annotated Code of Maryland. Alternatively, for an Offeror that is not a financial institution, the Offeror must contract with a financial institution to serve as the depository of funds to be distributed and must specify in its Technical Proposal the name of any such financial institution to be used by the Offeror.
2. The Offeror (or, in the case of an Offeror that is not a financial institution, the depository financial institution) must be a member of and in compliance with the rules and regulations of the Federal Deposit Insurance Corporation ("FDIC").
3. All Offerors (or, in the case of an Offeror that is not a financial institution, the depository financial institution) must have an originating and receiving membership in the national automated clearing house (ACH) network.
4. The Offeror (or, in the case of an Offeror that is not a financial institution, the depository financial institution) must have a Kroll Bond Rating Agency, Inc. (KBRA) rating, or similar financial strength rating from a nationally recognized statistical rating organization of at least a "C".

5. The Offeror (or, in the case of an Offeror that is not a financial institution, the depository financial institution) must provide for the collateralization of all State funds deposited to any bank account that meets the requirements of §§6-202 and 6-209 of the State Finance and Procurement Article. All collateral must be held in the name of the State of Maryland either, (a) with the Federal Reserve Bank of Richmond, (b) with the Federal Reserve Bank of Boston, or (c) at the sole discretion of the Treasurer, on deposit with an independent financial institution acceptable to the Treasurer.
6. All Offerors must have successfully designed, developed, and implemented a payment processing system, the scope of which is substantially the same as that contained in this RFP, for a governmental agency, within the past five (5) years.

### **3.05 General Requirements**

In its proposal, each Offeror must acknowledge and agree to comply with the following:

1. 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: WIC EBT Technical Implementation Guide (TIG), WIC EBT Operating Rules, Functional Requirements Document (FReD) for a Model WIC Information System, and the Food and Nutrition Service ("FNS") WIC Universal MIS-EBT Interface Specifications (WUMEI).
2. 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 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.

FNS guidance and standards for an e-WIC system can be found at:

<http://www.fns.usda.gov/ebt/wic-electronic-benefits-transfer-ebt-guidance>; and <http://fns.usda.gov/apd/wic-ebt-document-library>.

3. All Offerors must agree to notify the State and the USVI about system upgrades and modifications provided by the Offeror within 3 months of implementation for other States or entities.
4. The proposed and final (approved) work plan must incorporate the following schedule milestones:
  - The User Acceptance Test (UAT) must be scheduled no later than 12 months after contract execution;
  - Maryland statewide rollout must be completed no later than 12 months after the approved UAT; and,

- USVI island-wide rollout must be completed no later than three (3) months after the completion of the Maryland rollout.

## 5. Deliverable Protocols

- A. The format of all deliverables, such as plans, assessments, and reports shall be provided in MS Word, MS Excel, .PDF or MS Project formats, as appropriate, or as approved by the Project Manager.
- B. Electronic submission of all deliverables shall be acceptable, unless specified otherwise. The processes and intervals described in paragraphs C and D below shall apply for the entire approval cycle of each deliverable.
- C. In the approval process for all deliverables:
  - 1) Draft documents are not accepted as final deliverables.
  - 2) Each deliverable will be complete within itself and will be consistent with previously produced and approved deliverables.
  - 3) A signed acceptance letter (or other written notification) will be provided for each accepted deliverable.
  - 4) If a deliverable is determined to be unacceptable, a written notification, describing all deficiencies shall be provided to the Contractor.
- D. The e-WIC project work plan (see Task 1.2 below) shall incorporate the following intervals for scheduling submission and approval of all deliverables:
  - 1) The State (in conjunction with the USVI) will have not less than ten (10) days in which to provide comments on all draft deliverables provided by the Contractor.
  - 2) 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.
  - 3) The State (in conjunction with the USVI) will have not less than five (5) days in which to approve all final deliverables.
  - 4) 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.

- F. As used in this RFP, "days" shall mean "business days" (excluding weekends, holidays, and other State-scheduled non-working days) unless otherwise specified. A week shall mean five (5) business days.
6. The Offeror (or, in the case of an Offeror that is not a financial institution, the depository financial institution) shall maintain its Kroll Bond Rating Agency (KBRA) Rating or similar financial strength rating from a nationally recognized statistical rating organization, of at least a "C" for the term of the Contract. Should the Offeror's rating drop below "C", the Maryland State Treasurer (the "Treasurer"), at her discretion, may dismiss the Offeror, require additional collateral of the Offeror, or take other actions as she deems necessary under the circumstances to protect the interests of the State of Maryland.
  7. The Offeror (or, in the case of an Offeror that is not a financial institution, the depository financial institution) shall provide collateral for accounts in accordance with the requirements set forth in Sections 6-202, 6-209, and 6-222 of the State Finance and Procurement Article. The collateral shall be on deposit in the name of the Treasurer, State of Maryland, either, (a) with the Federal Reserve Bank of Richmond, (b) with the Federal Reserve Bank of Boston, or (c) at the sole discretion of the Treasurer, on deposit with an independent financial institution acceptable to the Treasurer.
  8. The Contractor must agree to all terms and conditions set forth in the forms of standard Maryland and USVI contracts included as Appendices E and G to this RFP. Among other things, the Contracts provides for the following:
    - A. In all cases where there are any inconsistencies between the Contract and the Exhibits (which includes the RFP and the Contractor's proposal, and may include bank product terms and conditions or agreements), the Contract shall control. Further, if there is any conflict among the Exhibits, the RFP shall control.
    - B. Only the Procurement Officer for the State of Maryland (or USVI Department of Property and Procurement, as appropriate) may, by written order, make changes to the services to be provided under the Contract, which may result in an equitable adjustment to pricing.
    - C. The State and USVI will not agree to indemnify the Contractor for any claims or losses arising out of the performance of their respective Contracts. The sole method of resolving any disputes under the Maryland Contract shall be in accordance with State Finance and Procurement Article, Title 15, Subtitle 2, Annotated Code of Maryland (Dispute Resolution), and COMAR 21.10 (Administrative and Civil Remedies).
    - D. The governing laws shall be the State of Maryland for the Maryland contract, and the USVI for the USVI Contract.

- E. Any modifications to either Contract must be made in writing signed by both parties, not simply by providing written notice. While a bank may change its procedures by providing written notice, the Office must agree in writing to any other changes affecting the Maryland Contract; the USVI Department of Property and Procurement must agree in writing to any other changes in the USVI Contract.
- F. The Contractor does not have the right to terminate either Contract prior to its expiration.

To the extent a Contractor proposes to incorporate into either Contract certain other bank product terms and conditions or agreements, Contractor acknowledges that the above provisions are not negotiable. Accordingly, if selected for award, any conflicts in the Contractor's proposed terms and conditions or agreements will be revised to be consistent with these provisions.

9. The Contractor must agree to indemnify and hold harmless the State and USVI from any and all claims, costs, liabilities, judgments, including attorneys' fees and court costs, arising from any negligent act of omission by Contractor in connection with providing eWIC services for the disbursement of WIC benefits.
10. Confidentiality Provision: The Contractor agrees to strictly comply with the confidentiality provisions of 7 CFR§246.26(d) which prohibits the disclosure and restricts the use of information obtained from WIC Program applicants and participants except as provided for by that regulation. Contractor shall obtain written permission from the State or from the USVI, as appropriate, prior to releasing or providing statistical information to any party other than the State or to the USVI, respectively. This requirement is in addition to the requirements set forth in Appendices E and G, Standard Contract Terms and Conditions for each contract.

### **3.06 e-WIC Processor Tasks and Requirements**

In its proposal, each Offeror shall clearly describe its ability to perform all the service tasks in this Section for Maryland and the USVI, respectively. A comprehensive description of the proposed e-WIC solutions shall include the system configuration, all processing components, databases, interfaces, and participating entities.

#### **Task 1 - e-WIC 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
- Status Reporting

### 1.1 Project Management Team

It is expected that the Project Management Plan 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:

- retail manager
- technical manager
- operations manager
- customer service/help desk manager

See Section IV (Personnel) for requirements and detailed information the Offeror is to provide as part of their technical proposal.

Section IV defines the roles expected to be assigned to this project. 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 Project Manager. If the proposed replacement personnel are accepted, the changes in personnel shall be effected without additional cost to either the State or the USVI, and without formal modification of either Contract.

### 1.2 Project Work Plan

As part of its proposal, each Offeror shall prepare a preliminary project work plan, observing the intervals specified in Section 3.05, paragraph 4 above. Contractor is expected to have the project work plan for the kickoff meeting (Section 3.03) 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 Project Manager.



The project work plan shall identify the following:

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

## **Task 2 - MIS/e-WIC Interface Requirements**

The WOW system supports WIC in both Maryland and in the USVI (in the USVI, WOW is accessed through a separate URL, but the application and database reside on Maryland WIC servers and the functions are identical). Except as noted, "WOW" shall be understood to include both the Maryland and USVI MIS systems.

WOW is an advanced web-based WIC information system which takes advantage of modern web-based technology by using a centralized database and an intuitive user interface developed in Microsoft Visual Basic.NET with an Oracle 11 database. The web-based front-end allows the system to be used by authorized WIC staff from any computer with internet access. The web-based back-end allows Maryland and USVI staffs to manage vendor activities and reconcile financial information with the Programs' current banking contractors and the USDA.

### 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, testing, pilot and rollout 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).

### 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 24 hour capability, seven 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.

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.

## **Task 3 - e-WIC Systems Requirements**

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

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

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

### 3.1 System Availability

3.1.1 The e-WIC systems, including the EBT host central computer, and any network or intermediate processing facilities under the control of the Contractor and/or its subcontractors shall be available 99.9%

of scheduled uptime, twenty-four (24) hours a day, seven (7) days per week. Scheduled uptime shall mean the time the database is available and accessible for transaction processing, and excludes scheduled downtime for routine maintenance.

3.1.2 The Contractor shall provide the State and the USVI with an annual maintenance schedule. Scheduled maintenance is expected to occur during off-peak transaction periods.

3.1.3 The Contractor shall provide the State and the USVI 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/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 systems 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 the system by date. The APL file must conform to the latest version of the ANSI X9.93 V4 type 2 specifications.

3.2.3 The Contractor shall provide users with tools to simplify data entry or uploads of UPC/PLU data.

### 3.3 UPC/Price Look-up (PLU) Data and Interfaces

The e-WIC systems shall:

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

- Provide the ability to view and search the categories/subcategories database.

### 3.4 National UPC (NUPC) Database

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

### 3.5 Not-To-Exceed (NTE) Amounts

3.5.1 The e-WIC systems will provide a mechanism and necessary data to enable the State (or USVI, as appropriate) set the initial NTE for each UPC at the UPC or subcategory level for each peer group. Separate NTE's shall be established and maintained for Maryland and for the USVI. The e-WIC systems will allow the State/USVI 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 NTEs deemed inappropriate by the State or USVI.

3.5.3 The e-WIC systems shall provide redemption data to enable the State (or USVI as appropriate) to calculate the NTE amount by peer group and statewide (or island-wide) at the sub-category level.

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

### 3.6 Account Set-Up, Maintenance and Changes

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

#### 3.6.1 Account Set-Up

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

### 3.6.2 Account Maintenance

- The e-WIC systems shall maintain an account for each WIC household. The e-WIC systems shall not make changes or updates to account demographic data unless authorized by the State (via a WOW transmission) to do so.
- 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.
- The e-WIC systems shall provide the administrative capability to search for pending accounts and shall generate periodic reports on pending accounts.
- 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 and/or the USVI. The e-WIC systems shall also automatically purge pending cards associated with any pending accounts.

### 3.6.3 Account Changes

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

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

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 (or USVI, as appropriate), FNS, Federal Reserve Board, and Federal law.

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

3.12.3 Data older than three (3) years may be archived, but must be accessible to authorized entities as required. Archived data must be recoverable within 48 hours of a request from either the State or the USVI.

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

#### 3.12.4.1 For Retail Transactions:

- Primary Account Number (PAN);
- EBT account number;
- Household unique identifier (from WOW);
- WIC vendor and TPP identification numbers;
- Terminal identification number;
- Card swipe or key-entered transaction;
- Transaction type (i.e. purchase, return, 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 Contractor shall produce and supply magnetic stripe cards for issuance to e-WIC cardholders for both the State and the USVI. The Contractor shall work with the State and with the USVI to develop separate card designs unique to each e-WIC project.

4.1.2 The Contractor shall:

- Perform all necessary processes and functions to design the e-WIC card;
- Produce the cards;
- Distribute/deliver cards to designated clinics for over-the-counter (OTC) issuance;
- Replace and distribute/deliver cards to cardholders by mail; and
- Maintain a centralized e-WIC card issuance management database.

- 4.1.3 The Contractor shall ensure that the EBT cards are designed to 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.
- 4.1.4 All initial e-WIC cards will be issued over-the-counter (OTC) at clinics. The authorized user shall enter the PAN of the card to be issued into the WOW system. That information will be transmitted online, real-time, to the e-WIC systems. The e-WIC systems shall link the PAN, online, real-time to the household account.
- 4.1.5 The e-WIC systems shall support the ability to issue up to two alternative cardholders (proxies) to a household's EBT account. The e-WIC systems shall link the proxy cardholder data and PAN to the household account. The e-WIC systems shall allow the cancellation of a proxy card at the primary cardholder's request via the Automated Response Unit (ARU), live customer service and/or cardholder web portal or at the clinic.

## 4.2 Card Design

- 4.2.1 The Contractor shall work with Maryland and the USVI to develop e-WIC card designs specific to each WIC program. The card will not have Contractor branding. Maryland and the USVI will have prior approval authority of the card design and of information printed on the card. Card samples must also be submitted to and approved by Maryland and the USVI prior to sending the card to production.
- 4.2.2 The e-WIC card shall contain a mark, brand or wording that identifies it as an e-WIC card associated with the Maryland or USVI WIC program, as appropriate.
- 4.2.3 Card Obverse (Front)
- 4.2.3.1 Specifications of the obverse of the card must have the following features:
- Graphics must incorporate a four-color printing process and be approved by the State (or USVI); and
  - The PAN must be embossed, laser engraved, indent printed or hot stamped on the front of the card, using contrasting color for legibility.

- 4.2.3.2 The Contractor shall issue EBT cards containing a 16 digit PAN that utilizes each program's Issuer Identification Number (IIN); i.e. Maryland and the USVI shall have separate IIN's. 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: PAN Layout**

- 4.2.3.3 The IIN is a six-digit number encoded on the magnetic stripe that begins immediately after the start sentinel. The Contractor will apply for separate IIN's on behalf of Maryland and the USVI. Maryland and the USVI shall own their respective IIN's, and retain ownership beyond the expiration of the e-WIC Contract. The IIN will comply with ISO 7813.
- 4.2.3.4 The discretionary field is a three-digit number that may be used by the Contractor with State approval. 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.

#### 4.2.4 Card Reverse

- 4.2.4.1 Specifications of 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.

4.2.4.2 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: Track 2 Layout**

4.2.4.3 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.

### 4.3 Card Distribution and Inventory Control

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

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

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

to develop an automated tracking tool or report to enable the State and USVI Agencies and clinics to manage their card inventory. The tracking tool shall allow the Agencies and clinics to establish thresholds (reorder points) by location and alert authorized users that a threshold has been reached.

4.3.4 The e-WIC systems shall allow authorized users to reorder card stock through the inventory tool. Additionally, the tool shall provide reporting to assist in physical inventory counts and audits.

4.3.5 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.

#### 4.4 Card Replacement

4.4.1 The Contractor shall issue all replacement cards via first-class, US mail. The Contractor must issue replacement cards within one business day of a cardholder reporting a lost, stolen or damaged card. 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.

4.4.2 In rare instances and at the specific request of the State or USVI, a replacement card may be issued via over-night delivery, with no additional cost to the State.

4.4.3 The Contractor shall not charge the cardholder for replacement cards.

- 4.4.4 Prior to allowing a replacement card to be issued, the e-WIC systems shall validate that the previous card has been “stated” (deactivated) in the e-WIC system. If a previous card is still active, the e-WIC system will deactivate that card before issuing the new card to a specific cardholder.
  - 4.4.5 When a replacement card is issued, the cardholder’s existing PIN must be useable with the replacement card.
  - 4.4.6 The e-WIC systems shall return a daily file of all replacement cards issued by the Contractor. Formats, schedule, etc. shall be determined during the JAD sessions.
  - 4.4.7 In emergency situations (as determined by the State or USVI), replacement cards may be issued OTC at the clinic. Accordingly, the e-WIC systems shall provide online functionality to issue replacement cards for the primary and/or proxy cardholders. The replacement card information will be transmitted real time to the e-WIC systems from WOW.
- 4.5 Test and Training Cards
- 4.5.1 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.
  - 4.5.2 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.
- 4.6 PIN Management
- 4.6.1 The e-WIC systems shall support the cardholder’s selection of a private PIN. All PIN selection will be via a PIN selection device, a secure web portal, and/or the ARU/Customer Service. PIN mailers shall not be used.
  - 4.6.2 Cardholders must have the ability to select a PIN at clinics using one or more of the above methods, as determined during the JAD sessions.
  - 4.6.3 The Contractor shall provide PIN selection equipment and any associated peripherals or supplies to the clinics. PIN selection terminals must meet industry and security standards, including compliance with ISO and other relevant specifications.

- 4.6.4 PIN security must meet the guidelines set forth in the most recent version of the WIC EBT Operating Rules and conform to industry standards.
- 4.6.5 Cardholders must be allowed to select or change their PINs at any time. The e-WIC systems shall provide functionality to positively identify a cardholder requesting a PIN change.

## **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 To the maximum extent possible, the State seeks to use the existing commercial transaction processing infrastructure for the transmission and processing of e-WIC transactions.
- 5.1.3 The Contractor is prohibited from charging a fee to cardholders, TPP's, stand-beside or direct-connect WIC vendors for any WIC transactions.
- 5.1.4 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).
- 5.1.5 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 Each e-WIC system 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 Each 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.

## 5.3 Transaction Validation

Each e-WIC system shall perform the following validations to determine whether a cardholder's transaction should be approved. These checks should 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.



#### 5.4 Minimum Transaction Set

5.4.1 Each 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
- Coupon and discount application
- Reversal or Void
- Store and Forward
- Key-entered transactions

5.4.2 The receipt generated from any of the above transactions shall comply with the WIC EBT Operating Rules.

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

#### 5.5 Transaction Types

5.5.1 Each 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.

#### 5.5.2 Food Purchases

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

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

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

### 5.5.3 CVB Purchases

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

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

#### 5.5.4 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.

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

5.5.4.2 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 then other forms of payment.

5.5.4.3 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.

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

#### 5.5.5 Discounts and Coupons

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

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

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

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

5.5.5.5 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.

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

#### 5.5.6 Reversals and Voids

- 5.5.6.1 The e-WIC systems shall allow the cancellation of the purchase of one or more WIC food item(s), a method of payment for WIC food items, or the entire transaction.
- 5.5.6.2 A void shall not be allowed to credit the WIC account if an item is returned. WIC item returns are item exchanges conducted at the WIC vendor's option and shall not result in an e-WIC transaction.

#### 5.5.7 Store and Forward Transactions

- 5.5.7.1 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.
- 5.5.7.2 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.
- 5.5.7.3 Store and forward transactions shall be processed at the vendor's risk.
- 5.5.7.4 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.

#### 5.5.8 Key-Entered Transactions

- 5.5.8.1 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.

- 5.5.8.2 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.
- 5.5.8.3 The Contractor shall adopt security measures to prevent cardholder and WIC vendor abuse/misuse of the key-entry feature.
- 5.5.8.4 The Contractor must be able to selectively disable or deny the capability of stand-beside POS equipment from completing key-entered transactions.
- 5.5.8.5 The Contractor shall track key-entered transactions by WIC vendor, WIC vendor address, device (terminal) number or ID number, date and time, WIC vendor number and card number.

## 5.6 Transaction Denials

5.6.1 If any one of the validations described above is not met, the Contractor 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.).

### 5.6.2.1 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.

### 5.6.2.2 Invalid PIN

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

## 5.7 Adjustments and Disputes

### 5.7.1 Adjustments

5.7.1.1 “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.

5.7.1.2 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.

5.7.1.3 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.

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

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

## 5.7.2 Disputes

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

5.7.2.2 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.

5.7.2.3 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.

5.7.2.4 The Contractor shall advise the State (or USVI) 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 Contractor shall perform separate settlements for Maryland and for the USVI.

The e-WIC systems shall operate on a 24 hour processing cycle. At a designated cutoff time each day, (which may be different for the State and the USVI) the Contractor shall close out the current processing day and commence the next processing day.

### 6.1 Reconciliation

- 6.1.1 The Contractor shall follow FNS guidelines on e-WIC reconciliation. Daily reconciliations shall include:
- Household account daily beginning category/subcategory balance, purchases, and net category/subcategory ending balance;
  - Household net redemptions in dollar value to acquirer settlement values;
  - Total funds entering, exiting, and remaining in the system each day;
  - Total net change in outstanding system wide obligations and the sum of the net change in obligations outstanding for all government funding agencies;
  - The net settlement value of participant account adjustments with the sum of the net settlement value of adjustments settled to WIC vendors and acquirers;
  - The net settlement value of all transactions to the sum of the net settlement values for all clinics; and
  - Net redemptions in dollar value versus the daily suspended transactions in dollar value that overlap daily ACH cut-off times and the current daily activity in dollar value.
- 6.1.2 The Contractor shall determine the total amount of money necessary to reimburse its accounts for the total credits due to EBT acquirers. The information generated during system cutoff and balance processing shall 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 (or USVI) and an opportunity to review and approve changes prior to implementation.
- 6.1.5 The Contractor shall develop procedures and reports that will enable the State to streamline its reconciliation process.
- 6.1.6 The Contractor shall provide initial reconciliation training to designated State staff as part of State training prior to pilot 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

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 separate zero-balance clearing accounts (one for the State, the other for the USVI) used for daily settlement.
- 6.2.5 Advise the State and USVI of funds to be transferred each day. The Contractor and the State (and the USVI) will agree on processes to move funds to facilitate settlement.
- 6.2.6 Deposit funds into the zero-balance clearing accounts 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

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 (or USVI) 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 or USVI:

- 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, the USVI, and to FNS to enable direct access to the e-WIC systems.

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

Separate Administrative Terminal systems must be maintained for Maryland and for the USVI.

#### **7.1 Administrative Terminal Design**

- 7.1.1 The Contractor shall provide administrative access to the e-WIC systems to State and USVI personnel and to those Federal agencies at Headquarters and in field offices designated by the State or USVI.
- 7.1.2 The Contractor shall provide e-WIC administrative system or host-to-host software and communication protocols to State and USVI staff and clinics.
- 7.1.3 To support administrative access, the Contractor shall provide a browser-based administrative application utilizing TCP/IP as the communications protocol. This interface shall provide authorized users with a window/Graphic User Interface (GUI) environment that includes drop down screens and point and click capabilities
- 7.1.4 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, USVI, local agency, clinic, or FNS, will be assigned a specific role functionality.
- 7.2.3 The State and USVI 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 or USVI.

## 7.3 Program Level (State and USVI) Administrative Functions

- 7.3.1 The Contractor shall provide the administrative functions defined below. It is anticipated that, any or all of these functions may be used when access through WOW is unavailable:
- Creation of 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 NTEs, set NTE start and stop dates and adjust NTEs 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/Local Agency Admin Functions

The transaction set supported through the EBT administrative functionality at Local Agency and clinic levels 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:

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

#### 7.6 FNS Administrative Functions

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

### **Task 8 - Vendor Initiatives**

#### 8.1 Vendor Management

- 8.1.1 The Contractor shall be responsible for managing WIC vendor e-WIC participation in Maryland and in the USVI. 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;
  - Training the participating WIC vendors on the use of provided 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 terminals for SNAP and WIC;
  - Installing, maintaining and otherwise supporting stand-beside POS equipment as necessary in accordance with WIC EBT Operating Rules;
  - Allowing dial-up and direct-connect communications between the WIC vendor's stand-beside terminal or integrated system to the e-WIC system; and
  - Providing help desk services to WIC vendors for resolving issues/problems on Contractor supplied stand-beside POS equipment and helping to resolve settlement and dispute questions and issues.
- 8.1.2 The Contractor shall provide interface specifications and technical assistance during design, development and testing for those vendors using integrated/TPP-provided POS systems. The Contractor shall encourage vendors to adopt an integrated POS solution.
- 8.1.3 The Contractor shall ensure that WIC vendor transactions occur only at entities that have valid agreements with the Contractor.
- 8.1.4 The Contractor shall assume all liability if transactions are completed against an invalid WIC vendor number.
- 8.1.5 The Contractor shall also be responsible for providing an electronic solution for WIC-authorized farmers markets.
- 8.1.6 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 as to ensure retailer readiness for the pilot and rollout areas so that there are an adequate number of access points for cardholders in their communities.
- 8.2.2 The Contractor shall schedule and host vendor meetings throughout the State, and in the USVI, to assure vendors are familiar with the e-WIC plans and schedules, and are made aware of their alternatives regarding participation. With prior State or USVI approval, some meetings may be held via conference call, webinar, or other electronic/remote method.
- 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 strive for 100% participation and readiness of authorized WIC vendors for the pilot and each rollout area. If this cannot be achieved, 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 for that pilot/rollout area.
- 8.2.5 The State (or USVI) and FNS will determine if access to WIC benefits is adequate prior to authorizing commencement of the pilot or implementation of e-WIC within a geographic area.
- 8.2.6 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 (or USVI’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 stand-beside POS equipment in accordance with the requirements of this RFP, and to provide e-WIC transaction processing services to all WIC vendors who accept State (or USVI)-provided POS terminals.
- 8.3.2 The Contractor shall contact all current authorized WIC vendors to obtain e-WIC agreements and to determine whether they are capable

of conducting EBT transactions or whether they will require the Contractor's support to become EBT-capable.

8.3.3 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).

8.3.3.1 The agreement with the TPP's must stipulate that the TPP is responsible for training their e-WIC vendors and for providing required e-WIC signage. All e-WIC signage must be approved by the State or USVI.

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

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

- Compliance with State or USVI regulations;
- Compliance with USDA-FNS WIC EBT Operating Rules for e-WIC;
- Compliance with ANSI X9.58-2007, X9.93-2008, ISO 8583 and ISO 9510;
- Compliance with USDA-FNS Technical Implementation Guide (TIG) for online e-WIC systems as defined by USDA FNS;
- No charge to WIC authorized vendors utilizing State-provided POS equipment for authorization and settlement processing by the Contractor for EBT transactions;
- That only State (or USVI)-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.

8.3.3.4 Vendor and TPP agreements must be approved by the State (or USVI) and by FNS prior to being used.

#### 8.4 State/USVI-Provided Equipment

- 8.4.1 The Contractor shall supply stand-beside POS equipment to all WIC vendors who elect to use State (or USVI)-provided equipment, at no charge to the vendor. The Contractor shall also provide supplies and maintenance at no charge to the vendor.
- 8.4.2 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.
- 8.4.3 The Contractor is responsible for retrieving stand-beside POS terminals from vendors who have been terminated by the State or USVI, who voluntarily withdraw from the WIC program, and from vendors who have elected to move to integrated systems.
- 8.4.4 During implementation, the Contractor shall provide weekly reports, as part of the weekly status report, detailing the number of WIC vendors for which the Contractor has signed agreements, and the percent of WIC vendors with signed agreements in relationship to the total number of WIC vendors.
- 8.4.5 Following implementation, these reports must be provided on a quarterly basis.

#### 8.5 Terminal Deployment

- 8.5.1 POS equipment provided by the Contractor shall include the terminal, PIN pad, printer, and UPC scanner. POS terminals shall be deployed in accordance with formulas approved by the State and the USVI.
- 8.5.2 The Contractor shall deploy terminals based on formulas received from the State and USVI, and shall adjust the number of terminals deployed to each vendor annually, based on input from the State and USVI.
- 8.5.3 The 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 item 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 store and forward and mixed basket;
  - 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 wireless equipment (wireless terminals only for farmers):
- 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 (or USVI) must approve the installation of terminals and performance of vendor training by phone, rather than on-site.
  - 8.5.10 The Contractor shall provide supplies (paper, ribbons, etc.) and POS maintenance (including replacement, when appropriate) for the life of the Contract at no additional cost.
  - 8.5.11 During implementation the Contractor shall deploy POS equipment to newly-authorized vendors in areas in which the e-WIC system has been deployed and is operational within fourteen (14) days of receiving the vendor's information from WOW.
  - 8.5.12 All WIC vendors also accept SNAP, many with stand-beside equipment provided by the State's (or USVI's) SNAP-EBT provider. It is preferred that these WIC vendors and farmers 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.
  - 8.6.3 Any agreement covering a terminal lease/purchase arrangement shall be between the Contractor and the WIC vendor or farmer; the State or USVI 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 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 and USVI (including the State's Quality Assurance contractor) and FNS may participate in testing. The State and USVI 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.

### **Task 10 - Testing**

#### **10.1 Testing Requirements**

- 10.1.1 The Contractor shall provide testing for the duration of the Contract as outlined in this section. The initial e-WIC systems and any changes thereto, shall be properly tested prior to being introduced into production. The Contractor shall be required to meet all FNS testing requirements, including the UAT requirements.
- 10.1.2 The Contractor shall test all components and functional areas of the e-WIC systems and interfaces. The State, USVI, and the Contractor will define which tests may be conducted simultaneously/concurrently for both the Maryland and USVI systems, and which must be performed separately for each system. 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 or the USVI.

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

## 10.2 Connectivity Testing

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

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

## 10.3 Interface Testing

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

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

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

## 10.4 Functional Demonstration

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

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

- 10.5.1 The Contractor shall conduct a UAT to provide the State, the USVI and FNS the opportunity to test all system functionality and ensure compliance with the design requirements. The UAT shall also include testing of all ARU systems and web portals.
- 10.5.2 The UAT must test, at a minimum, functional design requirements including, but not limited to, security, recovery, system controls, settlement (including multiple days), benefit aging, transaction processing, administrative functionality, reporting, account maintenance, and "what if" testing.
- 10.5.3 In addition, as part of UAT, the Contractor must demonstrate the methods and processes for performing all daily reconciliation with the e-WIC systems.
- 10.5.4 During testing of e-WIC systems functionality, the Contractor will monitor testing activities, support UAT participants, and assist in troubleshooting of issues.
- 10.5.5 During the formal test script portion of UAT, testing participants will follow detailed test scripts developed by the Contractor and approved by the State, USVI and FNS.
- 10.5.6 The ad hoc ("what if") portion of UAT shall provide the State, USVI and FNS the opportunity to include various transaction sets and sequences that were not included in the test scripts and to challenge system operations and design.
- 10.5.7 The Contractor shall have appropriate staff on-site during the UAT so as to coordinate its execution and to validate the success of each test scenario.
- 10.5.8 The Contractor shall provide processes and methods for recording and tracking all defects identified during this process and the subsequent resolution.
- 10.5.9 The Contractor shall prepare and submit a report and test matrix detailing the outcome of all tests performed.
- 10.5.10 The UAT will not be deemed complete until all tests (scripted and ad-hoc) have been successfully completed.
- 10.5.11 The UAT must be successfully completed at least sixty (60) days prior to commencement of the Pilot.

## 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, USVI, and Local Agency/clinic personnel.

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

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

### 11.1 Participant Customer Service

11.1.1 The Contractor shall provide e-WIC cardholders with customer service access, 24 hours a day, 7 days a week. The Contractor shall provide live customer service support for problems that are not resolved with ARU. The Contractor shall establish and maintain a

cardholder web portal. The Contractor shall also provide TTY (Teletype) access for participants with hearing difficulties.

Note: All demographic changes must be initiated by and received from WOW. The e-WIC systems shall not permit any demographic changes via the ARU, web portal, or via a live Customer Service Representative.

#### 11.1.2 Participant ARU

11.1.2.1 The Contractor shall provide an ARU system that supports the following customer service functions in English and Spanish:

- Lost/Stolen/Damaged Card: The cardholder's identity must be confirmed utilizing State-approved criteria prior to disabling the card or issuing a replacement. Prior to replacing a card, the cardholder's address must also be confirmed;
- 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;
- PIN Unlock: Cardholders shall have the option of unlocking their account and/or selecting a new PIN, if their card has been blocked due to excessive bad-PIN attempts;
- Transaction History: The cardholder shall be able to obtain the dates of the last two (2) transactions (either credit or debit).

11.1.2.2 With State and USVI approval, the Contractor may use a single toll-free number for both programs. If a single number is used, the script shall clearly direct the caller to the appropriate program for the required customer service.

#### 11.1.3 Participant Customer Service Representatives (CSR's)

11.1.3.1 The Contractor shall provide live customer service in addition to the ARU. Required languages for live customer service will be English and Spanish.

11.1.3.1.1 Live customer service is intended to resolve cardholder issues that cannot be resolved by the ARU, (i.e. balance discrepancies, dispute filing, etc.).

11.1.3.1.2 CSR's shall be able to provide all the support required for the ARU (section 11.1.2 above). In addition, CSR's shall provide troubleshooting support and guidance for the participant web portal.

11.1.3.2 The Contractor shall provide sufficient CSR capacity to meet the contractual performance requirements for cardholder calls as stated in item 18 Performance Requirements.

11.1.3.3 CSR's shall be available 24x7x365.

#### 11.1.4 Participant Web Portal

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

11.1.4.2 Separate portals must be provided and maintained for the State and for the USVI.

11.1.4.3 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.

### 11.2 Vendor Customer Service

#### 11.2.1 General

11.2.1.1 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 (including farmers and farmers' markets) utilizing state-provided equipment. The VSC number shall not be the same as that used for participant customer service.

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



11.2.1.3 The Contractor shall ensure through technical design, resource allocation, and staffing that each WIC vendor call is answered in accordance with specified performance requirements (see item 18 Performance Requirements.).

11.2.1.4 The Contractor shall provide a WIC VSC that is:

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

11.2.1.5 The VSC shall employ a combination of ARU, live customer service representatives and internet web portals to meet these requirements.

11.2.1.6 With State and USVI approval, the Contractor may use a single toll-free number for both programs. If a single number is used, the script shall clearly direct the caller to the appropriate program for the required customer serviced.

#### 11.2.2 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.

#### 11.2.3 Vendor Customer Service Representatives (CSR's)

11.2.3.1 The Contractor shall provide live customer service representatives in addition to the ARU. Required languages for live customer service will be English and Spanish.

Live customer service is intended to resolve vendor issues that cannot be resolved by the ARU, including disputes, requests for adjustments, etc.

11.2.3.2 The Contractor shall provide sufficient CSR capacity to meet the performance requirements for vendor calls included in item 18 Performance Requirements.

11.2.3.3 CSR's shall be available 24x7x365. .

11.2.3.4 CSR's shall be able to provide all the support required for the ARU (section 11.2.2 above). In addition, CSR's shall provide troubleshooting support and guidance for web portal.

#### 11.2.4 Vendor Web Portal

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

11.2.4.2 Separate portals must be provided and maintained for Maryland and for the USVI.

11.2.4.3 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).

#### 11.3 Program and Local Clinic Support

11.3.1 The Contractor shall provide Program and clinic staff with assistance via a toll-free number.

11.3.2 If the toll-free number is also used for other customer service support, (i.e. participant customer service), the Contractor shall provide a method whereby callers from the Program and clinics will be provided with immediate and appropriate assistance from a live representative.

11.3.3 Technical assistance for Program and clinic staff shall be available 7:30 AM through 6 PM local time, Monday through Friday, excluding State/USVI and Federal holidays.

11.3.4 The Contractor shall not place any limits on the number of Program and clinic staff members who have access or to the number of calls being made.

## Task 12 - Training

### 12.1 Training Management

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

12.1.2 As appropriate, separate training materials will be required for Maryland and for the USVI.

12.1.3 Training will be monitored by the State/USVI 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).

12.1.4 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 or the USVI.

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

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

### 12.2 UAT Training

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

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

## 12.3 Program Staff Training

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

- System operations;
- Security administration;
- Settlement and reconciliation;
- Reports, data analysis and ad hoc reporting;
- Fraud investigation;
- 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 and USVI.

## 12.4 Clinic (Pilot) Training

### 12.4.1 Pilot Clinic Staff(s)

12.4.1.1 The Contractor shall work with the respective WIC Program training staffs to train clinic staff in the pilot areas, and Program staffs, not earlier than thirty (30) days prior to implementing the pilot, 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

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

## 12.5 Train-the-Trainer

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

- 12.5.2 Training will be provided no more than thirty (30) day prior to each rollout 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 and USVI.

## 12.6 Vendor Training

- 12.6.1 The Contractor shall train current and future WIC vendors who elect to use State (or USVI)-provided 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 or USVI, training may be provided by phone 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**

Contractor shall provide a separate, comprehensive reporting package of daily and monthly reports to the State and to the USVI. Each program's reports shall include only activity for that program.

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 and USVI.

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

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

Separate reports shall be provided to and for the Maryland and for the USVI programs.

### 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 Customer Support calls (ARU & live customer service)
- Number of accounts with expired benefit balances and
- “Hits” on the participant web portal.

### 13.3 Vendor-related Reports

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 Customer Support calls (ARU & live customer service);
- “Hits” on the vendor web portal;
- Key-entered transactions; and
- Other user-defined reports as required.

### 13.4 System Performance Reports

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 and Customer Service Representative)
- Average time to answer (Vendor ARU and Customer Service)

### 13.5 Fraud Reports

The Contractor shall provide a full suite of comprehensive daily and monthly fraud reports based on parameters designated by the State or USVI, 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

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

## **Task 14 – Deliverables**

The Contractor shall provide the deliverables specified herein, in accordance with the design and schedule developed during the JAD sessions and with the approved project work plan. Additional deliverables may be agreed to and defined in the kickoff meeting, or during implementation of the project. The State (in conjunction with the USVI), at its sole discretion, may impose liquidated damages for late deliverables as indicated in item 18 Performance Requirements. Except as otherwise noted, approval by “the State” shall constitute approval by the USVI as well.

### 14.1 Deliverables to be provided:

#### 14.1.1 Requirements Document

This document shall define all of the State’s and USVI’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. Upon, approval by the State, this document is also required to be reviewed and approved by FNS.

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

#### 14.1.3 Functional Design Document

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



#### 14.1.4 Interface Design Document

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

#### 14.1.5 Telecommunications Design Document

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

#### 14.1.6 Test Plans and Scripts

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

#### 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. Separate manuals shall be provided for the State and the USVI.

#### 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. Separate manuals shall be provided for the State and the USVI.

#### 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 (½ to 1 page) of each report shall be included in the manual. . Separate manuals shall be provided for the State and the USVI.

#### 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 Plans and Materials ( Program, Clinic, Retailer, Train-the-Trainer and UAT, and include training methodologies, scope and schedule)

This document shall be a comprehensive plan (for both Maryland and the USVI) 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 in the pilot area, trainers from the State/USVI, and vendors receiving State (or USVI)-provided stand-beside POS equipment.

#### 14.1.12 Vendor Enablement and Readiness Plan

This plan must address, for both Maryland and the USVI:

- 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 and USVI.

#### 14.1.14 Pilot and Rollout Implementation Plans

This plan shall detail the activities and their respective timeframes for the pilot and each of the rollout areas in Maryland and USVI. This plan shall also include “go/no-go” criteria and timeframe for each such decision.

#### 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. Specific plans for the USVI shall be included, as appropriate. See Task 15 for more detail.

#### 14.1.16 Disaster Recovery Plan (Maryland)

This plan shall define the steps the Contractor will take in reaction to a system disaster. 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 Disaster Recovery Plan (USVI)

This plan shall include everything included in 14.1.16 above, as it specifically relates to the environment and weather conditions of the USVI.

#### 14.1.18 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; and
- All phases of transaction processing and settlement.

### **Task 15 – Disaster Recovery**

The Contractor shall establish a “hot back-up” site, 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. Separate back-up systems must be established for Maryland and for the USVI.

#### 15.1 Continuation of Business (COB) Plan

- 15.1.1 The Contractor shall have in place a Continuation of Business (COB) Plan and procedures to ensure the continuation of operations in the event of a disruption in operations, which will allow benefit access when the Contractor's production computer systems, terminals, gateway, or communications are not operational.
- 15.1.2 The plan shall specify the amount of time expected for the transition from the primary to the back-up system, and shall also specify the amount of time expected to move operations back to the primary system. Post-incident recovery procedures and responsibilities should also be required to facilitate the rapid restoration of normal operations at the primary site or, if necessary, at an alternate facility following destruction, major damage or other significant interruptions of the primary site. During the operations phase, disaster recovery testing should be conducted annually to ensure that back-up operation plans are adequate.
- 15.1.3 The plan and procedures shall describe the approach to meet both back-up system operations and COB plans for benefit delivery. It must also 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:

- 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 or USVI. CSRs must

be able to determine, when accessing the cardholder's record, if the cardholder resides in the disaster area.

- The Contractor must be prepared to ship, at the State's (or USVI's) request, active cards and/or PIN selection devices via overnight express mail to a specific State or clinic office(s). The PIN selection devices shall not interfere with cardholders selecting PINs either through the ARU or the web portal.
- 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. The Contractor shall ensure that CSRs are aware of which benefit redemption points are not operational in order to direct cardholders to appropriate locations.
- 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 or USVI, and the number of CSRs increased. CSRs must be able to determine, when accessing the vendor's record, that the vendor is located in the disaster area.

### 15.4 Other Technical Support

In a disaster, the Contractor shall provide technical support as directed by the State or USVI. 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/USVI to provide WIC administrative system support to the back-up system.
- Providing appropriate passwords, access and software components for use during the disaster period.
- 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.

### 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 microfiche shall be in secure access controlled

storage areas with access limited to authorized personnel, when not being used by computer operations.

- 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/USVI 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.
- The State's and/or USVI'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.
- All confidential information contained in e-mail sent by the system shall be appropriately encrypted.

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

## 16.5 Inspections, Audits and Investigations

16.5.1 The State, USVI 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, USVI, 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. 16 (SSAE No. 16) 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 and USVI for review and acceptance.
- 16.5.5 The Contractor shall authorize the State, USVI 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, USVI and Federal audits of the Contract have been completed, whichever is longer.
- 16.5.6 The Contractor shall permit the State, USVI 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 its 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, USVI, 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, USVI 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 18.16, 18.22, and 18.23.

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

- 18.1 **e-WIC systems Response Time.** The e-WIC systems shall initiate a response to a request to transmit or retrieve a file within two (2) seconds from the time such request is received by the EBT system, 99.99% of the time, excluding scheduled downtime, on a monthly basis. (OR 6.1.b).
- 18.2 **Transactions Processed.** No more than two (2) in every 10,000 transactions processed by the e-WIC systems shall lead to an adjustment resulting from an EBT system error. (OR 6.1.c).
- 18.3 **Authorized Transaction Source.** The e-WIC systems shall ensure that WIC transactions are originating from authorized WIC vendors only, by validating the

- WIC identification information in the Retailer Agreements, and by validating electronic transactions in the course of transaction processing. (OR 6.1.d).
- 18.4 **Central Computer Uptime.** The e-WIC central computer systems shall be available 99.9% of the scheduled up-time, twenty-four (24) hours per day, and seven (7) days per week. Scheduled uptime shall mean the time the database is available and accessible for transaction processing and excludes schedule downtime for routine maintenance. (OR 6.1.e).
- 18.5 **e-WIC Transaction Response Time.** The e-WIC systems shall initiate a response to a transaction request within two (2) seconds from the time such request is received by the EBT System, 98.0% of the time, on a monthly average basis. (OR 6.1.f).
- 18.6 **e-WIC System Uptime.** The e-WIC systems shall have an uptime of 99.9% on an hourly basis, excluding maintenance. (OR 6.1.g).
- 18.7 **Vendor Settlement.** WIC Vendors shall be paid for approved, cleared transactions within 2 processing days of the settlement of the transaction. (OR 12.3.a).
- 18.8 **Disputes.** The Contractor shall investigate and respond WIC Program or WIC vendor initiated cardholder adjustments within 10 business days of the date the adjustment request is initiated. (OR 14.2.c).
- 18.9 **EBT Transaction Response Time.** All e-WIC transactions shall be processed within 20 seconds. Transaction time shall be measured from the point of sending the transaction from the WIC vendor to the EBT host. Contractor shall meet this requirement at least 95% of the time.
- 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 **Replacement Card Issuance.** Replacement cards shall be mailed on the same day as requested, for all requests received before noon local time on a business day. Cards requested after noon local time, or on a non-business day, shall be mailed on the next business day.

- 18.13 **Helpdesk Calls.** 95% of all calls shall be answered by the ARU/IVR within 2 rings (2 rings are defined as approximately 15 seconds).
- 18.14 **CSR Calls.** Callers transferred by the ARU/IVR to a Customer Service Representative shall be placed on hold for no longer than 60 seconds.
- 18.15 **Abandoned Calls.** Abandoned calls shall not exceed 3% per month.
- 18.16 **Vendor Readiness in Pilot/Rollout Areas.** The Contractor shall ensure that vendors in the Pilot or any rollout region are e-WIC Certified to account for at least 95% of the WIC redemptions in that area (operational integrated and direct-connect vendors are included in this calculation). This standard shall be measured within 15 calendar days of the “go-live” date for each area. Vendor initiated delays are not included.
- Failure to achieve accountability for 95% of the redemptions in a Pilot/rollout area will result in a liquidated damage of \$500 per day for each day this threshold is not achieved.*
- 18.17 **Equipment Replacement for 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.
- 18.18 **Settlement Accuracy.** The request for funds (draw down) will be made with 100% accuracy within a rolling 60-day period.
- 18.19 **Settlement Discrepancies.** The Contractor shall advise the State of settlement or reconciliation discrepancies within 12 hours of occurrence.
- 18.20 **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.
- 18.21 **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.
- 18.22 **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.*

- 18.23 **Operational eWIC System** - The Contractor shall make the fully operational e-WIC system available in the Pilot and each rollout area in accordance with the agreed-upon schedule.

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

- 18.24 **Deliverables** - The Contractor shall submit each deliverable specified in paragraph 14 in accordance with the latest approved version of the project work plan.
- 18.25 **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.
- 18.26 **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.
- 18.27 **Offsets** - Amounts imposed by the State or USVI may be offset from any money payable to the Contractor, or billed to the Contractor as a separate item, which shall be payable within thirty (30) days. The State or USVI 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.
- 18.28 **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 or USVI. 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 (or USVI's) option, be offset from payments due the Contractor.

## **Task 19 - System Enhancements**

Describe the use of new and innovative technologies that will provide improved service and/or operational cost savings. The introduction of these technologies

may occur at any time during the project. Examples of such innovative technologies include, but are not limited to:

- Web services;
- Innovative implementation or operational strategies;
- Enhanced card and POS technologies;
- Wireless and mobile technology; and
- Detection and prevention of fraud.

### **3.07 Term**

The initial term of each Contract shall be for four (4) years, commencing with execution by the State of Maryland (and the Governor of the Virgin Islands, as appropriate). Each Contract will also contain options to renew, upon the same terms and conditions, for two additional 1-year periods. Any exercise of options in one contract is mutually exclusive from the exercise of options in the other contract. Exercise of the renewal options will be solely at the discretion of the State/USVI, as appropriate.

### **3.08 Compensation**

Maryland and the USVI shall be billed separately, and only for the number of active cases in each program.

#### **Maryland**

By submitting a response to this solicitation, the Offeror agrees to accept any payments from the State by electronic funds transfer unless the State Comptroller's Office grants an exemption. The selected Offeror shall register using form COT/GAD X-10 Vendor Electronic Funds (EFT) Registration Request Form. Any request for exemption must be submitted to the State Comptroller's Office for approval at the address specified on the COT/GAD X-10 form and must include the business identification information as stated on the form and include the reason for the exemption. The COT/GAD X-10 Vendor Electronic Funds (EFT) Registration Request Form may be downloaded from: [www.comp.state.md.us](http://www.comp.state.md.us), select "General Accounting Division," then "Electronic Funds Transfer Program, and then "Form X-10."

#### **USVI**

By submitting a response to this solicitation, Offeror agrees to invoice the Government at the end of every month for services provided. The Government herein commits to utilize its best efforts to ensure the timely payment of all submitted invoices within fifteen (15) days of their receipt.

## SECTION IV. PROPOSAL FORMAT

### 4.01 Transmittal Letter

The Offeror must submit a brief transmittal letter prepared on the Offeror's business stationery to accompany the original and required copies of the two-volume proposal. The transmittal letter must be signed by an individual authorized to bind the Offeror to all statements, including services and price, contained within the proposals. This transmittal letter should also indicate that, if selected, the Offeror will execute contracts materially the same of the form of the Contracts included as Appendix E and G, and the Collateral Security Agreement and Designation of Depository materially the same as Appendices E-1 and E-2.

### 4.02 Two-Volume Submission

The selection procedure for this procurement requires that the initial technical evaluation of the proposal be completed before consideration of an Offeror' price proposal. Consequently, each proposal must be submitted in two volumes as indicated below.

### 4.03 Volume I - Technical Proposal

The volume containing the technical proposal shall be labeled "Volume I – RFP for e-WIC Processing Services for Maryland and USVI, RFP #MD/VI-EWIC-02182015."

The technical proposal shall contain the transmittal letter (Section 4.01 above) and the following documents:

#### State of Maryland

- Bid/Proposal Affidavit (Appendix B); and
- Affidavit of Agreement Maryland Living Wage Requirements (Appendix D)

#### U.S. Department of Health and Human Services (Appendix E-3)

- Certification Regarding Lobbying
- Disclosure of Lobbying Activities; and
- Certification Regarding Environmental Tobacco Smoke

#### U.S. Virgin Islands

- Copy of the GVI Certificate of Resolution\*

\*The Certificate of Resolution is a document which must be submitted on Corporate Letterhead, authorizing the signatory to bind the company. The Certificate of Resolution must be current (dated this year) and signed or attested by the company's secretary.



The technical proposal should be prepared in a clear and concise manner. The ideal response would reiterate each subsection and then list the Offeror's response, item by item so that an evaluator can read the requirement followed by the response.

**The technical proposal shall provide all required information in the following subsections:**

1. Request for General Information
  - a. Name of Offeror.
  - b. Mailing address of office from which the proposal is being submitted.
  - c. Name of individual who will represent the Offeror as the primary contact person on matters relating to the proposal; and
  - d. Telephone, e-mail and facsimile numbers of the individual identified in item c above.
  - e. Copy of the most recent articles of Incorporation.
  
2. Offeror's Qualifications
  - a. Each Offeror shall specifically and clearly provide in its proposal information demonstrating that it meets the requirements described in Section III, paragraph 3.04, Minimum Requirements.
  - b. The Offeror shall include one copy of the Offeror's most recent audited financial statements with all attachments, including the unqualified audit opinion, in the original volume of its Technical Proposal. In lieu of a hard copy, Offeror's may elect to provide financial statements and related documents on compact disk as part of the electronic copy of the Technical Proposal, as specified in Section 1.09
  
3. Offeror's Capabilities

Each Offeror shall specifically and clearly provide in its proposal the following:

  - a. Acknowledgements and agreements to comply with the requirements described in Section III, paragraph 3.05, General Requirements.
  - b. A detailed discussion of its ability to provide the services described in Section 3.06, w-WIC Processor Tasks and Requirements.
  - c. A draft implementation plan as described in Section III, paragraph 14.1.14.
  - d. Summarize Disaster Recovery Plan for both the State and USVI as described in Section III, paragraphs 14.1.16 and 14.1.17.
  - e. Include a brief discussion in response Section III, Task 19 – System Enhancements.

4. Prior Experience

Describe selected engagements of the Offeror involving services similar to those required that were successfully performed for other customers within the last three years. For each engagement, identify the name of the organization or company, their address, and provide a contact name and telephone number. In a chart form, Offerors should summarize prior engagements noting the services performed, and the Offeror's employee who supervised the job.

5. Personnel

List the personnel who are to be assigned to this project if the Offeror is selected for award of the Contract.

a. The project manager must:

- Have at least three (3) years of project management experience;
- Have successfully managed, within the last five (5) years, the implementation and/or operation of an EBT or similar payment processing project similar in scope and complexity as that defined by this RFP;
- Have received PMP certification from the Project Management Institute, or can demonstrate equivalent experience.

b. In its proposal, each Offeror must provide a proposed organization chart for this project that includes the following:

- Proposed project team;
- Description of activities and responsibilities of each team member and their proposed lines of authority; and
- Use of subcontractors and their proposed project role.

c. Describe how the proposed management structure will ensure adequate oversight and provide executive direction for the project manager.

d. Include resumes of the proposed project manager and other key personnel in their proposals.

e. Identify the types of work to be performed by any subcontractors or consultants included in the proposal.

6. References

Identify a minimum of three references for whom you have provided similar services within the last five (5) years by including the name of each organization, the mailing and street address, point of contact, and telephone number. Include a brief description of the services rendered for each referenced organization. The Procurement Officer or members of the Evaluation Committee may contact one or more of these references, and in addition, may contact any other reference of their choosing.

7. Community Benefits

Provide information about the Offeror (or, in the case of an Offeror that is not a financial institution, the financial institution that will serve as the depository of funds to be distributed through EPCs) required to be considered under State Finance and Procurement Article, §6-203, Annotated Code of Maryland by the Treasurer in designating a financial institution for banking services, including, without limitation:

- a. The Offeror's rating on its most recent examination under the Federal Community Reinvestment Act of 1977, P.L. Number 95-128. If the Offeror operates in a state other than Maryland, the Offeror shall provide Maryland-specific information within the assessment area section of its Community Reinvestment Act report.
- b. A statement as to whether, during the previous 5 years, a court in the State of Maryland or in another state has found, in a final adjudication, that the Offeror, its affiliates or an entity acquired by the Offeror has violated any antidiscrimination statute or regulation.
- c. Information demonstrating the extent of the Offeror's assistance to small and minority-owned businesses over the past 5 years through:
  - 1) successfully making loans in Maryland through State or federal lending programs designed to assist small and minority-owned businesses;
  - 2) having an active outreach program to assist small and minority-owned businesses through which the Offeror has made efforts in Maryland; and
  - 3) establishing strategic partnerships in Maryland with entities whose mission is to provide technical assistance to small and minority-owned businesses.

8. Economic Benefit to the State of Maryland

Describe the benefits that will accrue to the Maryland economy as a direct result of the Offeror's performance of the contract resulting from the solicitation. Economic benefits include:

- a. The Contract dollars to be recycled into Maryland's economy in support of the Contract, through the use of Maryland subcontractors, suppliers, and joint venture partners. Offerors should be as specific as possible and provide a breakdown of expenditures in this category. Do not provide actual dollars for each category. Include percent of the total budget requested.
- b. The numbers and types of jobs for Maryland residents resulting from the contract. Indicate job classifications, number of employees in each classification, and the aggregate payroll to which the Contractor has committed at both prime, and if applicable, subcontract levels. Do not provide actual dollars for each category. Include percent of the total budget requested.
- c. Tax revenues to be generated for Maryland and its political subdivisions as a result of this Contract. Indicate the tax category (sales tax, payroll taxes, inventory taxes, and estimated personal income taxes for new employee). Provide a forecast of the total tax revenues resulting from the Contract. Do not provide actual dollars for each category. Include percent of the total budget requested.
- d. Subcontract dollars committed to Maryland Small Business and Minority Business Enterprises. Do not provide actual dollars for each category. Include percent of the total budget requested.
- e. In addition to the factors listed above, the Offeror should explain any other economic benefits to the State of Maryland that would result from the Offeror's proposal

9. Standard Operating Agreements (if applicable)

If you intend to incorporate your own operating documents/agreements into the Contract, submit copies of your standard operating agreements associated with the electronic payment card services proposed to be provided.

10. Additional Information (Optional)

Include any additional information the Offeror deems relevant to this procurement and the satisfaction of the State's objectives.

11. Company Literature (if applicable):

If you provide company literature or other material in response to any RFP requirement, describe such literature or other material under this heading and include a reference to the applicable sections of the RFP by name and page citation. If you do not provide the requested section and page citations, the remainder of your response for that section may be considered complete without reference to the additional documents.

**4.04 Disclosures**

Disclose any relationships with persons or entities that may create a conflict of interest, or the appearance of a conflict of interest. Disclose specific details of any pending legal proceedings (criminal or civil), or regulatory or disciplinary actions by any state or federal regulatory agency, involving the firm or members of the firm; or any convictions, judgments or settlements resulting from such proceedings or actions with the past five years.

**4.05 Volume II -Price Proposal**

This volume containing the price proposal shall be labeled "Volume II – RFP for E-WIC Processing Services for the Women, Infants and Children Program for Maryland Department of Health and Mental Hygiene and US Virgin Islands, RFP #MD/VI-EWIC-02182015, and sealed separately. The price proposal volume must consist of a completed Price Proposal in the format included as Appendix A and signed by an individual authorized to bind the selected Offeror to all statements and fees contained in the proposal(s).

Maryland and the USVI shall be billed separately, and only for the number of active cases in each program.

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**SECTION V. EVALUATION AND SELECTION PROCEDURE****5.01 Qualifying Proposals**

The Procurement Officer first will review each proposal for completeness of response to requirements contained in Section IV, Proposal Format. Failure to respond to the appropriate questions or in the manner required may disqualify an Offeror's proposal from consideration by the Evaluation Committee.

**5.02 Evaluation Committee and Evaluation Criteria**

An Evaluation Committee appointed by the Treasurer or the Treasurer's designee will evaluate all qualifying proposals (those proposals that are reasonably susceptible to selection for Contract award) received by the submission deadline. The Evaluation Committee will rank the proposals and make a recommendation for award based on (1) technical merit (see Section 5.03 below), as demonstrated in the technical proposal and oral presentations, if any, and (2) price proposal, both as presented in the best and final offer, if any. Technical merit will be given more weight than price in determining the Evaluation Committee's final ranking.

**5.03 Technical Evaluation**

After the Procurement Officer identifies the qualifying proposals, the Evaluation Committee will conduct an initial evaluation of the technical merit of each qualifying proposal based on the information provided in the proposal in response to Section 4.03 Volume I - Technical Proposal above. The Evaluation Committee's final technical evaluation may include information obtained during oral presentations, if any.

For the technical evaluation, the Evaluation Committee will take into consideration the following factors listed in the order of relative importance (greatest first):

1. Offeror's Qualifications and Capabilities
2. Prior Experience
3. Personnel
4. References
5. Community Benefits
6. Economic Benefits to Maryland

**5.04 Evaluation of Costs/Fees**

Following completion of the initial technical evaluation, the Evaluation Committee will conduct an initial evaluation of the pricing of each proposal and will establish a financial ranking of all proposals.

### **5.05 Best and Final Offer**

When deemed in the best interest of the State, the Procurement Officer may permit qualified Offerors to revise their initial proposals by submitting best and final offers. The Procurement Officer shall notify each qualified Offeror of the scope of the requested best and final offer, and shall establish a date and time for the submission. The Procurement Officer may require more than one series of best and final offers and discussions, if determined that it is in the State's best interest to do so. If more than one best and final offer is requested, an Offeror's immediate previous offer shall be construed as its best and final offer unless the Offeror submits a timely notice of withdrawal or another best and final offer. The Procurement Officer may consult with and seek the recommendation of the Evaluation Committee during the best and final offer process.

### **5.06 Final Evaluation and Recommendation for Award**

Following oral presentations, reference checks, and submissions of best and final offers, if any, the Evaluation Committee will perform its final evaluations and will make a recommendation to the Procurement Officer for award of the Contract to the responsible Offeror or Offerors whose proposal is determined to be the most advantageous to the State based on the results of the final technical and financial evaluations. Contract award, if any, is subject to the approval of the Treasurer or the Treasurer's designee upon the recommendation of the Procurement Officer.

### **5.07 Debriefing of Unsuccessful Offerors**

The Office will conduct a debriefing for an unsuccessful Offeror provided the Procurement Officer receives a written request within a reasonable period of time after sending notice of award. The Office shall honor the requests for debriefings at the earliest feasible time after the request has been received. The Office shall hold debriefings shall be held in accordance with COMAR 21.05.03.06.

### **5.08 Responsibility**

#### **1. General**

- (a) The procurement regulations in COMAR Title 21 define a "responsible" Offeror as one "...who has the capability in all respects to perform fully the Contract requirements, and the integrity and reliability that shall assure good faith performance."
- (b) COMAR Title 21 also requires that the Procurement Officer determine before awarding a contract to an Offeror whether the Offeror is responsible. The determination of responsibility is based on the subjective judgment of the Procurement Officer about whether the Offeror meets the definition of a "responsible" Offeror.

(c) In addition, the unreasonable failure of an Offeror to supply information promptly in connection with the determination of responsibility shall be grounds for a determination that the Offeror is not responsible.

2. Discussions

The Office reserves the right to discuss and negotiate with qualified Offerors or potentially qualified Offerors, (i.e., which are reasonably susceptible of being selected for award). Discussions or negotiations will be conducted with all qualified Offerors. The Office, however, is not obligated to conduct any discussions or negotiations. Each Offeror should be aware that the Office can select a proposal without first discussing the matter with the selected Offeror.

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**APPENDIX A**

**INSTRUCTIONS**

1. Offerors must submit their price proposals on Appendix A-Price Proposal form for E-WIC Processing Services in accordance with these instructions and as specified on the form. The Price Proposal (Appendix A) must be separately sealed and labeled as directed in Sections 1.09 and 4.05.
2. The Appendix A-Price Proposal is to be completed and signed by an individual who is authorized to bind the firm to all prices offered.
3. The State will pay the proposed prices per this RFP which may not be contingent on any other factor or condition in any manner.
4. Nothing shall be entered that alters or proposes conditions or contingencies on the proposed rates included in the Price Proposal Form.
5. It is imperative that the prices recorded on the Appendix A-Price Proposal form have been recorded correctly. Any incorrect entries or inaccurate calculations by the Offeror will be treated as provided in COMAR 21.05.03.03E and 21.05.02.12.
6. Any changes to designated key personnel (see Task 1, paragraph 1.1) shall be effected without additional cost and without formal modification of the Contract.

**APPENDIX A  
PRICE PROPOSAL FORM**

RFP fore-WIC Processing Services for Maryland Women, Infants and Children Program and U.S. Virgin Islands WIC Program, RFP #MD/VI-EWIC-02182015

\_\_\_\_\_  
(Firm Name)

\_\_\_\_\_  
(Address)

\_\_\_\_\_  
(City, State, Zip)

1. Implementation Price:

The Implementation Phase begins at Contract execution and ends with the completion of statewide rollout for Maryland and at the completion of island-wide rollout in the USVI. The implementation price shall include all effort, hardware (except that priced separately below) software, materials, travel and living, and subcontractor costs.

The total price for implementation in the State of Maryland and the USVI is:  
\_\_\_\_\_.

Payment for all implementation costs will be made according to the following schedule:

- 1/3 upon State and FNS approval of the Detailed System Design Document
- 1/3 upon commencement of Maryland pilot operations
- 1/6 upon FNS approval to proceed to Maryland rollout
- 1/6 upon completion of USVI rollout

2. Hardware Price

Offerors shall provide pricing for Point-of-Sale (POS) and PIN-select equipment on a monthly lease basis. The Contractor shall bill for, and the State/USVI shall be liable for, only that equipment which has been deployed to and is operational in an area in which EBT has been rolled out. The State/USVI shall not be liable for payment for any equipment in any area to which EBT has not been implemented.

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. PIN-select equipment shall include the terminal, and any other hardware, software or peripheral required for normal operation.

RFP #MD/VI-EWIC-02182015

Firm Name: \_\_\_\_\_

a) PIN-select equipment (on a per unit basis)-include the manufacturer and model number of the equipment being proposed for Maryland and the USVI:

\_\_\_\_\_

Monthly Lease Price: \_\_\_\_\_

b) Point-of-Sale (POS) equipment (on a per unit basis)-include the manufacturer and model number of the equipment being proposed for Maryland and the USVI:

\_\_\_\_\_

Monthly Lease Price: \_\_\_\_\_

c) 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 for Maryland and the USVI:

\_\_\_\_\_

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 Maryland and the USVI. Pricing shall be valid for the life of the Contract, including all extensions, if any.

Pricing shall be based on the combined total number of cases for Maryland and the USVI WIC programs, per the tiers indicated below.

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

Total Cases	CPCM
Less than or equal to 90,000	
Greater than 90,000	

Appendix A – Price Proposal Form

RFP #MD/VI-EWIC-02182015

Firm Name: \_\_\_\_\_

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: \_\_\_\_\_

FEIN NO. \_\_\_\_\_

**APPENDIX B  
(To be submitted with Technical Proposal)  
BID/PROPOSAL AFFIDAVIT**

A. Authority

I HEREBY AFFIRM THAT:

I (print name) \_\_\_\_\_ possess the legal authority to make this Affidavit.

B. CERTIFICATION REGARDING COMMERCIAL NONDISCRIMINATION

The undersigned bidder hereby certifies and agrees that the following information is correct: In preparing its bid on this project, the bidder has considered all proposals submitted from qualified, potential subcontractors and suppliers, and has not engaged in "discrimination" as defined in §19-103 of the State Finance and Procurement Article of the Annotated Code of Maryland. "Discrimination" means any disadvantage, difference, distinction, or preference in the solicitation, selection, hiring, or commercial treatment of a vendor, subcontractor, or commercial customer on the basis of race, color, religion, ancestry, or national origin, sex, age, marital status, sexual orientation, or on the basis of disability or any otherwise unlawful use of characteristics regarding the vendor's, supplier's, or commercial customer's employees or owners. "Discrimination" also includes retaliating against any person or other entity for reporting any incident of "discrimination". Without limiting any other provision of the solicitation on this project, it is understood that, if the certification is false, such false certification constitutes grounds for the State to reject the bid submitted by the bidder on this project, and terminate any contract awarded based on the bid. As part of its bid or proposal, the bidder herewith submits a list of all instances within the past 4 years where there has been a final adjudicated determination in a legal or administrative proceeding in the State of Maryland that the bidder discriminated against subcontractors, vendors, suppliers, or commercial customers, and a description of the status or resolution of that determination, including any remedial action taken. Bidder agrees to comply in all respects with the State's Commercial Nondiscrimination Policy as described under Title 19 of the State Finance and Procurement Article of the Annotated Code of Maryland.

B-1. Certification Regarding Minority Business Enterprises.

The undersigned bidder hereby certifies and agrees that it has fully complied with the State Minority Business Enterprise Law, State Finance and Procurement Article, §14-308(a)(2), Annotated Code of Maryland, which provides that, except as otherwise provided by law, a contractor may not identify a certified minority business enterprise in a bid or proposal and:

- (1) Fail to request, receive, or otherwise obtain authorization from the certified minority business enterprise to identify the certified minority proposal;

(2) Fail to notify the certified minority business enterprise before execution of the contract of its inclusion in the bid or proposal;

(3) Fail to use the certified minority business enterprise in the performance of the contract;  
or

(4) Pay the certified minority business enterprise solely for the use of its name in the bid or proposal.

Without limiting any other provision of the solicitation on this project, it is understood that if the certification is false, such false certification constitutes grounds for the State to reject the bid submitted by the bidder on this project, and terminate any contract awarded based on the bid.

B-2. Certification Regarding Veteran-Owned Small Business Enterprises. The undersigned bidder hereby certifies and agrees that it has fully complied with the State veteran-owned small business enterprise law, State Finance and Procurement Article, §14-605, Annotated Code of Maryland, which provides that a person may not:

(1) Knowingly and with intent to defraud, fraudulently obtain, attempt to obtain, or aid another person in fraudulently obtaining or attempting to obtain public money, procurement contracts, or funds expended under a procurement contract to which the person is not entitled under this title;

(2) Knowingly and with intent to defraud, fraudulently represent participation of a veteran-owned small business enterprise in order to obtain or retain a bid preference or a procurement contract;

(3) Willfully and knowingly make or subscribe to any statement, declaration, or other document that is fraudulent or false as to any material matter, whether or not that falsity or fraud is committed with the knowledge or consent of the person authorized or required to present the declaration, statement, or document;

(4) Willfully and knowingly aid, assist in, procure, counsel, or advise the preparation or presentation of a declaration, statement, or other document that is fraudulent or false as to any material matter, regardless of whether that falsity or fraud is committed with the knowledge or consent of the person authorized or required to present the declaration, statement, or document;

(5) Willfully and knowingly fail to file any declaration or notice with the unit that is required by COMAR 21.11.12; or

(6) Establish, knowingly aid in the establishment of, or exercise control over a business found to have violated a provision of §B-2(1)—(5) of this regulation.

### C. AFFIRMATION REGARDING BRIBERY CONVICTIONS

I FURTHER AFFIRM THAT:

Neither I, nor to the best of my knowledge, information, and belief, the above business (as is defined in Section 16-101(b) of the State Finance and Procurement Article of the Annotated Code of Maryland), or any of its officers, directors, partners, controlling stockholders, or any of its employees directly involved in the business's contracting activities including obtaining or performing contracts with public bodies has been convicted of, or has had probation before judgment imposed pursuant to Criminal Procedure Article, §6-220, Annotated Code of Maryland, or has pleaded nolo contendere to a charge of, bribery, attempted bribery, or conspiracy to bribe in violation of Maryland law, or of the law of any other state or federal law, except as follows (indicate the reasons why the affirmation cannot be given and list any conviction, plea, or imposition of probation before judgment with the date, court, official or administrative body, the sentence or disposition, the name(s) of person(s) involved, and their current positions and responsibilities with the business):

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D. AFFIRMATION REGARDING OTHER CONVICTIONS

I FURTHER AFFIRM THAT:

Neither I, nor to the best of my knowledge, information, and belief, the above business, or any of its officers, directors, partners, controlling stockholders, or any of its employees directly involved in the business's contracting activities including obtaining or performing contracts with public bodies, has:

(1) Been convicted under state or federal statute of:

(a) A criminal offense incident to obtaining, attempting to obtain, or performing a public or private contract; or

(b) Fraud, embezzlement, theft, forgery, falsification or destruction of records or receiving stolen property;

(2) Been convicted of any criminal violation of a state or federal antitrust statute;

(3) Been convicted under the provisions of Title 18 of the United States Code for violation of the Racketeer Influenced and Corrupt Organization Act, 18 U.S.C. §1961 et seq., or the Mail Fraud Act, 18 U.S.C. §1341 et seq., for acts in connection with the submission of bids or proposals for a public or private contract;

(4) Been convicted of a violation of the State Minority Business Enterprise Law, §14-308 of the State Finance and Procurement Article of the Annotated Code of Maryland;

(5) Been convicted of a violation of §11-205.1 of the State Finance and Procurement Article of the Annotated Code of Maryland;

(6) Been convicted of conspiracy to commit any act or omission that would constitute grounds for conviction or liability under any law or statute described in subsections (1)—(5) above;

(7) Been found civilly liable under a state or federal antitrust statute for acts or omissions in connection with the submission of bids or proposals for a public or private contract;

(8) Been found in a final adjudicated decision to have violated the Commercial Nondiscrimination Policy under Title 19 of the State Finance and Procurement Article of the Annotated Code of Maryland with regard to a public or private contract; or

(9) Admitted in writing or under oath, during the course of an official investigation or other proceedings, acts or omissions that would constitute grounds for conviction or liability under any law or statute described in §§B and C and subsections D(1)—(8) above, except as follows (indicate reasons why the affirmations cannot be given, and list any conviction, plea, or imposition of probation before judgment with the date, court, official or administrative body, the sentence or disposition, the name(s) of the person(s) involved and their current positions and responsibilities with the business, and the status of any debarment):

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E. AFFIRMATION REGARDING DEBARMENT

I FURTHER AFFIRM THAT:

Neither I, nor to the best of my knowledge, information, and belief, the above business, or any of its officers, directors, partners, controlling stockholders, or any of its employees directly involved in the business's contracting activities, including obtaining or performing contracts with public bodies, has ever been suspended or debarred (including being issued a limited denial of participation) by any public entity, except as follows (list each debarment or suspension providing the dates of the suspension or debarment, the name of the public entity and the status of the proceedings, the name(s) of the person(s) involved and their current positions and responsibilities with the business, the grounds of the debarment or suspension, and the details of each person's involvement in any activity that formed the grounds of the debarment or suspension).

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F. AFFIRMATION REGARDING DEBARMENT OF RELATED ENTITIES

I FURTHER AFFIRM THAT:

(1) The business was not established and it does not operate in a manner designed to evade the application of or defeat the purpose of debarment pursuant to Sections 16-101, et seq., of the State Finance and Procurement Article of the Annotated Code of Maryland; and

(2) The business is not a successor, assignee, subsidiary, or affiliate of a suspended or debarred business, except as follows (you must indicate the reasons why the affirmations cannot be given without qualification):

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G. SUB-CONTRACT AFFIRMATION

I FURTHER AFFIRM THAT:

Neither I, nor to the best of my knowledge, information, and belief, the above business, has knowingly entered into a contract with a public body under which a person debarred or suspended under Title 16 of the State Finance and Procurement Article of the Annotated Code of Maryland will provide, directly or indirectly, supplies, services, architectural services, construction related services, leases of real property, or construction.

H. AFFIRMATION REGARDING COLLUSION

I FURTHER AFFIRM THAT:

Neither I, nor to the best of my knowledge, information, and belief, the above business has:

(1) Agreed, conspired, connived, or colluded to produce a deceptive show of competition in the compilation of the accompanying bid or offer that is being submitted;

(2) In any manner, directly or indirectly, entered into any agreement of any kind to fix the bid price or price proposal of the bidder or offeror or of any competitor, or otherwise taken any action in restraint of free competitive bidding in connection with the contract for which the accompanying bid or offer is submitted.

I. CERTIFICATION OF TAX PAYMENT

I FURTHER AFFIRM THAT: Except as validly contested, the business has paid, or has arranged for payment of, all taxes due the State of Maryland and has filed all required returns and reports with the Comptroller of the Treasury, the State Department of

Assessments and Taxation, and the Department of Labor, Licensing, and Regulation, as applicable, and will have paid all withholding taxes due the State of Maryland prior to final settlement.

J. CONTINGENT FEES

I FURTHER AFFIRM THAT:

The business has not employed or retained any person, partnership, corporation, or other entity, other than a bona fide employee, bona fide agent, bona fide salesperson, or commercial selling agency working for the business, to solicit or secure the Contract, and that the business has not paid or agreed to pay any person, partnership, corporation, or other entity, other than a bona fide employee, bona fide agent, bona fide salesperson, or commercial selling agency, any fee or any other consideration contingent on the making of the Contract.

K. CERTIFICATION REGARDING INVESTMENTS IN IRAN

(1) The undersigned certifies that, in accordance with State Finance and Procurement Article, §17-705, Annotated Code of Maryland:

(a) It is not identified on the list created by the Board of Public Works as a person engaging in investment activities in Iran as described in State Finance and Procurement Article, §17-702, Annotated Code of Maryland; and

(b) It is not engaging in investment activities in Iran as described in State Finance and Procurement Article, §17-702, Annotated Code of Maryland.

2. The undersigned is unable to make the above certification regarding its investment activities in Iran due to the following activities:

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L. CONFLICT MINERALS ORIGINATED IN THE DEMOCRATIC REPUBLIC OF CONGO (FOR SUPPLIES AND SERVICES CONTRACTS)

I FURTHER AFFIRM THAT:

The business has complied with the provisions of State Finance and Procurement Article, §14-413, Annotated Code of Maryland governing proper disclosure of certain information regarding conflict minerals originating in the Democratic Republic of Congo or its neighboring countries as required by federal law.

M. ACKNOWLEDGEMENT

I ACKNOWLEDGE THAT this Affidavit is to be furnished to the Procurement Officer and may be distributed to units of: (1) the State of Maryland; (2) counties or other subdivisions of the State of Maryland; (3) other states; and (4) the federal government. I further acknowledge that this Affidavit is subject to applicable laws of the United States and the State of Maryland, both criminal and civil, and that nothing in this Affidavit or any contract resulting from the submission of this bid or proposal shall be construed to supersede, amend, modify or waive, on behalf of the State of Maryland, or any unit of the State of Maryland having jurisdiction, the exercise of any statutory right or remedy conferred by the Constitution and the laws of Maryland with respect to any misrepresentation made or any violation of the obligations, terms and covenants undertaken by the above business with respect to (1) this Affidavit, (2) the contract, and (3) other Affidavits comprising part of the contract.

I DO SOLEMNLY DECLARE AND AFFIRM UNDER THE PENALTIES OF PERJURY THAT THE CONTENTS OF THIS AFFIDAVIT ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE, INFORMATION, AND BELIEF.

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

By: \_\_\_\_\_ (print name of Authorized Representative and Affiant)

\_\_\_\_\_ (signature of Authorized Representative and Affiant)

**APPENDIX C**  
**Living Wage Requirements for Service Contracts**

- A. This contract is subject to the Living Wage requirements under Title 18, State Finance and Procurement Article, Annotated Code of Maryland and the regulations proposed by the Commissioner of Labor and Industry. The Living Wage generally applies to a Contractor or Subcontractor who performs work on a State contract for services that is valued at \$100,000 or more. An employee is subject to the Living Wage if he/she is at least 18 years old or will turn 18 during the duration of the contract; works at least 13 consecutive weeks on the State Contract and spends at least one-half of the employee's time during any work week on the State Contract.
- B. The Living Wage Law does not apply to:
- (1) A Contractor who:
    - (A) has a State contract for services valued at less than \$100,000, or
    - (B) employs 10 or fewer employees and has a State contract for services valued at less than \$500,000.
  - (2) A Subcontractor who:
    - (A) performs work on a State contract for services valued at less than \$100,000,
    - (B) employs 10 or fewer employees and performs work on a State contract for services valued at less than \$500,000, or
    - (C) performs work for a contractor not covered by the Living Wage Law as defined in B(1)(B) above, or B (3) or C below.
  - (3) Service contracts for the following:
    - (A) services with a Public Service Company;
    - (B) services with a nonprofit organization;
    - (C) services with an officer or other entity that is in the Executive Branch of the State government and is authorized by law to enter into a procurement ("Unit"); or
    - (D) services between a Unit and a County or Baltimore City.
- C. If the Unit responsible for the State contract for services determines that application of the Living Wage would conflict with any applicable Federal program, the Living Wage does not apply to the contract or program.
- D. A Contractor must not split or subdivide a State contract for services, pay an employee through a third party, or treat an employee as an independent contractor

or assign work to employees to avoid the imposition of any of the requirements of Title 18, State Finance and Procurement, Annotated Code of Maryland.

- E. Each Contractor/Subcontractor, subject to the Living Wage Law, shall post in a prominent and easily accessible place at the work site(s) of covered employees a notice of the Living Wage Rates, employee rights under the law, and the name, address, and telephone number of the Commissioner.
- F. The Commissioner of Labor and Industry shall adjust the wage rates by the annual average increase or decrease, if any, in the Consumer Price Index for all urban consumers for the Washington/Baltimore metropolitan area, or any successor index, for the previous calendar year, not later than 90 days after the start of each fiscal year. The Commissioner shall publish any adjustments to the wage rates on the Division of Labor and Industry's Website. An employer subject to the Living Wage Law must comply with the rate requirements during the initial term of the contract and all subsequent renewal periods, including any increases in the wage rate, required by the Commissioner, automatically upon the effective date of the revised wage rate.
- G. A Contractor/Subcontractor who reduces the wages paid to an employee based on the employer's share of the health insurance premium, as provided in §18-103(c), State Finance and Procurement Article, Annotated Code of Maryland, shall not lower an employee's wage rate below the minimum wage as set in §3-413, Labor and Employment Article, Annotated Code of Maryland. A Contractor/Subcontractor who reduces the wages paid to an employee based on the employer's share of health insurance premium shall comply with any record reporting requirements established by the Commissioner of Labor and Industry.
- H. A Contractor/Subcontractor may reduce the wage rates paid under §18-103(a), State Finance and Procurement, Annotated Code of Maryland, by no more than 50 cents of the hourly cost of the employer's contribution to an employee's deferred compensation plan. A Contractor/Subcontractor who reduces the wages paid to an employee based on the employer's contribution to an employee's deferred compensation plan shall not lower the employee's wage rate below the minimum wage as set in §3-413, Labor and Employment Article, Annotated Code of Maryland.
- I. Under Title 18, State and Finance Procurement Article, Annotated Code of Maryland, if the Commissioner determines that the Contractor/Subcontractor violated a provision of this title or regulations of the Commissioner, the Contractor/Subcontractor shall pay restitution to each affected employee, and the State may assess liquidated damages of \$20 per day for each employee paid less than the Living Wage.
- J. Information pertaining to reporting obligations may be found by going to the DLLR Website <http://www.dllr.state.md.us/> and clicking on Living Wage.

**APPENDIX D  
(To be submitted with Technical Proposal)  
Affidavit of Agreement  
Maryland Living Wage Requirements-Service Contracts**

Contract No. Page RFP #MD/VI-EWIC-02182015

Name of Contractor \_\_\_\_\_

Address \_\_\_\_\_

City \_\_\_\_\_ State \_\_\_\_\_ Zip Code \_\_\_\_\_

**If the Contract is Exempt from the Living Wage Law**

The Undersigned, being an authorized representative of the above named Contractor, hereby affirms that the Contract is exempt from Maryland’s Living Wage Law for the following reasons: (check all that apply)

- Bidder/Offeror is a nonprofit organization
- Bidder/Offeror is a public service company
- Bidder/Offeror employs 10 or fewer employees and the proposed contract value is less than \$500,000
- Bidder/Offeror employs more than 10 employees and the proposed contract value is less than \$100,000

**If the Contract is a Living Wage Contract**

A. The Undersigned, being an authorized representative of the above named Contractor, hereby affirms our commitment to comply with Title 18, State Finance and Procurement Article, Annotated Code of Maryland and, if required, to submit all payroll reports to the Commissioner of Labor and Industry with regard to the above stated contract. The Bidder/Offeror agrees to pay covered employees who are subject to living wage at least the living wage rate in effect at the time service is provided for hours spent on State contract activities, and to ensure that its Subcontractors who are not exempt also pay the required living wage rate to their covered employees who are subject to the living wage for hours spent on a State contract for services. The Contractor agrees to comply with, and ensure its Subcontractors comply with, the rate requirements during the initial term of the contract and all subsequent renewal periods, including any increases in the wage rate established by the Commissioner of Labor and Industry, automatically upon the effective date of the revised wage rate.

**Attachment D (continued)**  
**Affidavit of Agreement**  
**Maryland Living Wage Requirements-Service Contracts**

B. \_\_\_\_\_ (initial here if applicable) The Bidder/Offeror affirms it has no covered employees for the following reasons: (check all that apply)

- All employee(s) proposed to work on the State contract will spend less than one-half of the employee's time during every work week on the State contract;
- All employee(s) proposed to work on the State contract will be 17 years of age or younger during the duration of the State contract; or
- All employee(s) proposed to work on the State contract will work less than 13 consecutive weeks on the State contract.

The Commissioner of Labor and Industry reserves the right to request payroll records and other data that the Commissioner deems sufficient to confirm these affirmations at any time.

Name of Authorized Representative: \_\_\_\_\_

\_\_\_\_\_  
Signature of Authorized Representative

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

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

\_\_\_\_\_  
Witness Name (Typed or Printed)

\_\_\_\_\_  
Witness Signature

\_\_\_\_\_  
Date

**APPENDIX E**

**CONTRACT FOR  
e-WIC PROCESSING SERVICES  
FOR THE  
WOMEN, INFANTS, AND CHILDREN'S PROGRAMS  
FOR THE  
MARYLAND DEPARTMENT OF HEALTH AND MENTAL HYGIENE  
AND THE US VIRGIN ISLANDS**

**BETWEEN**

**MARYLAND STATE TREASURER'S OFFICE**

**AND**



**CONTRACT**

**THIS CONTRACT** (the "Contract") is made as of the \_\_\_ day of \_\_\_\_\_, 2015, by and between [NAME AND ADDRESS] (the "Contractor"), and the **MARYLAND STATE TREASURER'S OFFICE**, 80 Calvert Street, Annapolis, Maryland 21401 (the "Office"), offices of the **STATE OF MARYLAND** (the "State").

**IN CONSIDERATION OF** the premises and the covenants herein contained, the parties agree as follows:

**ARTICLE I - SCOPE OF SERVICES**

The Office hereby engages the Contractor to perform the services set forth below:

- 1.1. General Services. The Contractor shall provide banking-WIC EBT Processing services as described in this Contract, which includes the following exhibits:

Exhibit	The Office's Request for Proposals ("RFP") for e-WIC Processing Services for the women, Infants, and Children Program for the Maryland Department of Health and Mental Hygiene and the US Virgin Islands, RFP #MD/VI-EWIC-02182015;
Exhibit	Contractor's Technical Proposal dated ____;
Exhibit	Contractor's Price Proposal dated ____;
Exhibit	Contractor's Presentation dated ____;
Exhibit	Collateral Security Agreement dated ____;
Exhibit	Designation of Depository dated ____;
Exhibit	Bid/Proposal Affidavit, Living Wage Affidavit, Contract Affidavit; and
Exhibit	Bank Operating Agreements

- 1.2. If there are any inconsistencies between this Contract and the Exhibits, the terms of this Contract shall control. If there is any conflict among the Exhibits, Exhibit A, shall control.

- 1.3 The Procurement Officer unilaterally may, at any time, make changes in the work within the general scope of the Contract by written order designated or indicated to be a change order. No other order, statement or conduct of the Procurement Officer or any other person shall be treated as a change or entitle the Contractor to an equitable adjustment under this section. Except as otherwise provided in this Contract, if any change under this section causes an increase or decrease in the Contractor's cost of, or the time required for, the performance of any part of the work, whether or not changed by the order, an equitable adjustment in the Contract price shall be made and the Contract modified in writing accordingly. The Contractor must assert in writing its right to an adjustment under this section within thirty (30) days of receipt of written change order and shall include a written statement setting forth the nature and cost of such claim. No claim by the Contractor shall be allowed if asserted after final payment under this Contract.

Failure to agree to an adjustment under this section shall be a dispute under Section 4.5., Disputes. Nothing in this section shall excuse the Contractor from proceeding with the Contract as changed.

## **ARTICLE II - TERM**

- 2.1. The initial term of this Contract shall be for four (4) years, beginning \_\_\_\_\_, and ending \_\_\_\_\_.
- 2.2. In addition there shall be two (2) one-year renewal options, which may be exercised at the sole discretion of the Treasurer or the Treasurer's designee.
- 2.3. After the end of the Contract term, should a new contract be awarded to a contractor other than the incumbent, the Contract shall be deemed to be extended, Contractor shall continue to perform Contract services, and Contractor shall continue to receive the compensation specified in the Contract for such services, until such time as the transition to the new contractor is complete. Contractor shall also assist the Office during any transition period to a new contractor and provide all necessary information and data to any subsequent contractor.
- 2.4. The provisions of Sections 4.1 (Liability), 4.5 (Disputes), 4.6 (Maryland Law Prevails), 4.21 (Retention of Records/Audit), 4.25 (Ownership of Documents and Materials), and 4.26 (Patents, Copyrights and Trade Secrets) of this Contract shall survive termination of this Contract for any reason.

## **ARTICLE III - CONSIDERATION, PAYMENT AND PERFORMANCE**

- 3.1. Contractor shall charge only the fees as described on Contractor's Price Proposal [BAFO] as attached hereto as Exhibit \_\_. These fees shall not be adjusted during the term of this Contract including any renewal option periods.
- 3.2. Payments to the Contractor may be withheld, without interest or penalty, when in the sole discretion of the State Treasurer, the Contractor's performance of any of the services under this Contract is unsatisfactory, or does not meet generally accepted industry standards. Notice of such withholding of payment and the reasons therefore shall be promptly provided to the Contractor, who shall be afforded an opportunity to cure any performance deficiencies.
- 3.3.1. All invoices for goods and services shall be submitted to:

Maryland WIC Program  
201 W. Preston Street  
Baltimore, Maryland 21201  
Email: chris.harr@maryland.gov

3.3.2. Invoices must be submitted either:

- (a) For ongoing services, on a monthly basis for goods or services rendered in the preceding month; or
- (b) For one-time or periodic services, with 30 days of delivery or completion of the goods or services.

3.3.3. Except as provided in Section 3.3.2 above, payments to the Contractor pursuant to this Contract shall be made no later than 30 days after receipt by the Office of a properly payable invoice from the Contractor. Each invoice for services rendered must reflect the Contractor's federal tax identification number, which is \_\_\_\_\_, and shall clearly indicate the specific type of service provided. Charges for late payment of invoices, other than as prescribed by Title 15, Subtitle 1 of the State Finance and Procurement Article, Annotated Code of Maryland, as from time to time amended, are prohibited.

#### **ARTICLE IV – GENERAL CONDITIONS**

##### **4.1. Liability**

The Contractor agrees to assume full responsibility for any and all damage to the property of the Office, both real and personal, which results from or arises in connection with, the performance of this Contract.

The Contractor hereby agrees to indemnify and save harmless the State against all claims, damages, costs, losses and liabilities whatsoever, for any and all injury to persons and property that may arise out of the performance of this Contract.

The Contractor agrees to maintain adequate insurance coverage in order to fulfill its responsibilities under this section.

##### **4.2. Tax Exemption**

The State is generally exempt from Federal Excise Taxes, Maryland Sales and Use Taxes, District of Columbia Sales Tax and Transportation Taxes. Exemption certificates shall be completed upon request.

##### **4.3. Subcontracting; Assignment**

The Contractor may not subcontract any portion of the services provided under this Contract without obtaining the prior written approval of the State, nor may the Contractor sell, transfer, or otherwise assign its obligations under this Contract, or any portion thereof, or any of its rights or obligations hereunder, without the prior written approval of the

State; provided, however, that the Contractor may subcontract services under or make an assignment of this Contract to an affiliate of the Contractor that is fully capable of performing such services if the Contractor retains full responsibility for the Contract. Any such subcontract or assignment shall be subject to any terms and conditions that the Office deems necessary to protect the interest of the State. The Office shall not be responsible for the fulfillment of the Contractor's obligations to subcontractors.

#### 4.4. Non-Hiring of Officials and Employees

No official or employee of the State of Maryland, as defined under State Government Article, §15-102, Annotated Code of Maryland, whose duties as such official or employee include matters relating to or affecting the subject matter of this Contract, shall during the pendency and term of this Contract and while serving as an official or employee of the State become or be an employee of the Contractor or any entity that is a subcontractor on this Contract.

#### 4.5. Disputes

This Contract shall be subject to the provisions of Title 15, Subtitle 2 of the State Finance and Procurement Article of the Annotated Code of Maryland (Dispute Resolution), and COMAR 21.10 (Administrative and Civil Remedies). Pending resolution of a claim, the Contractor shall proceed diligently with the performance of the Contract in accordance with the Procurement Officer's decision.

#### 4.6. Maryland Law Prevails

The provisions of this Contract shall be governed by the Laws of Maryland.

#### 4.7. Amendments

This Contract, including the exhibits hereto, constitutes the entire agreement between the parties and all other communications prior to its execution, whether written or oral, with reference to the subject matter of this Contract are superseded by this Contract. Any amendment to this Contract must first be approved in writing by the Procurement Officer, subject to any additional approvals required by State law.

#### 4.8. Nondiscrimination in Employment

The Contractor agrees: (a) not to discriminate in any manner against an employee or applicant for employment because of race, color, religion, creed, age, sex, marital status, national origin, ancestry or disability of a qualified individual with a disability; (b) to include a provision similar to that contained in subsection (a), above, in any subcontract except a subcontract for standard commercial supplies or raw materials; and (c) to post and to cause subcontractors to post in conspicuous places available to employees and applicants for employment, notices setting forth the substance of this clause.

#### 4.9. Commercial Nondiscrimination Clause

- 4.9.1. As a condition of entering into this Contract, Contractor represents and warrants that it will comply with the State's Commercial Nondiscrimination Policy, as described under Title 19 of the State Finance and Procurement Article of the Annotated Code of Maryland. As part of such compliance, Contractor may not discriminate on the basis of race, color, religion, ancestry or national origin, sex, age, marital status, sexual orientation, disability or other unlawful forms of discrimination in the solicitation, selection, hiring, or commercial treatment of subcontractors, vendors, suppliers, or commercial customers, nor shall Contractor retaliate against any person for reporting instances of such discrimination. Contractor shall provide equal opportunity for subcontractors, vendors, and suppliers to participate in all of its public sector and private sector subcontracting and supply opportunities, provided that this clause does not prohibit or limit lawful efforts to remedy the effects of marketplace discrimination that have occurred or are occurring in the marketplace. Contractor understands that a material violation of this clause shall be considered a material breach of this Contract and may result in termination of this Contract, disqualification of Contractor from participating in State contracts, or other sanctions. This clause is not enforceable by or for the benefit of, and creates no obligation to, any third party.
- 4.9.2. As a condition of entering into this Contract, upon the Maryland Human Relations Commission's request, and only after the filing of a complaint against Contractor under Title 19 of the State Finance and Procurement Article of the Annotated Code of Maryland, as amended from time to time, Contractor agrees to provide within 60 days after the request a complete list of the names of all subcontractors, vendors, and suppliers that Contractor has used in the past 4 years on any of its contracts that were undertaken within the State of Maryland, including the total dollar amount paid by Contractor on each subcontract or supply contract. Contractor further agrees to cooperate in any investigation conducted by the State pursuant to the State's Commercial Nondiscrimination Policy as set forth under Title 19 of the State Finance and Procurement Article of the Annotated Code of Maryland, and to provide any documents relevant to any investigation that is requested by the State. Contractor understands that violation of this clause is a material breach of this Contract and may result in Contract termination, disqualification by the State from participating in State contracts, and other sanctions.

#### 4.10. Contingent Fee Prohibition

The Contractor, architect, or engineer (as applicable) warrants that it has not employed or retained any person, partnership, corporation, or other entity, other than a bona fide employee or agent working for the Contractor, architect, or engineer, to solicit or secure this Contract, and that it has not paid or agreed to pay any person, partnership, corporation, or other entity, other than a bona fide employee or agent, any fee or any other consideration contingent on the making of this Contract.

#### 4.11. Living Wage Requirements

A solicitation for services under a State contract valued at \$100,000 or more may be subject to Title 18, State Finance and Procurement (SFP) Article, Annotated Code of Maryland.

Contractors and Subcontractors subject to the Living Wage Law shall pay each covered employee at least \$13.19 per hour, if State contract services valued at 50% or more of the total value of the contract are performed in the Tier 1 Area. If State contract services valued at 50% or more of the total Contract value are performed in the Tier 2 Area, an Offeror shall pay each covered employee at least \$9.91 per hour. The specific Living Wage rate is determined by whether a majority of services take place in a Tier 1 Area or Tier 2 Area of the State. The Tier 1 Area includes Montgomery, Prince George's, Howard, Anne Arundel, and Baltimore Counties, and Baltimore City. The Tier 2 Area includes any county in the State not included in the Tier 1 Area. In the event employees who perform the services are not located in the State, the head of the unit responsible for a State contract pursuant to §18-102 (d) shall assign the tier based upon where the recipients of the services are located.

This Contract has been deemed to be a Tier 1 contract.

#### 4.12. Multi-Year Contracts Contingent upon Appropriations

If the General Assembly fails to appropriate funds or if funds are not otherwise made available for continued performance for any fiscal period of this Contract succeeding the first fiscal period, this Contract shall be cancelled automatically as of the beginning of the fiscal year for which funds were not appropriated or otherwise made available; provided, however, that this will not affect either the State's rights or the Contractor's rights under any termination clause in this Contract. The effect of termination of the Contract hereunder will be to discharge both the Contractor and the State from future performance of the Contract, but not from their rights and obligations existing at the time of termination. The Contractor shall be reimbursed for the reasonable value of any non-recurring costs incurred but not amortized in the price of the Contract. The State shall notify the Contractor as soon as it has knowledge that funds may not be available for the continuation of this Contract for each succeeding fiscal period beyond the first.

#### 4.13. Termination for Default

If the Contractor fails to fulfill its obligation under this Contract properly and on time, or otherwise violates any provision of the Contract, the State may terminate the Contract by written notice to the Contractor. The notice shall specify the acts or omissions relied upon as cause for termination. All finished or unfinished work provided by the Contractor shall, at the State's option, become the State's property. The State shall pay the Contractors fair and equitable compensation for satisfactory performance prior to receipt of notice of termination, less the amount of damages caused by Contractor's breach. If the damages are more than the compensation payable to the Contractor, the Contractor will remain liable

after termination and the State can affirmatively collect damages. Termination hereunder, including the determination of the rights and obligations of the parties, shall be governed by the provisions of COMAR 21.07.01.11B.

#### 4.14. Termination for Convenience

The performance of work under this Contract may be terminated by the State in accordance with this clause in whole, or from time to time in part, whenever the State shall determine that such termination is in the best interest of the State. The State will pay all reasonable costs associated with this Contract that the Contractor has incurred up to the date of termination and all reasonable costs associated with termination of the Contract. However, the Contractor shall not be reimbursed for any anticipatory profits that have not been earned up to the date of termination. Termination hereunder, including the determination of the rights and obligations of the parties, shall be governed by the provisions of COMAR 21.07.01.12A(2).

#### 4.15. Delays and Extensions of Time

The Contractor agrees to prosecute the work continuously and diligently and no charges or claims for damages shall be made by it for any delays or hindrances from any cause whatsoever during the progress of any portion of the work specified in this Contract.

Time extensions will be granted only for excusable delays that arise from unforeseeable causes beyond the control and without the fault or negligence of the Contractor, including but not restricted to, acts of God, acts of the public enemy, acts of the State in either its sovereign or contractual capacity, acts of another contractor in the performance of a Contract with the State, fires, floods, epidemics, quarantine restrictions, strikes, freight embargoes, or delays of subcontractors or suppliers arising from unforeseeable causes beyond the control and without the fault or negligence of either the Contractor or the subcontractors or suppliers.

#### 4.16. Variations in Estimated Quantities

No equitable adjustment shall be permitted in favor of either the State or the Contractor in the event that the quantity of any pay item in this Contract is an estimated quantity and the actual quantity of such pay item varies from the estimated quantity stated in the Contract.

#### 4.17. Suspension of Work

The Procurement Officer unilaterally may order the Contractor in writing to suspend, delay, or interrupt all or any part of its performance for such period of time as the Procurement Officer may determine to be appropriate for the convenience of the State.

#### 4.18. Pre-Existing Regulations

In accordance with the provisions of §11-206 of the State Finance and Procurement Article, Annotated Code of Maryland, the regulations set forth in Title 21 of the Code of Maryland Regulations (COMAR Title 21) in effect on the date of execution of this Contract are applicable to this Contract.

#### 4.19. Financial Disclosure

The Contractor shall comply with the provisions of §13-221 of the State Finance and Procurement Article of the Annotated Code of Maryland, which requires that every business that enters into contracts, leases, or other agreements with the State of Maryland or its agencies during a calendar year under which the business is to receive in the aggregate \$100,000 or more, shall, within 30 days of the time when the aggregate value of these contracts, leases or other agreements reaches \$100,000, file with the Secretary of State of Maryland certain specified information to include disclosure of beneficial ownership of the business.

#### 4.20. Political Contribution Disclosure

The Contractor shall comply with the Election Law Article § 14-101 – 14-108, Annotated Code of Maryland, which requires that every person that enters into contracts, leases, or other agreements with the State, a county or an incorporated municipality, or their agencies, during a calendar year in which the person receives in the aggregate \$100,000 or more, shall file with the State Board of Elections a statement disclosing contributions in excess of \$500 made during the reporting period to a candidate for elective office in any primary or general election. The statement shall be filed with the State Board of Elections: (1) before a purchase or execution of a lease or contract by the State, a county, an incorporated municipality, or their agencies, and shall cover the preceding two calendar years; and (2) if the contribution is made after the execution of a lease or contract, then twice a year, throughout the Contract term, on: (a) February 5, to cover the 6-month period ending January 31; and (b) August 5, to cover the 6-month period ending July 31.

#### 4.21. Retention of Records/Audit

The Contractor shall retain and maintain all records and documents relating to this Contract for three years after final payment by the State hereunder or any applicable statute of limitations, whichever is longer, and shall make them available for inspection and audit by authorized representatives of the State, including the Procurement Officer or his designee, at all reasonable times.

#### 4.22. Compliance with Laws

The Contractor hereby represents and warrants that:



- 4.22.1. It is qualified to do business in the State of Maryland and that it will take such action as, from time to time, hereafter may be necessary to remain so qualified;
- 4.22.2. It is not in arrears with respect to the payment of any monies due and owing the State of Maryland, or any department or unit thereof, including but not limited to the payment of taxes and employee benefits, and that it shall not become so in arrears during the term of this Contract;
- 4.22.3. It shall comply with all federal, State and local laws, regulations and ordinances applicable to its activities and obligations under this Contract; and
- 4.22.4. It shall obtain, at its expense, all licenses, permits, insurance, and governmental approvals, if any, necessary to the performance of its obligations under this Contract.

#### 4.23. Liability for Loss of Data

In the event of loss of any data or records necessary for the performance of this Contract where such loss is due to the error or negligence of the Contractor, the Contractor shall be responsible, irrespective of cost to the Contractor, for recreating such lost data or records.

#### 4.24. Cost and Price Certification

- 4.24.1. The Contractor by submitting cost or price information certifies that, to the best of its knowledge, the information submitted is accurate, complete, and current as a mutually determined specified date prior to the conclusion of any price discussions or negotiations for:
  - (1) A negotiated contract, if the total contract price is expected to exceed \$100,000, or a smaller amount set by the procurement officer; or
  - (2) A change order or contract modification, expected to exceed \$100,000, or a smaller amount set by the procurement officer.
- 4.24.2. The price under this Contract and any change order or modification hereunder, including profit or fee, shall be adjusted to exclude any significant price increases occurring because the Contractor furnished cost or price information which, as of the date agreed upon between the parties, was inaccurate, incomplete, or not current.

#### 4.25. Ownership of Documents and Materials

The Contractor agrees that all documents and materials including, but not limited to, reports, drawings, studies, specifications, estimates, maps, photographs, designs, graphics, mechanical, artwork, and computations prepared by or for it under the terms of this Contract shall at anytime during the performance of the services be made available to the State upon request by the State and shall become and remain the exclusive property of the

State upon termination or completion of the services. The State shall have the right to use same without restriction or limitation and without compensation to the Contractor other than that provided by this Contract. The State shall be the owner for purposes or copyright, patent or trademark registration.

The State and FNS reserve royalty-free, nonexclusive and irrevocable license to reproduce, publish, or otherwise use and authorize others to use for Federal Government purposes, the copyright in any software and associated documentation developed under the resulting contracts.

FNS shall also have access to the EBT systems during design, development, and in operation, and shall have access to the contractor's and any subcontractors cost records as FNS deems necessary.

#### 4.26. Patents, Copyrights and Trade Secrets

4.26.1. If the Contractor furnishes any design, device, material, process or other item, which is covered by a patent, or copyright or which is proprietary to or a trade secret of another, Contractor shall obtain the necessary permission or license to use such item.

4.26.2. Contractor will defend or settle, at its own expense, any claim or suit against the State alleging that any such item furnished by Contractor infringes any patent, trademark, copyright, or trade secret. Contractor also will pay all damages and costs that by final judgment may be assessed against the State due to such infringement and all attorney fees and litigation expenses reasonably incurred by the State to defend against such a claim or suit. The obligations of this paragraph are in addition to those stated in paragraph 4.26.3 below.

4.26.3. If any product(s) furnished by Contractor become, or in Contractor's opinion are likely to become, the subject of a claim of infringement, Contractor will, at its option: (1) procure for the State the right to continue using the applicable item; (2) replace the product with a non-infringing product substantially complying with the item's specifications; or (3) modify the item so it becomes non-infringing and performs in a substantially similar manner to the original item.

#### 4.27. Confidentiality

Subject to the Maryland Public Information Act and any other applicable laws, including all confidential or proprietary information and documentation relating to either party (including without limitation, any information or data stored within the Contractor's computer systems) shall be held in absolute confidence by the other party. Each party shall, however, be permitted to disclose relevant confidential information to its officers, agents and employees to the extent that such disclosure is necessary for the performance of their duties under this Contract, provided the data may be collected, used, disclosed, stored and disseminated only as provided by and consistent with the law and the

confidentiality provisions of the RFP. The provisions of this section shall not apply to information that (a) is lawfully in the public domain; (b) has been independently developed by the other party without violation of this Contract; (c) was already in the possession of such party; (d) was supplied to such party by a third party lawfully in possession thereof and legally permitted to further disclose the information; or (e) which such party is required to disclose by law.

**ARTICLE V - NOTICES**

5.1. All notices required to be given by one party to the other hereunder shall be in writing and shall be addressed as follows:

If to the Office: Procurement Officer  
Maryland State Treasurer's Office  
Louis L. Goldstein Treasury Building  
80 Calvert Street  
Annapolis, Maryland 21401

If to the Agency: Chris Harr  
Chief, WIC Information Technology  
Maryland WIC Program  
201 W. Preston Street  
Baltimore, Maryland 21201

If to the Contractor: [Name and Address]

5.2. All invoices and all correspondence and inquiries relating to invoices or payments shall be addressed to the Agency identified above in Section 5.1.

**ARTICLE VI - ADMINISTRATION**

6.1. The work to be accomplished under this Contract shall be performed under the direction of the Contract Officer, Chief, WIC Information Technology. All matters relating to the administration of this Contract shall be referred to the Procurement Officer for determination.

**ARTICLE VII - REPRESENTATIONS**

7.1. Each party to this Contract represents and warrants to the other that it has full right, power, and authority to execute this Contract.

**IN WITNESS WHEREOF**, the parties have executed this Contract as of the date hereinabove set forth.

**ATTEST:**

**[CONTRACTOR'S LEGAL NAME]**

\_\_\_\_\_

By: \_\_\_\_\_  
[Signatory]  
[Title]

**WITNESS:**

**MARYLAND STATE TREASURER'S OFFICE**

\_\_\_\_\_

By: \_\_\_\_\_  
Nancy K. Kopp  
State Treasurer

**WITNESS:**

\_\_\_\_\_

By: \_\_\_\_\_  
Bernadette T. Benik  
Chief Deputy Treasurer

**ACKNOWLEDGED AND ACCEPTED:  
DEPARTMENT OF HEALTH AND  
MENTAL HYGIENE, MARYLAND WIC  
PROGRAM:**

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

Approved for form and legal sufficiency  
for the Maryland State Treasurer's Office:

\_\_\_\_\_  
David P. Chaisson  
Assistant Attorney General

## Appendix E-1

### COLLATERAL SECURITY AGREEMENT

**THIS COLLATERAL SECURITY AGREEMENT** (the "Agreement") is made and entered into as of \_\_\_\_\_ by and between the Maryland State Treasurer's Office, on behalf of the Maryland Department of Health and Mental Hygiene (DHMH) hereinafter called the "Depositor", and \_\_\_\_\_ [a national banking association, organized under the laws of the United States] or [organized under the laws of Maryland] and authorized by law to do banking business in the State of Maryland, hereinafter called the "bank."

#### Background

The Depositor, in accordance with Maryland State law, has designated the Bank as a depository for public funds of the Depositor under the Contract for e-WIC Processing Services for the Women, Infants and Children Program for the Maryland Department of Health and Mental Hygiene and US Virgin Islands dated \_\_\_\_\_, 2015. During the term of this Agreement, the Depositor will designate the officer, or officers, who singly or jointly will be authorized to represent and act on behalf of the Depositor in any and all matters of every kind arising under this Agreement. This Agreement incorporates the terms of the Contract by reference for all purposes; however, to the extent that any provision in the Contract conflicts with any provision in this Agreement, this Agreement will control. All funds on deposit with the Bank to the credit of the Depositor are required to be secured by collateral of the kind and character permitted by §6-202 of the State Finance and Procurement Article of the Annotated Code of Maryland, as may be amended from time to time ("SFP §6-202").

Under §6-209 of the State Finance and Procurement Article of the Annotated Code of Maryland, as may be amended from time to time ("SFP §6-209"), only certain collateral pledged by the Bank is required to be held by a custodian. For purposes of this Agreement, permissible collateral under SFP §6-202 shall be referred to as "Collateral" and any Collateral that is required to be held by a custodian under SFP §6-209 shall be referred to as "Securities Collateral."

To perfect the security interest of the Depositor in Securities Collateral pledged by the Bank, a Federal Reserve Bank or a third party financial institution, acceptable to the Depositor, will hold the Securities Collateral in a custody account for the benefit of the Depositor. For purposes of this Agreement, such Federal Reserve Bank or third party financial institution shall be referred to as the "Trustee."

In consideration of the foregoing, and for other good and valuable consideration, the receipt and sufficiency of which are acknowledged by the parties, it is agreed as follows:

1. Under the terms of this Agreement, the Bank pledges to the Depositor, and grants to the Depositor a security interest in, the Securities Collateral owned by the Bank and held by the Trustee for the benefit of the Depositor, to secure the deposits held by the Bank for the Depositor as provided in SFP §6-209.
2. The total market value of the Securities Collateral held by the Trustee (which includes accrued interest or income to the extent it is not included in the market price) will be in an amount at least equal to such amount as is required under SFP §6-209, taking into account any other acceptable Collateral properly delivered to the Depositor. The market value of any security held as Securities Collateral will be obtained from a primary dealer. The Bank will provide a monthly collateral report to the Depositor at no charge. The report includes the market value and description of each item of Collateral pledged as of the last business day of the month.
3. The Bank has previously or will immediately deliver to the Trustee Securities Collateral of the kind and character permitted by SFP §6-202 of sufficient amount and market value to provide adequate collateral under SFP §6-209, taking into consideration any other acceptable Collateral properly delivered to the Depositor, for the funds of the Depositor deposited with the Bank. For so long as the depository relationship between the Depositor and the Bank shall exist hereunder, the Securities Collateral or substitute Securities Collateral, as provided for below, in an amount and market value sufficient to provide adequate Collateral, taking into consideration any other acceptable Collateral properly delivered to the Depositor, shall be kept and retained by the Trustee in trust.
4. The Bank shall cause the Trustee to accept the Securities Collateral and hold the same in trust for the purpose stated in this Agreement.
5. Should the Bank fail at any time to pay and satisfy, when due, any check, draft, or voucher lawfully drawn against any deposit, or in case the Bank becomes insolvent or in any manner breaches its contract with the Depositor, Depositor shall give written notice of such failure, insolvency or breach to the Bank, and the Bank shall have ten days to cure such failure, insolvency or breach. In the event the Bank shall fail to cure such failure, insolvency or breach within ten days, it shall be the duty of the Trustee, upon demand of the Depositor (supported by proper evidence of any of the above-listed circumstances), to surrender the Securities Collateral to the Depositor. The Depositor may sell all or any part of the Securities Collateral and out of the proceeds of such sale pay the Depositor all damages and losses sustained by it, together with all expenses of any and every kind incurred by it on account of such failure or insolvency, or sale. Following any sale, the Depositor shall provide an accounting to the Bank for the remainder, if any, of the proceeds or Collateral remaining unsold.

6. Any sale of all or part of the Securities Collateral, made by the Depositor under this Agreement may be either at public or private sale; provided, however, the Depositor shall give to the Bank ten days written notice of the time and place where such sale shall take place, and such sale shall be to the highest bidder for cash. The Depositor and the Bank shall have the right to bid at such sale.
7. If the Bank shall desire to sell or otherwise dispose of all or part of the Securities Collateral deposited with the Trustee, it may substitute other Securities Collateral of at least the same market value. Alternatively, the Bank may substitute other acceptable Collateral properly delivered to the Depositor in an amount equal to the market value of the Securities Collateral to be sold or otherwise disposed of. Such rights of substitution shall remain in full force and may be exercised by the Bank as often as it may desire; provided, however, that the aggregate market value of all Collateral pledged to the Depositor, shall be at least equal to the amount of Collateral required under SFP §6-209. If at any time, the aggregate market value of Securities Collateral deposited with the Trustee, taken together with any other acceptable Collateral properly delivered to the Depositor, is less than the total amount required under SFP §6-209, the Bank shall, upon request of the Depositor, deposit with the Trustee such additional Securities Collateral as may be necessary to cause the market value of such Securities Collateral, taken together with any other acceptable Collateral properly delivered to the Depositor, to equal the total amount of required Collateral. The Bank shall be entitled to income on securities held by the Trustee, and the Trustee may dispose of such income as directed by the Bank without approval of the Depositor.
8. The Bank shall cause the Trustee promptly to forward to the Depositor copies of safekeeping or trust receipts and/or activity reports covering all of the Collateral, including substitute Collateral as provided for herein.
9. If at any time the Securities Collateral in the hands of the Trustee shall have a market value, taking into account any other acceptable Collateral properly delivered to the Depositor, that exceeds the required amount of Securities Collateral, the Depositor shall authorize the withdrawal of a specified amount of Securities Collateral, and the Trustee may deliver this amount of Securities Collateral (and no more) to the Bank. Once the Bank receives the redelivered Securities Collateral, the Trustee shall have no further liability for such Securities Collateral.
10. Each of the Depositor and the Bank shall have the right to terminate this Agreement by advance written notice to the other of its election to do so. This Agreement shall be void from and after the expiration of sixty days after the receipt of such notice, provided all provisions of this Agreement have been fulfilled.

11. When the depositor-bank relationship ceases to exist between the Depositor and the Bank, and when the Bank has properly paid out all deposits of the Depositor, the Depositor shall give the Trustee written notice to that effect and the Trustee shall, with the approval of the Depositor, redeliver to the Bank all Securities Collateral then in its possession belonging to the Bank.
12. A. Any notice required to be given to the Bank in writing shall be sufficient if delivered to the following address:

\_\_\_\_\_  
\_\_\_\_\_

The Bank may change the above address by notifying the Depositor by facsimile or by such other means as is consistent with the Bank's usual means of notification to the Depositor.

- B. Any notice to be given to the Depositor shall be sufficient if delivered to the following address:

Maryland State Treasurer's Office  
Attn: Director of Treasury Management  
80 Calvert Street  
Annapolis, Maryland 21401  
Tel: (410)260-7129 – Fax: (410)974-2076

The Depositor may change the above address by notifying the Bank by facsimile or by such other means as is consistent with the Depositor's usual means of notification to the Bank.

13. This Agreement shall be binding upon, and shall insure to the benefit of, the parties hereto and their respective corporate successors.
14. No amendments or modification of this Agreement or waiver of any right under this Agreement shall be binding on any party unless it is in writing and is signed by all of the parties.

[Signatures Appear on the Following Page]



Executed by the undersigned duly authorized officers of the parties as of the date of this Agreement.

**ATTEST**

**[BANK NAME]**

\_\_\_\_\_

By: \_\_\_\_\_  
[Signatory]  
[Title]

**WITNESS:**

**MARYLAND STATE TREASURER'S OFFICE**

\_\_\_\_\_

By: \_\_\_\_\_  
Nancy K. Kopp  
State Treasurer

**WITNESS:**

\_\_\_\_\_

By: \_\_\_\_\_  
Bernadette T. Benik  
Chief Deputy Treasurer

Approved as to form and legal sufficiency for the Maryland State Treasurer's Office:

\_\_\_\_\_  
David P. Chaisson  
Assistant Attorney General

**APPENDIX E-2**  
**DESIGNATION OF DEPOSITORY**

I, THE UNDERSIGNED, TREASURER OF THE STATE OF MARYLAND, DO HEREBY CERTIFY that, by my action duly taken, the following Designation has been duly made, has not been amended or modified, is not inconsistent with the Constitution and laws of the State of Maryland (the "State"), and is now in full force and effect:

IN ACCORDANCE with §6-205 of the State Finance and Procurement Article of the Annotated Code of Maryland, \_\_\_\_\_, (the "Bank") is hereby designated as a depository for funds of the State for the term of the Contract for e-WIC Processing Services for the Women, Infants and Children Program for the Maryland Department of Health and Mental Hygiene and US Virgin Islands by and between the State and \_\_\_\_\_, dated \_\_\_\_\_, as it may be amended, and that deposit accounts, whether demand, time, savings, disbursement, or like accounts may be opened and/or maintained from time to time in the name of the State with the Bank. The Bank, as a designated depository for funds of the State, is hereby authorized and directed to honor checks, drafts, or other orders for the payment of money drawn in the name of the State or its agencies, when bearing or purporting to bear the facsimile signature of one of the following: the Treasurer or the Chief Deputy Treasurer; and the countersignature of one of the following: the Comptroller or Deputy Comptroller, or the actual signatures of the certified officers or employees of each agency approved by the Treasurer and the Comptroller to establish an account with the Bank, as indicated on the Bank's standard account signature cards; and the Bank shall be entitled to honor and charge the State for all such checks, drafts and other orders, regardless of by whom or by what means the facsimile signatures thereon may have been affixed thereto from time to time by the Treasurer or other duly authorized officer of the State; and it is

FURTHER CERTIFIED, that the Treasurer or duly authorized agency representative shall certify to the Bank the names of the officers or employees of the State authorized to act with respect to each and every account, and shall from time to time hereafter as changes in such personnel may be made, immediately certify such changes to the Bank, and the Bank shall be fully protected in relying on such certifications of the Treasurer or duly authorized agency representative, and to the extent permitted by law shall be indemnified and saved harmless from any claims, demands, expenses, losses, or damages resulting from, or growing out of honoring the signature of an officer or employee so certified or refusing to honor any signature not so certified; and it is

FURTHER CERTIFIED, that the foregoing Designation shall remain in full force and effect until written notice of its amendment or rescission shall have been received by the Bank, and that receipt of such notice shall not affect any action taken by the Bank prior thereto.

I HEREBY CERTIFY that the following is the title, name, and official signature of the officer, in addition to me, authorized herein to act on behalf of the State:

<u>Title</u>	<u>Name</u>	<u>Official Signature</u>
Chief Deputy Treasurer	Bernadette T. Benik	_____

IN WITNESS WHEREOF, I have executed this Designation as of this \_\_\_\_ day of \_\_\_\_\_, 2015.

STATE OF MARYLAND

By: \_\_\_\_\_  
Nancy K. Kopp  
Treasurer

### APPENDIX E-3 - FEDERAL FUNDS ATTACHMENT

#### A Summary of Certain Federal Fund Requirements and Restrictions

[Details of particular laws, which may levy a penalty for noncompliance, are available from the Department of Health and Mental Hygiene.]

1. Form and rule enclosed: 18 U.S.C. 1913 and Section 1352 of P.L. 101-121 require that all *prospective* and present sub-grantees (this includes all levels of funding) who receive more than \$100,000 in federal funds must submit the form "Certification Against Lobbying." It assures, generally, that recipients will not lobby federal entities with federal funds, and that, as is required, they will disclose other lobbying on form SF- LLL.
2. Form and instructions enclosed: "Form LLL, Disclosure of Lobbying Activities" must be submitted by those receiving more than \$100,000 in federal funds, to disclose any lobbying of federal entities (a) with profits from federal contracts or (b) funded with nonfederal funds.
3. Form and summary of Act enclosed: Sub-recipients of federal funds on any level must complete a "Certification Regarding Environmental Tobacco Smoke," required by Public Law 103-227, the Pro-Children Act of 1994. Such law prohibits smoking in any portion of any indoor facility owned or leased or contracted for regular provision of health, day care, early childhood development, education, or library services for children under the age of 18. Such language must be included in the conditions of award (they are included in the certification, which may be part of such conditions.) This does not apply to those solely receiving Medicaid or Medicare, or facilities where WIC coupons are redeemed.
4. In addition, federal law requires that:
  - A) OMB Circular A-133, Audits of States, Local Governments and Non-Profit Organizations requires that grantees (both recipients and sub-recipients) which expend a total of \$300,000 or more (***\$500,000 for fiscal years ending after December 31, 2003***) in federal assistance shall have a single or program-specific audit conducted for that year in accordance with the provisions of the Single Audit Act of 1984, P.L. 98-502, and the Single Audit Act Amendments of 1996, P.L. 104-156 and the Office of Management and Budget (OMB) Circular A-133. All sub-grantee audit reports, performed in compliance with the aforementioned Circular shall be forwarded within 30 days of report issuance to the DHMH, External Audit Division, Spring Grove Hospital-Tuerk Bldg., 55 Wade Avenue, Baltimore, MD 21228.

- B) All sub-recipients of federal funds comply with Sections 503 and 504 of the Rehabilitation Act of 1973, the conditions of which are summarized in item (C).
- C) Recipients of \$10,000 or more (on any level) must include in their contract language the requirements of Sections 503 (language specified) and 504 referenced in item (B).

Section 503 of the Rehabilitation Act of 1973, as amended, requires recipients to take affirmative action to employ and advance in employment qualified disabled people. An affirmative action program must be prepared and maintained by all contractors with 50 or more employees and one or more federal contracts of \$50,000 or more.

This clause must appear in subcontracts of \$10,000 or more:

- a) The contractor will not discriminate against any employee or applicant for employment because of physical or mental handicap in regard to any position for which the employee or applicant for employment is qualified. The contractor agrees to take affirmative action to employ, advance in employment and otherwise treat qualified handicapped individuals without discrimination based upon their physical or mental handicap in all upgrading, demotion or transfer, recruitment, advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship.
- b) The contractor agrees to comply with the rules, regulations, and relevant orders of the secretary of labor issued pursuant to the act.
- c) In the event of the contractor's non-compliance with the requirements of this clause, actions for non-compliance may be taken in accordance with the rules, regulations and relevant orders of the secretary of labor issued pursuant to the act.
- d) The contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices in a form to be prescribed by the director, provided by or through the contracting office. Such notices shall state the contractor's obligation under the law to take affirmative action to employ and advance in employment qualified handicapped employees and applicants for employment, and the rights of applicants and employees.
- e) The contractor will notify each labor union or representative of workers with which it has a collective bargaining agreement or other contract understanding, that the contractor is bound by the terms of Section 503 of the Rehabilitation Act of 1973, and is committed to take affirmative

action to employ and advance in employment physically and mentally handicapped individuals.

- f) The contractor will include the provisions of this clause in every subcontract or purchase order of \$10,000 or more unless exempted by rules, regulations, or orders of the [federal] secretary issued pursuant to Section 503 of the Act, so that such provisions will be binding upon each subcontractor or vendor. The contractor will take such action with respect to any subcontract or purchase order as the director of the Office of Federal Contract Compliance Programs may direct to enforce such provisions, including action for non-compliance.

Section 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. Sec. 791 *et seq.*) prohibits discrimination on the basis of handicap in all federally assisted programs and activities. It requires the analysis and making of any changes needed in three general areas of operation—programs, activities, and facilities and employment. It states, among other things, that:

*Grantees that provide health ... services should undertake tasks such as ensuring emergency treatment for the hearing impaired and making certain that persons with impaired sensory or speaking skills are not denied effective notice with regard to benefits, services, and waivers of rights or consents to treatments.*

- D) All sub-recipients comply with Title VI of the Civil Rights Act of 1964 that they must not discriminate in participation by race, color, or national origin.
- E) All sub-recipients of federal funds from SAMHSA (Substance Abuse and Mental Health Services Administration) or NIH (National Institute of Health) are prohibited from paying any direct salary at a rate more than Executive Level 1 per year. (This includes, but is not limited to, sub-recipients of the Substance Abuse Prevention and Treatment and the Community Mental Health Block Grants and NIH research grants.)
- F) There may be no discrimination on the basis of age, according to the requirements of the Age Discrimination Act of 1975.
- G) For any education program, as required by Title IX of the Education Amendments of 1972, there may be no discrimination on the basis of sex.
- H) For research projects, a form for Protection of Human Subjects (Assurance/ Certification/ Declaration) should be completed by each level funded, assuring that either: (1) there are no human subjects involved, or that (2) an Institutional Review Board (IRB) has given its formal approval before human

subjects are involved in research. [This is normally done during the application process rather than after the award is made, as with other assurances and certifications.]

- I) In addition, there are conditions, requirements, and restrictions which apply only to specific sources of federal funding. These should be included in your grant/contract documents when applicable.

**U.S. Department of Health and Human Services**

**CERTIFICATION REGARDING LOBBYING**

Certification for Contracts, Grants, Loans, and Cooperative Agreements

The undersigned certifies, to the best of his or her knowledge and belief, that:

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

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by Section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

Award No.	Organizational Entry
Name and Title of Official Signing for Organizational Entry	Telephone No. Of Signing Official
Signature of Above Official	Date Signed



**DISCLOSURE OF LOBBYING ACTIVITIES**

Complete this form to disclose lobbying activities pursuant to 31 U.S.C. 1352

<p><b>1. Type of Federal Action:</b></p> <p><input type="checkbox"/> a. Contract</p> <p><input type="checkbox"/> b. Grant</p> <p><input type="checkbox"/> c. Cooperative Agreement</p> <p><input type="checkbox"/> d. Loan</p> <p><input type="checkbox"/> e. Loan guarantee</p> <p><input type="checkbox"/> f. Loan insurance</p>	<p><b>2. Status of Federal Action:</b></p> <p><input type="checkbox"/> a. Bid/offer/application</p> <p><input type="checkbox"/> b. Initial award</p> <p><input type="checkbox"/> c. Post-award</p>	<p><b>3. Report Type:</b></p> <p><input type="checkbox"/> a. Initial filing</p> <p><input type="checkbox"/> b. Material change</p> <p>For Material Change Only: Year _____ quarter _____ Date of last report _____</p>
<p><b>4. Name and Address of Reporting Entity:</b></p> <p><input type="checkbox"/> Prime    <input type="checkbox"/> Subawardee    Tier _____, if known:</p> <p>Congressional District, <i>if known</i>:</p>	<p><b>5. If Reporting Entity in No. 4 is a Subawardee, Enter Name and Address of Prime:</b></p> <p>Congressional District, <i>if known</i>:</p>	
<p><b>6. Federal Department/Agency:</b></p>	<p><b>7. Federal Program Name/Description:</b></p> <p>CFDA Number, <i>if applicable</i>:</p> <p>_____</p>	
<p><b>8. Federal Action Number, if known:</b></p>	<p><b>9. Award Amount, if known:</b></p> <p>\$ _____</p>	
<p><b>10. a. Name and Address of Lobbying Registrant</b> (<i>if individual, last name, first name, MI</i>):</p>	<p><b>b. Individuals Performing Services</b> (<i>including address if different from No. 10a</i>) (<i>last name, first name, MI</i>):</p>	
<p><b>11. Amount of Payment</b> (<i>check all that apply</i>) \$ _____    <input type="checkbox"/> actual    <input type="checkbox"/> planned</p>	<p><b>13. Type of Payment</b> (<i>check all that apply</i>)</p>	
<p><b>12. Form of Payment</b> (<i>check all that apply</i>)</p> <p><input type="checkbox"/> a. cash</p> <p><input type="checkbox"/> b. in-kind; specify: nature _____ value _____</p>	<p><input type="checkbox"/> a. retainer</p> <p><input type="checkbox"/> b. one-time</p> <p><input type="checkbox"/> c. commission</p> <p><input type="checkbox"/> d. contingent fee</p> <p><input type="checkbox"/> e. deferred</p> <p><input type="checkbox"/> f. other; specify: _____</p>	
<p><b>14. Brief Description of Services Performed or to be Performed and Date(s) of</b></p>		

<b>Service, including officer(s), employee(s), or Member(s) contacted, for Payment Indicated in Item 11:</b>	
<i>(attach Continuation Sheet(s) SF-LLLA, if necessary)</i>	
<b>15. Continuation Sheet(s) SF-LLLA attached:</b>	
<input type="checkbox"/> Yes <input type="checkbox"/> No	
16. Information requested through this form is authorized by title 31 U.S.C. Section 1352. This disclosure of lobbying activities is a material representation of fact upon which reliance was placed by the tier above when this transaction was made or entered into. This disclosure is required pursuant to 31 U.S.C. 1352. This information will be available for public inspection. Any person who fails to file the required disclosure shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.	Signature: _____  Print _____ Name: _____  Title: _____  Telephone No.: _____ Date: _____
<b>Federal Use Only:</b>	Authorized for Local Reproduction Standard Form LLL (Rev. 7-97)

**INSTRUCTIONS FOR COMPLETION OF SF-LLL, DISCLOSURE OF LOBBYING ACTIVITIES**

This disclosure form shall be completed by the reporting entity, whether sub-awardee or prime Federal recipient, at the initiation or receipt of a covered Federal action, or a material change to a previous filing, pursuant to title 31 U.S.C. Section 1352. The filing of a form is required for each payment or agreement to make payment to any lobbying entity for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with a covered Federal action. Complete all items that apply for both the initial filing and material change report. Refer to the implementing guidance published by the Office of Management and Budget for additional information.

1. Identify the type of covered Federal action for which lobbying activity is and/or has been secured to influence the outcome of a covered Federal action.
2. Identify the status of the covered Federal action.
3. Identify the appropriate classification of this report. If this is a follow-up report caused by a material change to the information previously reported, enter the year and quarter in which the change occurred. Enter the date of the last previously submitted report by this reporting entity for this covered Federal action.

4. Enter the full name, address, city, State and zip code of the reporting entity. Include Congressional District, if known. Check the appropriate classification of the reporting entity that designates if it is, or expects to be, a prime or sub-award recipient. Identify the tier of the sub-awardee, e.g., the first sub-awardee of the prime is the 1st tier. Sub-awards include but are not limited to subcontracts, sub-grants and contract awards under grants.
5. If the organization filing the report in item 4 checks "Sub-awardee," then enter the full name, address, city, State and zip code of the prime Federal recipient. Include Congressional District, if known.
6. Enter the name of the Federal agency making the award or loan commitment. Include at least one organizational level below agency name, if known. For example, Department of Transportation, United States Coast Guard.
7. Enter the Federal program name or description for the covered Federal action (item 1). If known, enter the full Catalog of Federal Domestic Assistance (CFDA) number for grants, cooperative agreements, loans, and loan commitments.
8. Enter the most appropriate Federal identifying number available for the Federal action identified in item 1 (e.g., Request for Proposal (RFP) number; Invitation for Bid (IFB) number; grant announcement number; the contract, grant, or loan award number; the application/proposal control number assigned by the Federal agency). Include prefixes, e.g., "RFP-DE-90-001."
9. For a covered Federal action where there has been an award or loan commitment by the Federal agency, enter the Federal amount of the award/loan commitment for the prime entity identified in item 4 or 5.
10. (a) Enter the full name, address, city, State and zip code of the lobbying registrant under the Lobbying Disclosure Act of 1995 engaged by the reporting entity identified in item 4 to influence the covered Federal action.
10. (b) Enter the full names of the individual(s) performing services, and include full address if different from 10 (a). Enter Last Name, First Name, and Middle Initial (MI).
11. The certifying official shall sign and date the form and print his/her name, title, and telephone number.

According to the Paperwork Reduction Act, as amended, no persons are required to respond to a collection of information unless it displays a valid OMB Control Number. The valid OMB control number for this information collection is OMB No. 0348-0046. Public reporting burden for this collection of information is estimated to average 10 minutes per response, including time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding the burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the Office of Management and Budget, Paperwork Reduction Project (0348-0046), Washington, DC 20503.

DEPARTMENT OF HEALTH AND HUMAN SERVICES

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Public Health Service  
Health Resources and  
Service Administration  
Rockville, MD 20857

**CERTIFICATION REGARDING ENVIRONMENTAL TOBACCO SMOKE**

Public Law 103-227, also known as the Pro Children Act of 1994, Part C Environmental Tobacco Smoke, requires that smoking not be permitted in any portion of any indoor facility owned, or leased or contracted for by an entity and used routinely or regularly for provision of health, day care, early childhood development services, education or library services to children under the age of 18, if the services are funded by Federal programs either directly or through State or local governments, by Federal grant, contract, loan, or loan guarantee. The law also applies to children's services that are provided in indoor facilities that are constructed, operated or maintained with such Federal funds. The law does not apply to children's services provided in private residences, portions of facilities used for inpatient drug or alcohol treatment, service providers whose sole sources of applicable Federal funds is Medicare or Medicaid, or facilities where WIC coupons are redeemed. Failure to comply with the provisions of the law may result in the imposition of a civil monetary penalty of up to \$1000 for each violation and/or the imposition of an administrative compliance order on the responsible entity.

By signing this certification, the offeror/contractor (for acquisitions) or applicant/grantee (for grants) certifies that the submitting organization will comply with the requirements of the Act and will not allow smoking within any portion of any indoor facility used for the provision of services for children as defined by the Act.

The submitting organization further agrees that it will require the language of this certification be included in any sub-awards which contain provisions for children's services and that all sub-recipients shall certify accordingly.

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Signature of Authorized Certifying Individual

**APPENDIX F  
(To be submitted with the Contract)  
CONTRACT AFFIDAVIT**

**A. AUTHORIZED REPRESENTATIVE**

**I HEREBY AFFIRM THAT:**

I, \_\_\_\_\_ (print name), possess the legal authority to make this Affidavit.

**B. CERTIFICATION OF REGISTRATION OR QUALIFICATION WITH THE STATE DEPARTMENT OF ASSESSMENTS AND TAXATION**

**I FURTHER AFFIRM THAT:**

The business named above is a (check applicable box):

- (1) Corporation —  domestic or  foreign;
- (2) Limited Liability Company —  domestic or  foreign;
- (3) Partnership —  domestic or  foreign;
- (4) Statutory Trust —  domestic or  foreign;
- (5)  Sole Proprietorship.

and is registered or qualified as required under Maryland Law. I further affirm that the above business is in good standing both in Maryland and (IF APPLICABLE) in the jurisdiction where it is presently organized, and has filed all of its annual reports, together with filing fees, with the Maryland State Department of Assessments and Taxation. The name and address of its resident agent (IF APPLICABLE) filed with the State Department of Assessments and Taxation is:

Name and Department ID  
Number: \_\_\_\_\_ Address: \_\_\_\_\_

and that if it does business under a trade name, it has filed a certificate with the State Department of Assessments and Taxation that correctly identifies that true name and address of the principal or owner as:

Name and Department ID Number: \_\_\_\_\_  
Address: \_\_\_\_\_.

**C. FINANCIAL DISCLOSURE AFFIRMATION**

**I FURTHER AFFIRM THAT:**

I am aware of, and the above business will comply with, the provisions of State Finance and Procurement Article, §13-221, Annotated Code of Maryland, which require that every business that enters into contracts, leases, or other agreements with the State of Maryland or its agencies during a calendar year under which the business is to receive in the aggregate \$100,000 or more shall, within 30 days of the time when the aggregate value of the contracts, leases, or other agreements reaches \$100,000, file with the Secretary of State of Maryland certain specified information to include disclosure of beneficial ownership of the business.

#### D. POLITICAL CONTRIBUTION DISCLOSURE AFFIRMATION

I FURTHER AFFIRM THAT:

I am aware of, and the above business will comply with, Election Law Article, §§14-101 — 14-108, Annotated Code of Maryland, which requires that every person that enters into contracts, leases, or other agreements with the State of Maryland, including its agencies or a political subdivision of the State, during a calendar year in which the person receives in the aggregate \$100,000 or more shall file with the State Board of Elections a statement disclosing contributions in excess of \$500 made during the reporting period to a candidate for elective office in any primary or general election.

#### E. DRUG AND ALCOHOL FREE WORKPLACE

(Applicable to all contracts unless the contract is for a law enforcement agency and the agency head or the agency head's designee has determined that application of COMAR 21.11.08 and this certification would be inappropriate in connection with the law enforcement agency's undercover operations.)

I CERTIFY THAT:

(1) Terms defined in COMAR 21.11.08 shall have the same meanings when used in this certification.

(2) By submission of its bid or offer, the business, if other than an individual, certifies and agrees that, with respect to its employees to be employed under a contract resulting from this solicitation, the business shall:

(a) Maintain a workplace free of drug and alcohol abuse during the term of the contract;

(b) Publish a statement notifying its employees that the unlawful manufacture, distribution, dispensing, possession, or use of drugs, and the abuse of drugs or alcohol is prohibited in the business' workplace and specifying the actions that will be taken against employees for violation of these prohibitions;

(c) Prohibit its employees from working under the influence of drugs or alcohol;

(d) Not hire or assign to work on the contract anyone who the business knows, or in the exercise of due diligence should know, currently abuses drugs or alcohol and is not actively engaged in a bona fide drug or alcohol abuse assistance or rehabilitation program;

(e) Promptly inform the appropriate law enforcement agency of every drug-related crime that occurs in its workplace if the business has observed the violation or otherwise has reliable information that a violation has occurred;

(f) Establish drug and alcohol abuse awareness programs to inform its employees about:

- (i) The dangers of drug and alcohol abuse in the workplace;
- (ii) The business's policy of maintaining a drug and alcohol free workplace;
- (iii) Any available drug and alcohol counseling, rehabilitation, and employee assistance programs; and
- (iv) The penalties that may be imposed upon employees who abuse drugs and alcohol in the workplace;

(g) Provide all employees engaged in the performance of the contract with a copy of the statement required by §E(2)(b), above;

(h) Notify its employees in the statement required by §E(2)(b), above, that as a condition of continued employment on the contract, the employee shall:

- (i) Abide by the terms of the statement; and
- (ii) Notify the employer of any criminal drug or alcohol abuse conviction for an offense occurring in the workplace not later than 5 days after a conviction;

(i) Notify the procurement officer within 10 days after receiving notice under §E(2)(h)(ii), above, or otherwise receiving actual notice of a conviction;

(j) Within 30 days after receiving notice under §E(2)(h)(ii), above, or otherwise receiving actual notice of a conviction, impose either of the following sanctions or remedial measures on any employee who is convicted of a drug or alcohol abuse offense occurring in the workplace:

- (i) Take appropriate personnel action against an employee, up to and including termination; or
- (ii) Require an employee to satisfactorily participate in a bona fide drug or alcohol abuse assistance or rehabilitation program; and

(k) Make a good faith effort to maintain a drug and alcohol free workplace through implementation of §E(2)(a)—(j), above.

(3) If the business is an individual, the individual shall certify and agree as set forth in §E(4), below, that the individual shall not engage in the unlawful manufacture, distribution, dispensing, possession, or use of drugs or the abuse of drugs or alcohol in the performance of the contract.

(4) I acknowledge and agree that:

(a) The award of the contract is conditional upon compliance with COMAR 21.11.08 and this certification;

(b) The violation of the provisions of COMAR 21.11.08 or this certification shall be cause to suspend payments under, or terminate the contract for default under COMAR 21.07.01.11 or 21.07.03.15, as applicable; and

(c) The violation of the provisions of COMAR 21.11.08 or this certification in connection with the contract may, in the exercise of the discretion of the Board of Public Works, result in suspension and debarment of the business under COMAR 21.08.03.

F. CERTAIN AFFIRMATIONS VALID

I FURTHER AFFIRM THAT:

To the best of my knowledge, information, and belief, each of the affirmations, certifications, or acknowledgements contained in that certain Bid/Proposal Affidavit dated \_\_\_\_\_, 2015, and executed by me for the purpose of obtaining the contract to which this Exhibit is attached remains true and correct in all respects as if made as of the date of this Contract Affidavit and as if fully set forth herein.

I DO SOLEMNLY DECLARE AND AFFIRM UNDER THE PENALTIES OF PERJURY THAT THE CONTENTS OF THIS AFFIDAVIT ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE, INFORMATION, AND BELIEF.

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

By: \_\_\_\_\_ (printed name of Authorized Representative and Affiant)

\_\_\_\_\_ (signature of Authorized Representative and Affiant)



**PERSONAL SERVICES CONTRACT  
FOR WIC-EBT PROCESSING SERVICES**

**BETWEEN**

**The Government of the VIRGIN ISLANDS (GOVI)**

**AND**

**PROFESSIONAL SERVICES CONTRACT**

BY AND BETWEEN

**GOVERNMENT OF THE VIRGIN ISLANDS,  
DEPARTMENT OF PROPERTY & PROCUREMENT**

ON BEHALF OF

**DEPARTMENT OF \_\_\_\_\_**

AND

\_\_\_\_\_

THIS AGREEMENT is made this \_\_\_\_ day of \_\_\_\_\_, 201\_ in the Territory of the Virgin Islands, by and between the Government of the Virgin Islands, Department of Property & Procurement on behalf of the Department of \_\_\_\_\_ (hereinafter referred to as "Government") and \_\_\_\_\_ (hereinafter referred to as "Contractor").

**WITNESSETH:**

WHEREAS, the Government is in need of the services of a Contractor to provide e-WIC Services (Electronic Benefit Transfer Services) for the GOVI WIC (Women, Infants and Children) Program, which duties and responsibilities are more particularly described in Addendum I (Scope of Services) attached hereto; and

WHEREAS, the Contractor represents that it is willing and capable of providing such services.

NOW, THEREFORE, in consideration of the mutual covenants herein contained, and intending to be legally bound by this written instrument, the parties hereto do covenant and agree as follows:

1. **SERVICES.** Contractor will provide the services described in Addendum I (Scope of Services) attached hereto and made a part of this Contract.
2. **TERM.** This Contract shall be for a term of four (4) years, shall commence upon the execution of this Contract by the Governor of the Virgin Islands and shall terminate on \_\_\_\_\_. This contract may be extended for two (2) 1-year options, at the sole discretion of the Governor of the Virgin Islands.
3. **COMPENSATION.** The Government, in consideration of the satisfactory performance of the services described in Addendum I (Scope of Services), agrees to pay Contractor in accordance with Appendix A, Price Proposal, attached hereto as Exhibit C.
4. **TRAVEL EXPENSES.** Travel expenses are NOT reimbursable under this contract. The Compensation referenced in paragraph 3 above shall be all-inclusive, and represents the only compensation payable to the Contractor by the GOVI.
5. **RECORDS.** The Contractor, when applicable, will present documented, precise records of time and/or money expended under this Contract.

6. **PROFESSIONAL STANDARDS.** The Contractor agrees to maintain the professional standards applicable to its profession and to consultants doing business in the United States Virgin Islands.
7. **DOCUMENTS, PRINTOUTS, ETC.** All documents, books, records, instructional materials, programs, printouts, and memoranda of every description derived there-from and pertaining to this Contract shall become the property of the Government and shall be turned over to it at the termination of this Contract. The above described materials shall not be used by Contractor or by any other person or entity except upon the written permission of the Government.
8. **LIABILITY OF OTHERS.** Nothing in this Contract shall be construed to impose any liability upon the Government to persons, firms, associations, or corporations engaged by Contractor as servants, agents, or independent contractors, or in any other capacity whatsoever, or make Government liable to any such persons, firms, associations or corporations for the acts, omissions, liabilities, obligations and taxes of Contractor of whatsoever nature, including but not limited to unemployment insurance and social security taxes for Contractor, its servants, agents or independent contractors.
9. **ASSIGNMENT.** The Contractor shall not subcontract or assign any part of the services under this Contract without the prior written consent of the Government.
10. **INDEMNIFICATION.** Contractor agrees to investigate, defend and hold harmless Government from and against any and all loss, damage, liability, claims, demands, detriments, cost, charges and expense (including attorney's fees) and causes of action of whatsoever character which Government may incur, sustain or be subjected to, arising out of or in any way connected to the services to be performed by Contractor under this Contract and arising from any cause, except the sole negligence of Government.
11. **INDEPENDENT CONTRACTOR.** The Contractor shall perform this Contract as an independent Contractor and nothing herein contained shall be construed to be inconsistent with this relationship or status.
12. **GOVERNING LAW.** This Contract shall be governed by the laws of the United States Virgin Islands and jurisdiction shall remain in the United States Virgin Islands.
13. **WAIVERS AND AMENDMENTS.** No waiver, modification or amendment of any term, condition or provision of this contract shall be valid or of any force or effect unless made in writing, signed by the parties hereto or their duly authorized representatives, and specifying with particularity the nature and extent of such waiver, modification or amendment. Any such waiver, modification or amendment in any instance or instances shall in no event be construed to be a general waiver, modification or amendment of any of the terms, conditions or provisions of this

Contract but the same shall be strictly limited and restricted to the extent and occasion specified in such signed writing or writings.

14. **ENTIRE AGREEMENT.** This Contract constitutes the entire agreement between the parties hereto and all written communications, with respect to the Project which is the subject matter of this Contract, are merged herein.
15. **RIGHT TO WITHHOLD.** If work under this Contract is not performed in accordance with the terms hereof, Government will have the right to withhold out of any payment due to Contractor such sums as Government may deem ample to protect it against loss or to assure payment of claims arising there-from, and at its option, Government may apply such sums in such manner as Government may deem proper to secure itself or to satisfy such claims. Government will immediately notify the Contractor in writing in the event that it elects to exercise its right to withhold.  
  
No such withholding or application shall be made by Government if and while Contractor gives satisfactory assurance to Government that such claims will be paid by Contractor or its insurance carrier, if applicable, in the event that such contest is not successful.
16. **CONDITION PRECEDENT.** This Contract shall be subject to the availability and appropriation of funds and to the approval of the Governor.
17. **TERMINATION.** The Contractor does not have the right to terminate this contract prior to its expiration.
18. **PARTIAL TERMINATION.** The performance of work under this Contract may be terminated by the Government in part, whenever the Government shall deem such termination advisable. This partial termination shall be effected by delivering to the Contractor a Notice of Partial Termination specifying the extent to which the term and/or duties under this Contract are terminated and the date upon which such termination becomes effective. The Contractor shall be entitled to receive payment for services provided to the date of termination, including payment for the period of the thirty (30) day notice.
19. **NON-DISCRIMINATION.** No person shall be excluded from participating in, be denied the proceeds of or be subject to discrimination in the performance of this Contract on account of race, creed, color, sex, religion, disability or national origin.
20. **CONFLICT OF INTEREST.**
  - (a) Contractor covenants that it has no interest and will not acquire any interest direct or indirect, which would conflict in any manner or degree with the performance of services required to be performed under this Contract.
  - (b) Contractor further covenants that it is:

- (1) not a territorial officer or employee (i.e., the Governor, Lieutenant Governor, member of the Legislature or any other elected territorial official; or an officer or employee of the legislative, executive or judicial branch of the Government or any agency, board, commission or independent instrumentality of the Government, whether compensated on a salary, fee or contractual basis); or
- (2) a territorial officer or employee and, as such, has:
  - (i) familiarized itself with the provisions of Title 3, Chapter 37, of the Virgin Islands Code, pertaining to conflicts of interest, including the penalties provision set forth in section 1108 thereof;
  - (ii) not made, negotiated or influenced this contract, in its official capacity;
  - (iii) no financial interest in the contract as that term is defined in section 1101 (1) of said Code chapter.

21. **EFFECTIVE DATE.** The effective date of this contract shall be the day of execution of the contract by the Governor.

22. **NOTICE.** Any notice required to be given by the Terms of this Contract shall be deemed to have been given when the same is sent by certified mail, postage prepaid or personally delivered, addressed to the parties as follows:

**GOVERNMENT**

Lynn A. Millin Maduro  
 Commissioner  
 Department of Property and Procurement  
 8201Sub Base, Building #1, Third Floor  
 St. Thomas, Virgin Islands 00802  
 340.774.0828;

Darice Plaskett, RN, MS, FACHE  
 Commissioner  
 Department of Health  
 Charles Harwood Memorial Complex  
 3500 Estate Richmond  
 Christiansted, St. Croix, USVI 00820-4370  
 340.773-6551; and

**CONTRACTOR**

\_\_\_\_\_, \_\_\_\_\_  
 \_\_\_\_\_

23. **LICENSURE.** Contractor covenants that it has:

- (a) obtained all of the applicable licenses or permits, permanent, temporary or otherwise, as required by Title 27 of the Virgin Islands Code; and
- (b) familiarized itself with the applicable provisions of Title 27 of the Virgin Islands Code pertaining to professions and occupations.

24. **FALSE CLAIMS.** Contractor warrants that it shall not, with respect to this Contract, make or present any claim upon or against the Government of the Virgin Islands, or any officer, department, board, commission, or other agency thereof, knowing such claim to be false, fictitious, or fraudulent. Contractor acknowledges that making such a false, fictitious, or fraudulent claim is an offense under Virgin Islands law.
25. **NOTICE OF FEDERAL FUNDING.** Contractor acknowledges that this Contract is funded, in whole or in part, by federal funds. Contractor warrants that it shall not, with respect to this Contract, make, or present any claim knowing such claim to be false, fictitious, or fraudulent. Contractor acknowledges that making such a false, fictitious, or fraudulent claim is a federal offense. The Contractor acknowledges that Federal funds shall not be used for lobbying activities.
26. **DEBARMENT CERTIFICATION.** By execution of this Contract, the Contractor certifies that it is eligible to receive contract awards using federally appropriated funds and that it has not been suspended or debarred from entering into contracts with any federal agency. The Contractor shall include this provision in each of its subcontracts hereunder and shall furnish its subcontractors with the current "LIST OF PARTIES EXCLUDED FROM FEDERAL PROCUREMENT OR NON PROCUREMENT". In the event the Contractor or any subcontractor misrepresents its eligibility to receive contract awards using federal funds, the Contractor or subcontractor agrees that it shall not be entitled to payment for any work performed under this contract or any subcontract and that the Contractor or subcontractor shall promptly reimburse the Government of the Virgin Islands for any progress payments heretofore made.
27. **FUNDING RESTRICTIONS/CANCELLATION.** Both parties acknowledge and agree that should Government funding be limited or restricted, it may affect funding for the Contractor. It is agreed that in the event funding is reduced or restricted, Government shall immediately notify Contractor. In this event, Government will only be obligated to reimburse Contractor for costs already incurred and obligated for payment up to the date of termination by Government. In the event that funds are reduced or restricted, Government and Contractor shall negotiate a new scope of services should the Contractor desire to perform the services required by the reduced level of effort.
28. **Non-Appropriation of Funds** - If funds are not appropriated or if funds are not otherwise made available for continued performance for any fiscal period of this Contract succeeding the first fiscal period, this Contract shall be cancelled automatically as of the beginning of the fiscal year for which funds were not appropriated or otherwise made available; provided, however, that this will not affect either the Government's rights or the Contractor's rights under any termination clause in this Contract. The effect of termination of the Contract hereunder will be to discharge both the Contractor and the Government from future performance of the Contract, but not from their rights and obligations existing at the time of termination. The Contractor shall be reimbursed for the reasonable value of

any non-recurring costs incurred but not amortized in the price of the Contract. The Government shall notify the Contractor as soon as it has knowledge that funds may not be available for the continuation of this Contract for each succeeding fiscal period beyond the first.

29. **NO THIRD-PARTY BENEFICIARIES.** Except as expressly set forth herein, nothing in this Contract is intended or will be construed to confer upon or to give to any third party any rights or remedies by virtue hereof.
30. **SEVERABILITY.** If any provision of this Agreement or the application thereof to any Party or circumstances shall be declared void, illegal or unenforceable, the remainder of this Contract shall be valid and enforceable to the extent permitted by law. If any provision of this Contract is held to be invalid or unenforceable for any reason, the Parties shall use their best efforts to replace the invalid or unenforceable provision by a provision that, to the extent permitted by the applicable law, achieves the purposes intended under the invalid or unenforceable provision.
31. **Liability** - The Contractor agrees to assume full responsibility for any and all damage to the property of Government, both real and personal, which results from or arises in connection with, the performance of this Contract. (MD 4.1)
  - (a) The Contractor hereby agrees to indemnify and save harmless the State against all claims, damages, costs, losses and liabilities whatsoever, for any and all injury to persons and property that may arise out of the performance of this Contract.
  - (b) The Contractor agrees to maintain adequate insurance coverage in order to fulfill its responsibilities under this section.
32. **Tax Exemption** – Government is exempt from Federal Excise Taxes, any sales or use taxes. Exemption certificates shall be completed upon request.
33. **Non-Hiring of Officials and Employees** - No official or employee of Government whose duties as such official or employee include matters relating to or affecting the subject matter of this Contract, shall during the pendency and term of this Contract and while serving as an official or employee of Government become or be an employee of the Contractor or any entity that is a subcontractor on this Contract.
34. **Disputes** – Government has a two stage dispute process:
  - (a) Any dispute will be addressed with the Office of Property and Procurement for a determination of validity and resolution. If the dispute is valid, it will be referred to the Association of Mediators who will provide resolution.
  - (b) If either party does not accept the proposed resolution, the case will be referred to an Arbitrator who will make the final determination. This determination will be final and binding.
35. **Amendments** - Any amendment to this Contract must first be approved in writing

by Government, subject to any additional approvals required by law. No amendment to this Contract shall be binding unless so approved and unless it is in writing and signed by the party to be charged.

36. **Contingent Fee Prohibition** - The Contractor, architect, or engineer (as applicable) warrants that it has not employed or retained any person, partnership, corporation, or other entity, other than a bona fide employee or agent working for the Contractor, architect, or engineer, to solicit or secure this Contract, and that it has not paid or agreed to pay any person, partnership, corporation, or other entity, other than a bona fide employee or agent, any fee or any other consideration contingent on the making of this Contract.
37. **Termination for Default** - If the Contractor fails to fulfill its obligation under this Contract properly and on time, or otherwise violates any provision of the Contract, the Government may terminate the Contract by written notice to the Contractor. The notice shall specify the acts or omissions relied upon as cause for termination. All finished or unfinished work provided by the Contractor shall, at Government's option, become Government property. Government shall pay the Contractor's fair and equitable compensation for satisfactory performance prior to receipt of notice of termination, less the amount of damages caused by Contractor's breach. If the damages are more than the compensation payable to the Contractor, the Contractor will remain liable after termination and Government can affirmatively collect damages.
38. **Termination for Convenience** -The performance of work under this Contract may be terminated by the Government in accordance with this clause in whole, or from time to time in part, whenever the Government shall determine that such termination is in the best interest of the Government. The Government will pay all reasonable costs associated with this Contract that the Contractor has incurred up to the date of termination and all reasonable costs associated with termination of the Contract. However, the Contractor shall not be reimbursed for any anticipatory profits that have not been earned up to the date of termination.
39. **Delays and Extensions of Time** - The Contractor agrees to prosecute the work continuously and diligently and no charges or claims for damages shall be made by it for any delays or hindrances from any cause whatsoever during the progress of any portion of the work specified in this Contract.

Time extensions will be granted only for excusable delays that arise from unforeseeable causes beyond the control and without the fault or negligence of the Contractor, including but not restricted to, acts of God, acts of the public enemy, acts of Government in either its sovereign or contractual capacity, acts of another contractor in the performance of a Contract with Government, fires, floods, epidemics, quarantine restrictions, strikes, freight embargoes, or delays of subcontractors or suppliers arising from unforeseeable causes beyond the control



and without the fault or negligence of either the Contractor or the subcontractors or suppliers.

40. **Variations in Estimated Quantities** - No equitable adjustment shall be permitted in favor of either the Government or the Contractor in the event that the quantity of any pay item in this Contract is an estimated quantity and the actual quantity of such pay item varies from the estimated quantity stated in the Contract.
41. **Suspension of Work** - Government unilaterally may order the Contractor in writing to suspend, delay, or interrupt all or any part of its performance for such period of time as the Office may determine to be appropriate for the convenience of Government.
42. **Retention of Records/Audit** - The Contractor shall retain and maintain all records and documents relating to this Contract for three years after final payment by Government hereunder or any applicable statute of limitations, whichever is longer, and shall make them available for inspection and audit by authorized representatives of the Government, or its designee, at all reasonable times.
43. **Compliance with Laws** - The Contractor hereby represents and warrants that:
  - (a) It is qualified to do business in the US Virgin Islands and that it will take such action as, from time to time, hereafter may be necessary to remain so qualified;
  - (b) It is not in arrears with respect to the payment of any monies due and owing Government or any department or unit thereof, including but not limited to the payment of taxes and employee benefits, and that it shall not become so in arrears during the term of this Contract;
  - (c) It shall comply with all federal, State and local laws, regulations and ordinances applicable to its activities and obligations under this Contract; and
  - (d) It shall obtain, at its expense, all licenses, permits, insurance, and governmental approvals, if any, necessary to the performance of its obligations under this Contract.
44. **Liability for Loss of Data** - In the event of loss of any data or records necessary for the performance of this Contract where such loss is due to the error or negligence of the Contractor, the Contractor shall be responsible, irrespective of cost to the Contractor, for recreating such lost data or records.
45. **Cost and Price Certification** - The Contractor by submitting cost or price information certifies that, to the best of its knowledge, the information submitted is accurate, complete, and current as a mutually determined specified date prior to the conclusion of any price discussions or negotiations for:
  - (a) A negotiated contract, if the total contract price is expected to exceed \$100,000, or a smaller amount set by the procurement officer; or

(b) A change order or contract modification, expected to exceed \$100,000, or a smaller amount set by the procurement officer.

The price under this Contract and any change order or modification hereunder, including profit or fee, shall be adjusted to exclude any significant price increases occurring because the Contractor furnished cost or price information which, as of the date agreed upon between the parties, was inaccurate, incomplete, or not current.

46. **Ownership of Documents and Materials** - Government shall have the right to use all materials described by paragraph 7 above (Documents, Printouts, Etc.) without restriction or limitation and without compensation to the Contractor other than that provided by this Contract. Government shall be the owner for purposes of copyright, patent or trademark registration.

Government and FNS reserve royalty-free, nonexclusive and irrevocable license to reproduce, publish, or otherwise use and authorize others to use for Federal Government purposes, the copyright in any software and associated documentation developed under the resulting contracts.

FNS shall also have access to the EBT systems during design, development, and in operation, and shall have access to the contractor's and any subcontractors cost records as FNS deems necessary.

47. **Patents, Copyrights and Trade Secrets** - If the Contractor furnishes any design, device, material, process or other item, which is covered by a patent, or copyright or which is proprietary to or a trade secret of another, Contractor shall obtain the necessary permission or license to use such item.

(a) Contractor will defend or settle, at its own expense, any claim or suit against Government alleging that any such item furnished by Contractor infringes any patent, trademark, copyright, or trade secret. Contractor also will pay all damages and costs that by final judgment may be assessed against Government due to such infringement and all attorney fees and litigation expenses reasonably incurred by Government to defend against such a claim or suit. The obligations of this paragraph are in addition to those stated in sub-paragraph b. below.

(b) If any product(s) furnished by Contractor become, or in Contractor's opinion are likely to become, the subject of a claim of infringement, Contractor will, at its option: (1) procure for Government the right to continue using the applicable item; (2) replace the product with a non-infringing product substantially complying with the item's specifications; or (3) modify the item so it becomes non-infringing and performs in a substantially similar manner to the original item.

- 48. **Confidentiality** - Subject to all applicable laws, all confidential or proprietary information and documentation relating to either party (including without limitation, any information or data stored within the Contractor’s computer systems) shall be held in absolute confidence by the other party. Each party shall, however, be permitted to disclose relevant confidential information to its officers, agents and employees to the extent that such disclosure is necessary for the performance of their duties under this Contract, provided the data may be collected, used, disclosed, stored and disseminated only as provided by and consistent with the law and the confidentiality provisions of the RFP. The provisions of this section shall not apply to information that (a) is lawfully in the public domain; (b) has been independently developed by the other party without violation of this Contract; (c) was already in the possession of such party; (d) was supplied to such party by a third party lawfully in possession thereof and legally permitted to further disclose the information; or (e) which such party is required to disclose by law.
- 49. **Administration** - The work to be accomplished under this Contract shall be performed under the direction of the Department of Property and Procurement. All matters relating to the administration of this Contract shall be referred to Government.
- 50. **OTHER PROVISIONS.** Addendum I-III attached hereto are made a part of this Contract, and are incorporated herein by reference.

IN WITNESS WHEREOF, the parties have hereunto set their hands on the day and year first above written.

WITNESSES:

**GOVERNMENT OF THE VIRGIN ISLANDS**

\_\_\_\_\_ Date \_\_\_\_\_, \_\_\_\_\_  
 Darice Plasket, RN, MS, FACHE  
 Commissioner  
 Department of Health

\_\_\_\_\_ Date \_\_\_\_\_, \_\_\_\_\_  
 Lynn A. Millin Maduro  
 Commissioner  
 Department of Property and Procurement

**CONTRACTOR:**

\_\_\_\_\_  
 (FEIN: \_\_\_\_\_)  
 \_\_\_\_\_ Date \_\_\_\_\_, \_\_\_\_\_

**APPROVED:**

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

JOHN P. de JONGH, JR.  
GOVERNOR OF THE VIRGIN ISLANDS

APPROVED AS TO LEGAL SUFFICIENCY  
DEPARTMENT OF JUSTICE BY:\_\_\_\_\_ Date:\_\_\_\_\_

\_\_\_\_\_  
MED. NO.

\_\_\_\_\_  
ACCOUNT CODE NO.

***CERTIFICATE OF APPROVAL***

I hereby certify that this is a true and exact copy of Contract No. \_\_\_\_\_ entered into between The Department of Property and Procurement and \_\_\_\_\_.

\_\_\_\_\_  
Lynn A. Millin Maduro, Commissioner  
Department of Property and Procurement

**ADDENDUM I**  
**SCOPE OF SERVICES**

The Contractor shall provide WIC EBT services as described in this Contract, which includes the following exhibits:

- Exhibit A. The State of Maryland's Request for Proposals ("RFP") for e-WIC Processing Services RFP #MD/VI-EWIC-02182015 dated 02/18/2015;
- Exhibit B. Contractor's Technical Proposal dated \_\_\_\_;
- Exhibit C. Contractor's Price Proposal dated \_\_\_\_;
- Exhibit D. Contractor's Presentation dated \_\_\_\_; and
- Exhibit E. Contractor's "Bank Operating Documents," dated \_\_\_\_\_.

If there are any inconsistencies between this Contract and the Exhibits, the terms of this Contract shall control. If there is any conflict among the Exhibits, Exhibit A, shall control.

The Government unilaterally may, at any time, make changes in the work within the general scope of the Contract by written order designated or indicated to be a change order. No other order, statement or conduct of the Government or any other person shall be treated as a change or entitle the Contractor to an equitable adjustment under this section. Except as otherwise provided in this Contract, if any change under this section causes an increase or decrease in the Contractor's cost of, or the time required for, the performance of any part of the work, whether or not changed by the order, an equitable adjustment in the Contract price shall be made and the Contract modified in writing accordingly. The Contractor must assert in writing its right to an adjustment under this section within thirty (30) days of receipt of written change order and shall include a written statement setting forth the nature and cost of such claim. No claim by the Contractor shall be allowed if asserted after final payment under this Contract. Failure to agree to an adjustment under this section shall be a dispute under paragraph 33, Disputes. Nothing in this section shall excuse the Contractor from proceeding with the Contract as changed.

After the end of the Contract term, should a new contract be awarded to a contractor other than the incumbent, the Contract shall be deemed to be extended. Contractor shall continue to perform Contract services, and Contractor shall continue to receive the compensation specified in the Contract for such services, until such time as the transition to the new contractor is complete. Contractor shall also assist the Government during any transition period to a new contractor and provide all necessary information and data to any subsequent contractor.

The provisions of paragraphs 7 (Documents, Printouts, Etc.), 12 (Governing Law), 30 (Liability), 33 (Disputes), 40 (Retention of Records/Audit), and 45 (Patents, Copyrights and Trade Secrets) of this Contract shall survive termination of this Contract for any reason.

**ADDENDUM II**  
**COMPENSATION**

In consideration of the Contractor's satisfactory performance of the services described in Addendum I to this Contract, the Government shall compensate the Contractor as follows:

**I. Amount of Compensation:**

THE CONTRACTOR SHALL BE COMPENSATED IN ACCORDANCE WITH "APPENDIX A, PRICE PROPOSAL FORM," OF THIS RFP AND SUBMITTED AS PART OF THE CONTRACTOR'S PROPOSAL, INCLUDED HEREIN AS EXHIBIT C.

**II. Method of Payment:**

Contractor shall invoice the Government at the end of every month for services provided. The Government herein commits to utilize its best efforts to ensure the timely payment of all submitted invoices within fifteen (15) days of their receipt. The efforts provided under this contract (excluding any options) shall cost the Government an amount not to exceed \$\_\_\_\_\_.

Payments to the Contractor may be withheld, without interest or penalty, when in the sole discretion of the Government, the Contractor's performance of any of the services under this Contract is unsatisfactory, or does not meet generally accepted industry standards. Notice of such withholding of payment and the reasons therefore shall be promptly provided to the Contractor, who shall be afforded an opportunity to cure any performance deficiencies.

All invoices for goods and services shall be submitted to:

[INSERT ADDRESS]

Invoices must be submitted either:

- (a) For ongoing services, on a monthly basis for goods or services rendered in the preceding month; or
- (b) For one-time or periodic services, with 30 days of delivery or completion of the goods or services.

All invoices and all correspondence and inquiries relating to invoices or payments shall be addressed to \_\_\_\_\_.

**ADDENDUM III**

**Certification Regarding  
Debarment, Suspension, Ineligibility and Voluntary Exclusion  
Lower Tier Covered Transactions**

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This certification is required by the regulations implementing Executive Order 12549, Debarment and Suspension, 34 CFR Part 85, Section 85510, Participants' responsibilities. The regulations were published as Part VII of the May 26, 1988, Federal Register (pages 19160-19211).

(BEFORE COMPLETING CERTIFICATION, READ INSTRUCTIONS ON PAGE #14)

- (1) The prospective lower tier participant certifies, by submission of this proposal, that neither it nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any Federal department or agency.
- (2) Where the prospective lower tier participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal.

Signature:

\_\_\_\_\_  
\_\_\_\_\_, \_\_\_\_\_  
\_\_\_\_\_.

\_\_\_\_\_  
Date

### Instructions for Certification

1. By signing and submitting this proposal, the prospective lower tier participant is providing the certification set out below.
2. The certification in this clause is a material representation of fact upon which reliance was placed when this transaction was entered into. If it is later determined that the prospective lower tier participant knowingly rendered an erroneous certification, in addition to other remedies available to the Federal Government, the department or agency with which this transaction originated may pursue available remedies, including suspension and/or debarment.
3. The prospective lower tier participant shall provide immediate written notice to the person to whom this proposal is submitted if at any time the prospective lower tier participant learns that its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.
4. The terms "covered transaction," "debarred," "suspended," "ineligible," "lower tier covered transaction," "participant," "person," "primary covered transaction," "principal," "proposal," and "voluntarily excluded," as used in this clause, have the meanings set out in the Definitions and Coverage sections of rules implementing executive Order 12549.
5. The prospective lower tier participant agrees by submitting this proposal that, should the proposed covered transaction be entered into, it shall not knowingly enter into any lower tier covered transaction with a person who is debarred, suspended, declared Ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by the department or agency with which this transaction originated.
6. The prospective lower tier participant further agrees by submitting the proposal that it will include the clause titled "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion - Lower Tier Covered Transactions," without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions.
7. A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that it is not debarred, suspended, ineligible, or voluntarily excluded from the covered transaction, unless it knows that the certification is erroneous. A participant may decide the method and frequency by which it determines the eligibility of its principals. Each participant may check the Non-procurement List.
8. Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and information of a participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.
9. Except for transactions authorized under paragraph 5 of these instructions, if participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is suspended, debarred, ineligible, or voluntary excluded from participation in this transaction, in addition to other remedies available to the Federal Government, the department or agency with which the transaction originated may pursue available remedies, including suspension and/or debarment.



## Glossary of Terms

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.). See also IVR.

**Cash Value Voucher (CVV)** - Cash-value voucher 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.

**Business Days** – week days (excluding weekends, holidays, and other state (or USVI)-scheduled non-working days).

**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.

**GVI** – Government of the Virgin Islands

**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 “stand-beside” system (see below).

**IVR (Interactive Voice Response)** - Phone technology that allows a computer to detect voice and touch tones through a normal phone call. The IVR system can respond with prerecorded or dynamically generated audio to further direct callers on how to proceed. IVR systems can be used to control almost any function where the interface can be broken down into a series of simple menu choices. See also ARU.

**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 completion of the rollout in both Maryland and USVI.

**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).

**Personal Identification Number (PIN)** - A code or password unique to or associated with a specific user 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 Maryland and the USVI. 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.

**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) the purchase.

**Stand-beside System** -A retailer register system that is essentially the opposite of an “Integrated System” (see above). The equipment to accept the EBT card is separate from the register system and normally “stands-beside” that equipment.

**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.

**Week** – five (5) consecutive business days.

**WOW** – The acronym, “WIC-on-the Web” for the Maryland and the USVI WIC management information system.

## EXHIBIT 1

## Maryland Statistical Abstract

January-April, 2014

1. Average number of participants (monthly)	<u>137,303</u>
2. Average number of households (monthly)	<u>99,505</u>
3. Average % monthly change in participants	<u>(03.92%)</u>
4. Average number of FI's issued (monthly, including. CVV's)	<u>445,054</u>
5. Average number of CVV's issued (monthly)	<u>105,378</u>
6. Total number of authorized WIC Vendors	<u>891</u>
7. Total number of authorized Commissaries (included #6)	<u>7</u>
8. Total number of authorized farmers (excluded in #6)	<u>296</u>
9. Total number of Local Agencies	<u>18</u>
<b>10.</b> Total number of Clinics	<u>85</u>

**EXHIBIT 2**  
**Maryland Clinic Listing and Participation Levels**  
**As of April, 2014**

EXHIBIT 2

Local Agency	County	Clinic Name	City	Count of Clinics by LA	April 2014 Participation	County Totals
Allegany County WIC Program	Allegany	Allegany H D - Willowbrook Rd	Cumberland		1,566	
Allegany County WIC Program	Allegany	Lonaconing Bishop Murray Center	Lonaconing		141	
Allegany County WIC Program	Allegany	Frostburg Judy Center	Frostburg		167	
Allegany County WIC Program	Allegany	Westernport Library	Westernport	4	108	1,982
Anne Arundel County WIC Program	Anne Arundel	Annapolis Health Center	Annapolis		2,586	
Anne Arundel County WIC Program	Anne Arundel	North County - Glen Burnie	Glen Burnie	2	5,043	7,629
Baltimore County WIC Program	Baltimore County	Woodlawn WIC Clinic, Central	Windsor Mill		3,356	
Baltimore County WIC Program	Baltimore County	Towson Health Center	Towson		1,856	
Baltimore County WIC Program	Baltimore County	Essex WIC Clinic	Essex		2,019	
Baltimore County WIC Program	Baltimore County	North Point Government Center	Dundalk		1,904	
Baltimore County WIC Program	Baltimore County	Lansdowne Health Center	Halethorpe		1,361	
Baltimore County WIC Program	Baltimore County	Eastern Family Resource Center	Rosedale		1,932	
Baltimore County WIC Program	Baltimore County	Chartley WIC Clinic	Reisterstown	7	2,491	14,919
Mid Shore WIC Program	Caroline	Caroline County Health Dept	Denton		911	
Mid Shore WIC Program	Caroline	Federalsburg	Federalsburg		177	1,088
Mid Shore WIC Program	Dorchester	Dorchester County	Cambridge		1,056	1,056
Mid Shore WIC Program	Talbot	Talbot County Family Support Center	Easton	4	754	754
Carroll County WIC Program	Carroll	Carroll County Health Dept	Westminster		1,190	
Carroll County WIC Program	Carroll	Carroll County HD Hispanic	Westminster		173	
Carroll County WIC Program	Carroll	Carroll Hospital Center	Westminster	3	261	1,624
Southern Maryland WIC Program	Calvert	Southern MD WIC Calvert County	Prince Frederick		875	
Southern Maryland WIC Program	Calvert	South Calvert WIC Clinic	Solomons Island		254	1,129
Southern Maryland WIC Program	Charles	Southern MD WIC - CCHD	White Plains		2,956	2,956
Southern Maryland WIC Program	St. Mary's	St. Mary's WIC Program Leonardtown	Leonardtown		893	
Southern Maryland WIC Program	St. Mary's	St. Mary's WIC Program Lexington Park	Lexington Park	5	1,117	2,010
Frederick County WIC Program	Frederick	Frederick County Health Department	Frederick	1	4,194	4,194
Garrett County WIC Program	Garrett	Oakland	Oakland		641	
Garrett County WIC Program	Garrett	Grantsville	Grantsville	2	150	791
Harford/Cecil WIC Program	Harford	Edgewood WIC Clinic	Edgewood		1,996	
Harford/Cecil WIC Program	Harford	Aberdeen Wic Clinic	Aberdeen		1,622	3,618
Harford/Cecil WIC Program	Cecil	Elkton	Elkton	3	1,988	1,988
Howard County WIC Program	Howard	North Laurel Health Center	Laurel		788	
Howard County WIC Program	Howard	Columbia Health Department	Columbia	2	3,171	3,959

EXHIBIT 2

Local Agency	County	Clinic Name	City	Count of Clinics by LA	April 2014 Participation	County Totals
Prince George's County WIC Program	Prince George's	Cheverly Health Center, Outreach	Cheverly		4,573	
Prince George's County WIC Program	Prince George's	Hyattsville, Hyattsville Spanish	Hyattsville		4,416	
Prince George's County WIC Program	Prince George's	Laurel Health Center	Laurel		2,491	
Prince George's County WIC Program	Prince George's	Central Avenue Clinic	Landover		3,183	
Prince George's County WIC Program	Prince George's	Leonard Dyer Health Center, Judy Hoyer Ct	Clinton		1,791	
Prince George's County WIC Program	Prince George's	Andrews AFB	Andrews Air Force Base	6	120	16,574
Upper Eastern Shore WIC Program	Kent	Kent County Chestertown	Chestertown		459	459
Upper Eastern Shore WIC Program	Queen Anne's	Queen Annes Cnty Centreville	Centreville		373	
Upper Eastern Shore WIC Program	Queen Anne's	Grasonville Family Support Center	Grasonville		240	
Upper Eastern Shore WIC Program	Queen Anne's	Sudlersville	Sudlersville	4	72	685
Washington County WIC Program	Washington	Hagerstown	Hagerstown		4,045	
Washington County WIC Program	Washington	Hancock Health Center	Hancock	2	84	4,129
Lower Eastern Shore WIC Program	Wicomico	Wicomico County Health Dept	Salisbury		3,534	3,534
Lower Eastern Shore WIC Program	Somerset	Westover WIC Clinic	Westover		114	
Lower Eastern Shore WIC Program	Somerset	Woodrow Wilson Child Care Center	Crisfield		197	
Lower Eastern Shore WIC Program	Somerset	Seton Center	Princess Anne		383	694
Lower Eastern Shore WIC Program	Worcester	Berlin Health Department	Berlin		598	
Lower Eastern Shore WIC Program	Worcester	Pocomoke City Health Dept	Pocomoke City	6	302	900
CCI WIC Program(Montgomery County)	Montgomery	Gaithersburg	Gaithersburg		5,406	
CCI WIC Program(Montgomery County)	Montgomery	Germantown	Germantown		3,374	
CCI WIC Program(Montgomery County)	Montgomery	Langley/Takoma Park	Takoma Park		8,567	
CCI WIC Program(Montgomery County)	Montgomery	Wheaton	Wheaton		9,199	
CCI WIC Program(Montgomery County)	Montgomery	Greenbelt	Greenbelt		3,037	
CCI WIC Program(Montgomery County)	Montgomery	Shady Grove	Rockville		10	
CCI WIC Program(Montgomery County)	Montgomery	Holy Cross	Silver Spring		91	
CCI WIC Program(Montgomery County)	Montgomery	Washington Adventist	Takoma Park	8	60	29,744
Greater Baden WIC Program	Greater Baden	Walker Mill	Capitol Heights		2,640	
Greater Baden WIC Program	Greater Baden	Oxon Hill	Oxon Hill		1,744	
Greater Baden WIC Program	Greater Baden	Baden Brandywine	Brandywine	3	332	4,716
Baltimore City WIC Program	Baltimore City	Eden, Eden Spanish	Baltimore		3,201	
Baltimore City WIC Program	Baltimore City	Garwyn Medical Center	Baltimore		1,535	
Baltimore City WIC Program	Baltimore City	Baltimore City WIC - DSS	Baltimore		459	
Baltimore City WIC Program	Baltimore City	Edmondson Village	Baltimore		2,560	
Baltimore City WIC Program	Baltimore City	Baltimore City Outreach	Baltimore		54	
Baltimore City WIC Program	Baltimore City	Harford Road	Baltimore		3,190	
Baltimore City WIC Program	Baltimore City	Mondawmin Mall	Baltimore		4,526	
Baltimore City WIC Program	Baltimore City	Bon Secour Hospital	Baltimore	8	1,460	16,985

EXHIBIT 2

				Count of Clinics by LA	April 2014 Participation	County Totals
Local Agency	County	Clinic Name	City			
Johns Hopkins WIC Program	Johns Hopkins	Eastern Avenue, Hopkins Main	Baltimore		3,501	
Johns Hopkins WIC Program	Johns Hopkins	JAI Medical Center	Baltimore		1,477	
Johns Hopkins WIC Program	Johns Hopkins	Wald WIC	Baltimore		61	
Johns Hopkins WIC Program	Johns Hopkins	Cherry Hill	Baltimore		1,545	
Johns Hopkins WIC Program	Johns Hopkins	Park West Med Center	Baltimore		428	
Johns Hopkins WIC Program	Johns Hopkins	Johns Hopkins Hospital	Baltimore		1,951	
Johns Hopkins WIC Program	Johns Hopkins	Harriet Lane	Baltimore		77	
Johns Hopkins WIC Program	Johns Hopkins	BelAir Edison	Baltimore		473	
Johns Hopkins WIC Program	Johns Hopkins	Pratt Street Adventure Dental and Vision	Baltimore		438	
Johns Hopkins WIC Program	Johns Hopkins	Adventure Dental at The Alameda	Baltimore		162	
Johns Hopkins WIC Program	Johns Hopkins	Hopkins Outreach Center	Baltimore		17	
Johns Hopkins WIC Program	Johns Hopkins	Hopkins WIC Hope	Baltimore		142	
Johns Hopkins WIC Program	Johns Hopkins	Outpatient Center	Baltimore		79	
Johns Hopkins WIC Program	Johns Hopkins	Hampden Family Center	Baltimore		37	
Johns Hopkins WIC Program	Johns Hopkins	Union Baptist WIC	Baltimore	15	26	10,414
<b>TOTAL</b>				<b>85</b>	<b>138,531</b>	<b>138,531</b>

**EXHIBIT 3 - Maryland Vendor Summary As Of April, 2014**

CHAIN STORES				INDEPENDENT STORES			Total Independent Stores & Commissaries
County	Chain	# of Stores	Total Chain Stores by County	# Registers	# Independent Stores	# Commissaries	
Allegany	CVS	2		4	1		1
	Save A Lot	2					
	Food Lion	2					
	Martin's	2					
	Walmart	1	9				
Anne Arundel	CVS	10		1	1		
	Food Lion	7		2	2		
	Geresbecks	1		8		1	
	Giant	9		26		1	5
	Lauer's	2					
	Mars	1					
	Moon Mini Market	1					
	Safeway	8					
	Sav A Lot	1					
	Shoppers	7					
	Shoprite	1					
	Target	5					
	Walgreen's	6					
	Walmart	4					
	Wegman's	1					
	Weis	3	67				
Baltimore City	CVS	10		1	125		
	Food King	2		2	3		
	Gmart	1		7	2		
	Giant	4		11	1		
	Harris-Teeter	2		15	1		
	Mars	1		16	1		133
	Paradise Minimart	1					
	Patterson Park Pharmacy	1					
	Pricerite	1					
	REFUA Pharmacy	1					
	Safeway	8					
	Save A Lot	1					
	Shoppers	3					
	South Baltimore Pharmacy	1					
	Star Moon Corp	1					
	Stop Shop & Save	4					
	Target	1					
	Walgreens	6					
	Walmart	1	50				
	Baltimore County	CVS	8		1	8	
Food Lion		9		12	1		9
Geresbecks		2					
Giant		18					
Mars		11					
Redners		1					
Safeway		6					
Save A Lot		4					
Shoppers		6					
Shoprite		3					
Target		6					
Walgreens		13					
Walmart		8					
Wegmans	1						
Weis	4	100					
Calvert	CVS	2		0	0		0
	Food Lion	3					
	Giant	3					
	Safeway	2					
	Walgreens	1					
	Walmart	2	13				
Caroline	Food Lion	2		1	1		
	Save A Lot	1		2	1		2
	Walmart	1	4				



EXHIBIT 3

CHAIN STORES				INDEPENDENT STORES				
County	Chain	# of Stores	Total Chain Stores by County	# Registers	# Independent Stores	# Commissaries	Total Independent Stores & Commissaries	
Carroll	CVS	4		1	1			
	Food Lion	5		9	1		2	
	Giant	1						
	Martins	1						
	Safeway	3						
	Shoppers	2						
	Walgreens	2						
	Walmart	4						
	Weis	4						
				26				
Cecil	Acme	1		12	1		1	
	Food Lion	3						
	Martins	1						
	Walgreens	3						
	Walmart	2						
			10					
Charles	CVS	6		1	1		1	
	Food Lion	4						
	Giant	2						
	Safeway	4						
	Shoppers	1						
	Target	2						
	Walgreens	3						
	Walmart	2						
				24				
Dorchester	Food Lion	1		2	1		1	
	Walgreens	1						
	Walmart	1						
			3					
Frederick	CVS	8		6		1	1	
	Food Lion	4						
	Gmart	1						
	Giant	3						
	Giant Eagle	2						
	Jubilee	1						
	Safeway	2						
	Target	1						
	Walmart	3						
	Wegmans	1						
	Weis	5						
				31				
	Garrett	CVS	1		1	1		
Shop N Save		1		6	2		3	
Walgreens		1						
Walmart		1						
			4					
Harford	CVS	4		4	1			
	Food Lion	2		8	1			
	Giant	2		10	1			
	Mars	3		15	1			
	Redners	1		16		1	5	
	Safeway	1						
	Save A Lot	1						
	Shoprite	6						
	Target	2						
	Walgreens	7						
	Walmart	3						
	Wegmans	1						
	Weis	2						
				35				
Howard	CVS	2		0	0		0	
	Food Lion	4						
	Giant	7						
	Green Valley Mkt	1						
	Harris Teeter	3						
	Mars	1						
	Safeway	3						
	Shoppers	1						
	Target	1						
	Walgreens	2						
	Walmart	2						
	Wegmans	1						
	Weis	3						
			31					
Kent	Acme	1		3	1		1	
	Food Lion	1						
	Walgreens	1						
			3					

EXHIBIT 3

CHAIN STORES				INDEPENDENT STORES			Total Independent Stores & Commissaries
County	Chain	# of Stores	Total Chain Stores by County	# Registers	# Independent Stores	# Commissaries	
Montgomery	Americana Grocery	1		2	1		
	CVS	23		3	1		
	Food Lion	3		7	5		
	Giant	26		8	1		
	Harris Teeter	6		12	1		
	Lotte Plaza	1		15		1	10
	Safeway	21					
	Service Care Pharmact	1					
	Shoppers	4					
	Shoprite	1					
	Target	4					
	Walgreens	4					
	Walmart	1					
	Wegmans	1					
	Weis	1					
			98				
Prince George's	Americana Grocery	1		1		1	
	Carrllton Foodway	1		4	1		
	CVS	38		5	1		
	Food Lion	6		7	4		
	Giant	17		8	2		
	Langley Park Pharmacy	1		9	2		
	Mega Farmers market	1		11	1		
	Megamart	1		14	1		13
	New Era Pharmacy	1					
	Padek Healthcare Pharmacy	1					
	Safeway	9					
	Save A Lot	6					
	Shoppers	14					
	Suburban Medical	1					
	Target	7					
	Walgreens	3					
	Walmart	2					
	Wegmans	1					
			111				
Queen Anne's	Acme	1		0	0		0
	CVS	1					
	Food Lion	2					
	Safeway	1					
	Walgreens	2					
			7				
Somerset	Food Lion	2		0	0		0
		2	2				
St. Mary's	CVS	3		1		1	1
	Food Lion	5					
	Giant	1					
	MaKay's	2					
	Shoppers	1					
	Target	1					
	Walmart	1					
			14				
Talbot	Acme	2		2	1		1
	CVS	1					
	Food Lion	1					
	Giant	1					
	Safeway	1					
	Target	1					
	Walgreens	1					
	Walmart	1					
			9				
Washington	CVS	6		2	1		1
	Food Lion	5					
	Martins	3					
	Pittmans Market	1					
	Rite Aid	1					
	Save A Lot	2					
	Target	1					
	Walmart	1					
	Weis	3					
				23			
Wicomico	Food Lion	4		2	1		
	Giant	1		4	1		2
	Shayhona Pharmacy	1					
	Walgreens	1					
	Walmart	2					
			9				

EXHIBIT 3

CHAIN STORES				INDEPENDENT STORES			
County	Chain	# of Stores	Total Chain Stores by County	# Registers	# Independent Stores	# Commissaries	Total Independent Stores & Commissaries
Worcester	CVS	3		2	1		1
	Food Lion	4					
	Save A Lot	1					
	Super Fresh	2					
	Walgreens	1					
	Walmart	2					
			13				
<b>TOTAL</b>			<b>696</b>	<b>322</b>	<b>187</b>	<b>7</b>	<b>194</b>
<b>TOTAL DIRECT DISTRIBUTION CENTERS</b>							<b>1</b>
<b>SUMMARY:</b>							
TOTAL CHAIN STORES			696				
TOTAL INDEPENDENT STORES			187				
TOTAL COMMISSARIES			7				
TOTAL DIRECT DISTRIBUTION CENTERS			1				
<b>TOTAL ALL VENDORS</b>			<b>891</b>				

**EXHIBIT 4****USVI Statistical Summary**

January-April, 2014

## USVI WIC Program

1. Average number of participants (monthly)	<u>4,633</u>
2. Average number of households (monthly)	<u>3,014</u>
3. Average % monthly change in participants	<u>(06.26%)</u>
4. Average number of FI's issued (monthly including CVV's)	<u>17,585</u>
5. Average number of CVV's issued (monthly)	<u>3,548</u>
6. Total number of authorized WIC Vendors	<u>12</u>
7. Total number of Commissaries	<u>0</u>
8. Total number of farmers' markets	<u>0</u>
9. Total number of Local Agencies	<u>2</u>
10. Total number of Clinics	<u>7</u>

**EXHIBIT 5**  
**USVI Clinic Listing and Participation Levels**  
**As of April, 2014**

LA Name	LA Number	Clinic Name	City	April 2013 Participation
Saint Croix Local Agency	02	Sunny Isle	Christiansted	1,491
Saint Croix Local Agency	02	Frederiksted	Christiansted	0
Saint Croix Local Agency	02	Charles Harwood	Christiansted	905
St. Thomas / St. John Local Agency	01	Nisky at Schneider Hospital	Charlotte Amalie	819
St. Thomas / St. John Local Agency	01	RLS - Schneider Regional Hospital	Charlotte Amalie	572
St. Thomas / St. John Local Agency	01	EEHC - Tutu Park Mall	Charlotte Amalie	917
St. Thomas / St. John Local Agency	01	Morris F. DeCastro	Cruz Bay	173
			Total	4,877

**EXHIBIT 6**  
**USVI Vendor Summary**  
**As of April, 2014**

County	Vendor Type	No. of registers	Vendor Name
Saint Croix	Small Grocery Store	2	EAGLE MINI MART
Saint Croix	Supermarket	3	FOOD TOWN SUPERMARKET
Saint Croix	Supermarket	16	PLAZA EXTRA SUPERMARKET ST.X
Saint Croix	Supermarket	17	Plaza ExtraWest
Saint Croix	Supermarket	6	Pueblo Golden Rock
Saint Croix	Supermarket	6	PUEBLO LA REINE
Saint Croix	Supermarket	5	STOP & SHOP SUPERMARKET, LLC
Saint John	Supermarket	5	STARFISH MARKET, INC
Saint Thomas	Small Grocery Store	2	ValueFood II Magnolia EnterpriseInc
Saint Thomas	Supermarket	15	PLAZA EXTRA ST.T.
Saint Thomas	Supermarket	7	Pueblo Long Bay
Saint Thomas	Supermarket	7	Pueblo Subbase