



Request for Quotes

Waiver #09-19-24-01WAI – Women, Infants and Children (WIC) Electronic Benefits Transfer (EBT) System – Electronic Benefits Processing Services

	Date	Time
Due Date For Questions (Round One (1))	October 11, 2024	2:00 PM
Due Date For Questions (Round Two (2))	October 31, 2024	2:00 PM
Submission Date	December 9, 2024	2:00 PM

Dates are subject to change. All times contained in the RFQ refer to Eastern Time.
All changes will be reflected in Bid Amendments to the Request for Quotes posted on Using Agency website.

Prospective Bidders are advised that written questions and Quotes are only accepted by email at centralprocurement@doh.nj.gov.

RFQ Issued By:

State of New Jersey
Department of Health
Division of Management and Administration
55 North Willow Street
Trenton, NJ 086208

Date: November 7, 2024

TABLE OF CONTENTS

1	INTRODUCTION AND SUMMARY OF THE REQUEST FOR QUOTES (RFQ)	1
1.1	PURPOSE AND INTENT AND BACKGROUND	1
1.1.1	CONTRACT HISTORY	1
1.1.2	BACKGROUND.....	1
1.1.3	PRE-QUOTE DOCUMENT REVIEW	2
1.2	ORDER OF PRECEDENCE OF CONTRACTUAL TERM	2
2	PRE-QUOTE SUBMISSION INFORMATION	4
2.1	QUESTION AND ANSWER PERIOD	4
2.1.1	ADDITIONAL QUESTION AND ANSWER PERIOD(S).....	4
2.2	EXCEPTIONS TO THE WAIVERED CONTRACTS SUPPLEMENT TO THE STATE OF NEW JERSEY STANDARD TERMS AND CONDITIONS AND/OR THE STATE OF NJ STANDARD TERMS AND CONDITIONS (SSTC).....	4
2.3	BID AMENDMENTS.....	4
3	QUOTE SUBMISSION REQUIREMENTS	5
3.1	QUOTE SUBMISSION	5
3.2	BIDDER RESPONSIBILITY	5
3.3	QUOTE ERRORS	5
3.4	QUOTE WITHDRAWAL PRIOR TO QUOTE OPENING	5
3.5	QUOTE WITHDRAWAL AFTER QUOTE OPENING, BUT PRIOR TO CONTRACT AWARD	5
3.6	SMALL BUSINESS SET-ASIDE OR PREFERENCE CONTRACT	5
3.7	DISABLED VETERANS' BUSINESS SET-ASIDE OR PREFERENCE CONTRACT	5
3.8	BIDDER ADDITIONAL TERMS SUBMITTED WITH THE QUOTE.....	5
3.9	QUOTE CONTENT	6
3.10	FORMS, REGISTRATIONS AND CERTIFICATIONS TO BE SUBMITTED WITH QUOTE	6
3.10.1	THE STATE OF NEW JERSEY STANDARD TERMS AND CONDITIONS AND WAIVERED CONTRACTS/DELEGATED PURCHASE AUTHORITY SUPPLEMENT TO THE STATE OF NEW JERSEY STANDARD TERMS AND CONDITIONS	6
3.10.2	OWNERSHIP DISCLOSURE FORM	6
3.10.3	DISCLOSURE OF INVESTMENT ACTIVITIES IN IRAN FORM	7
3.10.4	DISCLOSURE OF INVESTIGATIONS AND OTHER ACTIONS INVOLVING BIDDER FORM	7
3.10.5	MACBRIDE PRINCIPLES FORM	7
3.10.6	SERVICE PERFORMANCE WITHIN THE UNITED STATES	7
3.10.7	CONFIDENTIALITY/COMMITMENT TO DEFEND	7
3.10.8	SUBCONTRACTOR UTILIZATION PLAN	8
3.10.9	PAY TO PLAY PROHIBITIONS	9
3.10.10	VENDOR/BIDDER CERTIFICATION AND POLITICAL CONTRIBUTION DISCLOSURE FORM (CHAPTER 271).....	9
3.10.11	AFFIRMATIVE ACTION	9
3.10.12	STATE OF NEW JERSEY SECURITY DUE DILIGENCE THIRD-PARTY INFORMATION SECURITY QUESTIONNAIRE9	
3.10.13	BUSINESS REGISTRATION	10
3.10.14	CERTIFICATION OF NON-INVOLMENT IN PROHIBITED ACTIVITIES IN RUSSIA OR BELARUS PURSUANT TO P.L.2022, C3	
	10	
3.11	TECHNICAL QUOTE	10
3.11.1	HOSTING AND BACKUP SERVICES	10
3.12	CONTRACT MANAGEMENT.....	10
3.13	CONTRACT SCHEDULE.....	10
3.14	MOBILIZATION PLAN.....	11
3.15	PROJECT WORK PLAN	11
3.16	ADDITIONAL PLANS	12
3.17	ORGANIZATIONAL EXPERIENCE	12
3.18	LOCATION	12
3.19	ORGANIZATION CHARTS	12
3.20	RESUMES.....	12
3.21	EXPERIENCE WITH CONTRACTS OF SIMILAR SIZE AND SCOPE	12
3.22	FINANCIAL CAPABILITY OF THE BIDDER	13
3.23	STATE-SUPPLIED PRICE SHEET INSTRUCTIONS	13
3.23.1	CASH DISCOUNTS	14
3.23.2	VOLUME DISCOUNTS	14

3.23.3	USE OF “NO BID” VERSUS “NO CHARGE” ON THE STATE-SUPPLIED PRICE SHEET	14
4	SCOPE OF WORK	15
4.1	GENERAL	15
4.1.1	OVERVIEW OF SCOPE OF WORK	15
4.1.2	PROJECT SCHEDULE	17
4.1.3	CONTRACTOR LOGISTICS	18
4.2	FUNCTIONAL REQUIREMENTS	18
4.2.1	AUTHORIZED PRODUCT LIST (APL) MAINTENANCE	18
4.2.2	MAXIMUM ALLOWWABLE REDEMPTION LIMIT (MARL) MAINTENANCE	18
4.2.3	HOUSEHOLD ACCOUNT MAINTENANCE	18
4.2.4	EBT CARD DESIGN & PRODUCTION	19
4.2.5	EBT CARD FULFILLMENT AND INVENTORY	20
4.2.6	CARD ISSUANCE AND PIN MANAGEMENT	21
4.2.7	BENEFIT ISSUANCE AND MAINTENANCE	21
4.2.8	POINT-OF-SALE TRANSACTION PROCESSING	22
4.2.9	AUTOMATED CLEARING HOUSE (ACH) TRANSACTION PROCESSING	24
4.2.10	ADJUSTMENTS AND DISPUTES	24
4.2.11	RECONCILIATION AND SETTLEMENT	24
4.2.12	TRANSACTION HISTORY	26
4.2.13	WIC AUTHORIZED RETAILER READINESS	27
4.2.14	POINT-OF-SALE (POS) TERMINAL PROVISIONING	28
4.2.15	CERTIFICATION OF TPP RETAILERS	29
4.2.16	FARMERS MARKET/SENIOR FARMERS MARKET PAYMENT PROCESSING	29
4.3	CUSTOMER SERVICE	30
4.3.1	PARTICIPANT CUSTOMER SERVICE	30
4.3.2	WIC AUTHORIZED RETAILER CUSTOMER SERVICE	30
4.3.3	STATE AND LOCAL AGENCY CUSTOMER SUPPORT	31
4.4	AUDIT AND INVESTIGATION SUPPORT	31
4.5	EBT SYSTEM ADMINISTRATIVE TERMINAL FUNCTIONALITY	31
4.6	TASKS AND DELIVERABLES	32
4.6.1	PROJECT INITIATION	32
4.6.2	PROJECT MANAGEMENT	33
4.7	PROJECT WORK PLAN	33
4.7.1	PROJECT STATUS MEETINGS	33
4.7.2	STEERING COMMITTEE MEETINGS	33
4.7.3	QUALITY MANAGEMENT	33
4.8	TECHNICAL REQUIREMENTS	33
4.9	INFORMATION MANAGEMENT	34
4.9.1	SYSTEM REPORTING REQUIREMENTS	35
4.10	INTERFACES	36
4.10.1	MIS-EBT INTERFACE	36
4.10.2	POS-EBT INTERFACES	36
4.10.3	EBT-THIRD PARTY INTERFACES	36
4.10.4	MIS-EBT MODIFICATIONS	36
4.11	TRAINING	37
4.12	USER ACCEPTANCE TESTING	38
4.13	CONVERSION/IMPLEMENTATION	38
4.14	DOCUMENTS	39
4.15	PROJECT CLOSEOUT	40
4.16	POST-IMPLEMENTATION SUPPORT AND MAINTENANCE	40
4.17	SERVICE LEVEL PERFORMANCE METRICS	40
4.18	STATE TECHNOLOGY REQUIREMENTS AND STANDARDS	41
4.18.1	SYSTEM DESIGN	42
4.18.2	HOSTING AND BACKUP SERVICES	42
4.18.3	EXTRANET PLAN	42
4.18.4	TRANSMISSION OF FILES	43
5	GENERAL CONTRACT TERMS	44
5.1	CONTRACT TERM AND EXTENSION OPTION	44
5.2	CONTRACT TRANSITION	44
5.3	PERFORMANCE SECURITY	44

5.4	OWNERSHIP OF MATERIAL	44
5.5	SUBSTITUTION OF STAFF	45
5.6	DELIVERY TIME AND COSTS	45
5.7	ELECTRONIC PAYMENTS	45
5.8	QUARTERLY SALES REPORTING AND SUPPLIER CONVENIENCE FEE	45
5.9	NOTICE OF EXECUTIVE ORDER 166 – REQUIREMENT FOR POSTING OF WINNING QUOTE AND CONTRACT DOCUMENTS 45	
6	DATA SECURITY REQUIREMENTS – CONTRACTOR RESPONSIBILITY	46
6.1	INFORMATION SECURITY PROGRAM MANAGEMENT	46
6.2	COMPLIANCE	46
6.3	PERSONNEL SECURITY	46
6.4	SECURITY AWARENESS AND TRAINING	46
6.5	RISK MANAGEMENT	46
6.6	PRIVACY	47
6.7	ASSET MANAGEMENT	48
6.8	SECURITY CATEGORIZATION	48
6.9	MEDIA PROTECTION	48
6.10	CRYPTOGRAPHIC PROTECTIONS	48
6.11	ACCESS MANAGEMENT	48
6.12	IDENTITY AND AUTHENTICATION	49
6.13	REMOTE ACCESS	49
6.14	SECURITY ENGINEERING AND ARCHITECTURE	49
6.15	CONFIGURATION MANAGEMENT	49
6.16	ENDPOINT SECURITY	49
6.17	ICS/SCADA/OT SECURITY	50
6.18	INTERNET OF THINGS SECURITY	50
6.19	VULNERABILITY AND PATCH MANAGEMENT	50
6.20	MOBILE DEVICE SECURITY	50
6.21	NETWORK SECURITY	50
6.22	CLOUD SECURITY	51
6.23	CHANGE MANAGEMENT	51
6.24	MAINTENANCE	51
6.25	THREAT MANAGEMENT	51
6.26	CONTINUOUS MONITORING	51
6.27	SYSTEM DEVELOPMENT AND ACQUISITION	51
6.28	PROJECT AND RESOURCE MANAGEMENT	52
6.29	CAPACITY AND PERFORMANCE MANAGEMENT	52
6.30	THIRD PARTY MANAGEMENT	52
6.31	PHYSICAL AND ENVIRONMENTAL SECURITY	52
6.32	CONTINGENCY PLANNING	52
6.33	INCIDENT RESPONSE	53
7	MODIFICATIONS TO THE STATE OF NEW JERSEY STANDARD TERMS AND CONDITIONS AND/OR MODIFICATIONS TO THE WAIVERED CONTRACTS SUPPLEMENT TO THE STATE OF NEW JERSEY STANDARD TERMS AND CONDITIONS.....	54
7.1	INDEMNIFICATION	54
7.2	INSURANCE	55
7.2.1	CYBER BREACH INSURANCE	55
8	QUOTE EVALUATION AND AWARD.....	56
8.1	RIGHT TO WAIVE.....	56
8.2	RECIPROCITY FOR JURISDICTIONAL BIDDER PREFERENCE.....	56
8.3	CLARIFICATION OF QUOTE	56
8.4	TIE QUOTES.....	56
8.5	STATE'S RIGHT TO INSPECT BIDDER'S FACILITIES	56
8.6	STATE'S RIGHT TO CHECK REFERENCES	56
8.7	QUOTE EVALUATION COMMITTEE	56
8.8	EVALUATION CRITERIA.....	56
8.8.1	TECHNICAL EVALUATION CRITERIA.....	56
8.8.2	PRICE EVALUATION.....	57
8.9	QUOTE DISCREPANCIES	57
8.10	NEGOTIATION.....	57

8.11 BEST AND FINAL OFFER (BAFO)..... 57

8.12 POOR PERFORMANCE..... 57

8.13 CONTRACT AWARD 57

9 GLOSSARY 58

9.1 CROSSWALK 58

9.2 DEFINITIONS..... 58

9.3 CONTRACT SPECIFIC DEFINITIONS 63

ATTACHMENT 1 – Combined State of New Jersey Standard Terms and Conditions (2/8/2024) and Waivered Contracts/Delegated Purchase Authority Supplement to the State of New Jersey Standard Terms and Conditions (1/11/2022)

1 INTRODUCTION AND SUMMARY OF THE REQUEST FOR QUOTES (RFQ)

This Request for Quotes (RFQ) is issued by the Division of Management and Administration, New Jersey Department of Health (NJDOH), on behalf of the Division of Family Health Services (FHS), NJDOH (Using Agency).

Prospective Bidders are advised that Quotes are only accepted by email at centralprocurement@doh.nj.gov.

The Contract will be awarded in the State of New Jersey's eProcurement system, [NJSTART \(www.njstart.gov\)](http://www.njstart.gov). The awarded Contractor is advised to read through all Quick Reference Guides (QRGs) located on the [NJSTART Vendor Support Page](#) for information.

1.1 PURPOSE AND INTENT AND BACKGROUND

The purpose of this RFQ is to solicit Quotes from qualified Bidders to provide Electronic Benefit Transfer (EBT) system design, development, implementation, operation, and maintenance for the purpose of integrating a United States Department of Agriculture (USDA) compliant EBT system with Women, Infants and Children (WIC)-on-the-Web (NJ WoW) system and with the point-of-sale systems of the State of New Jersey's (State) authorized the Special Supplemental Nutrition Program for Women, Infants and Children (WIC) retailers.

It is the intent of the State to award a Contract to that responsible Bidder whose Quote, conforming to this RFQ is most advantageous to the State, price and other factors considered. The State may award any or all price lines. The State, however, reserves the right to separately procure individual requirements that are the subject of the Contract during the Contract term, when deemed to be in the State's best interest.

The State of New Jersey Standard Terms and Conditions (SSTCs) included with this RFQ will apply to all Contracts made with the State. These terms are in addition to the terms and conditions set forth in this RFQ and should be read in conjunction with them unless the RFQ specifically indicates otherwise.

1.1.1 CONTRACT HISTORY

This is a reprocurement of the services under T3091 Electronic Benefits Transfer for Women Infants and Children (WIC). Bidders interested in reviewing the current Contract/Master Blanket Purchase Order specifications and pricing information may do so by following the instruction below. Bidders should not rely upon or use data or information from the contract when preparing a response to this Bid Solicitation as this Bid Solicitation addresses the State's current requirements.

- Go to: www.njstart.gov
- Select "Active Blankets"
- In the search bar, select "Blankets" from the drop down menu
- Enter the T3091 and click 
- The current Contract list will appear under "Results"

1.1.2 BACKGROUND

Special Supplemental Nutrition Program for Women, Infants, and Children (WIC) is a federally funded program of the USDA, Food and Nutrition Services (FNS). The purpose of the program is to provide nutrition education, breastfeeding promotion and support, supplemental foods, referrals to health care and immunization screening to pregnant, breastfeeding, and non-breastfeeding postpartum women, infants and children up to five (5) years of age who are certified by a health professional to be nutritionally and/or medically at-risk, and with a household income of 185% of the federal poverty level guidelines or less.

In New Jersey, the WIC program is housed within the NJDOH. The NJDOH delivers WIC services through 16 local agencies, including health departments, non-profit community organizations, and hospitals. The local agencies operate a total of 97 clinic sites statewide and service approximately 164,652 clients per month (approximately 101,343 households). WIC participants can redeem their WIC benefits at over 900 WIC Authorized Retailers (grocers, commissaries) statewide.

The New Jersey Women, Infants and Children Program (NJWIC) administers the WIC Farmers' Market Nutrition Program (FMNP) and Senior Farmers' Market Nutrition Program (SFMNP) which provide WIC recipients with cash value benefits at the onset of the growing season for purchasing locally grown fresh fruits and vegetables at authorized farmer/farmers' markets. The New Jersey Department of Agriculture and NJWIC authorize approximately 130 farmers/farmers' markets to provide and sell fresh fruits and vegetables to WIC participants through Cash Value Benefits (CVBs) loaded in an electronic WIC (eWIC) card and S/FMNP benefits via paper voucher.

In December 2010, the Healthy Hunger Free Kids Act of 2010 became law and mandated that all WIC State Agencies migrate benefit issuance, redemption, and settlement from paper check technology to EBT technology by September 30, 2020. NJWIC worked with Currier McCabe and Associates Inc. (CMA), the current New Jersey WIC Electronic Data Processing (EDP) system operations and maintenance contractor, to complete the upgrade to the NJ WoW to modernize benefits delivery process using EBT technology. The

upgrade involves the modification of NJ WoW to interface with a proven EBT System maintained by an experienced EBT Contractor, currently Solutran LLC, and implemented statewide by August 2022.

The existing EBT Contract was awarded to Solutran, Inc. in July 2020, marking the initiation of a successful transition to EBT processing statewide by July 2022. Solutran has provided a suite of essential services meeting stringent criteria outlined by the USDA, ensuring seamless integration with the NJ WOW while supporting WIC Contractor redemptions through both integrated and Stand-beside Point of Sale (POS) systems.

Solutran has delivered the following critical components, among others, at a high level:

- A. USDA-compliant EBT Online Processing Solution that interfaces with NJ WOW and accommodates WIC Contractor redemptions via integrated and Stand-beside POS systems;
- B. Interface Design and Implementation: Seamless integration with NJ WOW and other pertinent downstream data systems, including the WICShopper application;
- C. EBT Processing Database: Centralized database management ensuring the integrity and efficiency of EBT transactions;
- D. EBT Card Provisioning, and management;
- E. POS Transaction Processing;
- F. Card PIN Management;
- G. Reconciliation and Settlement Processing;
- H. Administrative User Interface, including reporting;
- I. Retailer EBT Engagement, including POS certification as required;
- J. Training Program and User Support;
- K. Disaster Recovery/Business Continuity;
- L. Detailed Design, System, and User Acceptance Testing; and
- M. Pilot and Implementation Support.

1.1.3 PRE-QUOTE DOCUMENT REVIEW

The following are publicly available documents that a Bidder needs to review in order to prepare and submit accurate and comprehensive Quotes:

- A. Functional Requirements Documents (FRd) for a model WIC System – Version 2, FY2008 (<https://fns-prod.azureedge.us/sites/default/files/apd/FRd-v2.0-Final.pdf>);
- B. WIC Universal MIS-EBT Interface (WUMEI) March 2015 Version (<https://fns-prod.azureedge.us/sites/default/files/wic/WIC%20Universal%20MIS%20%20EBT%20Interface%20Specification%20March%202015.pdf>);
- C. WIC Universal MIS-EBT Interface (WUMEI) 2022 Version (<https://fns-prod.azureedge.us/sites/default/files/resource-files/WIC-WUMEI-062022.pdf>);
- D. Technical Implementation Guide (TIG) 2018 Version (<https://fns-prod.azureedge.us/sites/default/files/wic/WICEBTTechnicalImplementationGuide2018.pdf>);
- E. Operating Rules (OR) 2014 Version (<https://fns-prod.azureedge.us/sites/default/files/wic/WIC-EBT-Operating-Rules-September-2014.pdf>);
- F. Appendix A - NJWIC eWIC Project Interface Control Document (ICD) V9.0 and NJ eWIC Project ICD Addendum V1.0 outlining the specifications of the interface between NJ WoW system and the EBT Host system;
- G. Appendix B - WICShopper_Online_EBA_Interface Control Document outlining the specifications of the interface between WICShopper system and the EBT Host system; and
- H. Appendix C – 2007-09-17 Required Federal Contract Provisions.

1.2 ORDER OF PRECEDENCE OF CONTRACTUAL TERM

The Contract awarded, and the entire agreement between the parties, as a result of this RFQ shall consist of: (1) the final as issued; (2) the responses to questions received as described in Section 2.1; and (3) the Waivered Contracts Supplement to the State of New Jersey Standard Terms and Conditions; (4) State of New Jersey Standard Terms and Conditions; (5) the Quote; (6) any Bidder responses to clarifications, if applicable; (7) a Bidder's Best and Final Offer; (8) other negotiated document(s); and/or (9) third party document(s). In the event of a conflict in the terms and conditions among the documents comprising this Contract, the order of precedence, for purposes of interpretation thereof, listed from highest ranking to lowest ranking as noted above.

Any other terms or conditions, not included with the Bidder's Quote and accepted by the State, shall not be incorporated into the Contract awarded. Any references to external documentation, including those documents referenced by a URL, including without limitation, technical reference manuals, technical support policies, copyright notices, additional license terms, etc., are subject to the

terms and conditions of the RFQ, Waivered Contracts Supplement to the State of New Jersey Standard Terms and Conditions, and the State of New Jersey Standard Terms and Conditions. In the event of any conflict between the terms of a document incorporated by reference, the terms and conditions of the RFQ, Waivered Contracts Supplement to the State of New Jersey Standard Terms and Conditions, and the State of New Jersey Standard Terms and Conditions shall prevail.

2 PRE-QUOTE SUBMISSION INFORMATION

The Bidder assumes sole responsibility for the complete effort required in submitting a Quote and for reviewing the Quote submission requirements and the Scope of Work requirements.

2.1 QUESTION AND ANSWER PERIOD

The Using Agency will electronically accept questions and inquiries from all potential Bidders.

Questions should be directly tied to the RFQ and asked in consecutive order, from beginning to end, following the organization of the RFQ.

A Bidder shall submit questions only to the Using Agency designee by email to centralprocurement@doh.nj.gov. The Using Agency will not accept any question in person or by telephone concerning this RFQ. The cut-off date for electronic questions and inquiries relating to this RFQ is indicated on the RFQ cover sheet. In the event that questions are posed by Bidders, answers to such questions will be issued by Addendum. Any Addendum to this RFQ will become part of this RFQ and part of any Contract awarded as a result of this RFQ. Addenda to this RFQ, if any, will be posted to the Using Agency's website.

2.1.1 ADDITIONAL QUESTION AND ANSWER PERIOD(S)

In the event the State allows for follow-up Question and Answer Period(s), the Bidder's questions during all but the initial Question and Answer Period shall be limited in scope to prior answers by the State. Follow-up Question and Answer Period(s) is(are) not an opportunity to ask new questions. Any questions deemed out of scope, by the sole discretion of the State, will be disregarded. The Bidder should reference the prior question number to assist the State in determining if subsequent questions are within scope.

2.2 EXCEPTIONS TO THE WAIVERED CONTRACTS SUPPLEMENT TO THE STATE OF NEW JERSEY STANDARD TERMS AND CONDITIONS AND/OR THE STATE OF NJ STANDARD TERMS AND CONDITIONS (SSTC)

Questions regarding the Waivered Contracts Supplement to the State of New Jersey Standard Terms and Conditions and/or the State of New Jersey Standard Terms and Conditions and exceptions to mandatory requirements MUST be posed during the Question and Answer period and shall contain the Bidder's suggested changes and the reason(s) for the suggested change(s).

Pursuant to Section 8.10 *Negotiation*, the State may elect to consider negotiation after Quotes are received where it is deemed by the Using Agency to be in the State's best interests.

2.3 BID AMENDMENTS

In the event that it becomes necessary to clarify or revise this RFQ, such clarification or revision will be by Bid Amendment. Any Bid Amendment will become part of this RFQ and part of any Contract awarded. Bid Amendments will be posted with the RFQ posted on Using Agency website. There are no designated dates for release of Bid Amendments. It is the sole responsibility of the Bidder to be knowledgeable of all Bid Amendments related to this RFQ.

3 QUOTE SUBMISSION REQUIREMENTS

3.1 QUOTE SUBMISSION

In order to be considered for award, the Quote must be received by the Using Agency, by the required date and time indicated on the RFQ cover sheet. If the Quote opening deadline has been revised, the new Quote opening deadline shall be shown on the posted Bid Amendment. Quotes not received prior to the Quote opening deadline shall be rejected.

Bidders are advised that Quotes are only accepted by email at centralprocurement@doh.nj.gov. Email sizes exceeding 25mb will be rejected. If an email size in excess of 25mb is required, Bidders are advised to submit Quotes in multiple emails.

Bidders are advised that all Quote submission requirements must be submitted as an email attachment. The State is unable to accept Quote submission requirements via links, third party websites downloads, external download applications, etc.

3.2 BIDDER RESPONSIBILITY

The Bidder assumes sole responsibility for the complete effort required in submitting a Quote in response to this RFQ. No special consideration will be given after Quotes are opened because of a Bidder's failure to be knowledgeable as to all of the requirements of this RFQ. The State assumes no responsibility and bears no liability for costs incurred by a Bidder in the preparation and submittal of a Quote in response to this RFQ or any pre-contract award costs incurred.

3.3 QUOTE ERRORS

In accordance with N.J.A.C. 17:12-2.11 "Proposal errors," a Bidder may withdraw its Quote as described below.

3.4 QUOTE WITHDRAWAL PRIOR TO QUOTE OPENING

A Bidder may withdraw its Quote submission prior to the Quote opening by making a written request to the Using Agency to withdraw its Quote from consideration for award. The Quote withdrawal request must include the RFQ Number, RFQ Title, and the Quote submission date and should be sent to centralprocurement@doh.nj.gov. The Bidder may submit a revised Quote as long as the Quote is received prior to the announced date and time for Quote submission. Bidders may refer to the QRG "Submit a Quote" for additional instructions.

3.5 QUOTE WITHDRAWAL AFTER QUOTE OPENING, BUT PRIOR TO CONTRACT AWARD

If, after the Quote opening, but before Contract award, a Bidder discovers an error in its Quote, the Bidder may make a written request to the Using Agency to withdraw its Quote from consideration for award. If the Bidder's request to withdraw is made in good faith, and the State will not be significantly prejudiced by granting the withdrawal of the Quote beyond the loss of the benefit of the bargain to the State of the withdrawing Bidder's offer, the request shall be granted. Evidence of the Bidder's good faith in making this request can be demonstrated by one (1) or more of the following factors: A mistake is so significant that to enforce the Contract resulting from the Quote would be unconscionable; that the mistake relates to a material feature or term of the Contract; and that the mistake occurred notwithstanding the Bidder's exercise of reasonable care. After Quote opening, while pursuant to the provisions of this section a Bidder may request to withdraw its Quote and the Using Agency may in its discretion allow said Bidder to withdraw it, the Using Agency also may take notice of repeated or unusual requests to withdraw by a Bidder and take those prior requests to withdraw into consideration when evaluating the Bidder's future Quotes.

The Quote withdrawal request must include the RFQ Number, RFQ Title, and the Quote submission date and should be sent to centralprocurement@doh.nj.gov.

If, during a Quote evaluation process, an obvious pricing error made by a potential Contract awardee is found, the Using Agency shall issue written notice to the Bidder. The Bidder will have up to five (5) business days after receipt of the notice to confirm its pricing. If the Bidder fails to respond, its Quote shall be considered withdrawn, and no further consideration shall be given to it.

3.6 SMALL BUSINESS SET-ASIDE OR PREFERENCE CONTRACT

Not applicable to this procurement.

3.7 DISABLED VETERANS' BUSINESS SET-ASIDE OR PREFERENCE CONTRACT

Not applicable to this procurement.

3.8 BIDDER ADDITIONAL TERMS SUBMITTED WITH THE QUOTE

A Bidder may submit additional terms as part of its Quote. Additional terms are Bidder-proposed terms or conditions that do not conflict with the scope of work required in this Bid Solicitation/RFQ, the terms and conditions of this Bid Solicitation, the Waivered Contracts Supplement to the State of New Jersey Standard Terms and Conditions, or the State of New Jersey Standard Terms and

Conditions. Bidder proposed terms or conditions that conflict with those contained in the Waivered Contracts Supplement to the State of New Jersey Standard Terms and Conditions or the State of New Jersey Standard Terms and Conditions will render a Quote non-responsive. It is incumbent upon the Bidder to identify and remove its conflicting proposed terms and conditions prior to Quote submission.

Quotes including Bidder proposed additional terms may be accepted, rejected, or negotiated, in whole or in part, at the State's sole discretion.

If Bidder intends to propose terms and conditions that conflict with the Waivered Contracts Supplement to the State of New Jersey Standard Terms and Conditions or the State of New Jersey Standard Terms and Conditions, those Bidder proposed terms and conditions shall only be considered if submitted and agreed to pursuant to the electronic question and answer procedure. Bidders shall not submit exceptions or modifications as part of the Quote.

3.9 QUOTE CONTENT

The Quote should be submitted with the attachments organized in following manner:

- Forms
- Technical Quote
- State Price Sheet
- State of New Jersey Security Due Diligence Third Party Information Security Questionnaire

A Bidder should not password protect any submitted documents. Use of URLs in a Quote should be kept to a minimum and shall not be used to satisfy any material term of a RFQ. If a preprinted or other document included as part of the Quote contains a URL, a printed copy of the information should be provided and will be considered as part of the Quote.

3.10 FORMS, REGISTRATIONS AND CERTIFICATIONS TO BE SUBMITTED WITH QUOTE

The successful Bidder is required to complete and submit the following forms, registrations, and certifications prior to contract award. Contract award is contingent on the successful Bidder submitting and signing all forms. Bidders are strongly recommended to submit the forms, registrations, and certifications with their Quote.

As an alternative to uploading certain forms with the submitted Quote, a Bidder may complete several certifications electronically in **NJSTART** on the "Terms and Categories" Tab within the Vendor Profile. Those forms that may be completed on the **NJSTART** "Terms and Categories" Tab are noted below. Additionally, a Bidder may attach completed forms to the Vendor Profile. Refer to QRGs "Vendor Forms" and "Attaching Files" for additional instructions.

- A. [VENDOR QUICK REFERENCE GUIDES](#)
- B. A checklist with links to the Bidder forms, including the Waivered Contract Supplement to the State Standard Terms and Conditions and the State Standard Terms and Conditions, may be accessed at [CHECKLIST FOR WAIVERS AND DELEGATED PURCHASING AUTHORITY \(DPA\) TRANSACTIONS](#)

3.10.1 THE STATE OF NEW JERSEY STANDARD TERMS AND CONDITIONS AND WAIVERED CONTRACTS/DELEGATED PURCHASE AUTHORITY SUPPLEMENT TO THE STATE OF NEW JERSEY STANDARD TERMS AND CONDITIONS

The terms and conditions established in the State of New Jersey Standard Terms and Conditions apply to all contracts or purchase agreements made the with State.

The terms and conditions established in the Waivered Contracts/Delegated Purchase Authority Supplement to the State of New Jersey Standard Terms and Conditions shall apply to all contracts or purchase agreements made with the State under N.J.S.A. 52:34-9 or -10.

The Bidder should complete and submit the State of New Jersey Standard Terms and Conditions and Waivered Contracts/Delegated Purchase Authority Supplement to the State of New Jersey Standard Terms and Conditions with the Quote.

3.10.2 OWNERSHIP DISCLOSURE FORM

Pursuant to N.J.S.A. 52:25-24.2, in the event the Bidder is a corporation, partnership or limited liability company, the Bidder shall disclose all 10% or greater owners by (a) completing and submitting the Ownership Disclosure Form; (b) if the Bidder has submitted a signed and accurate Ownership Disclosure Form dated and received no more than six (6) months prior to the Quote submission deadline for this procurement, the Using Agency may rely upon that form; however, if there has been a change in ownership within the last six (6) months, a new Ownership Disclosure Form must be completed, signed and submitted; or, (c) a Bidder with any direct or indirect parent entity which is publicly traded may submit the name and address of each publicly traded entity and the name and address of each person that holds a 10 percent or greater beneficial interest in the publicly traded entity as of the last annual filing

with the federal Securities and Exchange Commission or the foreign equivalent, and, if there is any person that holds a 10 percent or greater beneficial interest, also shall submit links to the websites containing the last annual filings with the federal Securities and Exchange Commission or the foreign equivalent and the relevant page numbers of the filings that contain the information on each person that holds a 10 percent or greater beneficial interest. N.J.S.A. 52:25-24.2.

3.10.3 DISCLOSURE OF INVESTMENT ACTIVITIES IN IRAN FORM

The Bidder should submit Disclosure of Investment Activities in Iran form to certify that, pursuant to N.J.S.A. 52:32-58, neither the Bidder, nor one (1) of its parents, subsidiaries, and/or affiliates (as defined in N.J.S.A. 52:32-56(e)(3)), is listed on the Department of the Treasury's List of Persons or Entities Engaging in Prohibited Investment Activities in Iran and that neither the Bidder, nor one (1) of its parents, subsidiaries, and/or affiliates, is involved in any of the investment activities set forth in N.J.S.A. 52:32-56(f). If the Bidder is unable to so certify, the Bidder shall provide a detailed and precise description of such activities as directed on the form. If a Bidder does not submit the form with the Quote, the Bidder must comply within seven (7) business days of the State's request or the State may deem the Quote non-responsive.

3.10.4 DISCLOSURE OF INVESTIGATIONS AND OTHER ACTIONS INVOLVING BIDDER FORM

The Bidder should submit the Disclosure of Investigations and Other Actions Involving Bidder Form, with its Quote, to provide a detailed description of any investigation, litigation, including administrative complaints or other administrative proceedings, involving any public sector clients during the past five (5) years, including the nature and status of the investigation, and, for any litigation, the caption of the action, a brief description of the action, the date of inception, current status, and, if applicable, disposition. If a Bidder does not submit the form with the Quote, the Bidder must comply within seven (7) business days of the State's request or the State may deem the Quote non-responsive.

3.10.5 MACBRIDE PRINCIPLES FORM

The Bidder should submit the MacBride Principles Form. Pursuant to N.J.S.A. 52:34-12.2, a Bidder is required to certify that it either has no ongoing business activities in Northern Ireland and does not maintain a physical presence therein or that it will take lawful steps in good faith to conduct any business operations it has in Northern Ireland in accordance with the MacBride principles of nondiscrimination in employment as set forth in N.J.S.A. 52:18A-89.5 and in conformance with the United Kingdom's Fair Employment (Northern Ireland) Act of 1989, and permit independent monitoring of their compliance with those principles. If a Bidder does not submit the form with the Quote, the Bidder must comply within seven (7) business days of the State's request or the State may deem the Quote non-responsive.

3.10.6 SERVICE PERFORMANCE WITHIN THE UNITED STATES

The Bidder should submit a completed Source Disclosure Form. Pursuant to N.J.S.A. 52:34-13.2, all Contracts primarily for services shall be performed within the United States. If a Bidder does not submit the form with the Quote, the Bidder must comply within seven (7) business days of the State's request or the State may deem the Quote non-responsive.

3.10.7 CONFIDENTIALITY/COMMITMENT TO DEFEND

Pursuant to the New Jersey Open Public Records Act (OPRA), N.J.S.A. 47:1A-1 et seq., or the common law right to know, Quotes can be released to the public in accordance with N.J.A.C. 17:12-1.2(b) and (c).

The Bidder should submit a completed and signed Confidentiality/Commitment to Defend Form with the Quote. In the event that the Bidder does not submit the Confidentiality form with the Quote, the State reserves the right to request that the Bidder submit the form after Quote submission.

After the opening of sealed Quotes, all information submitted by a Bidder in response to a RFQ is considered public information notwithstanding any disclaimers to the contrary submitted by a Bidder. Proprietary, financial, security and confidential information may be exempt from public disclosure by OPRA and/or the common law when the Bidder has a good faith, legal/factual basis for such assertion.

When the RFQ contains a negotiation component, the Quote will not be subject to public disclosure until a notice of intent to award a Contract is announced.

As part of its Quote, a Bidder may request that portions of the Quote be exempt from public disclosure under OPRA and/or the common law. The Bidder must provide a detailed statement clearly identifying those sections of the Quote that it claims are exempt from production, and the legal and factual basis that supports said exemption(s) as a matter of law. The State will not honor any attempts by a Bidder to designate its price sheet, price list/catalog, and/or the entire Quote as proprietary and/or confidential, and/or to claim copyright protection for its entire Quote. If the State does not agree with a Bidder's designation of proprietary and/or

confidential information, the State will use commercially reasonable efforts to advise the Bidder. Copyright law does not prohibit access to a record which is otherwise available under OPRA.

The State reserves the right to make the determination as to what to disclose in response to an OPRA request. Any information that the State determines to be exempt from disclosure under OPRA will be redacted.

In the event of any challenge to the Bidder's assertion of confidentiality that is contrary to the State's determination of confidentiality, the Bidder shall be solely responsible for defending its designation, but in doing so, all costs and expenses associated therewith shall be the responsibility of the Bidder. The State assumes no such responsibility or liability.

In order not to delay consideration of the Quote or the State's response to a request for documents, the State requires that Bidder respond to any request regarding confidentiality markings within the timeframe designated in the State's correspondence regarding confidentiality. If no response is received by the designated date and time, the State will be permitted to release a copy of the Quote with the State making the determination regarding what may be proprietary or confidential.

3.10.8 SUBCONTRACTOR UTILIZATION PLAN

Bidders intending to use Subcontractor(s) shall list all subcontractors on the Subcontractor Utilization Plan form.

For a Quote that does NOT include the use of any Subcontractors, the Bidder is automatically certifying that, if selected for an award, the Bidder will be performing all work required by the Contract.

If it becomes necessary for the Contractor to substitute a Subcontractor, add a Subcontractor, or substitute its own staff for a Subcontractor, the Contractor will identify the proposed new Subcontractor or staff member(s) and the work to be performed. The Contractor shall forward a written request to substitute or add a Subcontractor or to substitute its own staff for a Subcontractor to the State Contract Manager for consideration. The Contractor must provide a completed Subcontractor Utilization Plan, a detailed justification documenting the necessity for the substitution or addition, and resumes of its proposed replacement staff or of the proposed Subcontractor's management, supervisory, and other key personnel that demonstrate knowledge, ability and experience relevant to that part of the work which the Subcontractor is to undertake. The qualifications and experience of the replacement(s) must equal or exceed those of similar personnel proposed by the Contractor in its Quote. The State Contract Manager will forward the request to the Director for approval.

NOTE: No substituted or additional Subcontractors are authorized to begin work until the Contractor has received written approval from the State.

3.10.8.1 SMALL BUSINESS AND/OR DISABLED VETERANS' BUSINESS SUBCONTRACTING SET-ASIDE CONTRACT

This is a Contract with set-aside subcontracting for New Jersey Small Business Enterprises and/or Disabled Veterans' Business.

If the Bidder intends to subcontract, it must submit a Subcontractor Utilization Plan and shall take the following actions to make a good faith effort to solicit and hire eligible New Jersey Small Business Enterprises and/or Disabled Veterans' Business:

- A. The Bidder shall attempt to locate qualified potential New Jersey Small Business Enterprises and/or Disabled Veterans' Business subcontractors;
- B. The Bidder shall request a listing of New Jersey Small Business Enterprises and/or Disabled Veterans' Business from the Division of Revenue and Enterprise Services, Small Business Registration and M/WBE Certification Services Unit if none are known to the Bidder;
- C. The Bidder shall keep a record of its efforts, including the names of businesses contacted and the means and results of such contacts;
- D. The Bidder shall provide all potential subcontractors with detailed information regarding the specifications; and
- E. The Bidder shall attempt, wherever possible, to negotiate prices with potential subcontractors submitting higher than acceptable price quotes.

A Bidder's failure to satisfy New Jersey Small Business Enterprises and/or Disabled Veterans' Business set aside subcontracting or to provide sufficient documentation of its good faith efforts within seven (7) business days upon of a request may preclude award of a Contract to the Bidder.

Each Bidder awarded a Contract which contains the set-aside subcontracting requirement shall fully cooperate in any studies or surveys which may be conducted by the State to determine the extent of the Bidder's compliance with N.J.A.C. 17:13-1.1 et seq., and this RFQ.

3.10.9 PAY TO PLAY PROHIBITIONS

Pursuant to N.J.S.A. 19:44A-20.13 et seq. (P.L. 2005, c. 51), the State shall not enter into a Contract to procure services or any material, supplies or equipment, or to acquire, sell, or lease any land or building from any Business Entity, where the value of the transaction exceeds \$17,500, if that Business Entity has solicited or made any contribution of money, or pledge of contribution, including in-kind contributions, to a candidate committee and/or election fund of any candidate for or holder of the public office of Governor or Lieutenant Governor, to any State, county, municipal political party committee, or to any legislative leadership committee during certain specified time periods.

Prior to awarding any Contract or agreement to any Business Entity, the Business Entity proposed as the intended Contractor of the Contract shall submit the Two-Year Chapter 51/Executive Order 117 Vendor Certification and Disclosure of Political Contributions form, certifying that no contributions prohibited by either Chapter 51 or Executive Order No. 117 have been made by the Business Entity and reporting all qualifying contributions made by the Business Entity or any person or entity whose contributions are attributable to the Business Entity. Failure to submit the required forms will preclude award of a Contract under this RFQ.

Further, the Contractor is required, on a continuing basis, to report any contributions it makes during the term of the Contract, and any extension(s) thereof, at the time any such contribution is made.

NOTE: Bidders are cautioned that the Chapter 51 and Chapter 271 Forms are not the same, and submission of one (1) does not satisfy a requirement for the other.

3.10.10 VENDOR/BIDDER CERTIFICATION AND POLITICAL CONTRIBUTION DISCLOSURE FORM (CHAPTER 271)

Pursuant to N.J.S.A. 19:44A-20.26 et seq. (P.L. 2005, c. 271), the intended Contractor shall disclose a list of political contributions that are reportable by the recipient pursuant to the provisions of P.L.1973, c.83 (C.19:44A-1 et al.) and that were made by the business entity during the preceding 12-month period, along with the date and amount of each contribution and the name of the recipient of each contribution.

A business entity contracting with a State agency shall disclose contributions to any State, county, or municipal committee of a political party, legislative leadership committee, candidate committee of a candidate for, or holder of, a State elective office, or any continuing political committee. A business entity contracting with a county, municipality, independent authority, other than an independent authority that is a State agency, board of education, or fire district shall disclose contributions to: any State, county, or municipal committee of a political party; any legislative leadership committee; or any candidate committee of a candidate for, or holder of, an elective office of that public entity, of that county in which that public entity is located, of another public entity within that county, or of a legislative district in which that public entity is located or, when the public entity is a county, of any legislative district which includes all or part of the county, or any continuing political committee.

NOTE: Bidders are cautioned that the Chapter 51 and Chapter 271 Forms are not the same, and submission of one (1) does not satisfy a requirement for the other.

3.10.11 AFFIRMATIVE ACTION

The intended Contractor and its named subcontractors must submit a copy of a New Jersey Certificate of Employee Information Report, or a copy of Federal Letter of Approval verifying it is operating under a federally approved or sanctioned Affirmative Action program. If the Contractor and/or its named subcontractors are not in possession of either a New Jersey Certificate of Employee Information Report or a Federal Letter of Approval, it/they must complete and submit the Affirmative Action Employee Information Report (AA-302). Information, instruction and the application are available at https://www.state.nj.us/treasury/contract_compliance/index.shtml.

3.10.12 STATE OF NEW JERSEY SECURITY DUE DILIGENCE THIRD-PARTY INFORMATION SECURITY QUESTIONNAIRE

The Bidder should complete and submit the State of New Jersey Security Due Diligence Third-Party Information Security Questionnaire (Questionnaire) with its Quote. If a Bidder does not submit the completed Questionnaire with the Quote, the Bidder must comply within seven (7) business days of the State's request or the State may deem the Quote non-responsive.

This Questionnaire is designed to provide the State with an overview of the Bidder's security and privacy controls to ensure that the Bidder will (1) meet the State of New Jersey's objectives as outlined and documented in the Statewide Information Security Manual; and (2) comply with the State's security requirements as outlined in *Section 6 – Data Security Requirements – Contractor Responsibility*. The State reserves the right to remove a Bidder from consideration of Contract award if the State determines that the Bidder's Questionnaire failed to sufficiently convey that the Bidder's security and privacy controls meet the State's requirements.

The State has executed a Confidentiality/Non-Disclosure Agreement which is attached to the Questionnaire. The Bidder should countersign the Confidentiality/Non-Disclosure Agreement and include it with its submitted Questionnaire. If a Bidder does not submit the signed Confidentiality/Non-Disclosure Agreement with the Questionnaire, the Bidder must comply within seven (7) business days of the State's request or the State may deem the Quote non-responsive. No amendments to Confidentiality/Non-Disclosure Agreement are permitted.

To the extent permissible under OPRA, the New Jersey common law right to know, and any other lawful document request or subpoena, the completed Questionnaire and supplemental documentation provided by the Bidder will be kept confidential and not shared with the public or other Bidders.

3.10.13 BUSINESS REGISTRATION

In accordance with N.J.S.A. 52:32-44(b), a Bidder and its named Subcontractors must have a valid Business Registration Certificate ("BRC") issued by the Department of the Treasury, Division of Revenue and Enterprise Services prior to the award of a Contract. A Bidder should verify its Business Registration Certification Active status on the "Maintain Terms and Categories" Tab within its profile in [NJSTART](#). In the event of an issue with a Bidder's Business Registration Certification Active status, [NJSTART](#) provides a link to take corrective action.

3.10.14 CERTIFICATION OF NON-INVOLEMENT IN PROHIBITED ACTIVITIES IN RUSSIA OR BELARUS PURSUANT TO P.L.2022, C3

The Bidder should submit Certification of Non-Involvement in Prohibited Activities in Russia or Belarus Pursuant to P.L.2022, c.3. Pursuant to P.L.2022, c.3, a person or entity seeking to enter into or renew a contract for the provision of goods or services shall certify that it is not Engaging in Prohibited Activities in Russia or Belarus as defined by P.L.2022, c.3, sec. 1(c). If the Bidder is unable to so certify, the Bidder shall provide a detailed and precise description of such activities.

If you certify that the Bidder is engaged in activities prohibited by P.L.2022, c.3, the Bidder shall have 90 days to cease engaging in any prohibited activities and on or before the 90th day after this certification, shall provide an updated certification. If the Bidder does not provide the updated certification or at that time cannot certify on behalf of the entity that it is not engaged in prohibited activities, the State shall not award the business entity any contracts, renew any contracts, and shall be required to terminate any contract(s) the business entity holds with the State that were issued on or after the effective date of P.L.2022, c.3.

3.11 TECHNICAL QUOTE

The Bidder shall describe its approach and plans for accomplishing the work outlined in Section 4.0 *Scope of Work*. The Bidder must set forth its understanding of the requirements of this RFQ and its approach to successfully complete the Contract in a narrative format. The Bidder should include the level of detail it determines necessary to assist the Evaluation Committee in its review of the Bidder's Quote.

Mere reiterations of RFQ tasks and subtasks are strongly discouraged, as they do not provide insight into the Bidder's approach to complete the Contract. The Bidder's response to this section should demonstrate to the Evaluation Committee that the Bidder's detailed plans and approach proposed to complete the Scope of Work are realistic, attainable and appropriate, and that the Bidder's Quote will lead to successful Contract completion.

3.11.1 HOSTING AND BACKUP SERVICES

For "outsourced hosting services", the Contractor shall demonstrate the ability to not only secure the physical application infrastructure utilizing the security requirements herein, but also control and secure physical access to the application hosting facilities, the racks supporting network infrastructure and processing server equipment, web, application and database servers. The backed-up data is not commingled with other customer data.

If the Contractor is not supplying "dedicated" hardware resources to host State applications and data, the Contractor shall demonstrate its strategy to maintain application and/or stack isolation using commercially available security devices to maintain security zones, routing isolation and access control to infrastructure devices and access/security logging (AAA) within its infrastructure.

3.12 CONTRACT MANAGEMENT

The Bidder shall describe its specific plans to manage, control and supervise the Contract to ensure satisfactory Contract completion according to the required schedule. The plan should include the Bidder's approach to communicate with the State Contract Manager or designee(s) including, but not limited to, status meetings, status reports, etc.

3.13 CONTRACT SCHEDULE

The Bidder shall provide a draft Contract schedule as part of their Quote, outlining the below milestones to be met. This schedule should detail the number of days allocated for each milestone, starting from the date the contract is executed (Day 1). Additionally, the schedule must identify the associated deliverable item(s) that will serve as evidence of the completion of each milestone.

The Bidder is advised that the below milestones shall not exceed a total of nine (9) months, but the State strongly prefers a more expedited timeline.

Milestone
Project Kickoff Meeting
Acceptance of finalized Project Work Plan
Completion of JAD Sessions
Acceptance of Detailed Design Documentation
Acceptance of System & UAT Test Plans
Acceptance of System Test Phase
Begin UAT Phase
Acceptance of UAT Phase
Acceptance of Conversion/Implementation Plan
Acceptance of Training Plan & Materials
USDA Approval
Conversion Phase
Go Live

If the Bidder anticipates a potential delay due to circumstances outside of the Bidder or State’s control, such as a retailer holiday freeze period, the Bidder must clearly identify when the delay is anticipated, how long it is expected to last, and to what degree it would cause a Contract schedule to exceed nine (9) months. Bidders are reminded that the State strongly favors an expedited timeline.

The Bidder should identify the Contract scheduling and control methodology to be used and should provide the rationale for choosing such methodology. The use of Gantt, PERT or other charts is at the option of the Bidder.

3.14 MOBILIZATION PLAN

It is essential that the State can quickly use the functionality provided by this Contract. Therefore, each Bidder shall include a Mobilization Plan as part of their Quote. This plan should commence from the date of Contract award notification and extend no longer than four (4) weeks.

The Mobilization Plan should include the following elements:

- A. A detailed timetable for the mobilization period of up to four (4) weeks. This timetable should demonstrate how the Bidder will mobilize the necessary personnel and equipment starting from the date of award notification;
- B. The Bidder’s strategy for deploying and utilizing management, supervisory and other key personnel during the mobilization period. This plan should identify all management, supervisory and key personnel assigned to oversee and monitor the mobilization efforts;
- C. The Bidder’s plan for recruiting staff required to provide all services required by this RFQ from the Contract start date at the end of the mobilization period. If the Bidder must hire management, supervisory and/or key personnel upon Contract award, the recruitment plan should include provisions for securing backup staff in the event initial hires need assistance or replacement during the Contract period; and
- D. The Bidder’s plan for the procurement and distribution of equipment, inventory, supplies, and materials needed to begin work on the Contract by the required start date.

3.15 PROJECT WORK PLAN

The Bidder shall provide its draft plan for how the Bidder will accomplish all work required by this Contract. The Project Work Plan shall include:

- A. The Design and Development Plan: The Bidder shall describe the methodology by which it will design and develop the required system functionality including the Software Development Lifecycle;
- B. The System Test Plan: The Bidder shall describe its plans to complete system and user acceptance testing including its methodology for fixing bugs and defects and retesting;
- C. The Conversion/Implementation Plan: The Bidder shall describe meticulously the steps required for a seamless migration from the current EBT processing system to the proposed new solution, incorporating key objectives such as minimal disruption to essential services and safeguarding the integrity and accuracy of data throughout the conversion process; and

- D. Operations and Maintenance Plans: The Bidder shall describe its plans to support the operational system including application updates, new releases, bug and defect repairs, emergency maintenance/repairs of hardware and software and routine maintenance.

The plan shall demonstrate to the Evaluation Committee that the Bidder understands the scope of work required for a successful implementation of the system, its operations and maintenance and support.

3.16 ADDITIONAL PLANS

The Bidder shall provide the following draft plans to demonstrate how the Bidder will address the following plans to accomplish all work required by this Contract:

- A. Draft Staffing Plan;
- B. Draft Quality Management Plan (QMP);
- C. Draft System Test Plan;
- D. Draft UAT Plan;
- E. Draft Training Plan; and
- F. Draft Contingency Plan/Business Continuity Plan.

3.17 ORGANIZATIONAL EXPERIENCE

The Bidder should include information relating to its organization, personnel, and experience, including, but not limited to, references, together with contact names and telephone numbers, evidencing the Bidder's qualifications, and capabilities to perform the services required by this RFQ. The Bidder should include the level of detail it determines necessary to assist the Evaluation Committee in its review of Bidder's Quote.

3.18 LOCATION

The Bidder should include the address of where responsibility for managing the Contract will take place. The Bidder should include the telephone number and name of the individual to contact.

3.19 ORGANIZATION CHARTS

The Bidder should include an organization chart, with names showing management, supervisory and other key personnel (including Subcontractor management, supervisory, or other key personnel) to be assigned to the Contract. The chart should include the labor category and title of each such individual.

3.20 RESUMES

Detailed resumes should be submitted for all management, supervisory, and key personnel to be assigned to the Contract. Resumes should emphasize relevant qualifications and experience of these individuals in successfully completing prior work of similar size and scope to those required by this RFQ. Resumes should include the following:

- A. The individual's previous experience in prior work related to this RFQ;
- B. Beginning and ending dates for prior work related to this RFQ;
- C. A description of prior work, demonstrating how it relates to the individual's ability to contribute to successfully providing the services required by this RFQ; and
- D. With respect to prior work, the name and address of each reference together with a person to contact for a reference check and a telephone number.

The Bidder should provide detailed resumes for each Subcontractor's management, supervisory, and other key personnel that demonstrate knowledge, ability, and experience relevant to that part of the work which the Subcontractor is designated to perform.

3.21 EXPERIENCE WITH CONTRACTS OF SIMILAR SIZE AND SCOPE

The Bidder should provide a robust listing of contracts of similar size and scope that it has successfully completed, as evidence of the Bidder's ability to successfully complete services similar to those required by this RFQ. Emphasis should be placed on contracts that are similar in size and scope to the work required by this RFQ. The Bidder is not required to submit a history of all contracts of similar size and scope, but should provide the level of detail it believes necessary to assist the State in its Quote evaluation. A description of such contracts should be included and should show how such contracts relate to the ability of the firm to complete the services required by this RFQ. For each such contract listed, the Bidder should provide two (2) names and telephone numbers of individuals for contracting party. Beginning and ending dates should also be given for each contract.

The Bidder must provide details of any negative actions taken by other contracting entities against them in the course of performing these projects including, but not limited to, receipt of letters of potential default, default, cure notices, termination of services for cause, or other similar notifications/processes. Additionally, the Bidder should provide details, including any negative audits, reports, or findings by any governmental agency for which the Bidder is/was the Contractor on any contracts of similar scope. In the event a

Bidder neglects to include this information in its Quote, the Bidder's omission of this necessary disclosure information may be cause for rejection of the Bidder's Quote by the State.

The Bidder should provide documented experience to demonstrate that each Subcontractor has successfully performed work on contracts of a similar size and scope to the work that the Subcontractor is designated to perform in the Bidder's Quote. The Bidder must provide a detailed description of services to be provided by each Subcontractor.

3.22 FINANCIAL CAPABILITY OF THE BIDDER

The Bidder should provide sufficient financial information to enable the State to assess the financial strength and creditworthiness of the Bidder and its ability to undertake and successfully complete the Contract. In order to provide the State with the ability to evaluate the Bidder's financial capacity and capability to undertake and successfully complete the Contract, the Bidder should submit the following:

- A. For publicly traded companies the Bidder should provide copies or the electronic location of the annual reports filed for the two most recent years; or
- B. For privately held companies the Bidder should provide the certified financial statement (audited or reviewed) in accordance with applicable standards by an independent Certified Public Accountant, including a balance sheet, income statement, and statement of cash flow, and all applicable notes for the most recent calendar year or the Bidder's most recent fiscal year.

If the information is not supplied with the Quote, the State may still require the Bidder to submit it. If the Bidder fails to comply with the request within seven (7) business days, the State may deem the Quote non-responsive.

A Bidder may designate specific financial information as not subject to disclosure when the Bidder has a good faith legal/factual basis for such assertion. The State reserves the right to make the determination to accept the assertion and will so advise the Bidder.

3.23 STATE-SUPPLIED PRICE SHEET INSTRUCTIONS

The Bidder shall submit its firm-fixed pricing using the State-Supplied Price Sheet accompanying this RFQ. The Bidder is advised that Price Lines 1-5 are mandatory. Price Lines 6-7 are optional, though the State requests a response of the Bidder's price, "No Bid" or "No Charge" pursuant to Section 3.23.3 *Use of "No Bid" versus "No Charge" on the State-Supplied Price Sheet*.

Any price changes including hand written revisions or "white-outs" must be initialed. Failure to initial price changes shall preclude a Contract award from being made to the Bidder pursuant to N.J.A.C. 17:12-2.2(a)(8).

- A. Implementation Phase: Begins at Contract execution and ends with the successful EBT conversion to the new contractor. The implementation price shall include all design and development effort for conversion and all project management and materials (i.e. card stock, training materials, etc.) through statewide rollout;
 - a. Price Line 1 (mandatory): The Bidder shall provide all-inclusive implementation pricing. Implementation includes and encompasses all milestones identified in Section 4.1.2 *Project Schedule*.
- B. Leased Hardware Pricing: All prices shall include maintenance and supplies replenishment. POS equipment shall include a POS terminal, as well as any peripheral hardware and/or software required for normal operation;
 - a. Price Line 2 (mandatory): The Bidder shall provide all-inclusive pricing for the described leased wired POS equipment, per unit, per month; and
 - b. Price Line 3 (mandatory): The Bidder shall provide all-inclusive pricing for the described leased wireless POS equipment, per unit, per month.
- C. Cost per Case Month (CPCM): The Bidder shall provide a CPCM for all ongoing services to be provided under this RFQ. Pricing shall be based on the total number of active cases. The Bidder is advised that ongoing training costs associated with the State agency and the Contractor shall be included as part of the CPCM price. Additionally, the Bidder is advised that CPCM prices shall include card production expenses per card, covering both one (1)-time and recurring expenses like design alteration and shipping. Note: For billing and pricing purposes, a case shall be considered "active" if it has an available benefit balance in the billing period. Ongoing Training costs associated with the State agency and Contractor shall be included as part of the CPCM monthly costs;
 - a. Price Line 4 (mandatory): The Bidder shall provide all-inclusive pricing per case, when total monthly active cases are less than or equal to 90,000; and
 - b. Price Line 5 (mandatory): The Bidder shall provide all-inclusive pricing per case, when total monthly active cases are greater than 90,000.
- D. Farmers Market (FMNP) and Senior Farmers Market (SFMNP) Processing/Support: The Bidder shall provide its price for Farmers Market (FMNP) and Senior Farmers Market (SFMNP) payment processing services. This price shall include all transaction processing, web access inquiry, reconciliation support, additional bank accounts and reports;
 - a. Price Line 6 (mandatory): The Bidder shall provide all-inclusive pricing per Automated Clearing House (ACH) transaction for FMNP;

- b. Price Line 7 (mandatory): The Bidder shall provide all-inclusive pricing per ACH transaction for SFMNP; and
- c. Price Line 8 (optional): If the Bidder is electing to provide its own FMNP/SFMNP solution, the Bidder shall provide all-inclusive implementation pricing.

Bidders are advised that its typical pricing structures may not necessarily match the design of State-Supplied Price Sheet. Bidders are reminded that Price Lines 1-7 are mandatory. If the Bidder does not typically charge for a price line and instead includes those charges within a different price line, the Bidder shall abide by the requirements of Section 3.23.3 *Use of "No Bid" Versus "No Charge" on the State-Supplied Price Sheet*.

Where the State-Supplied Price Sheet includes an estimated quantity column, Bidders are advised that estimated quantities may vary throughout the Contract term resulting from this RFQ. There is no guaranteed minimum or maximum volume for these price lines.

3.23.1 CASH DISCOUNTS

The Bidder is encouraged to offer cash discounts based on expedited payment by the State. The State will make efforts to take advantage of discounts, but discounts will not be considered in determining the price rankings of Quotes. Should the Bidder choose to offer cash discounts, the following shall apply:

- A. Discount periods shall be calculated starting from the next business day after the Using Agency has accepted the goods or services, received a properly signed and executed invoice and, when required, a properly executed performance security, whichever is latest; and
- B. The date on the check issued by the State in payment of that invoice shall be deemed the date of the State's response to that invoice.

3.23.2 VOLUME DISCOUNTS

Bidders may submit volume discounts on the State price sheet or include them with the submitted Quote. The State will consider a volume discount for ordering; however, such discounts will not be factored into the evaluation of the Quote.

3.23.3 USE OF "NO BID" VERSUS "NO CHARGE" ON THE STATE-SUPPLIED PRICE SHEET

All price lines must be filled out in accordance with the instructions above. If the Bidder is not submitting a price for an item on a price line, the Bidder must indicate "No Bid" on the State-Supplied Price Sheet accompanying this RFQ. If the Bidder will supply an item on a price line free of charge, the Bidder must indicate "No Charge" on the State-Supplied Price Sheet accompanying this RFQ. The use of any other identifier may result in the Bidder's Quote being deemed non-responsive.

4 SCOPE OF WORK

4.1 GENERAL

4.1.1 OVERVIEW OF SCOPE OF WORK

The EBT Contractor shall provide a USDA-compliant EBT solution that interfaces with NJ WoW and supports NJ WIC vendor redemptions using integrated and/or Stand-beside POS systems. All USDA rules, regulations, and guidelines are located at <https://www.fns.usda.gov/wic/wic-electronic-benefits-transfer-ebt-guidance>.

A. The EBT Contractor shall provide the following:

1. Online EBT Processing Platform – an online EBT system in which the benefit balances are maintained at the EBT host processor;
2. USDA EBT Compliance – an EBT system design, development, implementation, and operations and maintenance in compliance with all USDA and Food and Nutrition Service (FNS standards, including, but not limited to the Operating Rules and the WIC Universal MIS-EBT Interface specification (WUMEI, and the Technical Implementation Guide (TIG (<https://www.fns.usda.gov/wic/wic-ebt-technical-implementation-guide-and-operating-rules>)).
3. The system shall support the Notice of Proposed Rule Making (NOPRM) regarding Online Shopping and associated transactions. Deviations shall not be permitted without the prior written consent of the State Contract Manager (SCM) and the USDA. Online Shopping related rules are currently in the NPRM (Notice of Proposed Rulemaking) stage. Once the regulations are finalized, the EBT Contractor must ensure full compliance at no additional cost to the State;
4. WoW Interface – support of the interface of the EBT solution with the WoW system based on the proposed WUMEI version of 2022 or later. This will require an upgrade of the NJ WoW system which is currently at the 2015 version. The WUMEI of 2022 version shall be the basis for interface and the Contractor shall be required to collaborate with the State’s WoW Contractor to design, build, and test NJWIC’s WoW-EBT interface and ensure it’s fully compliant with the 2022 version of WUMEI;
5. EBT Processing Database – provide databases to maintain required data as outlined in this RFQ. These must include, but are not limited to:
 - a. Participant household account data;
 - b. Card data and Personal Identification Number (PIN) information;
 - c. Household benefits balances;
 - d. Retailer POS and third-party processor data;
 - e. Clinic data;
 - f. Retail transaction data;
 - g. Benefit issuance transaction data;
 - h. Administrative transaction data;
 - i. Settlement data;
6. EBT Card Provisioning – design, produce, and provide fulfillment of NJWIC EBT cards throughout the duration term of the Contract. The Contractor shall provide fulfillment of NJWIC Local Agency/clinic EBT card inventory, bulk replenishment orders, and shall provide fulfillment of individual replacement cards direct to authorized EBT cardholders;
7. Card PIN Management – must provide one or more secure methods for authorized EBT cardholders to create or amend a PIN. These methods may include PIN selection terminals situated at NJ WIC local agencies/clinic sites, cardholder self-service PIN selection facilitated through an automated Interactive Voice Response (IVR) unit, and cardholder self-service through a secure web portal or application.;
8. POS Transaction Processing – receive, process, and authorize cardholder transactions from authorized WIC Authorized Retailers in real time transactions via POS devices, retailer POS systems, and retailer Third-Party Payment Processors (TPPs). Transaction processing includes:
 - a. Accepting transactions coming from an authorized transaction acquirer;
 - b. Authorizing or denying transactions upon validating the card status;
 - c. Validating the PIN matches the PIN maintained at the EBT host for each EBT card
 - d. The Universal Product Code (UPC)/Price Look-up Codes (PLU) of the item scanned for purchase being on the Authorized Product List (APL);
 - e. The account having sufficient balance quantity remaining for the UPC/PLUs food subcategory, and the price for non-CVB items is equal to or less than the Not-to-Exceed (NTE) value established by the NJDOH;
 - f. Sending response messages back to the transaction acquirer authorizing or denying the transactions;
 - g. Providing the data needed to print a cardholder receipt with the account balance after the transaction;

- h. Logging all transactions for subsequent settlement and reconciliation processing and transaction reporting;
- 9. Reconciliation and Settlement Processing – responsible for the execution of EBT settlement and reconciliation activities throughout the term of the Contract, in accordance with federal regulations and the FNS Operating Rules for EBT as updated throughout the Contract term;
- 10. Administrative User Interface – provide functionality for State users authorized to administer the EBT system as a whole and Local Agency/clinic users authorized to administer and query WIC participant accounts. System administrative access shall be provided via a separate administrative software application as defined by the approved system design.
- 11. Retailer EBT Engagement – responsible for managing the readiness of authorized NJWIC Authorized Retailers in the EBT program. This shall include:
 - a. Certification of Electronic Cash Register (ECR) and POS systems and TPP networks;
 - b. Provision of POS terminals and installation support as needed by authorized NJWIC Authorized Retailers;
 - c. Engagement and readiness support for authorized NJWIC Authorized Retailers;
 - d. Development, execution, and fulfillment of authorized NJWIC Authorized Retailers, TPP and transaction acquirer agreements with terms subject to the approval of the USDA/FNS and NJWIC;
- 12. EBT User Support – provide customer service to WIC participants, authorized NJWIC Authorized Retailers, and State and Local Agency/clinic personnel. Customer service shall be provided by a combination of the following methods:
 - a. Automated Response Units (ARU);
 - b. Live customer service representatives (CSR);
 - c. Web portals;
- 13. Training Program – design a training program to ensure that all EBT stakeholders (State users, Local Agency/clinic users, participants authorized representatives and their alternates and proxies, and NJWIC Authorized Retailer staff) are able to effectively utilize the functions of the EBT system. The Contractor shall train testers prior to UAT using demonstrations, webinars and other methods approved by NJWIC. The Contractor shall deliver end-user training for State agency staff, Local Agency staff, and Contractor staff during the Conversion and Implementation phases. Post-Implementation, the State will take responsibility for end user training;
- 14. EBT Reporting – deliver an ongoing reporting capability to include EBT reports at the State, Local Agency, Clinic, County/Municipality, Household, Cardholder, Retailer, and User levels. The Contractor shall provide and maintain a set of standard EBT reports, in accordance with the reporting requirements of the USDA’s FReD. In addition, the Contractor must deliver ad hoc reporting capability and provide the ability to save reports in Adobe PDF format and export report data in Microsoft Excel .xls or .csv formats to enable subsequent manipulation and analysis;
- 15. DR/Business Continuity – provide and test a disaster recovery infrastructure to support the continued operations in the event the primary EBT system fails. The Contractor shall also provide a Business Continuity Plan to enable continued EBT support for WIC participant households, WIC Authorized Retailers, Local Agency/Clinic, and NJWIC State agency users. The Contractor shall develop the following:
 - a. DR/Business Continuity Plan;
 - b. Service Level Agreement (SLA) within Section 4.17, that delineates minimum recovery expectations;
 - c. DR test plan;
 - d. Delivery of executed DR test results;
- 16. Detailed Design – facilitate the enumeration of detailed system requirements and the delivery of detailed design specifications for the EBT system through the facilitation of JAD sessions with participants from the NJWIC State agency, WIC Authorized Retailers, and other participants as designated by NJWIC;
- 17. System and User Acceptance Testing – deliver EBT system test plan and UAT plan documents and test scripts. The Contractor shall secure NJWIC’s approval for the test plans prior to the commencement of the system test and UAT phases. The Contractor shall deliver test documentation that evidences the specific tests conducted, the test data used, and the test results. The Contractor shall maintain traceability between testing and requirements to ensure that the testing program demonstrates that the completed system meets all functional and performance requirements;
- 18. Conversion and Implementation Support – The Contractor shall deliver and execute a Conversion and Implementation Plan to guide the initial deployment of EBT and the Conversion;
- B. The Contractor shall supply all necessary hardware and software components to meet the technical, performance, and business requirements outlined in this RFQ, at no additional cost to the State. However, the State will be responsible for the cost of any stand-beside POS devices needed to ensure participant access in a store;
- C. The Contractor shall provide support through the implementation of the EBT system. After completion of the Conversion of the system, the Contractor shall continue to provide operational support throughout the term of the Contract, including, but not limited to:
 - 1. EBT card fulfillment;

2. Retailer POS terminal fulfillment (Stand-beside POS device);
 3. EBT transaction processing host and relevant interfaces;
 4. Financial reconciliation and settlement;
 5. Reporting;
 6. Infrastructure support;
 7. Application administration support;
 8. Participant customer service support;
 9. Retailer customer service support;
 10. State/Local Agency customer service support;
 11. System defect mitigation and enhancements;
- D. The Contractor must meet the NJWIC EBT requirements by configuring its existing EBT platform and services with minimal custom development and provide royalty-free rights to use Software or documentation developed (refer to 2 CFR §200.315 Intangible property);
1. Title to intangible property (see 2 CFR §200.59 Intangible property) acquired under a federal award vests upon acquisition in the non-federal entity. The non-federal entity must use that property for the originally-authorized purpose and must not encumber the property without approval of the Federal awarding agency. When no longer needed for the originally authorized purpose, disposition of the intangible property must occur in accordance with the provisions in 2 CFR §200.313(e) Equipment;
 2. The non-federal entity may copyright any work that is subject to copyright and was developed, or for which ownership was acquired, under a federal award. The federal awarding agency reserves a royalty-free, nonexclusive and irrevocable right to reproduce, publish, or otherwise use the work for federal purposes and to authorize others to do so;
 3. The non-federal entity is subject to applicable regulations governing patents and inventions, including government wide regulations issued by the Department of Commerce at 37 CFR Part 401, "Rights to Inventions Made by Nonprofit Organizations and Small Business Firms Under Government Awards, Contracts and Cooperative Agreements;"
 4. The Federal government has the right to:
 - a. Obtain, reproduce, publish, or otherwise use the data produced under a federal award; and
 - b. Authorize others to receive, reproduce, publish, or otherwise use such data for federal purposes.

4.1.2 PROJECT SCHEDULE

- A. Within seven (7) business days of the project kickoff meeting, the Contractor shall revise the draft project schedule submitted as part of the Quote and deliver a finalized project schedule aligned with the milestones specified as below:

Milestone
Project Kickoff Meeting
Acceptance of finalized Project Work Plan
Completion of JAD Sessions
Acceptance of Detailed Design Documentation
Acceptance of System & UAT Test Plans
Acceptance of System Test Phase
Begin UAT Phase
Acceptance of UAT Phase
Acceptance of Conversion/Implementation Plan
Acceptance of Training Plan & Materials
USDA Approval
Conversion Phase
Go Live

The Contractor is advised that the above milestones shall not exceed a total of nine (9) months, but the State strongly prefers a more expedited timeline.

- B. If all good faith efforts are made by all parties and schedule slippage still occurs, then the State will seek an extension from USDA and at that time NJDOH will adjust schedule accordingly. The SCM will work with the Contractor to mutually agree on a revised schedule in writing. The Contractor shall develop and maintain a resource-loaded integrated project plan that details, at a minimum, the following:
1. Work activities and tasks to be performed;
 2. State and Contractor resources assigned;

3. Estimated work load in hours;
 4. Dependencies between tasks;
- C. On a biweekly basis, the Contractor shall report on the status of the work plan tasks, including the forecast impact of slippages in task completion to the schedule for remaining work plan tasks and milestones to the SCM electronically;
 - D. The Contractor's project work plan and schedule shall provide a minimum of ten (10) business days for the State's initial review and feedback or acceptance of major milestone deliverables and one (1) week for minor or revised deliverables. The Contractor shall grant additional time, at the request of the SCM, if more than one (1) deliverable requires review at the same time, or if key State reviewers are not available when the deliverable is provided to the State; and
 - E. The Contractor's project work plan and schedule shall ensure that activities requiring the closure of local agencies/clinics (e.g., training, cutover, implementation) be scheduled 90 calendar days in advance so that participant caseload appointments can be adjusted to the schedule. Other activities that require participation by Local Agency/clinic staff shall be scheduled at least 45 calendar days in advance.

4.1.3 CONTRACTOR LOGISTICS

The Contractor's staff are not required to maintain a full-time presence onsite during the EBT Kickoff Meeting, JAD Session(s), UAT, or Conversion of the Contract. NJWIC will make office or cubicle space available for one (1) or two (2) persons as needed.

During Conversion, and Post-Implementation phases, the Contractor shall maintain customer service representative support 24 hours per day, seven (7) days per week, 365 days per year to WIC authorized retailers by phone.

The NJWIC State agency staff are located at 55 N. Willow St., 4th Floor, Trenton, NJ. Project meetings, JAD sessions, and other project-related gatherings will primarily take place at this designated location or remotely via platforms such as Microsoft Teams or Zoom. Some project activities will occur at NJWIC local agencies, clinics, and authorized retailer locations across the State.

The NJ WoW system currently resides at the WoW Contractor's data center in Latham, NY, supplemented by a disaster recovery site in Sterling Forest, NY. During the Contract period, there is the possibility of migrating all or part of the NJ WoW system to a cloud platform. As part of the Disaster Plan, the EBT processor must establish data links to both sites, enabling seamless transaction switching to the backup site if needed. While it's not anticipated that the EBT Contractor will need to be physically present at either NJ WoW data center, they must be prepared to report onsite at no additional cost to the State should the need arise.

4.2 FUNCTIONAL REQUIREMENTS

4.2.1 AUTHORIZED PRODUCT LIST (APL) MAINTENANCE

The Contractor EBT system, at a minimum, must have the following functionality:

- A. Receive from the MIS and maintain NJWIC's APL product information as defined in the WUMEI. The data will be transmitted from the NJ WOW system in total on a scheduled end-of-day basis and also in real-time, incrementally as changes are made in the NJ WOW system;
- B. Transmit the APL to WIC Authorized Retailers and TPPs;
- C. Allow WIC Authorized Retailers and TPPs to automate the download of the APL or to request the APL on-demand;
- D. Provide authorized State users with viewing access to the current and previous APL source data;
- E. Capability for TPPs to view APL files created by the system by date; and
- F. The APL file must conform to American National Standards Institute (ANSI) X9.93 V4 type 2 specifications, available at <https://www.fns.usda.gov/wic/wic-electronic-benefits-transfer-ebt-guidance> link.

4.2.2 MAXIMUM ALLOWABLE REDEMPTION LIMIT (MARL) MAINTENANCE

- A. The Contractor shall provide the EBT system with a mechanism to receive the Maximum Allowable Reimbursement Level (MARL) by food subcategory, and WIC authorized retailer peer group, on a daily basis, from the WoW system. Contractor peer group system means a classification of authorized vendors into groups based on common characteristics or criteria that affect food prices, for the purpose applying appropriate competitive price criteria to vendors at authorization and limiting payments for food to competitive levels as established in 7 CFR 246.12(g)(4)(ii)(C). For more details please refer following link: <https://www.fns.usda.gov/wic/wic-laws-and-regulations>. WoW will calculate the MARL; and
- B. The Contractor EBT system shall provide claimed prices to WoW and WoW will perform the price averaging and calculation of the MARLs.

4.2.3 HOUSEHOLD ACCOUNT MAINTENANCE

- A. The Contractor shall be liable for the following, at no cost to the State:
 1. Any benefits or funds drawn from an incorrect account;
 2. Overdrafts against EBT benefit accounts;

3. Access to benefits prior to or after their availability dates;
 4. EBT host transaction processing errors, at no cost to the State;
- B. The Contractor EBT system must:
1. Accept a unique identifier (family ID) and associated demographics from WoW via a real-time, online message for each WIC family;
 2. Validate the uniqueness of the Family ID and ensure that there are no duplicate Household IDs;
 3. Validate the integrity of identifying data (e.g., name, date of birth, etc.);
 4. Establish a unique EBA after all data is validated;
 5. Maintain an EBT account structure to ensure that:
 - a. Benefit balances are accurately maintained;
 - b. Benefits accessed by cardholders are drawn from the appropriate category/subcategory; and
 - c. Benefit accounts are not overdrawn;
 6. Maintain an EBT account for each WIC household;
 7. Not permit changes or updates to account demographic data unless authorized by the State (via a WoW transmission);
 8. Classify any new household EBA accounts without associated benefits as “Pending”;
 9. Maintain the EBA account as Pending until benefits are posted to the account;
 10. Post the benefits to the account only upon the receipt of a benefit issuance from the WoW system;
 11. Provide administrative capability to search for pending accounts and generate periodic reports of pending accounts;
 12. Provide online functionality to delete a pending household account;
 13. Automatically purge pending accounts based on parameters established by the State;
 14. Automatically purge pending EBT cards associated with pending accounts;
 15. Provide functionalities to change household demographics through the online message from the WoW system;
 16. Provide functionalities to change household demographics through batch process, upon validation of the Family ID and other parameters established by the State;
 17. Update the EBT database and return a confirmation of the updates made to the demographic data upon data validation;
 18. Provide functionalities to change the name and/or demographics of the cardholder through host-to-host communication or batch file transmission from the WoW system; and
 19. Close an account only upon notification from the WoW system.

4.2.4 EBT CARD DESIGN & PRODUCTION

- A. The Contractor shall design and produce cards for EBT cardholders with the following requirements:
 1. Perform all necessary processes and functions to design the front of the EBT card;
 2. Card must have a magnetic strip;
 3. Distribute/deliver cards to designated clinics issuance;
 4. Replace and distribute/deliver cards to cardholders by mail;
 5. Maintain a centralized EBT card issuance management database;
- B. The Contractor shall ensure that the EBT cards are designed to comply with the latest version of the FNS Operating Rules for EBT (EBT card appearance and requirements), the International Standards Organization (ISO), and the ANSI specifications and standards relating to cards used for financial transactions. EBT cards shall also comply with ISO/IEC 7810:2003, Identification Cards – Physical Characteristics and ISO 7811, 7812 and 7813 for magnetic stripe financial cards. The above operating rules and standards are available at <https://www.fns.usda.gov/apd/snap-ebt-document-library> and <https://www.fns.usda.gov/wic/wic-ebt-technical-implementation-guide-and-operating-rules>;
- C. The Contractor shall work with the SCM to develop the EBT card design. The card shall not have the Contractor or any other branding except NJWIC approved branding. The State shall have prior approval authority of the card design and printed card information. Prior to card production, the Contractor must submit a sample at minimum 60 business days in advance to the SCM for approval;
- D. The Contractor shall design and produce EBT cards with the following features on the front of the card:
 1. State-approved graphics incorporating up to a four-color printing process;
 2. The card Primary Account Number (PAN) must be embossed, laser engraved, indent printed, or hot stamped, using contrasting color for legibility;
 3. The cardholder’s name must not appear;
- E. The Contractor shall issue EBT cards containing a 16-digit PAN. The layout of the PAN shall be as shown in the following table:

PAN Layout		
Position	Length	Description
1 through 8	8	Issuer Identification Number (IIN)
9 through 10	0 or 2	OPTIONAL USE – Internal Designation (i.e., OTC, SNAP, TANF - Temporary Assistance Needy Families)
11 (or 9 if option is not used) through 15	5 or 7	Individual Account Number
16	1	Check Digit

1. The IIN is an eight-digit number encoded on the magnetic strip that begins immediately after the start sentinel. The Contractor shall assist the State in applying for the EBT IIN. The State shall own the IIN and retain ownership beyond the expiration of this Contract. The IIN must comply with ISO 7813 as stated in item B above;
 2. The discretionary field is a two-digit number that may be used by the Contractor with SCM approval. The 8th digits of the EBT card may be used to identify the WIC State Agency within the IIN (with USDA-FNS approval) or to identify a card for use in testing or training;
 3. The Individual Account Number is a seven-digit number that uniquely identifies the cardholder to the card that is issued;
- F. The Contractor shall design and produce cards for EBT cardholders with the following requirements:
1. Perform all necessary processes and functions to design the back of the EBT card;
 2. High coercivity magnetic strip;
 3. The toll-free participant customer service phone number;
 4. The customer service web portal URL;
 5. The following nondiscrimination statement: “This institution is an equal opportunity provider.”;
 6. Other printed information, such as a barcode or QRC code, as specified by the State;
 7. Contractor should support existing cards and only converting with new cards issued after Conversion. Existing front design will be continued, but back design contact information will be updated as needed;
- G. The Contractor shall provide Track 2 of the EBT magnetic strip 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:

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	Card Authorization Value	3
7	End Sentinel	1
8	Longitudinal Redundancy Check	1

1. 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; and
2. Include an encoded Card Authentication Value.

4.2.5 EBT CARD FULFILLMENT AND INVENTORY

- A. The Contractor shall deliver EBT cards to designated Local Agencies and/or clinics in blocks of sequentially numbered cards to support distribution issuance of initial cards to WIC participants. During the term of the Contract, the State reserves the right to change designated locations for receipt of card shipments. The current list of Local Agency and clinic destinations can be found at this link <https://www.state.nj.us/health/fhs/wic/participants/find-wic/>;
- B. The Contractor shall cooperate with the WoW Contractor to establish the replenishment order format. The WoW system will track card inventory, establish Local Agency reorder points, and automate card replenishment orders to the Contractor;

- C. The Contractor EBT System shall track cards and link them to their distribution point via the card numbers. The EBT system shall report the inventory of card stock at each Local Agency administrative site, including the card number ranges shipped to each location and the card numbers issued from each location;
- D. The Contractor shall, at a minimum, adhere to the following card shipment security measures when shipping to Local Agency administrative site:
 - 1. Card boxes shall be shipped in sleeves with a numbering system and accompanying inventory list in hard copy format (and electronic copy also provided) that must indicate card numbering sequences, so that the contents of the box may be ascertained without inspection (opening the box) by the Local Agency;
 - 2. Each sleeve shall be labeled with the card number sequence it contains and shall be sealed with security tape to identify unauthorized access. Cartons shall not be labeled in a manner that reveals their contents;
 - 3. Sleeves shall 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);
- E. The EBT system must provide cardholders with the ability to report lost, stolen, or damaged cards 24 hours per day, seven (7) days per week, 365 days per year;
- F. Prior to issuing a replacement card, the EBT system must validate that the previous card has been deactivated in the EBT system. If a previous card is still active, the EBT system must deactivate that card prior to issuing a new card to the cardholder;
- G. When a replacement card is issued, the cardholder's existing PIN must be useable with the replacement card;
- H. The EBT system must return a daily file of all replacement cards issued by the Contractor. Formats, schedule, etc. shall be determined during the JAD sessions;
- I. Replacement cards may also be issued at the clinic. Accordingly, the EBT system must provide functionality to receive replacement card information transmitted in real time to the EBT system from the WoW system; and
- J. The Contractor shall collaborate closely with the incumbent EBT provider to ensure seamless functionality of all currently active eWIC cards within the new EBT system.

4.2.6 CARD ISSUANCE AND PIN MANAGEMENT

- A. The Contractor shall provide EBT cards that are issued by the Local Agency clinic. The authorized clinic staff will swipe the card in the device so that the card account number (PAN) can be associated with the cardholder in the WoW system, without requiring the staff to manually key the number. The cardholder will use the IVR to select a PIN. The IVR must encrypt the PIN. WoW will transmit the PAN, the encrypted PIN, and the cardholder and household information to the EBT system with a message through the WoW-EBT interface;
- B. The Contractor shall allow each household up to two (2) cards: one (1) card issued to the Authorized Representative and one (1) card issued to a designated Alternate Representative or a designated Proxy. The EBT system must allow the cancellation of a proxy card at the primary cardholder's request via the ARU, live customer service and/or cardholder web portal, or at the clinic;
- C. The Contractor EBT system must support the set-up and maintenance of accounts and the issuance of cards by the NJWIC to support the testing of WIC authorized retailer systems, training WIC Authorized Retailer staff, and for the State or its authorized designees to conduct retailer compliance and monitoring activities. Card numbering and sequencing must be designed to prevent retailers from determining a card is for fraud monitoring purposes;
- D. The Contractor EBT system must support each cardholder's selection of a PIN. All PIN selections will be via a PIN selection device, a secure web portal, and/or the ARU/Customer Service. PIN mailers shall not be used. The PIN shall not be stored in the MIS;
- E. PIN security must meet the guidelines set forth in the most recent version of the FNS WIC EBT Operating Rules (link provided in Section 4.1.1) and conform to industry standards; and
- F. Cardholders must be allowed to select or change their PIN at any time. The EBT system must provide functionality to positively identify a cardholder requesting a PIN change.

4.2.7 BENEFIT ISSUANCE AND MAINTENANCE

The Contractor EBT system must provide the following functionality:

- A. Receive food and cash value WIC benefit issuance records from the WoW system and assign them to the designated household account. Benefits must be aggregated at the household level and must indicate the household account number, the category/subcategory, quantity/size, and benefit availability date(s). The EBT system must accept benefit issuance records from WoW for food benefits and CVB, via host-to-host message and scheduled batch file transmission;
- B. Validate issued benefits and link benefits to the appropriate household EBT account. In addition, the EBT system must:
 - 1. Reject duplicate benefits;
 - 2. Accept benefits for current and future months;
 - 3. Allow more than one issuance to a household for a single month;
 - 4. Validate that benefit issuance records are correct in content and format;

5. Validate that the benefit dates are synchronized with existing household benefits;
- C. Support a message request for the current balance including both current and future months' benefits. The EBT system must 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 (configurable by the State) to print a list of a household's issued benefits;
- D. 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 EBT system must ensure the transaction uses the appropriate category/subcategory. The EBT system must ensure benefit accounts are not overdrawn or over-issued;
- E. Manage benefits based on their availability, date, and time. Benefits issued in WoW for initial certification will be transmitted host-to-host from WoW to the EBT system and shall be made available to the household immediately upon receipt of the data by the EBT system. Records received during the business day containing current month's benefits shall be processed and made available immediately upon receipt. Future months' benefits shall be available to a household at 12:00 A.M. Eastern Standard Time (EST) on the first day of their availability period;
- F. Ensure benefits are not redeemed prior to their availability date. Benefits shall expire at 11:59 PM EST on the last day of the benefit availability period. The EBT system must ensure that expired benefits are not redeemed after their expiration date and time. The system must also accommodate adjusted transactions. The EBT system must expunge expired benefits from a household account after a State-configurable period of time to allow for adjustments to be applied. A record of expired benefits must be kept by the EBT system and available electronically in report and spreadsheet format to the SCM; and
- G. Allow authorized users to modify and/or cancel current and future months' available benefits using messages from the WoW system.

4.2.8 POINT-OF-SALE TRANSACTION PROCESSING

- A. The Contractor shall receive, process, and authorize cardholder POS transactions from WIC authorized retailers via POS devices, ECR systems, approved online systems and TPP systems;
- B. The Contractor shall ensure that cardholders access their WIC benefits only at POS terminals located in authorized WIC Authorized Retailer locations;
- C. The Contractor shall not charge a fee to cardholders for any WIC transactions. No minimum purchase amounts or quantities shall be required of the WIC cardholder. The EBT system must support singular transactions of up to 50 UPC/PLU items;
- D. The EBT transaction processing shall include:
 1. Accepting transactions coming from an authorized transaction acquirer;
 2. Authorizing or denying transactions;
 3. Sending response messages back to the transaction acquirer authorizing or denying the transactions;
 4. Providing the data necessary to print a cardholder receipt with the account balance after the transaction;
 5. Logging all transactions for subsequent settlement and reconciliation processing, transaction reporting, and for viewing through transaction history;
- E. The Contractor shall ensure that the EBT system performs the following validations to determine whether a cardholder's transaction should be approved:
 1. The WIC Authorized Retailer has a valid retailer number;
 2. The PAN is valid and the card is active;
 3. The number of consecutive failed PIN attempts has not been exceeded;
 4. The PIN is verified as being entered correctly;
 5. The account is active;
 6. The EBT account holds a sufficient balance in order to satisfy the transaction request;
- F. If any one of the validations described above is not met, the EBT system shall deny the transaction. If the transaction is denied, the EBT system must return a message to the WIC Authorized Retailer's POS terminal or ECR indicating the reason for denial (e.g., invalid PAN, invalid PIN, insufficient benefits, etc.). These denial reasons shall include:
 1. Invalid Foods - The EBT system must decline a food item for a WIC purchase if any of the following apply:
 - a. It is not an authorized WIC category/subcategory;
 - b. It is not a category/subcategory or size authorized in the WIC household account;
 - c. It is not in the provided APL;
 - d. Sufficient quantities of the category/subcategory are not available in the WIC household account;
 2. Invalid PIN - The EBT system must deny transactions if the PIN is entered incorrectly:
 - a. After the fourth (4th) invalid PIN attempt, the determined maximum allowable by the State for one (1) day, the card shall be temporarily blocked until midnight local time on the day the last failed PIN attempt occurred, or if an on-demand release request is made through the ARU or through EBT administrative system;
 - b. 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 (4th) invalid PIN attempt;

- c. The number of invalid PIN attempts shall be configurable in the EBT system; the State reserves the right to change the number of invalid PIN attempts allowed in one (1) day;
 - d. The EBT system must provide reports on invalid PIN transactions to support the identification of cards that may have been stolen, but not reported as stolen;
- G. The EBT system must, at a minimum, process the following WIC transaction types through the POS:
1. Balance Inquiry - The EBT system must 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 must list remaining food items still available for purchase; the receipt must include:
 - a. Description of the category/subcategory;
 - b. Available benefit balance, including category/subcategory balance;
 - c. Unit of measure (quart, pound, ounce, etc.);
 - d. Expiration date of current benefits;
 2. Food Purchase - Once a transaction is validated, the EBT system must transmit the benefit balance to the retail POS terminal that initiated the transaction, and perform the following validations/authorizations:
 - a. The POS must validate the food items scanned against the APL and the downloaded available balance;
 - b. The EBT system must 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;
 - c. The EBT system shall determine if item prices submitted in the purchase message are within the NTE threshold for the submitting vendor's peer group;
 - d. If the requested price exceeds the NTE, the EBT system shall reduce the total paid amount to the NTE amount;
 - e. If the requested price is less than the NTE, the system shall pay the requested amount;
 - f. At the conclusion of the purchase transaction, the EBT system shall determine the transaction settlement amount based on the total requested amount for each item minus any discounts and NTE adjustments;
 - g. The EBT system shall return the new account balance to the retail system along with data on NTE adjustment and settlement amount; and
 - h. The EBT system shall not permit split tender transactions in which an alternate method of payment is used to supplement the WIC benefit to complete the purchase;
 - i. If any changes are made to online purchases, the system shall credit/debit benefits as applicable;
 3. CVB Purchase - Once a transaction is validated, the EBT system shall allow cardholders to use their CVB to purchase any fruit and vegetable on the APL. In processing a CVB purchase transaction, the Contractor shall adhere to the redemption rules for CVB benefit redemption as specified in the most recent version of the FNS Operating Rules for online EBT. The EBT system 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 EBT system shall allow the reversal or void of one or more CVB food items and the CVB amount for the item(s) must be restored to the EBT account;
 4. Mixed Basket - The EBT system shall support mixed-basket functionality for integrated WIC Authorized Retailers, permitting the WIC cardholder to purchase WIC and non-WIC items without separating the items into two (2) separate transactions prior to checkout. Implementation of this functionality at any particular retailer shall be at the option of the retailer. 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, SNAP, TANF, and then other forms of payment. The EBT system 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. The EBT system shall allow the WIC cardholder to remove food items identified as part of the WIC purchase confirmation from being paid with WIC benefits. The EBT system shall provide the opportunity for confirmation before final payment;
 5. Coupon and discount application - The EBT system shall allow discounts and coupons to be applied to WIC food and CVB purchases. Such discounts and coupons shall be applied to the purchase transaction prior to the cardholder accepting the WIC transaction. The benefit of a quantity discount (e.g., buy one (1), get one (1) free) shall be given to the WIC cardholder. The benefit of a price discount shall accrue to the State by reducing the total cost of the approved food item. The EBT system shall follow the rules for processing EBT transactions under different types of discount and coupon promotions as defined in the FNS Operating Rules for EBT. Coupons and discounts shall be applied in the same order as the mixed basket. The EBT system shall accommodate store/loyalty shopping cards as prescribed in the FNS Operating Rules;
 6. Reversal or Void - The EBT system 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. A void shall not be allowed to credit the WIC

account if an item is returned for in-store transactions. WIC item returns are item exchanges conducted at the WIC vendor's option and shall not result in an EBT transaction;

7. Returns – The EBT system shall allow return and use of benefits when an online order could not be fulfilled once Online Ordering and Transactions for WIC is approved by FNS. Returns will not be supported for in-store transactions;
8. Key-entered transactions - 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 EBT system shall accept and process EBT transactions in which the PAN has been key-entered into the POS device. The EBT card must be present for a WIC Authorized Retailer to conduct a key-entered transaction. The validation of the cardholder's PIN is still required on key-entered transactions. If a PIN pad is defective or for other reasons a PIN does not accompany the transaction to the EBT host for processing, the EBT system shall deny the transaction. The Contractor shall adopt security measures to prevent cardholder and WIC Authorized Retailer abuse/misuse of the key-entry feature. The Contractor shall be able to selectively disable or deny the capability of Stand-beside POS equipment from completing key-entered transactions. The EBT system shall track and report key-entered transactions by WIC Authorized Retailer name, address, device (terminal) number or ID number, date and time, WIC Authorized Retailer number, and card number; and

- H. The EBT system shall provide TPPs, and all WIC Authorized Retailers using the Contractor-provided POS equipment, with the data necessary to print the WIC receipt after a transaction has been conducted. The receipt generated from any of the above transactions shall comply with the latest version of the FNS WIC EBT Operating rules.

4.2.9 AUTOMATED CLEARING HOUSE (ACH) TRANSACTION PROCESSING

- A. The Contractor shall receive requests for, process, reconcile, and report Automated Clearing House (ACH) payments to WIC authorized retailers;
- B. The Contractor shall support receipt of ACH payment requests using the following methods:
 1. Batch ACH request transactions initiated in WoW and sent through the MIS-EBT interface. This will include two (2) types of transactions:
 - a. One (1)-off ACH Payments to Authorized Retailers initiated and approved in WoW;
 - b. ACH Payments to the Community Action Program (CAP) of Lancaster formula warehouse for formula orders electronically sent from WoW to CAP and billed by CAP to WoW;
- C. The ACH transaction processing shall include:
 1. Daily processing and settlement of requested ACH payment amount(s) in the daily Authorized Retailer payment reconciliation process incorporating ACH transactions into regular EBT settlement reporting with Authorized Retailers;
 2. Reconciling Authorized Retailer payment with MIS system; and
 3. Processing settlement of ACH payment with State master account.

4.2.10 ADJUSTMENTS AND DISPUTES

- A. The Contractor shall make adjustments to the EBT system in compliance with the FNS Operating Rules. Adjustments to correct system errors may result in debits (adverse action) or credits to participant benefits and may impact the daily settlement;
- B. The Contractor may process adjustments that result in a credit to a participant's account without any prior notice to the State or the participant. However, prior to processing any adjustment which would result in a debit to a participant's account, the Contractor shall notify and receive approval from the SCM; and
- C. The Contractor shall investigate and resolve all disputes in accordance with the FNS WIC EBT Operating Rules, including the timeframes and with the documentation specified therein. The Contractor shall incorporate dispute rules (as defined in the FNS WIC EBT Operating Rules and approved by the SCM) in all WIC Authorized Retailer Agreements and acquirer and TPP agreements. The Contractor shall advise the SCM about valid WIC Authorized Retailer disputes prior to adjusting any settlement.

4.2.11 RECONCILIATION AND SETTLEMENT

- A. The Contractor shall execute EBT settlement and reconciliation activities. Settlement and reconciliation shall be conducted in accordance with federal regulations (<https://www.fns.usda.gov/apd/apd-statutes-and-regulations>) as updated throughout the term of this Contract and the current version of the FNS Operating Rules for EBT;
- B. The EBT system shall operate on a 24-hour processing cycle ending at 6:00 PM EST. The Contractor shall close out the current processing day, initiate the settlement and reconciliation processes, and commence the next processing day;
- C. The Contractor shall follow FNS WIC EBT guidelines on reconciliation (refer to Section 4.1.1 for link). Daily reconciliations shall include, but not be limited to:
 1. Household account daily beginning balance and net purchase to the ending balance by subcategory;

2. Household net redemptions in dollar value to acquirer settlement values;
 3. Total funds entering, exiting, and remaining in the system each day;
 4. The net settlement value of participant account adjustments with the sum of the net settlement value of adjustments settled to WIC vendors and acquirers;
 5. The net settlement value of all transactions to the sum of the net settlement values for all local agencies/clinics; and
 6. Net redemptions in dollar value versus the daily suspense transactions in dollar value that overlap daily ACH cut-off times, plus the current daily activity in dollar value;
- D. 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;
- E. Prior to making any change in reconciliation reports, processes or data displays, etc., the Contractor must provide 90 calendar days' advance notice to the SCM. Changes shall not be implemented without the prior review and written approval by the SCM;
- F. The Contractor shall develop procedures and reports that will enable the State to execute its reconciliation process. The EBT system shall maintain audit trails to support the reconciliation and settlement processes. Reconciliation shall identify online transactions vs. in-store transactions;
- G. The Contractor shall provide initial reconciliation training to designated State staff as part of State training prior to UAT and Conversion operations. Thereafter, on an annual basis, the Contractor shall provide a full-day, on-site refresher training class to designated State staff. The training shall be updated as needed during the term of this Contract to reflect changes to the reconciliation reports, processes or data displays;
- H. The Contractor shall perform all settlement activities to assure prompt and accurate payments are made to WIC Authorized Retailers and ensure that all State accounts are debited correctly. The Contractor shall initiate next business day settlement of funds to WIC Authorized Retailers and TPPs, directly or through financial networks, financial institutions or other payment intermediaries;
- I. The Contractor shall reimburse WIC Authorized Retailers for the sale of approved food item purchases at the lower of the requested food item price or the NTE price. The Contractor shall settle to the TPP if the WIC Authorized Retailer connects to EBT system via a TPP, otherwise settlement shall be to the WIC Authorized Retailer;
- J. The Contractor shall own and reconcile a zero-balance clearing account used for daily settlement. The Contractor shall advise the SCM and designated NJWIC staff of funds to be transferred each day. Prior to the start of Conversion operations, the Contractor and the SCM shall agree on a process to move funds from the State's bank to facilitate settlement. The Contractor shall deposit funds into a zero-balance clearing account maintained by the Contractor for the settlement of EBT transactions. The Contractor shall make payments to WIC Authorized Retailers, acquirers, and TPPs for approved, cleared transactions within two (2) business days of the settlement date of the transaction;
- K. The Contractor shall research all ACH transactions that are rejected due to inaccurate account information or closed accounts, and when possible, correct the information and transmit the payment to the proper account. The Contractor shall return to the State any funds that cannot be settled within 90 calendar days of the initial ACH. The Contractor shall provide the following information for each unsettled payment returned to the State:
1. Transfer type;
 2. Total amount;
 3. Attempted settlement date(s);
 4. WIC vendor/acquirer/TPP name;
 5. WIC vendor number;
 6. Bank account number (including the American Banking Association (ABA) bank routing number), if available;
- L. The Contractor shall provide any additional data elements required when FNS issues written procedures to address unsettled funds;
- M. The Contractor shall have financial liability for system processing errors and for errors resulting from negligence, fraud, and abuse which are solely caused by the Contractor. Processing errors and errors resulting from negligence, fraud and abuse which are caused by the MIS system or its provider, or retail systems are not the liability of the Contractor. The Contractor's liability shall include, but not necessarily be limited to:
1. Losses resulting from errors or omissions, including fraud and abuse, on the part of the Contractor, its representatives or its Subcontractors;
 2. Errors in the authorization or disbursement into a household account of benefits or funds;
 3. Any duplicate or erroneous postings to a household's account;
 4. Any losses from benefits drawn from an account using a card which had been reported by the cardholder as lost or stolen;
 5. Any losses from transactions performed with cards issued, but not activated;
 6. Any damages or losses suffered by a federal or State agency due to negligence on the part of the Contractor;

7. Any loss of benefits caused by fraud or abuse by the Contractor or its Subcontractors; and
- N. Federal funds shall not be drawn down for over-issuances or transactions in excess of the authorized household's benefit allotment.

4.2.12 TRANSACTION HISTORY

- A. The EBT system shall maintain and support online access to current account balances and a rolling five (5)-year transaction history for each account as follows:
 1. Data older than five (5) years may be archived, but must be accessible to authorized State users within two (2) business days of the State's request; and
 2. The Contractor shall provide a means for the State to view and access the retrieved archival data;
- B. Data to be maintained as part of the transaction history shall include:
 1. Retail transactions:
 - a. Primary Account Number (PAN);
 - b. EBT account number;
 - c. Household unique identifier (from WoW);
 - d. WIC vendor and TPP identification numbers;
 - e. Terminal identification number;
 - f. Transaction type (i.e. purchase, void, etc.);
 - g. Category/Sub Category, UPC, quantity, and unit of measure;
 - h. Transaction amount (including discounts and NTE adjustment details);
 - i. Transaction date (local and host);
 - j. Transaction time (local and host);
 - k. Transaction results (approval code or denial reason);
 - l. WIC vendor name and address;
 - m. Account balance after the transaction;
 2. Online transactions:
 - a. Primary Account Number (PAN);
 - b. EBT account number;
 - c. Household unique identifier (from WoW);
 - d. WIC vendor and TPP identification numbers;
 - e. Terminal identification number;
 - f. Transaction type (i.e. purchase, void, etc.);
 - g. Category/Sub Category, UPC, quantity, and unit of measure;
 - h. Transaction amount (including discounts and NTE adjustment details);
 - i. Transaction date (local and host);
 - j. Transaction time (local and host);
 - k. Transaction results (approval code or denial reason);
 - l. WIC vendor name and address;
 - m. Shipping street address
 - n. Shipping city/town
 - o. Shipping State
 - p. Shipping zip code (length 9, zero filled if zip +4 is unknown)
 - q. Shipping country code
 - r. Shipping Method indicator and
 - s. Account balance after the transaction;
 3. Local Agency transactions:
 - a. PAN;
 - b. EBA account number;
 - c. Household unique identifier (from WoW);
 - d. System user identifier;
 - e. Clinic and Local Agency identification numbers;
 - f. Transaction type (i.e. account set-up, benefit issuance/adjustment, etc.); and
 - g. Transaction results (approval code or denial reason including appropriate explanatory details);
 4. EBT Administrative System Transactions:
 - a. PAN;
 - b. EBA account number;
 - c. Household unique identifier (from WoW);
 - d. System user identifier;

- e. Transaction type (i.e. account set-up, benefit issuance/adjustment, etc. including appropriate explanatory details);
- 5. Settlement Transactions:
 - a. Transfer type;
 - b. Total amount;
 - c. Attempted settlement date(s);
 - d. WIC Authorized Retailer/acquirer/TPP name;
 - e. number;
 - f. Bank account number; and
 - g. Bank routing number.

4.2.13 WIC AUTHORIZED RETAILER READINESS

- A. The Contractor shall manage WIC Authorized Retailer EBT readiness. The Contractor’s primary roles and responsibilities shall include, but not be limited to:
 - 1. Providing every WIC Authorized Retailer with the opportunity to participate in the EBT system;
 - 2. Developing and obtaining TPP agreements;
 - 3. Certifying and de-certifying ECR/POS systems, Online systems and TPPs/networks;
 - 4. Training the participating WIC Authorized Retailers on the use of provided equipment, and their responsibilities with regard to operating rules, and operations of the EBT system;
 - 5. Maximizing the use of existing commercial POS terminals;
 - 6. Minimizing the use of separate terminals for WIC;
 - 7. Installing, maintaining, and otherwise supporting Stand-beside POS equipment as necessary in accordance with FNS Operating Rules;
 - a. The Contractor is advised that it shall only invoice for, and the State shall only be liable for, equipment that is considered active in the store;
 - 8. Allowing dial-up and direct-connect communications between the WIC vendor’s Stand-beside terminal to the EBT system;
 - 9. Providing help desk services to WIC Authorized Retailers for resolving issues/problems with Contractor supplied Stand-beside POS equipment and helping to resolve settlement and dispute questions and issues;
- B. The Contractor shall provide interface specifications and technical assistance during design, development, and testing for those WIC Authorized Retailers using integrated/TPP-provided POS systems;
- C. The Contractor shall ensure that WIC Authorized Retailer transactions occur only at entities that have valid agreements with the Contractor. The Contractor shall assume all liability for any transactions completed against an invalid WIC Authorized Retailer number;
- D. The Contractor shall fully cooperate with all State and federal personnel conducting investigations or audits and provide all requested information within four (4) business days;
- E. The Contractor must ensure WIC Authorized Retailer readiness for EBT conversion. This effort must be carried out in such a manner as to ensure retailer readiness for the conversion so that there are an adequate number of access points for cardholders in their communities. The Contractor shall strive for 100% participation and readiness of WIC Authorized Retailers for the conversion;
- F. The Contractor shall ensure that specific WIC Authorized Retailer information, such as Retailer Agreements, WIC Authorized Retailer EBT contacts, and EBT Retailer locations, is available upon the State’s request to provide verification of adequate access;
- G. The Contractor shall schedule and host WIC Authorized Retailer meetings throughout the State to assure WIC Authorized Retailers are familiar with the EBT plans and schedules, and are made aware of their alternatives regarding participation. With the prior written approval of the SCM, some meetings may be held via conference call, webinar, or other electronic/remote method. The Contractor shall support up to three (3) meetings for the State to be scheduled over the course of the Contract;
- H. The Contractor shall ensure that all WIC Authorized Retailers, electing to use its own equipment (i.e. “direct-connect”) or who participate using equipment provided by TPPs (i.e. “integrated” vendors), have access to the EBT system provided the equipment meets the certification standards established by the Contractor and approved by the SCM;
- I. The Contractor shall develop and enter into agreements to deploy and control Stand-beside POS equipment in accordance with the requirements of this RFQ, and to provide EBT transaction processing services to all WIC Authorized Retailers electing to accept State-provided POS terminals. The Contractor shall contact all current authorized WIC Authorized Retailers and obtain EBT agreements to determine whether they are capable of conducting EBT transactions or whether they will require the Contractor’s support to become EBT-capable;
- J. The Contractor shall develop and enter agreements for TPPs retained by WIC Authorized Retailers to drive their POS terminals, and for those WIC Authorized Retailers electing to use its existing equipment and either acquire the services of a

TPP or serve as its own acquirer (including direct-connect vendors). The agreement with the TPPs shall stipulate that the TPP is responsible for training its EBT WIC Authorized Retailers and for providing required EBT signage. All EBT signage must be approved by the SCM;

- K. TPP and WIC Authorized Retailer Agreements shall be between the Contractor and the WIC Authorized Retailer or TPPs directly; the State will not be a party to WIC Authorized Retailer/TPP agreements. The agreements must 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:
 - 1. Compliance with State regulations;
 - 2. Compliance with USDA-FNS Operating Rules for EBT;
 - 3. Compliance with ANSI X9.58-2007, X9.93-2008, ISO 8583 and ISO 9510;
 - 4. Compliance with USDA-FNS TIG for online EBT system as defined by USDA FNS;
 - 5. That only State-authorized WIC Authorized Retailers may perform WIC transactions;
 - 6. That TPPs must maintain current with the Contractor's list of WIC authorized retailers that accept the NJWIC EBT card;
- L. WIC Authorized Retailer and TPP agreements must be approved by the State and by FNS prior to being used; and
- M. The Contractor shall develop and maintain a State WIC Authorized Retailer database management system that meets the functional requirements listed herein. The database shall ensure that accurate EBT transaction data pertaining to each WIC Authorized Retailer is captured and maintained and shall contain up-to-date information about WIC Authorized Retailer or TPP bank accounts and store cutover times for ACH purposes. The EBT system must accept WIC Authorized Retailer data transmitted in message or batch formats from WoW, including contact name, title, and contact information, corporate parent (if applicable), store address, and other relevant data such as date of authorization. The EBT system shall run validation edits on WIC Authorized Retailer addresses and ensure that addresses conform to U.S. Postal Service address standards.

4.2.14 POINT-OF-SALE (POS) TERMINAL PROVISIONING

- A. The Contractor shall supply Stand-beside POS equipment to all WIC Authorized Retailers electing to use State-provided equipment, at no charge to the WIC Authorized Retailer or on a basis consistent with FNS Operating Rules and with State approval. The Contractor shall also provide supplies and maintenance at no charge to the WIC Authorized Retailer;
- B. The Contractor shall disable the POS equipment of any WIC Authorized Retailer whose authorization is terminated within two (2) business days of receiving notification from WoW. This requirement shall also apply to terminated WIC Authorized Retailers processing via direct-connect or through TPPs. The Contractor shall be responsible for retrieving Stand-beside POS terminals from WIC Authorized Retailers who have been terminated by the State, who voluntarily withdraw from the WIC program, and from WIC Authorized Retailers who have elected to move to integrated systems;
- C. During the Conversion phase, the Contractor shall provide weekly status reports detailing the number of WIC Authorized Retailers that have signed agreements with the Contractor, and the percentage of WIC Authorized Retailers with signed agreements in relationship to the total number of WIC Authorized Retailers. During the Post-Implementation Maintenance and Operations phase, the Contractor shall provide these reports on a quarterly basis to the Using Agency;
- D. The Contractor shall provide WIC Authorized Retailers with POS equipment that shall include the terminal, PIN pad, printer and UPC scanner. POS terminals shall be deployed in accordance with a formula approved by the State. The Contractor shall adjust the number of terminals deployed to each WIC Authorized Retailer annually, based on input from the State. The Stand-beside POS equipment shall meet the operational requirements of the EBT system and support the full EBT transaction set. All POS equipment deployed by the Contractor shall comply with the following:
 - 1. USDA FNS Operating Rules for EBT;
 - 2. ANSI X9.58-2007, ANSI X9.93, ISO 8583, ISO 9510;
 - 3. USDA-FNS TIG;
- E. Each terminal deployed to WIC Authorized Retailers shall be assigned a unique terminal ID. The Contractor shall ensure that each terminal is listed under its unique ID number and WIC transactions completed on that terminal are reported under that ID number. 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;
- F. The Stand-beside POS equipment (including card swipe, UPC scanner, PIN entry, price entry, receipt printer, and display) shall support:
 - 1. Both single and multi-lane usage;
 - 2. Both high speed internet and dial-up phone connections;
 - 3. The full transaction set, except mixed basket;
 - 4. Download and storage of APLs;
 - 5. Entry of multiple discounts on a single transaction;
 - 6. The CVB to be mapped to either a single generic code, or to multiple codes, as determined by the State during the JAD sessions;

7. Split tender for CVB;
 8. Reverse transactions based on a specified time out period;
 9. A receipt that meets the requirements of the FNS Operating Rules for EBT;
 10. Lane, clerk, and WIC vendor store total reporting;
 11. Reconciliation with the EBT system;
- G. The Contractor shall provide the following services to all WIC authorized Retailers who utilize Stand-beside POS and wireless equipment (wireless terminals only for farmers), at no additional cost to the State:
1. Training before WIC authorized retailer is live on in-store and wireless POS equipment and its utilization based upon conversion;
 2. Routine maintenance;
 3. Supplies (e.g. paper, ribbons, etc.) and POS maintenance (including replacement, when necessary) to WIC Authorized Retailers, within two (2) business days, after receipt of order, throughout the term of the Contract;
 4. Repair of faulty POS equipment within two (2) business days of receiving the service request or ship a replacement terminal via overnight express within one (1) business day of receiving a service request;
 5. WIC Authorized Retailer training materials;
- H. The Contractor must obtain SCM approval prior to installing terminals and training WIC Authorized Retailers by phone rather than on-site;
- I. The Contractor shall deploy POS equipment to newly-authorized WIC Authorized Retailers within five (5) business days of receiving a completed and signed Vendor Agreement;
- J. The Contractor shall be responsible for the cost of all maintenance and supplies associated with the Stand-beside POS equipment;
- K. The Contractor shall provide additional POS equipment to WIC Authorized Retailers and farmers at their request. The Contractor may charge the WIC Authorized Retailer or farmer for providing and supporting this additional equipment. Any agreement covering a terminal lease/purchase arrangement shall be between the Contractor and the WIC Authorized Retailer or farmer. The State shall not be party to any such agreements; and
- L. The Contractor shall be retrieve Stand-beside POS terminals from WIC Authorized Retailers who have been terminated by the State, who voluntarily withdraw from the WIC program, and from WIC Authorized Retailers who have elected to move to integrated systems.

4.2.15 CERTIFICATION OF TPP RETAILERS

- A. The Contractor shall provide direct-connect WIC Authorized Retailers and TPPs with the interface specifications to participate in the EBT project, and shall test and certify TPPs;
- B. The Contractor shall test, certify, and decertify TPPs and WIC Authorized Retailer integrated ECR/POS systems, Online systems and POS terminals, (including developing and implementing test and certification requirements and procedures);
- C. The Contractor shall support WIC Authorized Retailers and TPPs with testing and certification by providing certification scripts and test EBT cards. The State and FNS may participate in the testing. The State may review the Contractor's certification requirements and procedures at any time, and may require the Contractor to modify such requirements and procedures when necessary; and
- D. The Contractor shall not decertify or take any other adverse action against a direct-connect WIC Authorized Retailer or a TPP without the prior written approval by the SCM.

4.2.16 FARMERS MARKET/SENIOR FARMERS MARKET PAYMENT PROCESSING

- A. In addition to the WIC program, NJWIC supports the FMNP and the SFMNP. Currently NJWIC administers a self-hosted QR code based SFMNP/FMNP program. The Contractor shall provide payment processing services for the FMNP and SFMNP programs;
- B. The Contractor should provide two bank accounts for FMNP/SFMNP processing: a FMNP Controlled Disbursement Account and a SFMNP Controlled Disbursement Account;
- C. The Contractor shall design, build, test, and maintain the interface between the EBT system and WIC MIS to support the payment processing and reconciliation processes for the FMNP and SFMNP;
 1. Note: If the Contractor is providing its own FMNP/SFMNP solution, no such interface is required.
- D. The Contractor should provide separate billing to implement and to process FMNP and SFMNP transactions. Billing to these services shall be provided on the monthly basis; and
- E. The Contractor shall work closely with the NJ WIC MIS contractor to develop or tailor an interface and/or features to ensure the system can meet the requirements specified as above.

The Contractor is not required to provide its own FMNP/SFMNP solution, but is minimally required to maintain payment processing services for the existing State service system if it does not provide its own.

4.3 CUSTOMER SERVICE

4.3.1 PARTICIPANT CUSTOMER SERVICE

- A. The Contractor shall provide customer service to WIC participants by a combination of ARUs, live customer service representatives (CSRs), and internet web portals or applications. The SCM shall review and approve all customer service scripts and tools prior to being introduced into production. All changes shall require the written approval of the SCM prior to being implemented;
- B. The Contractor shall provide an interface for the State to utilize its WIC Shopper third-party application to provide participants cardholders with mobile device access to EBT information, including EBA balances, APL, and authorized WIC Authorized Retailer locations.;
- C. Telephone access to the ARU and customer service representatives shall be via a single, toll-free phone number. The Contractor shall work with the State and/or its designees to obtain access to the current customer service phone number and utilize this number to offer EBT cardholders access to customer service, 24 hours per day, seven (7) days per week, 365 days per year. The Contractor shall provide live customer service support for problems that are not resolved through the ARU. The Contractor shall establish and maintain a cardholder web portal or application. The Contractor shall also provide Telecommunications Device for the Deaf (TDD) access for participants with hearing disabilities;
- D. All participant demographic changes must be initiated by and received from WoW. The EBT system shall not permit any demographic changes via the ARU, web portal, or via a live CSR;
- E. The Contractor shall provide an ARU system that supports the following customer service functions in English and Spanish:
 - 1. 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;
 - 2. Current Balance Inquiry: Cardholders shall receive the available balance remaining from the current month's benefit;
 - 3. Benefit Expiration Date: Cardholders shall be given the date current benefits will expire;
 - 4. PIN Selection or PIN Change: Cardholders shall have the option of selecting or changing their PIN via a single call to the ARU;
 - 5. 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 fourth failed PIN entry attempts;
 - 6. Transaction History: The cardholder shall be able to obtain the dates of the last two (2) EBT card transactions.
- F. The SCM shall review and approve the transaction flow and content of all ARU messages, prompts, and customer service scripts. The Contractor shall not change approved ARU messages, scripts, or menu functions without the prior written approval by the SCM;
- G. The Contractor shall provide live customer service in addition to the ARU with language available in English and Spanish. Live customer service is intended to resolve cardholder issues that cannot be resolved by the ARU, (i.e. balance discrepancies, dispute filing, etc.). CSRs must offer the same level of support as the ARU. In addition, CSRs shall provide troubleshooting support and guidance for the participant web portal. CSRs shall be available 24-hours per day, seven (7) days per week, 365 days per year. The Contractor shall provide sufficient CSR capacity to meet the contractual performance requirements for cardholder calls;
- H. The Contractor shall provide a participant web portal, with the same functionality as that of the ARU. The portal must also reflect the latest listing of where WIC benefits may be redeemed (i.e. a list of all WIC authorized retailers) 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 EBT information.;
- I. The Contractor must support additional languages via a "language line" or other types of State-preapproved subcontract agreement.

4.3.2 WIC AUTHORIZED RETAILER CUSTOMER SERVICE

- A. The Contractor shall provide a WIC Authorized Retailer Service Center (RSC) available via a toll-free number, 24 hours per day, seven (7) days per week, 365 days per year, for all authorized WIC Authorized Retailers. The WIC RSC shall be:
 - 1. Toll-free and without charge or fee to the WIC Authorized Retailers;
 - 2. Accessible to all WIC Authorized Retailers;
 - 3. Used exclusively for WIC Authorized Retailers;
 - 4. Not limited for the number of calls a WIC Authorized Retailer makes;
 - 5. Equipped to communicate with WIC Authorized Retailers with hearing disabilities;
- B. The Contractor shall ensure through technical design, resource allocation, and staffing, that each WIC Authorized Retailer call is answered in accordance with the specified performance requirements specified in Section 4.17 of this RFQ. The RSC shall employ a combination of ARU, live customer service representatives, and internet web portals to meet these requirements;

- C. The Contractor's WIC Authorized Retailers' ARU shall support the following functions, in English and Spanish:
 - 1. Training, equipment usage, and problem resolution;
 - 2. Settlement and reconciliation information;
 - 3. Disputes procedures;
 - 4. System adjustments and resolution of out-of-balance conditions;
 - 5. General information regarding EBT policies and procedures;
- D. The Contractor shall provide live CSRs in addition to the ARU with live customer service in English and Spanish. The Contractor must support additional languages via a "language line" or other type of State-preapproved subcontract agreement. Live customer service is intended to resolve WIC Authorized Retailer issues that cannot be resolved by the ARU, including disputes, requests for adjustments, etc. CSRs shall be available 24 hours per day, seven (7) days per week, 365 days per year. The Contractor shall provide sufficient WIC Authorized Retailer CSR capacity to meet the performance requirements specified in Section 4.17 Service Level Performance Metrics of this RFQ; and
- E. The Contractor shall provide a WIC Authorized Retailer web portal, with the same functionality as that of the ARU. In addition, for those WIC Authorized Retailers 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).

4.3.3 STATE AND LOCAL AGENCY CUSTOMER SUPPORT

- A. The Contractor shall provide State and Local Agency/clinic staff with assistance via a toll-free number. 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 State and clinics will be provided with immediate and appropriate assistance from a live representative;
- B. Technical assistance for State and Local Agency/clinic staff shall be available Monday-Friday, including State observed Holidays, from 7:00 AM through 8:00 PM local time, and on Saturday from 7:00 AM through 5:00 PM; and
- C. The Contractor shall not place any limits on the number of State and clinic staff members who have access or to the number of calls being made.

4.4 AUDIT AND INVESTIGATION SUPPORT

- A. The Contractor shall provide the State and/or the USDA with access to any facilities engaged in EBT services for the purposes of inspection, review, investigation, auditing, or other related activities. The Contractor shall provide the appropriate State and/or USDA representatives with access to facilities, records, reports, personnel, and/or other appropriate aspects of the EBT system;
- B. The Contractor shall arrange for an annual review of the performance of the EBT system conducted by an independent auditor acceptable to the State, in accordance with the guidance in Government Auditing Standards issued by the Comptroller General of the United States. This includes adherence to Statement of Standards for Attestation Engagements No. 18 (SSAE No. 18) and Statement on Auditing Standards No. 70 (SAS-70), particularly for financial aspects. Additionally, SOC 1 requirements for controls relevant to financial reporting and SOC 2 requirements for controls related to security, availability, processing integrity, confidentiality, and privacy must also be met. The resulting report from this review must be submitted to the SCM for review and approval.
- C. The Contractor shall provide the State or its representatives with any access or information necessary to perform audits and/or inspections of its records at any reasonable time during the term of the Contract and for a period of five (5) years following the end of the federal fiscal year, during which the Contract is terminated or until State and federal audits of the Contract have been completed, whichever is longer;
- D. The Contractor shall permit the State and any other governmental agency authorized by law, or its authorized designee, to monitor all activities conducted by the Contractor pursuant to the terms of the Contract. Such monitoring may include but is not limited to internal evaluation procedures, special analysis, on-site verification, and any other reasonable procedure that does not unduly interfere with work required by the Contract; and
- E. The books, records, documents, and accounting practices of the Contractor shall be subject to audit at any reasonable time and upon reasonable notice by the State, FNS, or its duly appointed representatives. In the event of any audit, claim, negotiation, litigation, or other action, records shall be retained for the duration of the event. Financial and accounting records pertaining to the Contract shall be maintained for the duration of the State's Contract and for five (5) years following the end of the federal fiscal year during which the Contract is terminated or until State and federal audits of the Contract have been completed, whichever is longer.

4.5 EBT SYSTEM ADMINISTRATIVE TERMINAL FUNCTIONALITY

- A. While normal interface with the EBT system will be through WoW, the Contractor shall provide the administrative functions defined below, to enable direct access to the EBT system. The administrative functionality shall be capable of running on the State's existing hardware and software. The EBT system shall be accessible and compatible with the current version of the

- Microsoft Edge browser, as well as two (2) preceding versions. Compatibility with alternative browsers (e.g. Chrome) is preferred;
- B. The Contractor shall provide administrative access to the EBT system to authorized NJWIC personnel, and Local Agency/clinic level access to authorized Local Agency staff;
 - C. The Contractor shall assure that the administrative terminal includes multi-level access controls to ensure that only authorized individuals can process administrative transactions or access cardholder account information through the EBT administrative systems. 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 their respective job. Each administrative user, whether employed by the State, Local Agency, clinic, or FNS, shall be assigned a specific role functionality. NJWIC will define the roles with the assistance of the Contractor. The Contractor shall not assign any individual to a role without the prior written approval by the SCM;
 - D. The Contractor shall provide the State administrative functions defined below. It is anticipated that, any or all of these functions may be used when access through WoW is unavailable:
 1. Creation of EBT accounts;
 2. Update or correct EBT account information, including activating or deactivating an account;
 3. Authorize benefits;
 4. Cancel benefits prior to their availability date;
 5. Deactivate, issue, or replace EBT cards;
 6. Search by name, State ID, PAN, or WIC vendor number to access account, benefit, or WIC vendor information or the online transaction history;
 7. Access online history;
 8. Execute data request for archived data;
 9. Search for pending cards and/or accounts;
 10. Purge pending accounts and pending cards;
 11. Make an adjustment payment to a WIC vendor via ACH;
 12. View current and historic NTEs, set NTE start and stop dates, and adjust NTEs calculated by the EBT system;
 13. Authorize and revoke vendors;
 14. View APL, categories, subcategories, and UPCs;
 15. Input additions, changes, and deletions (including start and stop dates, when applicable) to the approved APL;
 16. Access and view system reports and export into a State-designated format, specifically XML, PDF, and XLS (CSV/DAT);
 17. Password changes;
 - E. The transaction set supported through the EBT administrative functionality at Local Agency and clinic levels shall include the ability to:
 1. View EBT household account information;
 2. Search functionality to locate a household account;
 3. Navigate between the account screen, the transaction history screen, and the card history screen for a single account;
 4. Provide the history of account activity, including credits, debits, card changes, PIN changes, and PIN unlocks; and
 5. Display current benefit balances and future (pending) benefit issuances.

4.6 TASKS AND DELIVERABLES

4.6.1 PROJECT INITIATION

- A. Within seven (7) business days after the Contract award date, the Contractor shall attend the project kickoff meeting at the WIC Program office in Trenton, NJ either in person or remotely via platforms such as Microsoft Teams or Zoom. The Contractor's Project Manager and other key Contractor staff shall participate in this meeting. The objectives of the meeting are to:
 1. Introduce the SCM and establish the working relationship between the State, the Contractor, the WoW Contractor, the State Project Manager, and the QA Contractor personnel;
 2. Revise as necessary and finalize the Contractor's original mobilization plan;
 3. Update the Contractor with the status of the WoW project;
 4. 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;
 5. Review the Contractor's draft project work plan and schedule to establish the project communications structure;
 6. Discuss the Contractor's required deliverables, the schedule submission of the deliverables, and confirmation of acceptance criteria;
 7. Discuss the content and structure of weekly status calls and status reports; and

8. Develop a schedule for JAD sessions, at which system requirements will be reviewed and the system design will be detailed.

4.6.2 PROJECT MANAGEMENT

- A. Within ten (10) business days after the Contract effective date, the Contractor shall submit to the SCM, a final version of the Staffing Plan, to include, at a minimum, the following:
 1. Project team organization chart;
 2. A description of activities and responsibilities of each team member and level of authority;
 3. Use of Subcontractors and their proposed project role;
 4. A description of how the proposed management structure will ensure adequate oversight and provide executive direction for the Project Manager;
 5. Resumes of the project team members; and
- B. Adherence to Project Management standards as well as Software Development Life Cycle (SDLC) methodologies is required.

4.7 PROJECT WORK PLAN

- A. The Contractor shall develop and maintain a comprehensive Project Work Plan, detailing all tasks to be executed during the conversion project. The finalized project work plan must be submitted within 15 business days following the project kickoff meeting. The project work plan shall meet, at a minimum, the following:
 1. Show activities and tasks associated with the Contractor resources, SCM or designee resources, the Local Agency resources, the WoW Contractor resources;
 2. Show baseline schedule start and end target dates for each activity/task;
 3. Show dependencies between predecessor and dependent activities/tasks;
 4. Show resources assigned to each activity/task;
 5. Be updated on a bi-weekly basis to show actual activity/task completion status, actual start/end dates, and projected start/end dates given completion/slippage of predecessor activities/tasks;
- B. The Contractor shall maintain and review updates to actual/projected project plan status and variance to the baseline schedule with the SCM or designee on a bi-weekly basis; and
- C. The Contractor shall update the baseline schedule only when the SCM authorizes a change in the project schedule.

4.7.1 PROJECT STATUS MEETINGS

The Contractor shall:

- A. Participate in weekly project status meetings either in person or remotely via platforms such as Microsoft Teams or Zoom; and
- B. Provide status on work plan activities, identify and report on project action items and identify and discuss project risks.

4.7.2 STEERING COMMITTEE MEETINGS

- A. The Contractor shall participate in monthly project steering committee meetings facilitated by the SCM in person or remotely via platforms such as Microsoft Teams or Zoom;
- B. The Contractor's Project Manager shall attend the project steering committee meetings hosted in Trenton NJ in person or remotely via platforms such as Microsoft Teams or Zoom;
- C. The Contractor shall present a monthly written status report at the project steering committee meeting; and
- D. The Contractor shall submit the draft report for review and discussion to the SCM no later than three (3) business days, prior to each project steering committee meeting.

4.7.3 QUALITY MANAGEMENT

The Contractor shall develop and maintain a thorough QMP detailing the Contractor's organizational framework, methodologies, and guidelines for ensuring that all deliverables conform to the quality standards approved by the State. This plan shall encompass detailed procedures and protocols aimed at guaranteeing the highest level of quality throughout the project lifecycle. The finalized QMP must be submitted within 40 business days following the project kickoff meeting.

4.8 TECHNICAL REQUIREMENTS

- A. The technical and functional requirements to support the design, development, implementation, operation, and maintenance of an Online EBT system must, at all times, conform to all USDA/FNS standards, including but not limited to, the latest version of the Operating Rules, WUMEI for EBT and the TIG (Please refer to <https://www.fns.usda.gov/wic/wic-electronic-benefits-transfer-ebt>). As changes to these standards are adopted, the Contractor shall update the system to maintain compliance, at no additional cost to the State. Deviations from USDA/FNS standards are not permitted unless approved in writing by the USDA/FNS and the SCM. The Department of the Treasury, Office of Management and Budget, Cash Management Unit will establish and maintain accounts needed for the daily settlement process. The Contractor shall

cooperate fully with the Department of Treasury and the NJDOH to complete timely settlement and generate applicable payments;

- B. The Contractor shall set up, configure, and maintain specific technological environments necessary to support development and testing activities throughout the Contract period. The Contractor must establish effective methodologies and protocols to ensure synchronization of codebase and data across the following environments. Additionally, these environments must have connectivity to the corresponding NJ WoW environments to facilitate seamless integration and data exchange. The infrastructure for these environments shall be built and maintained by the Contractor outside of State-managed infrastructure, either specifically for NJWIC or as part of a secure multi-tenant architecture;
 - 1. Development;
 - 2. Quality Assurance (QA);
 - 3. User Acceptance Testing (UAT);
 - 4. Production;
- C. The Contractor shall support the State throughout the full SDLC for the project, including:
 - 1. Requirements Definition – The Contractor shall facilitate JAD sessions with State’s Subject Matter Experts (SMEs), PM team, PM Contractor, QA Contractor, and WoW Contractor staff. The sessions will focus on evaluating the design options for implementing the USDA/FNS WUMEI specification given the capabilities of the EBT and WoW platforms;
 - 2. Design Documentation – The Contractor shall provide detailed design documentation based on the State’s input to the JAD sessions. The design documentation shall detail:
 - a. The configuration options to be implemented for NJWIC;
 - b. The rationale for selecting those options;
 - c. The rules by which the system must function based upon the selected options;
 - d. The specific modifications that shall be developed, if any, to implement the design;
 - e. Business use case and process flow;
 - f. System logic/data flow diagrams;
 - g. Recommended testing scenarios;
 - 3. Build – The Contractor shall configure and develop modifications if needed to its EBT platform to fulfill the requirements and design specifications approved for NJWIC. The Contractor shall perform system unit testing and demonstrate system unit testing results to the State and its designees;
 - 4. System Test Plan – The Contractor shall perform a system testing phase on the built EBT system and full, end-to-end integration testing with the WoW QA system, the NJWIC point of sale systems, and any third-party interfaces. The Contractor shall prepare and submit for NJWIC approval, a detailed System Test Plan outlining the test cases to be conducted and the steps for executing the tests. The System Test Plan shall demonstrate traceability to all system business requirements and detailed design specifications. The Contractor shall not begin execution of system testing prior to receiving SCM approval for the System Test Plan. The Contractor shall document the execution of the system test cases to provide evidence to substantiate reported test results;
 - 5. UAT Plan – The Contractor shall support the State’s acceptance testing by delivering, for NJWIC approval, a detailed UAT Plan outlining the test cases to be conducted and the steps for executing the tests. The Contractor shall provide a complete EBT UAT environment, including integration with UAT point of sale terminals and integration with the WoW UAT environment. The UAT phase must include testing of all EBT system and support, including customer service functions. The UAT process must include testing of both full EBT operation, as well as, implementation phase operation in which the WoW-EBT system will be operating with both printed food instruments and EBT cards;
 - 6. Conversion/Implementation Plan – In consultation with NJWIC, the Contractor shall prepare, and submit for NJWIC approval, a detailed conversion plan to convert operations from the incumbent EBT provider; and
 - 7. Operations and Maintenance – The Contractor shall provide ongoing maintenance and operational support to ensure continuous compliance of the system with regulatory requirements defined by USDA throughout the remainder of the Contract at no additional cost to the State. This entails the provision of regular updates, monitoring, troubleshooting, and any necessary adjustments to uphold adherence to the specified regulatory standards at all times.

4.9 INFORMATION MANAGEMENT

- A. The EBT System shall encrypt PIN data at rest as well as in transit from retail POS devices or from clinic PIN select devices; and
- B. The State requires that databases maintained for the State by third-party Contractors be periodically replicated to State maintained facilities for Contractor viability and data analysis purposes. The Contractor shall replicate EBT System data to a NJWIC server on a monthly basis. The State agency may agree to a more frequent data replication process.

4.9.1 SYSTEM REPORTING REQUIREMENTS

4.9.1.1 DATA QUERY AND REPORTING

- A. The Contract shall provide:
1. A comprehensive reporting package of daily and monthly reports electronically, in Adobe PDF and spreadsheet format to the SCM or designee(s). At a minimum, the package must include all reports required by the latest version of the USDA FNS FReD and must include the report types listed in this section;
 2. In addition to the packaged reports, the Contractor shall provide an ad-hoc query capability;

Household and participant reports shall be produced at the State, Local Agency, clinic, county, municipality, and zip code level. WIC Authorized Retailer reports shall be produced at the State, county, municipality, and zip code level. Summary level reports shall have corresponding reports that provide the record level detail;

- B. Reports shall:
1. Be clearly denoted as either valid in “real time” or dependent on the systems end of day processing;
 2. Include multi-level filtering from the report fields and start and end date or as of date;
 3. Include multi-level sorting parameters from the report fields; and
 4. Include user selected output formats to include *.pdf, *.xls, and *.csv.

4.9.1.2 FINANCIAL REPORTING

The Contractor shall provide daily and monthly financial reports electronically in Adobe PDF and spreadsheet format to the SCM or designee(s). Daily reports shall have sufficient detail to enable daily system balancing and account settlement. The following are representative reports which shall be provided:

- A. Benefits added to and removed from the system;
- B. Benefit expungements;
- C. Pending benefits;
- D. Database value;
- E. Purchase transactions;
- F. Daily draw and ACH details;
- G. Rebate details;
- H. Shelf Price/NTE details;
- I. Adjustment details; and
- J. Dispute details.

4.9.1.3 PARTICIPANT REPORTING

The Contractor shall provide a full suite of daily and monthly administrative reports electronically in Adobe PDF and spreadsheet format to the SCM or designee(s) that shall reflect administrative (non-financial) activity occurring within the EBT system and include sufficient detail to allow the State to further investigate the activity being reported. The following are representative reports which shall be provided:

- A. New/replacement card issuance statistics;
- B. Number of cards reported as lost/stolen/damaged;
- C. Number of incidents in which PIN attempts were exceeded;
- D. Participant Customer Support calls (ARU & live customer service);
- E. Number of accounts with expired benefit balances;
- F. “Hits” on the participant web portal; and
- G. Number of online shopping transactions and details.

4.9.1.4 WIC AUTHORIZED RETAILER REPORTS

The Contractor shall provide daily and monthly WIC Authorized Retailer-related reports as mutually agreed upon in the SDLC planning meetings that shall reflect activity occurring at WIC Authorized Retailer locations. Reports shall include sufficient detail to allow the State to further investigate the activity being reported. The following are representative reports which shall be provided:

- A. POS installations/removals;
- B. WIC Authorized Retailer transaction activity report;
- C. WIC Authorized Retailer Customer Support calls (ARU & live customer service);
- D. “Hits” on the WIC Authorized Retailer web portal;
- E. Key-entered transactions; and
- F. High risk WIC Authorized Retailer reports.

4.9.1.5 SYSTEM PERFORMANCE REPORTS

The Contractor shall provide a full suite of daily and monthly system performance reports electronically in Adobe PDF and spreadsheet format to the SCM or designee(s) that must reflect system performance throughout the EBT system. The complete report suite must provide data to enable verification of the performance criteria specified in Section 4.17 Service Level Performance Metrics of this RFQ. These reports shall include sufficient detail to allow the State to further investigate the activity being reported. The following are representative reports which shall be provided:

- A. Average daily system response times;
- B. Average time to answer (Participant ARU and CSR); and
- C. Average time to answer (Vendor ARU and CSR).

4.9.1.6 FRAUD REPORTS

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

- A. Card replacements exceeding a user-specified threshold;
- B. Single, 100% benefit redemption; and
- C. Benefit redemption location inconsistent with participant location.

4.10 INTERFACES

4.10.1 MIS-EBT INTERFACE

- A. The EBT Contractor shall participate in EBT JAD sessions and collaborate closely with the State, the NJ WoW Contractor, and other pertinent stakeholders to design, customize, and ultimately conclude the EBT functionalities and MIS-EBT interface, utilizing the State-approved version of WUMEI;
- B. The Contractor shall coordinate the design, development, integration, and testing of the MIS-EBT interface, as follows:
 - 1. The Contractor shall ensure that the interface between WoW and EBT system conforms to the USDA FNS WUMEI. The State will determine the WUMEI version during JAD sessions with the input from the MIS Contractor, and the State and Contractor EBT processor;
 - 2. The Contractor shall customize its interface to conform to the NJ WoW implementation to the extent that the WoW implementation of the WoW side of the WUMEI may differ from the Contractor's out-of-the-box implementation of the EBT side of the WUMEI. The WoW system will be made EBT-ready by the Contractor prior to the start of the EBT system and will be designed to conform to the latest version of the WUMEI;
- C. The WoW-EBT interface shall exchange data through host-to-host message communication and in batch file-transfer processes. The interface shall be operational 24 hours per day, seven (7) days per week, 365 days per year for data, file, and record transmission. The interface shall have a back-up procedure to transfer and accept files and records should the normal file and/or record transfer processes fail;
- D. Functionality designated in the WUMEI as discretionary or requiring consultation with the WoW Contractor will be determined during the EBT system JAD sessions with NJWIC and the WoW Contractor; and
- E. The processor shall be responsible for working with the MIS contractor to verify the design of the WUMEI, and to support testing of the interface. This support shall include, but not necessarily be restricted to, providing POS transactions and other data to sufficiently test and finalize the interface. The extent and exact nature of the support and data to be provided will be agreed upon between the processor and MIS contractor during the JAD sessions.
- F. The EBT provider shall provide up to two (2) POS terminals to allow the MIS Contractor to create test POS transactions.

4.10.2 POS-EBT INTERFACES

The Contractor shall design, build, and test the interfaces between the EBT system and POS terminals, Online shopping systems, ECR systems, and TPP systems.

These interfaces shall conform to current banking industry standard specifications (please refer to <https://www.fns.usda.gov/wic/wic-electronic-benefits-transfer-ebt-guidance>).

4.10.3 EBT-THIRD PARTY INTERFACES

NJWIC uses Microsoft Active Directory (AD) to provide single-sign-on for authorized users of WoW, the Vendor Portal, and the NJWIC SharePoint site. The Contractor shall interface the EBT System to the NJWIC AD and can provide an optional single-sign-on for State and Local Agency users to access the EBT System.

The EBT User Interface shall integrate any functionality needed by the State's contracted third-party software providers.

4.10.4 MIS-EBT MODIFICATIONS

It may be necessary to make modifications to the NJWIC's MIS. The Contractor shall accommodate changes to interface requirements resulting from modifications to the NJWIC's MIS and any modifications needed to conform the most recent version of the FNS MIS-EBT Universal Interface. These changes must be agreed upon in writing between the SCM and the Contractor.

The Contractor EBT processing system shall demonstrate compatibility to interface with multiple WIC MISs.

The Contractor shall collaborate with the State MIS integrator to provide integration to the NJWIC's MIS.

4.11 TRAINING

- A. The Contractor shall develop and execute a comprehensive training program to ensure that all EBT stakeholders are able to effectively utilize the EBT system;
- B. The Contractor shall develop a formal Training Plan for acceptance by the SCM prior to the completion of the System Test phase. The Training Plan shall include the following components:
 - 1. Core Team Training – The Contractor shall provide EBT concept training for State SMEs prior to the Design Phase JAD sessions. The objective of this training is to prepare SMEs with a base understanding of EBT generally and the Contractor's EBT platform specifically, so as to make the JAD sessions productive;
 - 2. State User Training – The Contractor shall provide a training program focused on State users and their role in administering the EBT system. NJWIC will provide the Contractor with access to SMEs from the various NJWIC State Agency program units, including Nutrition (food package setup and clinic operations), Retailer (retailer authorization, training and compliance monitoring), Food Delivery (food pricing and benefits reconciliation), Monitoring and Evaluation (financial reporting, reconciliation, auditing), and WoW (Local Agency infrastructure). Additionally, NJWIC will arrange for the participation of representative Local Agency/clinic staff and WIC Authorized Retailers, as needed;
 - a. The Contractor shall provide EBT technical training of core team staff as needed to facilitate JAD session decision-making;
 - b. The Contractor shall provide a training program to prepare all EBT users for their roles at the State agency, Local Agency/clinic staff, participant household, and authorized WIC Authorized Retailers. The Contractor shall deliver end user training to State agency, Local Agency/clinic, and authorized NJWIC Authorized Retailers during the Conversion and Implementation Phases. Post implementation, the State and Local Agency staff will provide training for staff, participants, and retailers;
 - c. The Contractor shall be responsible for the maintenance and support of the EBT system throughout the term of the Contract. Accordingly, there is no requirement to transfer this knowledge to State staff;
 - 3. Local Agency/Clinic User Training – The WoW Contractor shall lead the development and delivery of a training program focused on Local Agency/clinic staff and their role in issuing and administering EBT cards, prescribing and managing EBT benefits, and assisting EBT participants. The Contractor shall support these trainings with information on how to use the EBT administrative terminal, EBT participant portal, and retail transaction procedures. The Contractor shall provide any participant-directed printed material in both English and Spanish language versions;
 - 4. WIC Authorized Retailer Training – The Contractor shall provide a training program focused on retailer staff and their role in setting up, administering, processing, and reconciling EBT retail transactions. The Contractor shall train NJWIC Authorized Retailers electing to use POS equipment offered by the Contractor. The Contractor shall provide training materials to TPPs with WIC authorized retailers and shall require the TPP to provide retailer training as part of the agreement between the Contractor and the TPP. The Contractor shall provide training material specific to how the TPPs will interface to the EBT system. The Contractor shall also provide pre-deployment awareness training sessions in each county, within three (3) months of the implementation. The Contractor shall provide any WIC Authorized Retailer-directed printed material in both English and Spanish language versions;
- C. The Contractor shall provide training to all State, Local Agency/clinic, and WIC Authorized Retailer users during the development/test, Conversion, and Conversion phases of the project. After conversion is completed, the Contractor shall continue to train newly authorized WIC Retailers. The State will take responsibility for State and Local Agency end user training;
- D. The training program shall be designed to inform users on how to perform their roles in the EBT business process using the EBT system, support, and procedures. Training must address all daily functionality for users identified in item B above;
- E. The training program shall include an online training model, whether recorded or live, in a separate EBT training environment integrated with the WoW training environment. The training program shall include trainee attendance and post-training knowledge and skills assessment to assess the effectiveness of the training program and user readiness;
- F. The Training Plan shall be drafted, accepted, and approved by NJWIC prior to the UAT phase. The above components of the training plan shall be completed and demonstrated by providing training for the UAT team prior to the start of UAT. Based on the feedback from the pre-UAT training and the UAT testing results, the Contractor shall modify and finalize the training

program and materials for NJWIC approval. The Contractor shall then execute the approved training program and materials during the Conversion and Conversion phases;

- G. The Contractor delivery of training will be regularly monitored by NJWIC and the QA/IVV Contractor to ensure the effectiveness of the trainers, the training materials, and the training approach. Assessments will provide feedback on the extent:
 - 1. Training is directly related to, and appropriate for, the particular student audience;
 - 2. Trainees demonstrate an understanding of the material;
 - 3. Training and training materials provide content that is appropriate for the needs of the target stakeholder group;
 - 4. Training is conducted at appropriate times (relative to a trainee's required access to the system);
- H. The Contractor shall modify training materials or training approaches that are determined by the SCM to be ineffective. In addition, the Contractor shall be required to remove and replace trainers at the request of the SCM; and
- I. The Contractor's defect management and change management procedures must ensure that the training program and training materials are updated whenever changes are made to the EBT system, configuration, or procedures.

4.12 USER ACCEPTANCE TESTING

- A. The Contractor shall deliver a UAT plan, documents and test scripts, and secure NJWIC's and may require FNS approval prior to the commencement of the UAT phase;
- B. The Contractor shall deliver test documentation that evidences the specific tests conducted, the test data used, and the test results. The Contractor shall maintain traceability between testing and requirements to ensure that the testing program demonstrates that the completed system meets all functional and performance requirements. In addition to scripted test scenarios, the UAT shall incorporate ad hoc testing scenarios by the Contractor UAT testers. The UAT test scripts shall test all system functions and supported business processes for all daily functionality;
- C. The UAT Plan shall include end-to-end testing of EBT transactions initiated from the WoW system and from POS terminals and ECR systems. The Contractor shall deliver and maintain a UAT environment that is integrated with the WoW Contractor's MIS UAT environment and with UAT test POS and ECR equipment;
- D. The scope of testing shall include all customer service applications such as participant or vendor web portals, applications, and ARUs;
- E. The Contractor shall provide pre-UAT training to all UAT testers and shall provide onsite support during UAT testing events to document test results, document observed defects, and troubleshoot issues. The Contractor shall maintain reporting on the status of the UAT, including status of the scripts executed, the pass/fail rate of the scripts, the assigned and agreed priority of the defects, and the readiness for retest of remediated defects. The State will designate a team of UAT testers to include State SME's, Local Agency/clinic staff, and retailer staff;
- F. The scheduled duration of the UAT testing period will be determined in the UAT plan based on the scope of the testing to be completed. The UAT test plan and schedule must make provision for up to two (2) complete testing cycles in which all test scripts are executed, so that remediated defects can be retested in UAT. It may be acceptable to conduct one (1) complete testing cycle followed by one (1) defect verification cycle, depending on the circumstances. The strategy and exit criteria will be established during the JAD session and documented in the test plan. The schedule shall permit the State to schedule testing events with at least two (2) weeks prior notice;
- G. The UAT period shall also include the QA Contractor independent testing. The UAT plan and schedule shall allow for the completion of at least one (1) complete UAT test cycle to provide results for the QA Contractor to incorporate into its evaluation; and
- H. The SCM will determine whether the UAT exit criteria have been completed and the UAT results are ready for review with FNS, in addition to the System Test documentation, to support the Conversion Go/No Go decision.

4.13 CONVERSION/IMPLEMENTATION

- A. The Contractor shall develop and submit a comprehensive final version of the Conversion/Implementation Plan to obtain NJWIC approval. This plan should delineate the scope of work, preparatory activities, and assessment procedures for the seamless transition from the current EBT provider;
- B. The Contractor shall support the execution of the conversion by executing WIC Authorized Retailer readiness and training activities outlined in the Conversion/Implementation Plan. The Contractor shall certify these steps are complete and it is ready to go live with the Conversion;
- C. The Conversion test shall be executed for at least a three (3) month period to demonstrate the full cycle of benefits issuance, redemption, and reissuance. The Contractor shall submit for NJWIC approval a detailed Conversion Evaluation Report documenting the results of the Conversion. This documentation, in addition to NJWIC and QA assessments of the Conversion, will be reviewed with USDA FNS to support the Go/No Go decision for Conversion; and
- D. The Contractor shall support the execution of the conversion by executing the WIC Authorized Retailer readiness and training activities outlined in the Conversion/Implementation Plan and certifying these steps are complete and the system is ready to go live.

The Contractor shall not invoice the State for Conversion/Implementation until Conversion/Implementation is complete, and completion is certified by the State.

4.14 DOCUMENTS

The Contractor shall provide the following documents for this Contract:

- A. Requirements Traceability Document -This document shall define all of the State’s requirements for the EBT system and shall incorporate all the decisions of the JAD sessions. This document shall also include a Requirements Traceability Matrix (RTM);
- B. Detailed System Design Document - This document shall describe the total system architecture, configuration including system hardware, functionality, file layouts, message and file flows, ARU scripts, data elements, and data dictionary, system interfaces, settlement and reconciliation functions, and the system security plan. Upon approval by the State, this document may also require FNS approval. This document shall be reviewed and updated annually, throughout the Contract term;
- C. Deliverable Expectations Document (DED) - This document shall outline the contents and expectations of key deliverables. The objective is to establish specific quality standards for the deliverable before the deliverable is drafted. The DED shall be drafted by the Contractor, reviewed by the QA Contractor, and approved by the SCM. When the deliverable is reviewed, the QA Contractor will review and confirm that the deliverable fulfills the quality standards outlined in the approved DED;
- D. Functional Design Document - This document provides a functional overview and a description of the operating environment, controls, procedures, workflow, and security of the EBT system. The document must provide a listing and description of system functions. Functions must be identified and organized under high level functional areas so that they can be easily referenced in other documents, such as test scripts;
- E. Interface Control Document - This document shall define and document the messages and files that are exchanged between the EBT system and WoW. The design must be in accordance with the FNS WIC Universal MIS-EBT Interface Specification. The Contractor shall work with the WoW Contractor and NJWIC as necessary in developing this document;
- F. Telecommunication Design Document - This document shall define the physical connection(s) and links between the Contractor’s EBT system and the WoW system. It shall include a detailed description of all equipment (routers, etc.) employed by the system;
- G. System Test Plans and Scripts – This document shall outline, for each test, the purpose, methodology, environment, and approval rating system. Prior to its execution, the system test plan requires FNS and SCM approval;
- H. User Acceptance Test Plans and Scripts - This document shall outline, for each test, the purpose, methodology, environment, and approval rating system. The Contractor shall obtain NJWIC input for this document. Prior to its execution, the UAT plan requires FNS and SCM approval;
- I. Operations and Maintenance Manual (Plan) - This manual shall include descriptions, procedures and processes of all phases of the EBT system, including problem resolution and escalation;
- J. Settlement and Reconciliation Manual - This manual shall detail the settlement process, including steps for completing settlement, timeframes, and parties involved. In addition, this document shall specify the procedures for 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 EBT system;
- K. Reports Manual - This manual shall describe (i.e. content, frequency, and purpose) of all reports generated by the EBT system, and how such reports will be provided (i.e. online, batch files, etc.). The Contractor shall include for each report a sample (½ to 1 page) description of report content and use, a description of each data element on the report, including the origin and format of each data element, a description of any filtering criteria, a description of any sort order, a description of any control breaks in the report data, a description of any control totals (sub-totals, grand totals), and the frequency and distribution of the report;
- L. Administrative Terminal Manual - This manual shall provide guidance and procedures for State and Local Agency/clinic staff on Administrative functions, including troubleshooting and problem resolution/escalation;
- M. Training Plan - This document shall be a comprehensive plan that identifies major training components, along with the supportive tasks for the planning, design, development, production, and distribution of all training materials. This document shall also include, the Contractor’s plan for securing training classrooms if necessary, and the training activities for clinic personnel in the Conversion area, and WIC Retailers receiving State-provided Stand-beside POS equipment;
- N. WIC Retailer Conversion Plan - For this plan, the Contractor shall obtain and include NJWIC input. The plan must address the following:
 - 1. WIC Retailer integration promotion activities;
 - 2. WIC Retailer and TPP agreements;
 - 3. Processes and standards for integrated WIC Retailer certification;
 - 4. Processes and standards for TPP certification;
 - 5. Type of POS equipment to be deployed, if required;
 - 6. Plans for onsite deployment and equipment testing;
 - 7. Description of support services/customer service to be provided to all WIC Retailers;

- O. WIC Authorized Retailer Certification Plan and Test Scripts - This plan shall describe the WIC Retailer certification process, including roles and responsibilities of all the parties. This plan shall include the certification test scripts, once approved by the SCM;
- P. Conversion/Implementation Plan - This plan shall detail the activities and respective timeframes for the Conversion. This plan shall also include "Go/No Go" criteria and timeframe for each such decision. Additionally, this document must include the evaluation criteria that will be used for the Conversion;
- Q. Business Continuity Plan – This plan shall provide an evaluation of the types of service interruptions (natural disasters, system failures, telecommunication failures, etc.) that impact the EBT system's operations and therefore require the use of a backup and recovery process. For each potential interruption type, the Contractor shall, at a minimum, detail the steps to be taken to survive and recover from the interruptions;
- R. Service Level Reports - The Contractor shall provide a monthly reporting package on the performance service levels achieved for the period, as outlined in Section 4.17 Service Level Performance Metrics of this RFQ; and
- S. Turnover Plan – The Contractor shall also include the development and execution of a Turnover Plan, to be implemented upon the expiration of the Contract. Turnover Plan must address the Contractor's support for data conversion and transfer of NJWIC's financial data to the State's selected EBT System Operations and Maintenance Contractor.

The Contractor shall provide the documentation during the course of the Contract term that adheres to the following requirements:

- T. The format of all documentation shall be provided in MS Word, MS Excel, MS PowerPoint, or MS Project formats, as appropriate, or as otherwise specified in this Contract or as approved by the SCM. PDF formats may be provided, but documentation must also be provided in an editable format. Electronic submission of the documentation is acceptable;
- U. The Contractor shall maintain a log of documentation that includes for each document, the history of document versions, delivery dates, and approval dates;
- V. Prior to utilizing the documentation for development, testing or implementation activities, the Contractor shall secure the approval of the SCM; and
- W. The Contractor shall provide revisions to approved documentation as needed, so that the documentation remains current. Revisions shall be limited to SCM approved changes only. The Contractor shall not revise the documentation to reflect an as-built or as implemented condition that varies from previously approved versions without written approval of the SCM.

4.15 PROJECT CLOSEOUT

The EBT implementation phase shall be deemed complete when Conversion is complete.

4.16 POST-IMPLEMENTATION SUPPORT AND MAINTENANCE

- A. The Contractor shall provide post-implementation support and maintenance beginning with the Conversion and throughout normal operations. However, the design, development, and implementation (DDI) phase of the project continues through the Conversion phase and the Operations and Maintenance Phase begins upon completion of Conversion;
- B. Post-Implementation Support and Maintenance shall include the operation, maintenance, and defect management for all EBT system components. Provisions shall also be made for minor system changes, such as new reports or modification of existing screens;
- C. Prior to Project Closeout, the Contractor shall deliver for NJWIC approval and acceptance, an Operations and Maintenance Plan that outlines the services, service level agreements, service request authorization, and ongoing reporting requirements for this phase.
- D. This phase must also include ongoing service and fulfillment, including provision of new and replacement EBT cards, customer service and help desk support, financial settlement, and ongoing reporting. The Contractor shall provide ongoing operations and maintenance reporting as defined in the Operations and Maintenance Plan Section 4.14(l).

4.17 SERVICE LEVEL PERFORMANCE METRICS

- A. The Contractor shall ensure that all aspects of the EBT System and services meet or exceed the performance service levels defined below:
 1. EBT System Response Time: The EBT system 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 an average monthly basis (FNS Operation Rules 6.1.b);
 2. Processed Transaction Error Rate: No more than two (2) in every 10,000 transactions processed by the EBT system shall lead to an adjustment resulting from an EBT system error (FNS Operation Rules 6.1.c);
 3. Authorized Transaction Source: The EBT system shall ensure that WIC transactions are originating from WIC Authorized Retailers only by validating the WIC identification information in the WIC Authorized Retailer Agreements, and by validating electronic transactions in the course of transaction processing. (FNS Operation Rules 6.1.d);

4. Central Computer Uptime: The EBT system shall be available 99.9% of the scheduled up-time, 24 hours per day, and seven (7) days per week, 365 days a year. Scheduled uptime shall mean the time the database is available and accessible for transaction processing and excludes schedule downtime for routine maintenance (FNS Operation Rules 6.1.e);
 5. EBT Transaction Response Time: The EBT system 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. (FNS Operation Rules 6.1.f);
 6. The Contractor shall ensure that the EBT system does not permit 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 EBA accounts;
 7. Vendor Settlement Days: WIC Authorized Retailers shall be paid for approved, cleared transactions within two (2) processing days of the settlement of the transaction (FNS Operation Rules 12.3.a);
 8. Dispute Adjustment Response Time: The Contractor shall investigate and respond to NJWIC or WIC Authorized Retailer initiated cardholder adjustments within ten (10) business days of the date the adjustment request is initiated (FNS Operation Rules 14.2.c);
 9. EBT Transaction Response Time: All EBT transactions shall be processed within 20 seconds. Transaction time shall be measured from the point of sending the transaction from the WIC Authorized Retailer to the EBT host. The Contractor shall meet this requirement at least 95% of the time;
 10. Administrative Terminal-Host Response Time: Host response time for administrative terminal transactions shall not exceed two (2) seconds 98% of the time, on an average monthly basis;
 11. Benefit Availability: Benefits shall be available no later than 12:00 A.M. EST time on the availability date 100% of the time;
 12. Replacement Card Issuance: The Contractor shall send replacement cards by the United States Postal Service (USPS) first class mail 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;
 13. Call Answer Time: 95% of all calls shall be answered by the ARU/IVR within four (4) rings as measured over a two (2) month period;
 14. Call Hold Time: At least 97% of Callers transferred by the ARU/IVR to a CSR shall be placed on hold for no longer than 120 seconds as measured over a two (2) month period;
 15. Abandoned Calls: Abandoned calls shall not exceed 10% per month as measured by calls unanswered due to abandonment after two (2) minutes;
 16. WIC Authorized Retailer Readiness in Conversion Areas: The Contractor shall ensure that WIC Authorized Retailers are EBT Certified with new settings or equipment prior to conversion.
 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. The Contractor shall meet this requirement at least 95% of the time;
 18. Settlement Accuracy: The request for funds (draw down) will be made with 100% accuracy within a rolling 60-day period;
 19. Settlement Discrepancy Notification: The Contractor shall advise the SCM of settlement or reconciliation discrepancies within 12 hours of occurrence;
 20. Provision of Third Party Processor or Direct-Connect Access: The Contractor shall assure access to the EBT system for WIC vendors using a third-party processor (or direct-connect vendors) within 30 business days of receipt of the request for such access;
 21. Test Platform Availability: The Contractor shall make the test platform available to the State in accordance with an agreed-upon schedule;
 22. On time Deployment: The Contractor shall make the fully operational EBT system available in the Conversion in accordance with the agreed-upon schedule; and
- B. For any performance deficiency identified above, the Contractor shall submit a Corrective Action Plan (CAP) within 15 business days of the performance measurement period. The CAP must be approved by the SCM and must include a schedule by which the deficiency shall be corrected.

4.18 STATE TECHNOLOGY REQUIREMENTS AND STANDARDS

The Contractor shall develop a system that complies with the guidance of the NJ Statewide Information Security Manual: https://www.nj.gov/it/docs/ps/NJ_Statewide_Information_Security_Manual.pdf

The Contractor shall comply with the NJ Web Presence Guidelines: https://www.tech.nj.gov/it/docs/NJ_Web_Presence_Guidelines.pdf

The system's compliance with Web Content Accessibility Guidelines (WCAG) 2.0 Level AA, shall be verified using a commercially available software product certified for this purpose.

In compliance with the 21st Century Integrated Digital Experience Act, user authentication shall leverage the state's shared Identity and Access Management (IAM) strategy. Options include:

- A. The myNJ web access management system which is SAML 2.0 compliant and integrates with service providers that support SAML 2 Web Single Sign On; and
- B. Microsoft Entra ID/Active Directory for employee-only applications.

The Contractor shall be subject to the same security and infrastructure review processes that are required by OIT and its partner Departments and Agencies. The Contractor shall submit relevant documentation and participate in the System Architecture Review (SAR) process. Additional information on this process can be found at: <https://www.nj.gov/it/whatwedo/sar/>.

4.18.1 SYSTEM DESIGN

- A. The Contractor shall replicate all State data on its system(s) to a designated State system in a format and frequency as defined in the, or if not defined, in an open standards machine-readable format designated by OIT no less frequently than once a month;
- B. The State and the Contractor shall identify a collaborative governance structure as part of the design and development of service delivery and service agreements;
- C. The Contractor shall identify all of its strategic business partners who will be involved in any application development and/or operations;
- D. Where batch data from other State systems is required by the Contractor's system for operational functionality, that data shall be routed through the enterprise data warehousing staging area. Independent feeds of operational data from individual source systems are not permitted;
- E. Where there is a need to combine data from the Contractor's system with data from other systems purely for analytical purposes, the Contractor shall supply data to the enterprise data warehouse where that integration will occur;
- F. Independent data warehouse silos based upon a transactional system are not permitted. The Contractor shall supply data from its system to the enterprise data warehouse on a nightly basis to support other state analytical needs; and
- G. The Contractor shall be required to coordinate these efforts with the State's Office of Enterprise Data Services (OEDS).

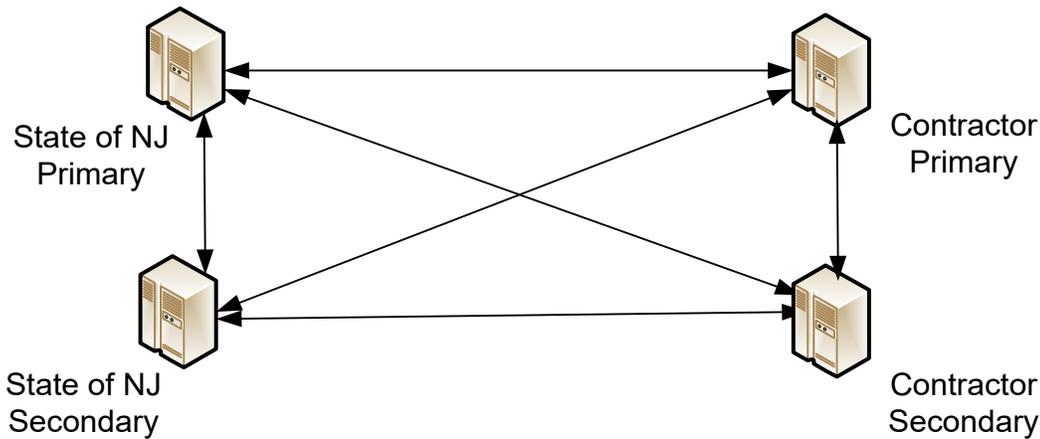
4.18.2 HOSTING AND BACKUP SERVICES

For "outsourced hosting services", the Contractor shall not only secure the physical application infrastructure utilizing the security requirements herein, but also control and secure physical access to the application hosting facilities, the racks supporting network infrastructure and processing server equipment, web, application and database servers. The backed-up data is not commingled with other customer data.

If the Contractor is not supplying "dedicated" hardware resources to host State applications and data, the Contractor shall maintain application and/or stack isolation using commercially available security devices to maintain security zones, routing isolation and access control to infrastructure devices and access/security logging (AAA) within its infrastructure.

4.18.3 EXTRANET PLAN

- A. The communication links between the State and the Contractor should be through a MPLS cloud (preferred) or IPSEC tunnel over the Internet based upon the connectivity requirements and cost constraints;
- B. The Contractor shall provide and maintain two (2) extranet communication links into the State. One (1) of these links will be active and one will be a "hot" spare. These links shall terminate as follows:
 - 1. Link 1 – Ethernet speed or greater communication circuit shall be established from the Contractor's data or communication center to the State Primary Data Center at OIT HUB, 1 Schwarzkopf Drive, West Trenton, NJ to operate as the primary data path. This data circuit shall provide the primary path and should terminate on the State side into the Contractor-owned and maintained equipment, which in turn would provide an Ethernet connection to the State's Extranet Partner access point at OIT Hub (firewall);
 - 2. Link 2 – Ethernet speed or greater communication circuit shall be established from the Contractor's data or telecommunication center to the State Data Center - River Road PO Box 7068 W. Trenton, NJ 08628 to operate as the secondary data path. This data circuit will provide a secondary backup path and should terminate on the State side into the Contractor-owned and maintained equipment, which in turn would provide an Ethernet connection to the State's Extranet access point at SAC (firewall);



- C. Once the communication links are established and testing is completed, the OIT Hub will be the primary link to the Contractor;
- D. The Contractor shall work with the sponsoring agency and OIT to establish an Extranet Partner relationship. This would require completion of an Extranet Partner agreement and supporting documentation; reference the State of New Jersey’s extranet policy 09-11-NJOIT (https://www.nj.gov/it/docs/ps/09-11-NJOIT_Business_Entity_IT_Services_andor_Extranet_Policy.pdf). In addition, the Contractor shall work with OIT network group to establish the appropriate routing protocols based on the system requirements and OIT security group to establish appropriate firewall rule sets to accomplish necessary business data flow;
- E. The communication links can connect to a MPLS cloud or IPSEC tunnel over the Internet based upon the connectivity requirements and cost constraints. Once the communication links are established and testing is completed, the OIT Hub will be the primary link to the Contractor; and
- F. The State and the Contractor shall follow the State’s Extranet Policy and Procedure, and complete the application form, Memorandum of Understanding (MOU), operational form and security controls assessment checklist.

4.18.4 TRANSMISSION OF FILES

- A. The State supports multiple methods for data transfers internally within the Garden State Network or external to an extranet or business partner. The transmission of all files between the Contractor and the State system shall be transferred securely using the State file transfer methodology. The State will work with the Contractor in the implementation of the file transfer process. The secure file transfer shall meet the state and federal security guidelines and standards;
- B. The State provides both asynchronous and synchronous file transfer methodologies:
 - 1. Synchronous:
 - a. Connect: Direct Secure ++ is a supported option for file exchange with the State IBM mainframe;
 - b. FTPS over SSL (Explicit – port 21) is a supported option for file exchange for connections originating from the State IBM Mainframe. Must support RFC2228;
 - c. SFTP (FTP over SSHv2 or greater) is a supported option for file exchange with State distributed servers (non-IBM Mainframe);
 - 2. Asynchronous:
 - a. The State’s managed file transfer solution is an option for automated or non- automated, (ad-hoc) file exchange with State of New Jersey.
- C. The Contractor shall test the file transfer with the State system on all file transfers prior to full implementation; and
- D. During the term of the Contract, the State may revise or change the file transfer method and/or format for the transmission of files to accommodate real time processing, and use case specific information and the Contractor shall be required to conform to all requirements.

Reference:

NIST SP 800-47 Rev. 1 Managing the Security of Information Exchanges (<https://csrc.nist.gov/pubs/sp/800/47/r1/final>).

5 GENERAL CONTRACT TERMS

The Contractor shall have sole responsibility for the complete effort specified in this Contract. Payment will be made only to the Contractor. The Contractor is responsible for the professional quality, technical accuracy and timely completion and submission of all deliverables, services or commodities required to be provided under this Contract. The Contractor shall, without additional compensation, correct or revise any errors, omissions, or other deficiencies in its deliverables and other services. The approval of deliverables furnished under this Contract shall not in any way relieve the Contractor of responsibility for the technical adequacy of its work. The review, approval, acceptance or payment for any of the deliverables, goods or services, shall not be construed as a waiver of any rights that the State may have arising out of the Contractor's performance of this Contract.

5.1 CONTRACT TERM AND EXTENSION OPTION

The base term of this Contract shall be for a period of **five (5) years**.

This Contract may be extended up to **two (2) years** with no single extension exceeding one (1) year, by the mutual written consent of the Contractor and the State at the same terms, conditions, and pricing at the rates in effect in the last year of this Contract or rates more favorable to the State.

5.2 CONTRACT TRANSITION

In the event that a new Contract has not been awarded prior to the expiration date for this Contract, including any extensions exercised, and the State exercises this Contract transition, the Contractor shall continue this Contract under the same terms, conditions, and pricing until a new Contract can be completely operational. At no time shall this transition period extend more than **365 calendar days** beyond the expiration date of this Contract, including any extensions exercised.

During the transition period, the Contractor will be required to continue all services as required by the Scope of Work, and assist the State and/or new vendor with transitional activities.

5.3 PERFORMANCE SECURITY

Not applicable to this procurement.

5.4 OWNERSHIP OF MATERIAL

- A. **State Data** – The State owns State Data. Contractor shall not obtain any right, title, or interest in any State data, or information derived from or based on State Data. State Data provided to Contractor shall be delivered or returned to the State of New Jersey upon thirty (30) days' notice by the State or thirty (30) days after the expiration or termination of the Contract. Except as specifically required by the requirements of the RFQ, State Data shall not be disclosed, sold, assigned, leased or otherwise disposed of to any person or entity other than the State unless specifically directed to do so in writing by the State Contract Manager.
- B. **Work Product; Services** – The State owns all Deliverables developed for the State in the course of providing Services under the Contract, including but not limited to, all data, technical information, materials gathered, originated, developed, prepared, used or obtained in the performance of the Contract, including but not limited to all reports, surveys, plans, charts, literature, brochures, mailings, recordings (video and/or audio), pictures, drawings, analyses, graphic representations, print-outs, notes and memoranda, written procedures and documents, regardless of the state of completion, which are prepared for or are a result of the Services required under the Contract. This shall not include State requested changes to the Contractor's service infrastructure components.
- C. **Vendor Intellectual Property; Commercial off the Shelf Software (COTS) and Customized Software** – Contractor retains ownership of all Vendor Intellectual Property, and any modifications thereto and derivatives thereof, that the Contractor supplies to the State pursuant to the Contract, and grants the State a non-exclusive, royalty-free license to use Vendor Intellectual Property delivered to the State for the purposes contemplated by the Contract for the duration of the Contract including all extensions. In the event Contractor provides its standard license agreement terms with its Quote, such terms and conditions must comply with *RFQ Section 1.2 – Order of Precedence of Contractual Terms*.
- D. **Third Party Intellectual Property** – Unless otherwise specified in the RFQ that the State, on its own, will acquire and obtain a license to Third Party Intellectual Property, Contractor shall secure on the State's behalf, in the name of the State and subject to the State's approval, a license to Third Party Intellectual Property sufficient to fulfill the business objectives, requirements and specifications identified in the Contract at no additional cost to the State beyond that in the Quote price. In the event Contractor is obligated to flow-down commercially standard third party terms and conditions customarily provided to the public associated with Third Party Intellectual Property and such terms and conditions conflict with RFQ requirements, including the SSTC, the State will accept such terms and conditions with the exception of the following: indemnification, limitation of liability, choice of law, governing law, jurisdiction, and confidentiality. The RFQ including the SSTC shall prevail with respect to such conflicting terms and conditions. In addition, the State will not accept any provision requiring the State to indemnify a third party or to submit to arbitration. Such terms are considered void and of no effect. Third party terms

and conditions should be submitted with the Quote. If Contractor uses Third Party Intellectual Property, Contractor must indemnify the State for infringement claims with respect to the Third Party Intellectual Property. Contractor agrees that its use of Third Party Intellectual Property shall be consistent with the license for the Third Party Intellectual Property, whether supplied by the Contractor, secured by the State as required by the RFQ, or otherwise supplied by the State.

- E. **Work Product; Custom Software** – The State owns all Custom Software which shall be considered “work made for hire”, i.e., the State, not the Contractor, subcontractor, or third party, shall have full and complete ownership of all such Custom Software. To the extent that any Custom Software may not, by operation of the law, be a “work made for hire” in accordance with the terms of the Contract, Contractor, subcontractor, or third party hereby assigns to the State, or Contractor shall cause to be assigned to the State, all right, title and interest in and to any such Custom Software and any copyright thereof, and the State shall have the right to obtain and hold in its own name any copyrights, registrations and any other proprietary rights that may be available.
- F. **State Intellectual Property** – The State owns all State Intellectual Property provided to Contractor pursuant to the Contract. State Intellectual Property shall be delivered or returned to the State of New Jersey upon thirty (30) days’ notice by the State or thirty (30) days after the expiration or termination of the Contract. The State grants Contractor a non-exclusive, royalty-free, license to use State Intellectual Property for the purposes contemplated by the Contract. Except as specifically required by the requirements of the RFQ, State Intellectual Property shall not be disclosed, sold, assigned, leased or otherwise disposed of to any person or entity other than the State unless specifically directed to do so in writing by the State Contract Manager. The State’s license to Contractor is limited by the term of the Contract and the confidentiality obligations set forth in *RFQ Section 6 – Data Security Requirements – Contractor Responsibility*.
- G. **No Rights** – Except as expressly set forth in the Contract, nothing in the Contract shall be construed as granting to or conferring upon Contractor any right, title, or interest in State Intellectual Property or any intellectual property that is now owned or licensed to or subsequently owned by or licensed by the State. Except as expressly set forth in the Contract, nothing in the Contract shall be construed as granting to or conferring upon the State any right, title, or interest in any Vendor Intellectual Property that is now owned or subsequently owned by Contractor. Except as expressly set forth in the Contract, nothing in the Contract shall be construed as granting to or conferring upon the State any right, title, or interest in any Third Party Intellectual Property that is now owned or subsequently owned by a third party.

5.5 SUBSTITUTION OF STAFF

If a Contractor needs to substitute any management, supervisory or key personnel, the Contractor shall identify the substitute personnel and the work to be performed. The Contractor must provide detailed justification documenting the necessity for the substitution. Resumes must be submitted for the individual(s) proposed as substitute(s) who must have qualifications and experience equal to or better than the individual(s) originally proposed or currently assigned.

The Contractor shall forward a request to substitute staff to the State Contract Manager for consideration and approval. No substitute personnel are authorized to begin work until the Contractor has received written approval to proceed from the State Contract Manager.

5.6 DELIVERY TIME AND COSTS

Not applicable to this procurement.

5.7 ELECTRONIC PAYMENTS

With the award of this Contract, the successful Contractor(s) will be required to receive its payment(s) electronically. In order to receive your payments via automatic deposit from the State of New Jersey, you must complete the EFT information within your [NJSTART](#) Vendor Profile. Please refer to the QRG entitled “Vendor Profile Management – Company Information and User Access” for instructions.

5.8 QUARTERLY SALES REPORTING AND SUPPLIER CONVENIENCE FEE

Not applicable to this procurement.

5.9 NOTICE OF EXECUTIVE ORDER 166 – REQUIREMENT FOR POSTING OF WINNING QUOTE AND CONTRACT DOCUMENTS

Not applicable to this procurement.

6 DATA SECURITY REQUIREMENTS – CONTRACTOR RESPONSIBILITY

6.1 INFORMATION SECURITY PROGRAM MANAGEMENT

The Contractor shall establish and maintain a framework to provide assurance that information security strategies are aligned with and support the State’s business objectives, are consistent with applicable laws and regulations through adherence to policies and internal controls, and provide assignment of responsibility, in an effort to manage risk. Information security program management shall include, at a minimum, the following:

- A. Establishment of a management structure with clear reporting paths and explicit responsibility for information security;
- B. Creation, maintenance, and communication of information security policies, standards, procedures, and guidelines to include the control areas listed in sections below;
- C. Development and maintenance of relationships with external organizations to stay abreast of current and emerging security issues and for assistance, when applicable; and
- D. Independent review of the effectiveness of the Contractor’s information security program.

6.2 COMPLIANCE

The Contractor shall develop and implement processes to ensure its compliance with all statutory, regulatory, contractual, and internal policy obligations applicable to this Contract. Examples include but are not limited to General Data Protection Regulation (GDPR), Payment Card Industry Data Security Standard (PCI DSS), Health Insurance Portability and Accountability Act of 1996 (HIPAA), IRS-1075. Contractor shall timely update its processes as applicable standards evolve.

- A. Within ten (10) calendar days after award, the Contractor shall provide the State with contact information for the individual or individuals responsible for maintaining a control framework that captures statutory, regulatory, contractual, and policy requirements relevant to the organization’s programs of work and information systems;
- B. Throughout the solution development process, Contractor shall implement processes to ensure security assessments of information systems are conducted for all significant development and/or acquisitions, prior to information systems being placed into production; and
- C. The Contractor shall also conduct periodic reviews of its information systems on a defined frequency for compliance with statutory, regulatory, and contractual requirements. The Contractor shall document the results of any such reviews.

6.3 PERSONNEL SECURITY

The Contractor shall implement processes to ensure all personnel having access to relevant State information have the appropriate background, skills, and training to perform their job responsibilities in a competent, professional, and secure manner. Workforce security controls shall include, at a minimum:

- A. Position descriptions that include appropriate language regarding each role’s security requirements;
- B. To the extent permitted by law, employment screening checks are conducted and successfully passed for all personnel prior to beginning work or being granted access to information assets;
- C. Rules of behavior are established and procedures are implemented to ensure personnel are aware of and understand usage policies applicable to information and information systems;
- D. Access reviews are conducted upon personnel transfers and promotions to ensure access levels are appropriate;
- E. Contractor disables system access for terminated personnel and collects all organization owned assets prior to the individual’s departure; and
- F. Procedures are implemented that ensure all personnel are aware of their duty to protect information assets and their responsibility to immediately report any suspected information security incidents.

6.4 SECURITY AWARENESS AND TRAINING

The Contractor shall provide periodic and on-going information security awareness and training to ensure personnel are aware of information security risks and threats, understand their responsibilities, and are aware of the statutory, regulatory, contractual, and policy requirements that are intended to protect information systems and State Confidential Information from a loss of confidentiality, integrity, availability and privacy. Security awareness and training shall include, at a minimum:

- A. Personnel are provided with security awareness training upon hire and at least annually, thereafter;
- B. Security awareness training records are maintained as part of the personnel record;
- C. Role-based security training is provided to personnel with respect to their duties or responsibilities (e.g. network and systems administrators require specific security training in accordance with their job functions); and
- D. Individuals are provided with timely information regarding emerging threats, best practices, and new policies, laws, and regulations related to information security.

6.5 RISK MANAGEMENT

The Contractor shall establish requirements for the identification, assessment, and treatment of information security risks to operations, information, and/or information systems. Risk management requirements shall include, at a minimum:

- A. An approach that categorizes systems and information based on their criticality and sensitivity;
- B. An approach that ensures risks are identified, documented and assigned to appropriate personnel for assessment and treatment;
- C. Risk assessments shall be conducted throughout the lifecycles of information systems to identify, quantify, and prioritize risks against operational and control objectives and to design, implement, and exercise controls that provide reasonable assurance that security objectives will be met; and
- D. A plan under which risks are mitigated to an acceptable level and remediation actions are prioritized based on risk criteria and timelines for remediation are established. Risk treatment may also include the acceptance or transfer of risk.

6.6 PRIVACY

If there is State Data associated with the Contract, this section is applicable.

- A. Data Ownership. The State owns State Data. Contractor shall not obtain any right, title, or interest in any State Data, or information derived from or based on State Data.
- B. Data usage, storage, and protection of Personal Data are subject to all applicable international, federal and state statutory and regulatory requirements, as amended from time to time, including, without limitation, those for HIPAA, Tax Information Security Guidelines for Federal, State, and Local Agencies (IRS Publication 1075), New Jersey State tax confidentiality statute, the New Jersey Privacy Notice found at NJ.gov, N.J.S.A. § 54:50-8, New Jersey Identity Theft Prevention Act, N.J.S.A. § 56:11-44 *et. seq.*, the federal Drivers' Privacy Protection Act of 1994, Pub.L.103-322, and the confidentiality requirements of N.J.S.A. § 39:2-3.4. Contractor shall also conform to PCI DSS, where applicable.
- C. Security: Contractor agrees to take appropriate administrative, technical and physical safeguards reasonably designed to protect the security, privacy, confidentiality, and integrity of user information. Contractor shall ensure that State Data is secured and encrypted during transmission or at rest.
- D. Data Transmission: The Contractor shall only transmit or exchange State Data with other parties when expressly requested in writing and permitted by and in accordance with requirements of the Contract or the State of New Jersey. The Contractor shall only transmit or exchange State Data with the State of New Jersey or other parties through secure means supported by current technologies.
- E. Data Storage: All data provided by the State of New Jersey or State data obtained by the Contractor in the performance of the Contract must be stored, processed, and maintained solely in accordance with a project plan and system topology approved by the State Contract Manager. No State data shall be processed on or transferred to any device or storage medium including portable media, smart devices and/or USB devices, unless that device or storage medium has been approved in advance in writing by the State Contract Manager. The Contractor must not store or transfer State of New Jersey data outside of the United States.
- F. Data Re-Use: All State Data shall be used expressly and solely for the purposes enumerated in the Contract Data shall not be distributed, repurposed or shared across other applications, environments, or business units of the Contractor. No State Data shall be transmitted, exchanged or otherwise passed to other contractors or interested parties except on a case-by-case basis as specifically agreed to in writing by the State Contract Manager.
- G. Data Breach: In the event of any actual, probable or reasonably suspected Breach of Security, or any unauthorized access to or acquisition, use, loss, destruction, compromise, alteration or disclosure of any Personal Data, Contractor shall: (a) immediately notify the State of such Breach of Security, but in no event later than 48 hours after learning of such security breach; (b) designate a single individual employed by Contractor who shall be available to the State 24 hours per day, seven (7) days per week as a contact regarding Contractor's obligations under *RFQ Section 6.33 - Incident Response*; (c) not provide any other notification or provide any disclosure to the public regarding such Breach of Security without the prior written consent of the State, unless required to provide such notification or to make such disclosure pursuant to any applicable law, regulation, rule, order, court order, judgment, decree, ordinance, mandate or other request or requirement now or hereafter in effect, of any applicable governmental authority or law enforcement agency in any jurisdiction worldwide (in which case Contractor shall consult with the State and reasonably cooperate with the State to prevent any notification or disclosure concerning any Personal Data or Breach of Security); (d) assist the State in investigating, remedying and taking any other action the State deems necessary regarding any Breach of Security breach and any dispute, inquiry, or claim that concerns the Breach of Security; (e) *[reserved]*; (f) take such actions as necessary to prevent future Breaches of Security; and (g) unless prohibited by an applicable statute or court order, notify the State of any third party legal process relating to any Breach of Security including, at a minimum, any legal process initiated by any governmental entity (foreign or domestic).
- H. Minimum Necessary. Contractor shall ensure that State Data requested represents the minimum necessary information for the services as described in this RFQ and, unless otherwise agreed to in writing by the State, that only necessary individuals or entities who are familiar with and bound by the Contract will have access to the State Data in order to perform the work.
- I. End of Contract Data Handling: Upon termination/expiration of this Contract the Contractor shall first return all State Data to the State in a usable format as defined in the Contract, or in an open standards machine-readable format if not. The Contractor shall then erase, destroy, and render unreadable all Contractor backup copies of State Data according to the

standards enumerated in accordance with the State's most recent Media Protection policy, <https://www.cyber.nj.gov/grants-and-resources/state-resources/statewide-information-security-manual-sism>, and certify in writing that these actions have been completed within 30 days after the termination/expiration of the Contract or within seven (7) days of the request of an agent of the State whichever should come first.

- J. In the event of loss of any State Data or records where such loss is due to the intentional act, omission, or negligence of the Contractor or any of its subcontractors or agents, the Contractor shall be responsible for recreating such lost data in the manner and on the schedule set by the State Contract Manager. The Contractor shall ensure that all State Data is backed up and is recoverable by the Contractor. In accordance with prevailing federal or state law or regulations, the Contractor shall report the loss of State data.

6.7 ASSET MANAGEMENT

The Contractor shall implement administrative, technical, and physical controls necessary to safeguard information technology assets from threats to their confidentiality, integrity, or availability, whether internal or external, deliberate or accidental. Asset management controls shall include at a minimum:

- A. Information technology asset identification and inventory;
- B. Assigning custodianship of assets; and
- C. Restricting the use of non-authorized devices.

6.8 SECURITY CATEGORIZATION

The Contractor shall implement processes that classify information and categorize information systems throughout their lifecycles according to their sensitivity and criticality, along with the risks and impact in the event that there is a loss of confidentiality, integrity, availability, or breach of privacy. Information classification and system categorization includes labeling and handling requirements. Security categorization controls shall include the following, at a minimum:

- A. Implementing a data protection policy;
- B. Classifying data and information systems in accordance with their sensitivity and criticality;
- C. Masking sensitive data that is displayed or printed; and
- D. Implementing handling and labeling procedures.

6.9 MEDIA PROTECTION

The Contractor shall establish controls to ensure data and information, in all forms and mediums, are protected throughout their lifecycles based on their sensitivity, value, and criticality, and the impact that a loss of confidentiality, integrity, availability, and privacy would have on the Contractor, business partners, or individuals. Media protections shall include, at a minimum:

- A. Media storage/access/transportation;
- B. Maintenance of sensitive data inventories;
- C. Application of cryptographic protections;
- D. Restricting the use of portable storage devices;
- E. Establishing records retention requirements in accordance with business objectives and statutory and regulatory obligations; and
- F. Media disposal/sanitization.

6.10 CRYPTOGRAPHIC PROTECTIONS

The Contractor shall employ cryptographic safeguards to protect sensitive information in transmission, in use, and at rest, from a loss of confidentiality, unauthorized access, or disclosure. Cryptographic protections shall include at a minimum:

- A. Using industry standard encryption algorithms;
- B. Establishing requirements for encryption of data in transit;
- C. Establishing requirements for encryption of data at rest; and
- D. Implementing cryptographic key management processes and controls.

6.11 ACCESS MANAGEMENT

The Contractor shall establish security requirements and ensure appropriate mechanisms are provided for the control, administration, and tracking of access to, and the use of, the Contractor's information systems that contain or could be used to access State data. Access management plan shall include the following features:

- A. Ensure the principle of least privilege is applied for specific duties and information systems (including specific functions, ports, protocols, and services), so processes operate at privilege levels no higher than necessary to accomplish required organizational missions and/or functions;
- B. Implement account management processes for registration, updates, changes and de-provisioning of system access;
- C. Apply the principles of least privilege when provisioning access to organizational assets;
- D. Provision access according to an individual's role and business requirements for such access;

- E. Implement the concept of segregation of duties by disseminating tasks and associated privileges for specific sensitive duties among multiple people;
- F. Conduct periodic reviews of access authorizations and controls.

6.12 IDENTITY AND AUTHENTICATION

The Contractor shall establish procedures and implement identification, authorization, and authentication controls to ensure only authorized individuals, systems, and processes can access the State's information and Contractor's information and information systems. Identity and authentication provides a level of assurance that individuals who log into a system are who they say they are. Identity and authentication controls shall include, at a minimum:

- A. Establishing and managing unique identifiers (e.g. User-IDs) and secure authenticators (e.g. passwords, biometrics, personal identification numbers, etc.) to support nonrepudiation of activities by users or processes; and
- B. Implementing multi-factor authentication (MFA) requirements for access to sensitive and critical systems, and for remote access to the Contractor's systems.

6.13 REMOTE ACCESS

The Contractor shall strictly control remote access to the Contractor's internal networks, systems, applications, and services. Appropriate authorizations and technical security controls shall be implemented prior to remote access being established. Remote access controls shall include at a minimum:

- A. Establishing centralized management of the Contractor's remote access infrastructure;
- B. Implementing technical security controls (e.g. encryption, multi-factor authentication, IP whitelisting, geo-fencing); and
- C. Training users in regard to information security risks and best practices related remote access use.

In the event the Contractor shall be approved to utilize State-provided remote access connectivity to conduct work on systems, networks, and data repositories managed and hosted within the New Jersey Garden State Network (GSN) for State approved business, the Contractor shall collaborate with the State in accordance with State defined usage restrictions, configuration/connection requirements, and implementation guidance for remote access into the GSN.

6.14 SECURITY ENGINEERING AND ARCHITECTURE

The Contractor shall employ security engineering and architecture principles for all information technology assets, and such principles shall incorporate industry recognized leading security practices and sufficiently address applicable statutory and regulatory obligations. Applying security engineering and architecture principles shall include:

- A. Implementing configuration standards that are consistent with industry-accepted system hardening standards and address known security vulnerabilities for all system components;
- B. Establishing a defense in-depth security posture that includes layered technical, administrative, and physical controls;
- C. Incorporating security requirements into the systems throughout their life cycles;
- D. Delineating physical and logical security boundaries;
- E. Tailoring security controls to meet organizational and operational needs;
- F. Performing threat modeling to identify use cases, threat agents, attack vectors, and attack patterns as well as compensating controls and design patterns needed to mitigate risk;
- G. Implementing controls and procedures to ensure critical systems fail-secure and fail-safe in known states; and
- H. Ensuring information system clock synchronization.

6.15 CONFIGURATION MANAGEMENT

The Contractor shall ensure that baseline configuration settings are established and maintained in order to protect the confidentiality, integrity, and availability of all information technology assets. Secure configuration management shall include, at a minimum:

- A. Hardening systems through baseline configurations; and
- B. Configuring systems in accordance with the principle of least privilege to ensure processes operate at privilege levels no higher than necessary to accomplish required functions.

6.16 ENDPOINT SECURITY

The Contractor shall ensure that endpoint devices are properly configured, and measures are implemented to protect information and information systems from a loss of confidentiality, integrity, and availability. Endpoint security shall include, at a minimum:

- A. Maintaining an accurate and updated inventory of endpoint devices;
- B. Applying security categorizations and implementing appropriate and effective safeguards on endpoints;
- C. Maintaining currency with operating system and software updates and patches;
- D. Establishing physical and logical access controls;
- E. Applying data protection measures (e.g. cryptographic protections);
- F. Implementing anti-malware software, host-based firewalls, and port and device controls;

- G. Implementing host intrusion detection and prevention systems (HIDS/HIPS) where applicable;
- H. Restricting access and/or use of ports and I/O devices; and
- I. Ensuring audit logging is implemented and logs are reviewed on a continuous basis.

6.17 ICS/SCADA/OT SECURITY

The Contractor shall implement controls and processes to ensure risks, including risks to human safety, are accounted for and managed in the use of Industrial Control Systems (ICS), Supervisory Control and Data Acquisition (SCADA) systems and Operational Technologies (OT). ICS/SCADA/OT Security requires the application of all of the enumerated control areas in this RFQ, including, at a minimum:

- A. Conducting risk assessments prior to implementation and throughout the lifecycles of ICS/SCADA/OT assets;
- B. Developing policies and standards specific to ICS/SCADA/OT assets;
- C. Ensuring the secure configuration of ICS/SCADA/OT assets;
- D. Segmenting ICS/SCADA/OT networks from the rest of the Contractor's networks;
- E. Ensuring least privilege and strong authentication controls are implemented
- F. Implementing redundant designs or failover capabilities to prevent business disruption or physical damage; and
- G. Conducting regular maintenance on ICS/SCADA/OT systems.

6.18 INTERNET OF THINGS SECURITY

The Contractor shall implement controls and processes to ensure risks are accounted for and managed in the use of Internet of Things (IoT) devices including, but not limited to, physical devices, vehicles, appliances and other items embedded with electronics, software, sensors, actuators, and network connectivity which enables these devices to connect and exchange data. IoT. IoT security shall include, at a minimum, the following:

- A. Developing policies and standards specific to IoT assets;
- B. Ensuring the secure configuration of IoT assets;
- C. Conducting risk assessments prior to implementation and throughout the lifecycles of IoT assets;
- D. Segmenting IoT networks from the rest of the Contractor's networks; and
- E. Ensuring least privilege and strong authentication controls are implemented.

6.19 VULNERABILITY AND PATCH MANAGEMENT

The Contractor shall implement proactive vulnerability identification, remediation, and patch management practices to minimize the risk of a loss of confidentiality, integrity, and availability of information system, networks, components, and applications. Vulnerability and patch management practices shall include, at a minimum, the following:

- A. Prioritizing vulnerability scanning and remediation activities based on the criticality and security categorization of systems and information, and the risks associated with a loss of confidentiality, integrity, availability, and/or privacy;
- B. Maintaining software and operating systems at the latest vendor-supported patch levels;
- C. Conducting penetration testing and red team exercises; and
- D. Employing qualified third-parties to periodically conduct Independent vulnerability scanning, penetration testing, and red-team exercises.

6.20 MOBILE DEVICE SECURITY

The Contractor shall establish administrative, technical, and physical security controls required to effectively manage the risks introduced by mobile devices used for organizational business purposes. Mobile device security shall include, at a minimum, the following:

- A. Establishing requirements for authorization to use mobile devices for organizational business purposes;
- B. Establishing Bring Your Own Device (BYOD) processes and restrictions;
- C. Establishing physical and logical access controls;
- D. Implementing network access restrictions for mobile devices;
- E. Implementing mobile device management solutions to provide centralized management of mobile devices and to ensure technical security controls (e.g. encryption, authentication, remote-wipe, etc.) are implemented and updated as necessary;
- F. Establishing approved application stores from which applications can be acquired;
- G. Establishing lists approved applications that can be used; and
- H. Training of mobile device users regarding security and safety.

6.21 NETWORK SECURITY

The Contractor shall implement defense-in-depth and least privilege strategies for securing the information technology networks that it operates. To ensure information technology resources are available to authorized network clients and protected from unauthorized access, the Contractor shall:

- A. Include protection mechanisms for network communications and infrastructure (e.g. layered defenses, denial of service protection, encryption for data in transit, etc.);

- B. Include protection mechanisms for network boundaries (e.g. limit network access points, implement firewalls, use Internet proxies, restrict split tunneling, etc.);
- C. Control the flow of information (e.g. deny traffic by default/allow by exception, implement Access Control Lists, etc.); and
- D. Control access to the Contractor's information systems (e.g. network segmentation, network intrusion detection and prevention systems, wireless restrictions, etc.).

6.22 CLOUD SECURITY

The Contractor shall establish security requirements that govern the use of private, public, and hybrid cloud environments to ensure risks associated with a potential loss of confidentiality, integrity, availability, and privacy are managed. This shall ensure, at a minimum, the following:

- A. Security is accounted for in the acquisition and development of cloud services;
- B. The design, configuration, and implementation of cloud-based applications, infrastructure and system-system interfaces are conducted in accordance with mutually agreed-upon service, security, and capacity-level expectations;
- C. Security roles and responsibilities for the Contractor and the cloud provider are delineated and documented; and
- D. Controls necessary to protect sensitive data in public cloud environments are implemented.

6.23 CHANGE MANAGEMENT

The Contractor shall establish controls required to ensure change is managed effectively. Changes are appropriately tested, validated, and documented before implementing any change on a production network. Change management provides the Contractor with the ability to handle changes in a controlled, predictable, and repeatable manner, and to identify, assess, and minimize the risks to operations and security. Change management controls shall include, at a minimum, the following:

- A. Notifying all stakeholder of changes;
- B. Conducting a security impact analysis and testing for changes prior to rollout; and
- C. Verifying security functionality after the changes have been made.

6.24 MAINTENANCE

The Contractor shall implement processes and controls to ensure that information assets are properly maintained, thereby minimizing the risks from emerging information security threats and/or the potential loss of confidentiality, integrity, or availability due to system failures. Maintenance security shall include, at a minimum, the following:

- A. Conducting scheduled and timely maintenance;
- B. Ensuring individuals conducting maintenance operations are qualified and trustworthy; and
- C. Vetting, escorting and monitoring third-parties conducting maintenance operations on information technology assets.

6.25 THREAT MANAGEMENT

The Contractor shall establish effective communication protocols and processes to collect and disseminate actionable threat intelligence, thereby providing component units and individuals with the information necessary to effectively manage risk associated with new and emerging threats to the organization's information technology assets and operations. Threat management includes, at a minimum:

- A. Developing, implementing, and governing processes and documentation to facilitate the implementation of a threat awareness policy, as well as associated standards, controls and procedures.
- B. Subscribing to and receiving relevant threat intelligence information from the US CERT, the organization's vendors, and other sources as appropriate.

6.26 CONTINUOUS MONITORING

The Contractor shall implement continuous monitoring practices to establish and maintain situational awareness regarding potential threats to the confidentiality, integrity, availability, privacy and safety of information and information systems through timely collection and review of security-related event logs. Continuous monitoring practices shall include, at a minimum, the following:

- A. Centralizing the collection and monitoring of event logs;
- B. Ensuring the content of audit records includes all relevant security event information;
- C. Protecting of audit records from tampering; and
- D. Detecting, investigating, and responding to incidents discovered through monitoring.

6.27 SYSTEM DEVELOPMENT AND ACQUISITION

The Contractor shall establish security requirements necessary to ensure that systems and application software programs developed by the Contractor or third-parties (e.g. vendors, contractors, etc.) perform as intended to maintain information confidentiality, integrity, and availability, and the privacy and safety of individuals. System development and acquisition security practices shall include, at a minimum, the following:

- A. Secure coding;
- B. Separation of development, testing, and operational environments;
- C. Information input restrictions;
- D. Input data validation;
- E. Error handling;
- F. Security testing throughout development;
- G. Restrictions for access to program source code; and
- H. Security training of software developers and system implementers.

6.28 PROJECT AND RESOURCE MANAGEMENT

The Contractor shall ensure that controls necessary to appropriately manage risks are accounted for and implemented throughout the System Development Life Cycle (SDLC). Project and resource management security practices shall include, at a minimum:

- A. Defining and implementing security requirements;
- B. Allocating resources required to protect systems and information; and
- C. Ensuring security requirements are accounted for throughout the SDLC.

6.29 CAPACITY AND PERFORMANCE MANAGEMENT

The Contractor shall implement processes and controls necessary to protect against avoidable impacts to operations by proactively managing the capacity and performance of its critical technologies and supporting infrastructure. Capacity and performance management practices shall include, at a minimum, the following:

- A. Ensuring the availability, quality, and adequate capacity of compute, storage, memory and network resources are planned, prepared, and measured to deliver the required system performance and future capacity requirements; and
- B. Implementing resource priority controls to prevent or limit Denial of Service (DoS) effectiveness.

6.30 THIRD PARTY MANAGEMENT

The Contractor shall implement processes and controls to ensure that risks associated with third-parties (e.g. vendors, contractors, business partners, etc.) providing information technology equipment, software, and/or services are minimized or avoided. Third party management processes and controls shall include, at a minimum:

- A. Tailored acquisition strategies, contracting tools, and procurement methods for the purchase of systems, system components, or system service from suppliers;
- B. Due diligence security reviews of suppliers and third parties with access to the Contractor's systems and sensitive information;
- C. Third party interconnection security; and
- D. Independent testing and security assessments of supplier technologies and supplier organizations.

6.31 PHYSICAL AND ENVIRONMENTAL SECURITY

The Contractor shall establish physical and environmental protection procedures that limit access to systems, equipment, and the respective operating environments, to only authorized individuals. The Contractor ensures appropriate environmental controls in facilities containing information systems and assets, to ensure sufficient environmental conditions exist to avoid preventable hardware failures and service interruptions. Physical and environmental controls shall include, at a minimum, the following:

- A. Physical access controls (e.g. locks, security gates and guards, etc.);
- B. Visitor controls;
- C. Security monitoring and auditing of physical access;
- D. Emergency shutoff;
- E. Emergency power;
- F. Emergency lighting;
- G. Fire protection;
- H. Temperature and humidity controls;
- I. Water damage protection; and
- J. Delivery and removal of information assets controls.

6.32 CONTINGENCY PLANNING

The Contractor shall develop, implement, test, and maintain a contingency plan to ensure continuity of operations for all information systems that deliver or support essential or critical business functions on behalf of the Contractor. The plan shall address the following:

- A. Backup and recovery strategies;
- B. Continuity of operations;
- C. Disaster recovery; and
- D. Crisis management.

6.33 INCIDENT RESPONSE

The Contractor shall maintain an information security incident response capability that includes adequate preparation, detection, analysis, containment, recovery, and reporting activities. Information security incident response activities shall include, at a minimum, the following:

- A. Information security incident reporting awareness;
- B. Incident response planning and handling;
- C. Establishment of an incident response team;
- D. Cybersecurity insurance;
- E. Contracts with external incident response services specialists; and
- F. Contacts with law enforcement cybersecurity units.

7 MODIFICATIONS TO THE STATE OF NEW JERSEY STANDARD TERMS AND CONDITIONS AND/OR MODIFICATIONS TO THE WAIVERED CONTRACTS SUPPLEMENT TO THE STATE OF NEW JERSEY STANDARD TERMS AND CONDITIONS

7.1 INDEMNIFICATION

Section 4.1 of the SSTC is deleted in its entirety and replaced with the following:

4.1 INDEMNIFICATION

The Contractor's liability to the State and its employees in third party suits shall be as follows:

- A. The Contractor shall assume all risk of and responsibility for, and agrees to indemnify, defend, and save harmless the State and its officers, agents, servants and employees, from and against any and all third party claims, demands, suits, actions, recoveries, judgments and costs and expenses in connection therewith:
 1. For or on account of the loss of life, property or injury or damage to the person, body or property of any person or persons whatsoever, which shall arise from or result directly or indirectly from the work and/or products supplied under this Contract or the order; and
 2. For or on account of the use of any patent, copyright, trademark, trade secret or other proprietary right of any copyrighted or uncopied composition, secret process, patented or unpatented invention, article or appliance ("Intellectual Property Rights") furnished or used in the performance of this Contract; and
 3. The Contractor's indemnification and liability under subsection (A) is not limited by, but is in addition to the insurance obligations.
- B. In the event of a claim or suit involving third-party Intellectual Property Rights, the Contractor, at its option, may:
 1. procure for the State the legal right to continue the use of the product;
 2. replace or modify the product to provide a non-infringing product that is the functional equivalent; or
 3. in the event that the Contractor cannot do (1) or (2) refund the purchase price less a reasonable allowance for use that is agreed to by both parties.
- C. The State will:
 1. promptly notify Contractor in writing of the claim or suit;
 2. give Contractor shall have control of the defense and settlement of any claim that is subject to Section 4.1(a); provided; however, that the State must approve any settlement of the alleged claim, which approval shall not be unreasonably withheld. The State may observe the proceedings relating to the alleged claim and confer with the Contractor at its expense.
- D. Notwithstanding the foregoing, Contractor has no obligation or liability for any claim or suit concerning third-party Intellectual Property Rights arising from:
 1. the State's unauthorized combination, operation, or use of a product supplied under this Contract with any product, device, or Software not supplied by Contractor;
 2. the State's unauthorized alteration or modification of any product supplied under this Contract;
 3. the Contractor's compliance with the State's designs, specifications, requests, or instructions, provided that if the State provides Contractor with such designs, specifications, requests, or instructions, Contractor reviews same and advises that such designs, specifications, requests or instructions present potential issues of patent or copyright infringement and the State nonetheless directs the Contractor to proceed with one (1) or more designs, specifications, requests or instructions that present potential issues of patent or copyright infringement; or
 4. the State's failure to promptly implement a required update or modification to the product provided by Contractor.
- E. Contractor will be relieved of its responsibilities under Subsection 4.1(a)(i) and (ii) for any claims made by an unaffiliated third party that arise solely from the actions or omissions of the State, its officers, employees or agents.
- F. Subject to the New Jersey Tort Claims Act (N.J.S.A. 59:1-1 et seq.), the New Jersey Contractual Liability Act (N.J.S.A. 59:13-1 et seq.) and the appropriation and availability of funds, the State will be responsible for any cost or damage arising out of actions or inactions of the State, its employees or agents under Subsection 4.1(a)(i) and (ii) which results in an unaffiliated third party claim. This is Contractor's exclusive remedy for these claims;
- G. This section states the entire obligation of Contractor and its suppliers, and the exclusive remedy of the State, in respect of any infringement or alleged infringement of any Intellectual Property Rights. This indemnity obligation and remedy are given to the State solely for its benefit and in lieu of, and Contractor disclaims, all warranties, conditions and other terms of non-infringement or title with respect to any product; and
- H. Furthermore, neither Contractor nor any attorney engaged by Contractor shall defend the claim in the name of the State of New Jersey or any Authorized Purchaser, nor purport to act as legal representative of the State of New Jersey or any Authorized Purchaser, without having provided notice to the Director of the Division of Law in the Department of Law and Public Safety and to the Director of the Division of Purchase and Property. The State of New Jersey may, at its election and expense, assume its own defense and settlement; and

- I. The State of New Jersey will not indemnify, defend, pay or reimburse for claims or take similar actions on behalf of the Contractor.

7.2 INSURANCE

7.2.1 CYBER BREACH INSURANCE

Section 4.2 of the SSTC supplemented with the following:

Cyber Breach Insurance: The Contractor shall carry Cyber Breach Insurance in sufficient to protect the Contractor from any liability arising out of its performance pursuant to the requirements of this Contract. The insurance shall be in an amount of not less than \$2,000,000 per each occurrence and in such policy forms as shall be approved by the State. The insurance shall at a minimum cover the following: Data loss, malware, ransomware and similar breaches to computers, servers and software; Protection against third-party claims; cost of notifying affected parties; cost of providing credit monitoring to affected parties; forensics; cost of public relations consultants; regulatory compliance costs; costs to pursue indemnity rights; costs to Data Breach and Credit Monitoring Services analyze the insured's legal response obligations; costs of defending lawsuits; judgments and settlements; regulatory response costs; costs of responding to regulatory investigations; and costs of settling regulatory claims.

8 QUOTE EVALUATION AND AWARD

8.1 RIGHT TO WAIVE

Pursuant to N.J.A.C. 17:12-2.7(d) the State may waive minor irregularities or omissions in a Quote. The State reserves the right to waive a requirement provided that the requirement does not materially affect the procurement or the State's interests associated with the procurement.

8.2 RECIPROCITY FOR JURISDICTIONAL BIDDER PREFERENCE

In accordance with N.J.S.A. 52:32-1.4, the State of New Jersey will invoke reciprocal action against an out-of-State Bidder whose state or locality maintains a preference practice for its in-state Bidders. The State of New Jersey will use the annual surveys compiled by the Council of State Governments, National Association of State Procurement Officials, or the National Institute of Governmental Purchasing or a State's statutes and regulations to identify States having preference laws, regulations, or practices and to invoke reciprocal actions. The State of New Jersey may obtain additional information as it deems appropriate to supplement the stated survey information.

A Bidder may submit information related to preference practices enacted for a State or Local entity outside the State of New Jersey. This information may be submitted in writing as part of the Quote response, including name of the locality having the preference practice, as well as identification of the county and state, and should include a copy of the appropriate documentation, i.e., resolution, regulation, law, notice to Bidder, etc. It is the responsibility of the Bidder to provide documentation with the Quote or submit it to the Using Agency within five (5) business days after the deadline for Quote submission. Written evidence for a specific procurement that is not provided to the Using Agency within five (5) business days of the public Quote submission date may not be considered in the evaluation of that procurement, but may be retained and considered in the evaluation of subsequent procurements.

8.3 CLARIFICATION OF QUOTE

After the Quote Opening Date, unless requested by the State as noted below, Bidder contact with the Using Agency regarding this RFQ and the submitted Quote is not permitted. After the Quotes are reviewed, one (1), some or all of the Bidders may be asked to clarify inconsistent statement contained within the submitted Quote.

8.4 TIE QUOTES

Tie Quotes will be awarded by the Director in accordance with N.J.A.C. 17:12-2.10.

8.5 STATE'S RIGHT TO INSPECT BIDDER'S FACILITIES

The State reserves the right to inspect the Bidder's establishment before making an award, for the purposes of ascertaining whether the Bidder has the necessary facilities for performing the Contract.

8.6 STATE'S RIGHT TO CHECK REFERENCES

The State may also consult with clients of the Bidder during the evaluation of Quotes. Such consultation is intended to assist the State in making a Contract award that is most advantageous to the State.

8.7 QUOTE EVALUATION COMMITTEE

Quotes may be evaluated by an Evaluation Committee composed of members of the Using Agency and/or other representative(s) as deemed appropriate by the Using Agency. Representatives from other governmental agencies may also serve on the Evaluation Committee. On occasion, the Evaluation Committee may choose to make use of the expertise of outside consultant(s) in an advisory role.

8.8 EVALUATION CRITERIA

The following evaluation criteria categories, not necessarily listed in order of significance, will be used to evaluate Quotes received in response to this RFQ. The evaluation criteria categories may be used to develop more detailed evaluation criteria to be used in the evaluation process.

8.8.1 TECHNICAL EVALUATION CRITERIA

The following criteria will be used to evaluate and score Quotes received in response to this RFQ. Each criterion will be scored, and each score multiplied by a predetermined weight to develop the Technical Evaluation Score:

- A. Personnel: The qualifications and experience of the Bidder's management, supervisory, and key personnel assigned to the Contract, including the candidates recommended for each of the positions/roles required;
- B. Experience of firm: The Bidder's documented experience in successfully completing Contract of a similar size and scope in relation to the work required by this RFQ; and

- C. Ability of firm to complete the Scope of Work based on its Technical Quote: The Bidder's demonstration in the Quote that the Bidder understands the requirements of the Scope of Work and presents an approach that would permit successful performance of the technical requirements of the Contract.

8.8.2 PRICE EVALUATION

The Using Agency will utilize a weighted consumption/market basket model to evaluate pricing. The pricing model will be date-stamped and entered into the record before Quote opening.

8.9 QUOTE DISCREPANCIES

In evaluating Quotes, discrepancies between words and figures will be resolved in favor of words. Discrepancies between Unit Prices and totals of Unit Prices will be resolved in favor of Unit Prices. Discrepancies in the multiplication of units of work and Unit Prices will be resolved in favor of the Unit Prices. Discrepancies between the indicated total of multiplied Unit Prices and units of work and the actual total will be resolved in favor of the actual total. Discrepancies between the indicated sum of any column of figures and the correct sum thereof will be resolved in favor of the correct sum of the column of figures.

8.10 NEGOTIATION

In accordance with N.J.S.A. 52:34-12(f) and N.J.A.C. 17:12-2-7, after evaluating Quotes, the Using Agency may establish a competitive range and enter into negotiations with one (1) Bidder or multiple Bidders within this competitive range. The primary purpose of negotiations is to maximize the State's ability to obtain the best value based on the mandatory requirements, evaluation criteria, and cost. Multiple rounds of negotiations may be conducted with one (1) Bidder or multiple Bidders. Negotiations will be structured by the Using Agency to safeguard information and ensure that all Bidders are treated fairly.

Negotiations will be conducted only in those circumstances where it is deemed by the Using Agency to be in the State's best interests and to maximize the State's ability to get the best value. Therefore, the Bidder is advised to submit its best technical and price Quote in response to this Bid Solicitation/RFQ since the State may, after evaluation, make a Contract award based on the content of the initial submission.

If the Using Agency contemplates negotiation, Quote prices will not be publicly read at the Quote opening. Only the name and address of each Bidder will be publicly announced at the Quote opening.

8.11 BEST AND FINAL OFFER (BAFO)

The Using Agency may invite one (1) Bidder or multiple Bidders to submit a Best and Final Offer (BAFO). Said invitation will establish the time and place for submission of the BAFO. Any BAFO that does not result in more advantageous pricing to the State will not be considered, and the State will evaluate the Bidder's most advantageous previously submitted pricing. The Using Agency may conduct more than one (1) round of BAFO in order to attain the best value for the State.

BAFOs will be conducted only in those circumstances where it is deemed to be in the State's best interests and to maximize the State's ability to get the best value. Therefore, the Bidder is advised to submit its best technical and price Quote in response to this RFQ since the State may, after evaluation, make a Contract award based on the content of the initial submission.

If the Using Agency contemplates BAFOs, Quote prices will not be publicly read at the Quote opening. Only the name and address of each Bidder will be publicly announced at the Quote opening.

8.12 POOR PERFORMANCE

A Bidder with a history of performance problems may be bypassed for consideration of an award issued as a result of this RFQ. The following materials may be reviewed to determine Bidder performance:

- A. Contract cancellations for cause pursuant to *State of New Jersey Standard Terms and Conditions Section 5.7(B)*;
- B. information contained in Vendor performance records;
- C. information obtained from audits or investigations conducted by a local, state or federal agency of the Bidder's work experience;
- D. current licensure, registration, and/or certification status and relevant history thereof; or
- E. Bidder's status or rating with established business/financial reporting services, as applicable.

Bidders should note that this list is not exhaustive.

8.13 CONTRACT AWARD

Contract award will be made with reasonable promptness by written notice to that responsible Bidder, whose Quote, conforming to this RFQ, is most advantageous to the State, price, and other factors considered.

9 **GLOSSARY**

9.1 **CROSSWALK**

NJSTART Term	Equivalent Statutory, Regulatory and/or Legacy Term
Bid/Bid Solicitation	Request For Proposal (RFP)/Solicitation
Bid Amendment	Addendum
Change Order	Contract Amendment
Master Blanket Purchase Order (Blanket/Blanket P.O.)	Contract
Offer and Acceptance Page	Signatory Page
Quote	Proposal
Vendor	Bidder/Contractor

9.2 **DEFINITIONS**

Unless otherwise specified in this RFQ, the following definitions will be part of any Contract awarded, or order placed, as a result of this RFQ. Note that not all definitions included here apply to all RFQs.

Acceptance – The written confirmation by the Using Agency that Contractor has completed a Deliverable according to the specified requirements.

All-Inclusive Hourly Rate – An hourly rate comprised of all direct and indirect costs including, but not limited to: labor costs, overhead, fee or profit, clerical support, travel expenses, per diem, safety equipment, materials, supplies, managerial support and all documents, forms, and reproductions thereof. This rate also includes portal-to-portal expenses as well as per diem expenses such as food.

Apparel - means any clothing, headwear, linens or fabric.

Apparel Contracts - include all purchases, rentals or other acquisition of apparel products by the State of New Jersey, including authorizations by the State of New Jersey for vendors to sell apparel products through cash allowances or vouchers issued by the State of New Jersey, and license agreements with a public body.

Apparel Production - includes the cutting and manufacturing of apparel products performed by the vendor or by any subcontractors, but not including the production of supplies or sundries such as buttons, zippers, and thread.

Approved Products – Those products that have been identified in RFQ as meeting Using Agency needs and confirmed as meeting product specifications.

Best and Final Offer or BAFO – Pricing timely submitted by a Bidder upon invitation by the Procurement Bureau after Quote opening, with or without prior discussion or negotiation.

Bid Solicitation or RFQ – The documents which establish the bidding and Contract requirements and solicits Quotes to meet the needs of the Using Agencies as identified herein, and includes the RFQ, State of New Jersey Standard Terms and Conditions (SSTC), State Price Sheet, Attachments, and Bid Amendments.

Bid Amendment – Written clarification or revision to this RFQ issued by the Division. Bid Amendments, if any, will be issued prior to Quote opening.

Bid Opening Date – The date Quotes will be opened for evaluation and closed to further Quote submissions.

Bid Security - means a guarantee, in a form acceptable to the Division, that the bidder, if selected, will accept the contract as bid; otherwise, the bidder or, as applicable, its guarantor will be liable for the amount of the loss suffered by the State, which loss may be partially or completely recovered by the State in exercising its rights against the instrument of bid security.

Bidder – An entity offering a Quote in response to the RFQ.

Breach of Security – as defined by N.J.S.A. 56:8-161, means unauthorized access to electronic files, media, or data containing Personal Data that compromises the security, confidentiality, or integrity of Personal Data when access to the Personal Data has not been secured by encryption or by any other method or technology that renders the Personal Data unreadable or unusable. Good faith acquisition of Personal Data by an employee or agent of the Provider for a legitimate business purpose is not a Breach of Security, provided that the Personal Data is not used for a purposes unrelated to the business or subject to further unauthorized disclosure.

Business Day – Any weekday, excluding Saturdays, Sundays, State legal holidays, and State-mandated closings unless otherwise indicated.

Calendar Day – Any day, including Saturdays, Sundays, State legal holidays, and State-mandated closings unless otherwise indicated.

Change Order – An amendment, alteration, or modification of the terms of a Contract between the State and the

Contractor(s). A Change Order is not effective until it is signed and approved in writing by the Director or Deputy Director, Division of Purchase and Property.

Commercial off the Shelf Software or COTS - Software provided by Provider that is commercially available and that can be used with little or no modification.

Customized Software - COTS that is adapted or configured by Provider to meet specific requirements of the Authorized Purchaser that differ from the standard requirements of the base product. For the avoidance of doubt, "Customized Software" is not permitted to be sold to the State under the scope of this Contract.

Contract – The Contract consists of the State of NJ Standard Terms and Conditions (SSTC), the RFQ, the responsive Quote submitted by a responsible Bidder as accepted by the State, the notice of award, any Best and Final Offer, any subsequent written document memorializing the agreement, any modifications to any of these documents approved by the State and any attachments, Bid Amendment or other supporting documents, or post-award documents including Change Orders agreed to by the State and the Contractor, in writing.

Contractor – The Bidder awarded a Contract resulting from this RFQ.

Cooperative Purchasing Program – The Division's intrastate program that provides procurement-related assistance to New Jersey local governmental entities and boards of education, State and county colleges and other public entities having statutory authority to utilize select State Contracts issued by the Division, pursuant to the provisions of N.J.S.A. 52:25-16.1 et seq.

Cooperative Purchasing Participants - These participants include quasi-State entities, counties, municipalities, school districts, volunteer fire departments, first aid squads, independent institutions of higher learning, County colleges, and State colleges

Days After Receipt of Order (ARO) – The number of calendar days 'After Receipt of Order' in which the Using Agency will receive the ordered materials and/or services.

Dealer/Distributor – A Company authorized by a Bidder or Contractor as having the contractual ability to accept and fulfill orders and receive payments directly on behalf of the Contractor that is awarded a Contract. Any authorized Dealer/Distributor must agree to all terms and conditions contained within the RFQ and must agree to provide all products and services in accordance with the Contract specifications, terms, conditions and pricing.

Deliverable – Goods, products, Services and Work Product that Contractor is required to deliver to the State under the Contract.

Director – Director, Division of Purchase and Property, Department of the Treasury, who by statutory authority is the Chief Contracting Officer for the State of New Jersey; or the Director's designee.

Disabled Veterans' Business - means a business which has its principal place of business in the State, is independently owned and operated and at least 51% of which is owned and controlled by persons who are disabled veterans or a business which has its principal place of business in this State and has been officially verified by the United States Department of Veterans Affairs as a service disabled veteran-owned business for the purposes of department contracts pursuant to federal law. N.J.S.A. 52:32-31.2.

Disabled Veterans' Business Set-Aside Contract - means a Contract for goods, equipment, construction or services which is designated as a Contract with respect to which bids are invited and accepted only from disabled veterans' businesses, or a portion of a Contract when that portion has been so designated. N.J.S.A. 52:32-31.2.

Discount – The standard price reduction applied by the Bidder to all items.

Division – The Division of Purchase and Property.

Equivalent Products – Products offered other than those identified as an Approved Product in this RFQ that meet the specifications herein. Equivalent Products will be evaluated to ensure that they meet all technical, nutritional, and packaging specifications herein as part of the Quote evaluation process.

Evaluation Committee – A group of individuals or a Using Agency staff member assigned to review and evaluate Quotes submitted in response to this RFQ and recommend a Contract award.

Firm Fixed Price – A price that is all-inclusive of direct cost and indirect costs, including, but not limited to, direct labor costs, overhead, fee or profit, clerical support, equipment, materials, supplies, managerial (administrative) support, all documents, reports, forms, travel, reproduction and any other costs.

Hardware – Includes computer equipment and any Software provided with the Hardware that is necessary for the Hardware to operate.

Internet of Things (IoT) - the network of physical devices, vehicles, home appliances and other items embedded with electronics, software, sensors, actuators, and network connectivity which enables these objects to connect and exchange data.

Intrastate cooperative purchasing participants - refers to political subdivisions, volunteer fire departments and first aid squads, and independent institutions of higher education and school districts pursuant to N.J.S.A. 52:25-16.1 et seq., State and county colleges pursuant to N.J.S.A. 18A:64-60 and 18A:64A-25.9, quasi-State agencies and independent authorities pursuant to N.J.S.A. 52:27B-56.1, and other New Jersey public entities having statutory authority to utilize select State contracts issued by the Division

Joint Venture – A business undertaking by two (2) or more entities to share risk and responsibility for a specific project.

Life cycle assessment – The comprehensive examination of a product’s environmental and economic aspects and potential impacts throughout its lifetime, including raw material extraction, transportation, manufacturing, use and disposal.

Life cycle cost – The amortized total cost of a product, including capital costs, installation costs, operating costs, maintenance costs, and disposal costs discounted over the lifetime of the product.

Master Blanket Purchase Order (Blanket/Blanket P.O.) – A Term Contract that allows repeated purchases from an awarded contract.

Materials in Solid Waste – Material found in the various components of the solid waste stream. General, solid waste has several components, such as municipal solid waste (MSW), construction and demolition debris (C&D), and nonhazardous industrial waste. Under RCRA Section 6002, EPA considers materials recovered from any component of the solid waste stream when designating items containing Recovered Materials.

May – Denotes that which is permissible or recommended, not mandatory.

Mobile Device - means any device used by Provider that can move or transmit data, including but not limited to laptops, hard drives, and flash drives.

Must – Denotes that which is a mandatory requirement.

Net Purchases - means the total gross purchases, less credits, taxes, regulatory fees and separately stated shipping charges not included in unit prices, made by Intrastate Cooperative Purchasing Participants, regardless of whether or not **NJSTART** is used as part of the purchase process.

No Bid – The Bidder is not submitting a price Quote for an item on a price line.

No Charge – The Bidder will supply an item on a price line free of charge.

Non-Public Data - means data, other than Personal Data, that is not subject to distribution to the public as public information. Non-Public Data is data that is identified by the State as non-public information or otherwise deemed to be sensitive and confidential by the State because it contains information that is exempt by statute, ordinance or administrative rule from access by the general public as public information.

Percentage Discount or Markup - The percentage bid applied as a Markup or a Discount to a firm, fixed price contained within a price list/catalog.

Performance Security - means a guarantee, executed subsequent to award, in a form acceptable to the Division, that the successful bidder will complete the contract as agreed and that the State will be protected from loss in the event the contractor fails to complete the contract as agreed.

Personal Data means –

“Personal Information” as defined in N.J.S.A. 56:8-161, means an individual’s first name or first initial and last name linked with any one or more of the following data elements: (1) Social Security number, (2) driver’s license number or State identification card number or (3) account number or credit or debit card number, in combination with any required security code, access code, or password that would permit access to an individual’s financial account. Dissociated data that, if linked would constitute Personal Information is Personal Information if the means to link the dissociated were accessed in connection with access to the dissociated data. Personal Information shall not include publicly available information that is lawfully made available to the general public from federal, state or local government records, or widely distributed media; and/or

Data, either alone or in combination with other data, that includes information relating to an individual that identifies the person or entity by name, identifying number, mark or description that can be readily associated with a particular individual and which is not a public record, including but not limited to, Personally Identifiable Information (PII); government-issued identification numbers (e.g., Social Security, driver’s license, passport); Protected Health Information (PHI) as that term is defined in the regulations adopted pursuant to the Health Insurance Portability and Accountability Act of 1996, P.L. No. 104-191 (1996) and found in 45 CFR Parts 160 to 164 and defined below; and Education Records, as that term is defined in the Family Educational Rights and Privacy Act (FERPA), 20 U.S.C. § 1232g.

Personally Identifiable Information or PII - as defined by the U.S. Department of Commerce, National Institute of Standards and Technology, means any information about an individual maintained by an agency, including (1) any information that can be used to distinguish or trace an individual’s identity, such as name, social security number, date and place of birth,

mother's maiden name, or biometric records; and (2) any other information that is linked or linkable to an individual, such as medical, educational, financial, and employment information.

Post-Consumer Material – Material or finished product that has served its intended use and has been diverted or recovered from waste destined for disposal, having completed its life as a consumer item. Post-Consumer Materials are part of the broader category of Recovered Materials.

Pre-Consumer Material – Materials generated in manufacturing and converting processes, such as manufacturing scrap and trimmings/cuttings.

Price List/Catalog – A document published by a manufacturer, resellers, Dealers, or Distributors that typically contains product descriptions, a list of products with fixed prices to which a Bidder's percentage discount or markup bid is applied.

Procurement Bureau (Bureau) – The Division unit responsible for the preparation, advertisement, and issuance of RFQs, for the tabulation of Quotes and for recommending award(s) of Contract(s) to the Director and the Deputy Director.

Project – The undertakings or services that are the subject of this RFQ.

Protected Health Information or PHI - has the same meaning as the term is defined in the regulations adopted pursuant to the Health Insurance Portability and Accountability Act of 1996, P.L. No. 104-191 (1996) and found in 45 CFR Parts 160 to 164 means Individually Identifiable Health Information (as defined below) transmitted by electronic media, maintained in electronic media, or transmitted or maintained in any other form or medium. PHI excludes education records covered by the Family Educational Rights and Privacy Act (FERPA), as amended, 20 U.S.C. 1232g, records described at 20 U.S.C. 1232g(a)(4)(B)(iv) and employment records held by a covered entity in its role as employer. The term "Individually Identifiable Health Information" has the same meaning as the term is defined in the regulations adopted pursuant to the Health Insurance Portability and Accountability Act of 1996, P.L. No. 104-191 (1996) and found in 45 CFR Parts 160 to 164 and means information that is a subset of Protected Health Information, including demographic information collected from an individual, and (1) is created or received by a health care provider, health plan, employer or health care clearinghouse; and (2) relates to the past, present or future physical or mental health or condition of an individual; the provision of health care to an individual; or the past, present or future payment for the provision of health care to an individual; and (a) that identifies the individual; or (b) with respect to which there is a reasonable basis to believe the information can be used to identify the individual.

Purchases - means the total gross purchases, less credits, taxes, regulatory fees and separately stated shipping charges

not included in unit prices, made regardless of whether or not NJSTART is used as part of the purchase process.

Quasi-State Agency - is any agency, commission, board, authority or other such governmental entity which is established and is allocated to a State department or any bi-state governmental entity of which the State of New Jersey is a member, as defined in N.J.S.A. 52:27B-56.1, provided that any sale to any such bi-state governmental entity is for use solely within the State of New Jersey.

Quick Reference Guides (QRGs) – Informational documents which provide Vendors with step-by-step instructions to navigate the NJSTART eProcurement System. QRGs are available on the [NJSTART Vendor Support Page](#).

Quote – Bidder's timely response to the RFQ including, but not limited to, technical Quote, price Quote including Best and Final Offer, any licenses, forms, certifications, clarifications, negotiated documents, and/or other documentation required by the RFQ.

Quote Opening Date - The date Quotes will be opened for evaluation and closed to further Quote submissions.

Recovered Material – Waste material and byproduct that have been recovered or diverted from solid waste, but does not include materials and byproducts generated from, and commonly reused within, an original manufacturing process.

Recycling – The series of activities, including collection, separation, and processing, by which products or other materials are recovered from the solid waste stream for use in the form of raw materials in the manufacture of new products other than fuel for producing heat or power by combustion.

Recyclability – The ability of a product or material to be recovered from, or otherwise diverted from, the solid waste stream for the purpose of recycling.

Request For Quotes (RFQ) – This series of documents, which establish the bidding and contract requirements and solicits Quotes to meet the needs of the Using Agencies as identified herein, and includes the RFQ, State of NJ Standard Terms and Conditions (SSTC), price schedule, attachments, and Bid Amendments.

Retainage – The amount withheld from the Contractor payment that is retained and subsequently released upon satisfactory completion of performance milestones by the Contractor.

Retailer Agreement – The EBT Contractor will be responsible for any contracts with WIC Authorized vendors for use of single function devices which may be leased by the vendors.

Revision – A response to a BAFO request or a requested clarification of the Bidder's Quote.

RMAN – Recovered Materials Advisory Notices provide purchasing guidance and recommendations for Recovered and Post-Consumer Material content levels for designated items.

Security Incident - means the potential access by non-authorized person(s) to Personal Data or Non-Public Data that the Provider believes could reasonably result in the use, disclosure, or access or theft of State’s unencrypted Personal Data or Non-Public Data within the possession or control of the Provider. A Security Incident may or may not turn into a Breach of Security.

Services – Includes, without limitation (i) Information Technology (IT) professional services, (ii) Software and Hardware-related services, including without limitation, installation, configuration, and training, and (iii) Software and Hardware maintenance and support and/or Software and Hardware technical support services.

Shall – Denotes that which is a mandatory requirement.

Should – Denotes that which is permissible or recommended, not mandatory.

Small Business – Pursuant to N.J.S.A. 52:32-19, N.J.A.C. 17:13-1.2, and N.J.A.C. 17:13-2.1, “small business” means a business that meets the requirements and definitions of “small business” and has applied for and been approved by the New Jersey Division of Revenue and Enterprise Services, Small Business Registration and M/WBE Certification Services Unit as (i) independently owned and operated, (ii) incorporated or registered in and has its principal place of business in the State of New Jersey; (iii) has 100 or fewer full-time employees; and has gross revenues falling in one (1) of the six (6) following categories:

For goods and services - (A) 0 to \$500,000 (Category I); (B) \$500,001 to \$5,000,000 (Category II); and (C) \$5,000,001 to \$12,000,000, or the applicable federal revenue standards established at 13 CFR 121.201, whichever is higher (Category III).

For construction services: (A) 0 to \$3,000,000 (Category IV); (B) gross revenues that do not exceed 50 percent of the applicable annual revenue standards established at 13 CFR 121.201 (Category V); and (C) gross revenues that do not exceed the applicable annual revenue standards established at CFR 121.201, (Category VI).

Small Business Set-Aside Contract – means (1) a Contract for goods, equipment, construction or services which is designated as a Contract with respect to which bids are invited and accepted only from small businesses, or (2) a portion of a Contract when that portion has been so designated.” N.J.S.A. 52:32-19.

Software - means, without limitation, computer programs, source codes, routines, or subroutines supplied by Provider, including operating software, programming aids, application programs, application programming interfaces and software

products, and includes COTS, unless the context indicates otherwise.

Software as a Service or SaaS - means the capability provided to a purchaser to use the Provider’s applications running on a cloud infrastructure. The applications are accessible from various client devices through a thin client interface such as a Web browser (e.g., Web-based email) or a program interface. The purchaser does not manage or control the underlying cloud infrastructure, including network, servers, operating systems, storage or even individual application capabilities, with the possible exception of limited user-specific application configuration settings.

State – The State of New Jersey.

State Confidential Information - shall consist of State Data and State Intellectual Property supplied by the State, any information or data gathered by the Contractor in fulfillment of the Contract and any analysis thereof (whether in fulfillment of the Contract or not);

State Contract Manager or SCM – The individual, responsible for the approval of all deliverables, i.e., tasks, sub-tasks or other work elements in the Scope of Work. The SCM cannot direct or approve a Change Order.

State Data - means all data and metadata created or in any way originating with the State, and all data that is the output of computer processing of or other electronic manipulation of any data that was created by or in any way originated with the State, whether such data or output is stored on the State’s hardware, the Provider’s hardware or exists in any system owned, maintained or otherwise controlled by the State or by the Provider. State Data includes Personal Data and Non-Public Data.

State Intellectual Property – Any intellectual property that is owned by the State. State Intellectual Property includes any derivative works and compilations of any State Intellectual Property.

State Price Sheet or State-Supplied Price Sheet – the bidding document created by the State and attached to this RFQ on which the Bidder submits its Quote pricing as is referenced and described in the RFQ.

Subtasks – Detailed activities that comprise the actual performance of a task.

Subcontractor – An entity having an arrangement with a Contractor, whereby the Contractor uses the products and/or services of that entity to fulfill some of its obligations under its State Contract, while retaining full responsibility for the performance of all Contractor’s obligations under the Contract, including payment to the Subcontractor. The Subcontractor has no legal relationship with the State, only with the Contractor.

Task – A discrete unit of work to be performed.

Third Party Intellectual Property – Any intellectual property owned by parties other than the State or Contractor and contained in or necessary for the use of the Deliverables. Third Party Intellectual Property includes COTS owned by Third Parties, and derivative works and compilations of any Third Party Intellectual Property.

Unit Cost or Unit Price – All-inclusive, firm fixed price charged by the Bidder for a single unit identified on a price line.

US CERT – United States Computer Emergency Readiness Team.

USEPA – United States Environmental Protection Agency

Using Agency[ies] – A State department or agency, a quasi-State governmental entity, or an Intrastate Cooperative Purchasing participant, authorized to purchase products and/or services under a Contract procured by the Division.

Vendor – Either the Bidder or the Contractor.

9.3 CONTRACT SPECIFIC DEFINITIONS

Active Directory (AD) - A Microsoft product that provides a central repository of system user IDs and passwords. NJWIC uses AD to enable single sign-on capability for authorized users of WoW, and SharePoint..

Adjustment - 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. 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 and the EBT host system.

Administrative Site – Local agencies will have one or more sites designated as administrative sites due to their central nature. These sites usually have the characteristics of permanency.

Alternate Representative - An alternate representative may be designated and/or act as the Authorized Representative for that family.

American National Standards Institute (ANSI) - ANSI promulgates industry standards, including EBT standards related to the APL, magnetic stripe financial cards, and point of sale terminals.

Authorized Product List (APL) - The APL is a data set that includes the UPC or PLU codes for food products that have been approved for purchase with WIC benefits. The EBT System maintains the APL so that food items scanned by retailer POS/ECR terminals can be validated for WIC purchase.

Vendor Intellectual Property – Any intellectual property that is owned by Contractor and contained in or necessary for the use of the Deliverables or which the Contractor makes available for the State to use as part of the work under the Contract Vendor Intellectual Property includes COTS or Customized Software owned by Contractor, Contractor's technical documentation, and derivative works and compilations of any Vendor Intellectual Property.

Work Product – Every invention, modification, discovery, design, development, customization, configuration, improvement, process, Software program, work of authorship, documentation, formula, datum, technique, know how, secret, or intellectual property right whatsoever or any interest therein (whether patentable or not patentable or registerable under copyright or similar statutes or subject to analogous protection) that is specifically made, conceived, discovered, or reduced to practice by Contractor or Contractor's subcontractors or a third party engaged by Contractor or its subcontractor pursuant to the Contract Notwithstanding anything to the contrary in the preceding sentence, Work Product does not include State Intellectual Property, Vendor Intellectual Property or Third Party Intellectual Property

Authorized Representative - An Authorized Representative is the individual who may apply for program benefits for themselves, their spouse or significant other, or on behalf of a minor.

Automated Clearing House (ACH) - The ACH system is used by the EBT system to facilitate financial settlement with WIC Authorized Retailers.

Business Continuity Plan (BCP) - A set of Contingency Plans for maintaining business operations in the event of disrupting events. While a Disaster Recovery Plan (DR) tends to focus on restoration of computer systems, a BCP focuses on restoration of business operations.

Capacity Plan - Capacity planning is a type of production planning that involves determining production capacity and workforce required for storage, computer hardware, software and connection infrastructure resources over time.

Category/Subcategory - The food category/subcategory system was set up by FNS as a way to identify types of foods and formulas authorized by WIC. The food category is a code that identifies the broad type of product, such as whole milk, cereal, or infant formula. The subcategory is a code that further identifies the type of product within a category. For example, tuna, salmon, and sardines are subcategories in the fish category. These are often referred to as Cat and SubCat of foods.

Central Administrative Site – Each Local Agency has designated one administrative site as a central administrative Site. This site houses the central administrative database

which encompasses all clients at the Local Agency regardless of service site.

Cloud Infrastructure Plan - The Cloud Infrastructure Plan defines IT's role and components needed for the operation and management of WIC MIS system utilizing cloud computing infrastructure, which includes hardware, software, storage, network, facilities, servers. The document also describes the strategy and process for hiring, training, policy, testing, governance, evaluation, upgrades, and repairs of the cloud infrastructure to achieve the goal of the optimal infrastructure.

Contractor Engagement Start (CES) – The start date of this Contract mutually agreed by the State and the Contractor.

Conversion Evaluation Report (CEP) - A Conversion Evaluation Report is a comprehensive document that assesses the process and outcomes of transitioning from one EBT (Electronic Benefits Transfer) data processing system provider to another. It typically includes an analysis of the effectiveness, efficiency, and accuracy of the conversion process, as well as any challenges encountered and their resolutions. The report aims to provide insights into the success of the conversion, identify areas for improvement, and ensure that the new system meets the intended objectives and requirements.

Corrective Action Plan (CAP) - A written plan to address failures to meet contractual obligations or service level agreements.

Cost Per Case-Month (CPCM) - Price quotations for the ongoing core EBT services shall be expressed in terms of a Cost Per Case-Month (CPCM). The core CPCM represents the fixed price to deliver core services to a single active case for one month. Offerors must be aware that submitted Pricing Schedules must contain their CPCM price for all core EBT services and costs as single case which has an available benefit during the billing month.

Customer Service Representatives (CSR) - CSRs provide live support to callers seeking assistance with the EBT system or services.

Cash Value Benefits (CVB) - WIC food benefits are quantity benefits valid only for specific food items designated by a USDA designated food category/subcategory. CVBs are dollar amount benefits valid only for purchasing fruits and vegetables. CVBs are included as a part of the WIC food package.

Cash Value Voucher (CVV) - Cash-Value Voucher is a fixed dollar amount check, voucher, electronic benefit (accessed via EBT card) or another document which is used by a WIC participant to obtain authorized fruits and vegetables.

Data Migration Plan - A data migration plan is a planning document that facilitates the data transfer from one platform to another. There is a wide range of complexities that go into the data migration process which is much more than simply copying and pasting data.

Design, Development, and Implementation (DDI) - The DDI phase of the project encompasses all activity through the Conversion of the EBT system, after which the project enters the Operations and Maintenance (O&M) phase.

Deliverable Expectations Document (DED) - For key deliverable documents, the DED outlines the contents and expectations for a quality deliverable.

Disaster Recovery (DR) - The DR infrastructure supports the EBT System in the event the primary infrastructure is subject to damage or disruption and includes replication and restoration of data and software to enable recovery of WIC MIS system operation. The DR plan establishes the design of the DR infrastructure, the procedures for managing a DR event, and the plan for DR testing. The DR plan is usually part of the Business Continuity Plan (BCP).

Electronic Benefits Account (EBA) - Within the EBT System, the EBA links the data elements to account for the WIC benefits issued and redeemed for the participants in a household. Multiple EBT cards may be linked to an EBA to accommodate redemption by the Authorized Representative, Alternate Authorized Representative, or Proxy cardholders.

Electronic Benefits Transfer (EBT) - With EBT, WIC program benefits are issued and redeemed via a benefits card transaction rather than via a paper food instrument.

Electronic Cash Register (ECR) - Also referred to as an integrated system, the ECR is a retail point-of-sale (POS) system that is capable of reading EBT cards, scanning food items, transmitting transaction data to the EBT system, and receiving transaction data from the EBT system. Retailers with an ECR system do not require a "Stand-beside" POS system be provided by the MIS System. The ECR system may connect to a third-party processor (TPP) system that connects to the EBT system.

Electronic Data Processing System - refers to the gathering of data using electronic devices, such as computers, servers or smart phones. It is another term for automatic information processing. It also involves analyzing data, summarizing and recording the output in a (human) usable form.

Electronic Funds Transfer (EFT) - EFT generically refers to all payment methods that do not require cash, paper checks, or the intervention of banking staff. EBT is a form of EFT.

Electronic Project Library - A project library is a location where you can upload, create, update, and collaborate on project related artifacts with team members. Each library displays a list of files and key information about the files, such as who was the last person to modify a file. The modifier "electronic" is used with "project library" to distinguish legacy paper based library from that done by computer. SharePoint is a popular software for the purpose of electronic project library.

End of Day (EOD) - EOD processes are scheduled, automated processing executed by the MIS and EBT systems. EOD processes can adjust system status (i.e., change a status when an expiration date has been reached), gather and process transactions (i.e., send the day's formula orders to the formula fulfillment center), or update balances as of the end of the processing period.

eWIC – EBT technology used for WIC Program benefits issuance, redemption and settlement process.

Farmers Market Nutrition Program (FMNP) - The FMNP was established by Congress in 1992, to provide fresh, unprepared, locally grown fruits and vegetables to WIC participants, and to expand the awareness, use of, and sales at farmers' markets.

Food and Nutrition Service (FNS) - FNS is the organization within the USDA that is responsible for administering the WIC program.

Functional Requirements Documents (FRd) for a Model WIC System - Information Systems (IS) in the Special Supplemental Nutrition Program for Women, Infants and Children (WIC Program) support a number of program operations and management functions, such as certifying applicants, monitoring food vendors, tracking participation and expenditures and managing appointments. The Functional Requirements Document (FRd) for a Model WIC System provides a comprehensive description of functions that can be automated to support the WIC Program. See <https://www.fns.usda.gov/sites/default/files/apd/FRd-v2.0-Final.pdf>

Implementation Phase - Implementation describes the point when a system is finally ready to be distributed as intended.

Individual Account Number - a seven-digit number that uniquely identifies the cardholder to the card that is issued.

Interactive Voice Response (IVR) - Phone technology that allows a computer to detect voice and touch tones through a normal phone call. The ARU system can respond with prerecorded or dynamically generated audio to further direct callers on how to proceed. ARU system 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.

International Standards Organization (ISO) - ISO promulgates industry standards, including EBT standards related to card physical characteristics, IIN, magnetic stripe encoding, POS terminals, and PIN controls.

Issuer Identification Number (IIN) - Per standard ISO/IEC 7812, the first eight (8 digits of a payment card number are the IIN that indicates the institution that issued the card. The ABA is the registration authority for this standard and is responsible for allocating IINs to card issuers.

Joint Application Design (JAD) - Meetings facilitated by the EBT Contractor to refine and detail the system requirements and design specifications. The JAD sessions will include representatives from NJWIC, the Contractor, the MIS System, and potentially representative of Local Agency staff and/or authorized retailers.

Local Agency – New Jersey WIC as the State Agency administers grants and oversight of local agencies that operate WIC clinics and deliver WIC services to participants. The State is contracted with 16 organizations that cover all 21 counties in the State of New Jersey. These agencies encompass a variety of health care related entities such as community, municipal and health organizations.

Maintenance & Enhancement (M&E) - Software maintenance is a part of Software Development Life Cycle. It is the process of modifying and updating software application after delivery to correct faults and to improve performance. Software enhancements means modifications or improvements made to the Software which improve performance, capabilities or capacity to keep up with customer needs.

Management Information System (MIS) - A complete e-WIC system involves the interface of a WIC MIS system and an EBT system.

Maximum Allowable Reimbursement Level (MARL) – NJWIC MIS system will calculate the MARL by vendor peer group and the EBT system will limit subcategory reimbursement for claimed prices to the MARL.

Medicaid Management Information System (MMIS) - The Medicaid Management Information System is an integrated group of procedures and computer processing operations (subsystems) developed at the general design level to meet principal objectives.

National Universal Product Code Database (NUPC) - The NUPC is operate by USDA-FNS and will provide a national database of WIC approved food items and UPC data. State agencies will be able to use the NUPC as a source for adding approved items to their APL, as well as being able to contribute to the NUPC those UPCs approved by the State agency.

Network Plan A Network Plan is a document to illustrate all technical details pertaining to the implementation process, topological design, network-synthesis, and network-realization, and is aimed at ensuring that a new telecommunications network or service meets the State's needs.

Not-to-Exceed (NTE) - The maximum price the State will reimburse a WIC authorized retailer for a particular food item. The methodology for determining the NTE may involve averaging shelf price survey or actual redemption data; it may be calculated at the Universal Product Code/Price Look-up Code or at the subcategory level; it may involve averaging prices by designated vendor peer groups; it may involve averaging prices over a specific time period; it may involve permitting a percentage over the calculated average. The EBT system will reimburse the WIC authorized retailer up to the NTE price for a processed food item.

Notice of Proposed Rulemaking (NPRM) - The proposed rule, or Notice of Proposed Rulemaking (NPRM), is the official document that announces and explains the agency's plan to address a problem or accomplish a goal. All proposed rules must be published in the Federal Register to notify the public and to give them an opportunity to submit comments. The proposed rule and the public comments received on it form the basis of the final rule.

"Online shopping" means the general use of an online, internet-based ordering system, platform, or site. It can encompass online ordering with or without internet-based transactions (i.e., the transaction can occur via the internet, in store, curbside, or at the point of delivery).

- "Online ordering" means the process a customer (including a WIC shopper) uses to select food items for purchase via an internet-based ordering system, platform, or site.
- "Transaction" means the process by which a WIC shopper exchanges their WIC benefits for supplemental foods.
- "Internet-based transaction" means a transaction where the WIC payment is completed through the payment section of the online ordering system, platform, or site. This terminology is being used in lieu of "online transaction" to avoid confusion with transactions that occur using online EBT technology.
- "Redemption" means the process in which a vendor submits records of electronic benefits for redemption and the State agency (or its financial agent) makes payment to the vendor.

Operating Rules (OR) – The Operating Rules (OR) and Technical Implementation Guide (TIG) are technical resources for states to apply in their EBT implementation projects for consistency in WIC EBT online purchase messages and file handling processes utilized by both smart card/offline and magstripe/online WIC EBT systems. These resources are used

by all State agencies, authorized WIC vendors and EBT industry stakeholders. See <https://www.fns.usda.gov/sites/default/files/wic/WIC-EBT-Operating-Rules-September-2014.pdf>

Personal Identification Number (PIN) - EBT cardholders establish a confidential PIN for their EBT card. When the EBT card is used at an authorized retailer, the cardholder enters the PIN into the retailer's POS terminal where it is encrypted and transmitted to the EBT System for validation before a transaction can be processed.

Conversion Phase - The Conversion represents a crucial transitional milestone following the completion of UAT, marking the progression from testing to production environments. This phase is also known as the Implementation Phase.

Conversion/Implementation Plan - A document aims to meticulously outline the steps required for a seamless migration from the current EBT processing system to the proposed new solution, incorporating key objectives such as minimal disruption to essential services and safeguarding the integrity and accuracy of data throughout the conversion process.

Point-of-Sale (POS) - POS refers to the retailer terminal device used at the retailer location to exchange data electronically with the EBT system.

Price Look-Up Codes (PLU) - PLUs are identification numbers affixed to produce in grocery stores and supermarkets to facilitate scanning by ECR and POS systems, similar to the use of UPC codes on manufactured food products. The WIC Program uses the International Federation of Produce Standards (IFPS) PLU codes for fresh fruit and vegetables redeemed via Category 19.

Primary Account Number (PAN) - The PAN is the 16-digit number embossed on the EBT card. The PAN identifies the card issuer and the cardholder number but does not identify the cardholder or cardholder account information.

Problem - A "Problem" is defined as any situation or issue reported via a help desk ticket that is related to the system operation that is not an enhancement request.

Project Schedule - A project schedule indicates what needs to be done, which resources must be utilized, and when the project is due. It's a timetable that outlines start and end dates and milestones that must be met for the project to be completed on time.

Project Work Plan - A Project Plan, sometimes called a Work Plan, is a blueprint of the goals, objectives, and tasks your team needs to accomplish for a specific project. The project work plan should include information about project schedule,

scope, due dates, and deliverables for all phases of the project lifecycle.

Proxy - The Authorized Representative may designate another adult to enroll any family members in WIC. An additional authorized representative may be designated and/or changed at any time by the primary Authorized Representative for that family.

Quality Assurance (QA) - Quality Assurance is a continuous management process verifying and monitoring the project progress that must take place throughout all phases of the project lifecycle.

Quality Management Plan (QMP) - A Quality Management Plan (QMP) documents the process for ensuring quality measure are implemented on a project by defining quality methodology, standards, criteria, activities, expectations, tools and resources, reporting and corrective actions.

Resource-Loaded – Contractor needs to add resources to the project as required per project phases.

Retailer Service Center (RSC) - A customer support center offered to WIC authorized retailers by a combination of Automated Response Units (ARUs), live customer service representatives (CSRs), and internet web portals or applications.

Requirements Traceability Matrix (RTM) - A RTM represents the inventory of system requirements and traces the requirement to other documentation, such as the business requirements document that further details the requirement, the test scripts that demonstrate the requirement, and the build or release number that first includes the required functionality.

Satellite Site - Satellite Sites are created by exporting participant data from Administrative Sites to laptops, servicing clients with laptops at remote locations, and then synchronizing the data back to the associated Administrative Site.

Service Site - Any site that services participant clients is considered a Service Site.

Special Supplemental Nutrition Program for Women, Infants and Children (WIC) – The Special Supplemental Nutrition Program for Women, Infants, and Children - better known as the WIC program - serves to safeguard the health of low-income pregnant, postpartum, and breastfeeding women, infants, and children up to age 5 who are at nutritional risk by providing nutritious foods to supplement diets, information on healthy eating including breastfeeding promotion and support, and referrals to health care.

Staffing Plan - A staffing plan is a strategic planning process by which an organization assesses and identifies the personnel needs of a specific project. A staffing plan helps understand the number and types of employees the project needs to accomplish its goals.

Stand-Beside - Also called Single Function device. A stand beside point of sale (POS) terminal will support eWIC transactions only.

State of New Jersey WIC Services (NJWIC) - The organization within the New Jersey Department of Health, Division of Family Health Services that is the State Agency responsible for administering the Special Supplemental Nutrition Program for Women, Infants and Children (WIC) in New Jersey.

Steering Committee Meeting – A scheduled gathering of key stakeholders and decision-makers who oversee and guide a project's direction, progress, and major decisions. This committee typically includes representatives from various relevant departments or organizations and is responsible for providing strategic direction, resolving issues, and ensuring alignment with project objectives and organizational goals.

Subject Matter Expert (SME) - NJWIC will designate SMEs to provide input in JAD sessions, review Contractor deliverables related to their area of expertise, and participate in user acceptance testing.

Supplemental Nutrition Assistance Program (SNAP) - Formerly known as the Food Stamps Program, SNAP is a USDA food benefit assistance program that also uses EBT.

Support Resources - Support Resources involves the effort and activity providing project administration, management and technical support to meet the project objectives as required throughout the project life cycle.

System Development Life Cycle (SDLC) - The multistep process that starts with the initiation, analysis, design, and implementation, and continues through the maintenance and disposal of the system, is called the System Development Life Cycle (SDLC). The typical phases are Requirements Definition, Design, Build, System Test, User Acceptance Test, Conversion, Conversion, and Operations & Maintenance.

Technical Implementation Guide (TIG) - The Operating Rules (OR) and Technical Implementation Guide (TIG) are technical resources for states to apply in their EBT implementation projects for consistency in WIC EBT online purchase messages and file handling processes utilized by both smart card/offline and magstripe/online WIC EBT systems. These resources are used by all State agencies, authorized WIC vendors and EBT industry stakeholders. See <https://www.fns.usda.gov/sites/default/files/wic/WICEBTTechnicalImplementationGuide2018.pdf>

Telecommunications Device for the Deaf (TDD) - TDD technology can be employed to enable deaf or hard of hearing individuals to communicate with a customer service representative at a telephone call center.

Third Party Payment Processor (TPP) - Some retailers use the services of a TPP to process authorization and settlement of all forms of payment. The EBT Contractor will maintain agreements with TPPs serving New Jersey authorized WIC Authorized Retailer to integrate the TPP's system with the EBT system. These retailers will process WIC EBT transactions through their TPP.

Track 2 - There are up to three tracks on magnetic cards known as tracks 1, 2, and 3. Track 3 is virtually unused by the major worldwide networks, and often isn't even physically present on the card by virtue of a narrower magnetic stripe. Point-of-sale (POS) card readers almost always read track 1, or track 2, and sometimes both, in case one track is unreadable. The minimum cardholder account information needed to complete a transaction is present on both tracks. Track 1 has a higher bit density (210 bits per inch vs. 75), is the only track that may contain alphabetic text, and hence is the only track that contains the cardholder's name.

Uniform Resource Locator (URL) - URL is the formal term for a website address.

United States Department of Agriculture (USDA) - The federal department responsible for administering the WIC program nationally.

Universal Product Code (UPC) – A type of code printed on retail product packaging to aid in identifying a particular item.

User Acceptance Testing (UAT) - UAT is the final phase of testing after the Contractor have completed the System Test phase and before the system enters the initial deployment. UAT is conducted by representative users of the system.

Vendor Peer Group – A group of WIC vendors who have common characteristics including, but not limited to, type of business, type of ownership, total sales volume, pricing of approved foods.

WIC-on-the-Web (WoW) – New Jersey WIC Management Information System (MIS) currently in use.

WIC Shopper – This is a third-party app that allows WIC participants to check their balance and verify if foods are WIC approved or not. The app can also be used for notifications. Additional functionality is being added regularly.

Women, Infants and Children (WIC) Director - Authorized representative for the Using Agency.

Women, Infants and Children (WIC) Universal Management Information System (MIS)-Electronic Benefits Transfer (EBT) Interface (WUMEI) - This document standardizes the functional requirements for the Universal Interface between the WIC Management Information Systems (WIC MIS) and the WIC Electronic Benefit Transfer systems (WIC EBT system) used in the Special Supplemental Food Program for Women, Infants and Children (WIC) nutrition program. See <https://fns-prod.azureedge.us/sites/default/files/resource-files/wic-wumei-2022.pdf>