



**STATE OF NEW JERSEY
REQUEST FOR PROPOSAL**

BID NUMBER: 04-X-36051

**FOR: ELECTRONIC BENEFITS TRANSFER
FOR DHS ***RFP ON WEB*****

TERM CONTRACT #: **T-1087**
REQUESTING AGENCY: 822050

ESTIMATED AMOUNT: N/A
CONTRACT EFFECTIVE DATE: OCT 2003
COOPERATIVE PURCHASING: NO
SET ASIDE: NOT APPLICABLE

DIRECT QUESTIONS CONCERNING THIS RFP TO:
MARY LOU GOHO
PHONE NUMBER: (609) 292-4927
FAX NUMBER: (609) 292-5170

TO BE COMPLETED BY BIDDER:

Firm Name: _____ Address: _____

PURSUANT TO N.J.S.A. 52:34 - 12 AND N.J.A.C. 17:12 - 2.2, PROPOSALS WHICH FAIL TO CONFORM WITH THE FOLLOWING REQUIREMENTS WILL BE AUTOMATICALLY REJECTED:

- 1) **PROPOSALS MUST BE RECEIVED AT OR ON BEFORE THE PUBLIC OPENING TIME OF 2 PM ON NOVEMBER 18, 2003, AT THE FOLLOWING PLACE: DEPARTMENT OF THE TREASURY, PURCHASE BUREAU, 33 WEST STATE STREET, 9TH FLOOR, PO BOX 230, TRENTON, NEW JERSEY 08625-0230. TELEPHONE, TELEFACSIMILE OR TELEGRAPH PROPOSALS WILL NOT BE ACCEPTED.**
- 2) THE BIDDER MUST SIGN THE PROPOSAL.
- 3) THE PROPOSAL MUST INCLUDE ALL PRICE INFORMATION. PROPOSAL PRICES SHALL INCLUDE DELIVERY OF ALL ITEMS, F.O.B. DESTINATION OR AS OTHERWISE PROVIDED. PRICE QUOTES MUST BE FIRM THROUGH ISSUANCE OF CONTRACT.
- 4) ALL PROPOSAL PRICES MUST BE TYPED OR WRITTEN IN INK.
- 5) ALL CORRECTIONS, WHITE-OUTS, ERASURES, RESTRIKING OF TYPE, OR OTHER FORMS OF ALTERATION, OR THE APPEARANCE OF ALTERATION, TO UNIT AND/OR TOTAL PRICES MUST BE INITIALED IN INK BY THE BIDDER.
- 6) THE BIDDER MUST SUBMIT WITH THE PROPOSAL BID SECURITY IN THE AMOUNT OF 10%. CHECK THE TYPE OF BID SECURITY SUPPLIED:
 ANNUAL BID BOND ON FILE: _____ BID BOND ATTACHED: _____
 CERTIFIED OR CASHIERS CHECK ATTACHED: _____ LETTER OF CREDIT ATTACHED: _____
- 7) THE BIDDER MUST COMPLETE AND SUBMIT, PRIOR TO THE SUBMISSION OF THE PROPOSAL, OR ACCOMPANYING THE PROPOSAL, THE ATTACHED OWNERSHIP DISCLOSURE FORM. (SEE N.J.S.A. 52:25-24.2).
- 8) THE BIDDER MUST ATTEND THE MANDATORY PRE-BID CONFERENCE AT THE FOLLOWING DATE AND TIME:
 PRE-BID CONFERENCE: OCTOBER 7, 2003, 10:00 AM, NJ Division of Family Development, Quakerbridge Plaza, Bldg #7, Conference Rooms 200A-B-C, Trenton, New Jersey 08619

ADDITIONAL REQUIREMENTS

- 9) PERFORMANCE SECURITY: 10%
- 10) PAYMENT RETENTION: SEE RFP SECTION 3.4.3.1
- 11) AN AFFIRMATIVE ACTION FORM (ATTACHED)
- 12) A MACBRIDE PRINCIPALS CERTIFICATION (ATTACHED)
- 13) REQUESTED DELIVERY: SEE DETAILS ELSEWHERE IN RFP
- 14) CERTIFICATION OR NOTIFICATION OF REGISTRATION WITH THE SECRETARY OF STATE IF A FOREIGN (NON-NJ) CORPORATION, IF NECESSARY (SEE N.J.S.A 14A:13-1 ET SEQ. AND N.J.A.C. 17:12-2.12).
- 15) FOR SET ASIDE CONTRACTS ONLY, N.J. DEPARTMENT OF COMMERCE CERTIFICATION OF REGISTRATION AS A SMALL, MINORITY OR FEMALE BUSINESS (SEE N.J.A.C. 17:13-3.2).

TO BE COMPLETED BY BIDDER

- 16) DELIVERY CAN BE MADE _____ DAYS OR _____ WEEKS AFTER RECEIPT OF ORDER.
- 17) CASH DISCOUNT TERMS (SEE RFP) _____ %, _____ DAYS: NET _____ DAYS. 18) BIDDER PHONE NO: _____
- 19) BIDDER FAX NO. _____ 20) BIDDER E-MAIL ADDRESS. _____
- 21) BIDDER FEDERAL ID NO. _____ 22) YOUR BID REFERENCE NO. _____

SIGNATURE OF THE BIDDER ATTESTS THAT THE BIDDER HAS READ, UNDERSTANDS, AND AGREES TO ALL TERMS, CONDITIONS, AND SPECIFICATIONS SET FORTH IN THE REQUEST FOR PROPOSAL, INCLUDING ALL ADDENDA, FURTHERMORE, SIGNATURE BY THE BIDDER SIGNIFIES THAT THE REQUEST FOR PROPOSAL AND THE RESPONSIVE PROPOSAL CONSTITUTES A CONTRACT IMMEDIATELY UPON NOTICE OF ACCEPTANCE OF THE PROPOSAL BY THE STATE OF NEW JERSEY FOR ANY OR ALL OF THE ITEMS BID, AND FOR THE LENGTH OF TIME INDICATED IN THE REQUEST FOR PROPOSAL. FAILURE TO ACCEPT THE CONTRACT WITHIN THE TIME PERIOD INDICATED IN THE REQUEST FOR PROPOSAL, OR FAILURE TO HOLD PRICES OR TO MEET ANY OTHER TERMS AND CONDITIONS AS DEFINED IN EITHER THE REQUEST FOR PROPOSAL OR THE PROPOSAL DURING THE TERM OF THE CONTRACT, SHALL CONSTITUTE A BREACH AND MAY RESULT IN SUSPENSION OR DEBARMENT FROM FURTHER STATE BIDDING. A DEFAULTING CONTRACTOR MAY ALSO BE LIABLE, AT THE OPTION OF THE STATE, FOR THE DIFFERENCE BETWEEN THE CONTRACT PRICE AND THE PRICE BID BY AN ALTERNATE VENDOR OF THE GOODS OR SERVICES IN ADDITION TO OTHER REMEDIES AVAILABLE.

23) ORIGINAL SIGNATURE OF BIDDER	24) NAME OF FIRM
25) PRINT/TYPE NAME AND TITLE	26) DATE

ATTENTION VENDORS

If you are submitting a bid and are not on the Purchase Bureau's Vendor File, visit our website at <http://www.nj.gov/treasury/purchase/forms/forms.htm/bidders> and either submit a bidder's application online or download the application and instructions. If downloading, mail or fax the application to the Purchase Bureau and you will be placed on the bid list. Submitting your application online is preferable because it is easier and will get on the vendor file within a day or so.

If you are already on the Purchase Bureau bid list file and need to change your information, i.e., address change, etc., send a letter on company letterhead signed by a company officer to the Vendor Change Unit of the Purchase Bureau, 33 West State Street, PO Box 230, Trenton, New Jersey, 08625 or fax it to (609) 984-1461. The letter should list the outdated information as well as the corrections, specifying what is to be changed. Make sure you include the entire eleven-digit vendor identification number on the letter.

This does not apply to "remit-to" addresses. They must be processed through the OMB Vendor Control Unit. Their number is (609) 292-8124.

OWNERSHIP DISCLOSURE FORM

STATE OF NEW JERSEY
 NEW JERSEY DEPARTMENT OF THE TREASURY
 DIVISION OF PURCHASE & PROPERTY
 33 W. STATE ST., 9TH FLOOR
 PO BOX 230
 TRENTON, NEW JERSEY 08625-0230

BID NUMBER: 04-X-36051

BIDDER: _____

INSTRUCTIONS: Provide below the names, home addresses, dates of birth, offices held and any ownership interest of all officers of the firm named above. If additional space is necessary, provide on an attached sheet.

<u>NAME</u>	<u>HOME ADDRESS</u>	<u>DATE OF BIRTH</u>	<u>OFFICE HELD</u>	<u>OWNERSHIP INTEREST</u> (Shares Owned or % of Partnership)

INSTRUCTIONS: Provide below the names, home addresses, dates of birth, and ownership interest of all individuals not listed above, and any partnerships, corporations and any other owner having a 10% or greater interest in the firm named above. If a listed owner is a corporation or partnership, provide below the same information for the holders of 10% or more interest in that corporation or partnership. If additional space is necessary, provide that information on an attached sheet. **If there are no owners with 10% or more interest in your firm, enter "None" below.** Complete the certification at the bottom of this form. If this form has previously been submitted to the Purchase Bureau in connection with another bid, indicate changes, if any, where appropriate, and complete the certification below.

<u>NAME</u>	<u>HOME ADDRESS</u>	<u>DATE OF BIRTH</u>	<u>OFFICE HELD</u>	<u>OWNERSHIP INTEREST</u> (Shares Owned or % of Partnership)

COMPLETE ALL QUESTIONS BELOW

	YES	NO
1. Within the past five years has another company or corporation had a 10% or greater interest in the firm identified above? <i>(If yes, complete and attach a separate disclosure form reflecting previous ownership interests.)</i>	_____	_____
2. Has any person or entity listed in this form or its attachments ever been arrested, charged, indicted or convicted in a criminal or disorderly persons matter by the State of New Jersey, any other State or the U.S. Government? <i>(If yes, attach a detailed explanation for each instance.)</i>	_____	_____
3. Has any person or entity listed in this form or its attachments ever been suspended, debarred or otherwise declared ineligible by any agency of government from bidding or contracting to provide services, labor, material, or supplies? <i>(If yes, attach a detailed explanation for each instance.)</i>	_____	_____
4. Are there now any criminal matters or debarment proceedings pending in which the firm and/or its officers and/or managers are involved? <i>(If yes, attach a detailed explanation for each instance.)</i>	_____	_____
5. Has any Federal, State or Local license, permit or other similar authorization, necessary to perform the work applied for herein and held or applied for by any person or entity listed in this form, been suspended or revoked, or been the subject or any pending proceedings specifically seeking or litigating the issue of suspension or revocation? <i>(If yes, attach a detailed explanation for each instance.)</i>	_____	_____

CERTIFICATION: I, being duly sworn upon my oath, hereby represent and state that the foregoing information and any attachments thereto to the best of my knowledge are true and complete. I acknowledge that the State of New Jersey is relying on the information contained herein and thereby acknowledge that **I am under a continuing obligation from the date of this certification through the completion of any contracts with the State to notify the State in writing of any changes to the answers or information contained herein.** I acknowledge that I am aware that it is a criminal offense to make a false statement or misrepresentation in this certification, and if I do so, I recognize that I am subject to criminal prosecution under the law and that it will also constitute a material breach of my agreement(s) with the State of New Jersey and that the State at its option, may declare any contract(s) resulting from this certification void and unenforceable.

I, being duly authorized, certify that the information supplied above, including all attached pages, is complete and correct to the best of my knowledge, I certify that all of the foregoing statements made by me are true. I am aware that if any of the foregoing statements made by me are willfully false, I am subject to punishment.

Company Name: _____ (Signature)

Address: _____ PRINT OR TYPE: _____ (Name)

_____ PRINT OR TYPE: _____ (Title)

FEIN/SSN#: _____ Date _____

AFFIRMATIVE ACTION	TERM CONTRACT – ADVERTISED BID PROPOSAL
DEPT OF THE TREASURY DIVISION OF PURCHASE & PROPERTY STATE OF NEW JERSEY 33 WEST STATE STREET, 9TH FLOOR PO BOX 230 TRENTON, NEW JERSEY 08625-0230	BID NUMBER: 04-X-36051 NAME OF BIDDER: _____ _____

SUPPLEMENT TO BID SPECIFICATIONS

DURING THE PERFORMANCE OF THIS CONTRACT, THE CONTRACTOR AGREES AS FOLLOWS:

1. THE CONTRACTOR OR SUBCONTRACTOR, WHERE APPLICABLE, WILL NOT DISCRIMINATE AGAINST ANY EMPLOYEE OR APPLICANT FOR EMPLOYMENT BECAUSE OF AGE, RACE, CREED, COLOR, NATIONAL ORIGIN, ANCESTRY, MARITAL STATUS, SEX, AFFECTIONAL OR SEXUAL ORIENTATION. THE CONTRACTOR WILL TAKE AFFIRMATIVE ACTION TO ENSURE THAT SUCH APPLICANTS ARE RECRUITED AND EMPLOYED, AND THAT EMPLOYEES ARE TREATED DURING EMPLOYMENT, WITHOUT REGARD TO THEIR AGE, RACE, CREED, COLOR, NATIONAL ORIGIN, ANCESTRY, MARITAL STATUS, SEX, AFFECTIONAL OR SEXUAL ORIENTATION. SUCH ACTION SHALL INCLUDE, BUT NOT BE LIMITED TO THE FOLLOWING: EMPLOYMENT, UPGRADING, DEMOTION, OR TRANSFER; RECRUITMENT OR RECRUITMENT ADVERTISING; LAYOFF OR TERMINATION; RATES OF PAY OR OTHER FORMS OF COMPENSATION; AND SELECTION FOR TRAINING, INCLUDING APPRENTICESHIP. THE CONTRACTOR AGREES TO POST IN CONSPICUOUS PLACES, AVAILABLE TO EMPLOYEES AND APPLICANTS FOR EMPLOYMENT, NOTICES TO BE PROVIDED BY THE PUBLIC AGENCY COMPLIANCE OFFICER SETTING FORTH PROVISIONS OF THIS NONDISCRIMINATION CLAUSE;
2. THE CONTRACTOR OR SUBCONTRACTOR, WHERE APPLICABLE WILL, IN ALL SOLICITATIONS OR ADVERTISEMENTS, FOR EMPLOYEES PLACED BY OR ON BEHALF OF THE CONTRACTOR, STATE THAT ALL QUALIFIED APPLICANTS WILL RECEIVE CONSIDERATION FOR EMPLOYMENT WITHOUT REGARD TO AGE, RACE, CREED, COLOR, NATIONAL ORIGIN, ANCESTRY, MARITAL STATUS, SEX, AFFECTIONAL OR SEXUAL ORIENTATION.
3. THE CONTRACTOR OR SUBCONTRACTOR, WHERE APPLICABLE, WILL SEND TO EACH LABOR UNION OR REPRESENTATIVE OR WORKERS WITH WHICH IT HAS A COLLECTIVE BARGAINING AGREEMENT OR OTHER CONTRACT OR UNDERSTANDING, A NOTICE, TO BE PROVIDED BY THE AGENCY CONTRACTING OFFICER ADVISING THE LABOR UNION OR WORKERS' REPRESENTATIVE OF THE CONTRACTOR'S COMMITMENTS UNDER THIS ACT AND SHALL POST COPIES OF THE NOTICE IN CONSPICUOUS PLACES AVAILABLE TO EMPLOYEES AND APPLICANTS FOR EMPLOYMENT.
4. THE CONTRACTOR OR SUBCONTRACTOR, WHERE APPLICABLE, AGREES TO COMPLY WITH THE REGULATIONS PROMULGATED BY THE TREASURER PURSUANT TO P.L. 1975, C. 127, AS AMENDED AND SUPPLEMENTED FROM TIME TO TIME AND THE AMERICANS WITH DISABILITIES ACT.
5. THE CONTRACTOR OR SUBCONTRACTOR AGREES TO ATTEMPT IN GOOD FAITH TO EMPLOY MINORITY AND FEMALE WORKERS CONSISTENT WITH THE APPLICABLE COUNTY EMPLOYMENT GOALS PRESCRIBED BY N.J.A.C. 17:27-5.2 PROMULGATED BY THE TREASURER PURSUANT TO P.L. 1975, C. 127, AS AMENDED AND SUPPLEMENTED FROM TIME TO TIME OR IN ACCORDANCE WITH A BINDING DETERMINATION OF THE APPLICABLE COUNTY EMPLOYMENT GOALS DETERMINED BY THE AFFIRMATIVE ACTION OFFICE PURSUANT TO N.J.A.C. 17:27-5.2 PROMULGATED BY THE TREASURER PURSUANT TO P.L. 1975, C. 127, AS AMENDED AND SUPPLEMENTED FROM TIME TO TIME.
6. THE CONTRACTOR OR SUBCONTRACTOR AGREES TO INFORM IN WRITING APPROPRIATE RECRUITMENT AGENCIES IN THE AREA, INCLUDING EMPLOYMENT AGENCIES, PLACEMENT BUREAUS, COLLEGES, UNIVERSITIES, LABOR UNIONS, THAT IT DOES NOT DISCRIMINATE ON THE BASIS OF AGE, CREED, COLOR, NATIONAL ORIGIN, ANCESTRY, MARITAL STATUS, SEX, AFFECTIONAL OR SEXUAL ORIENTATION, AND THAT IT WILL DISCONTINUE THE USE OF ANY RECRUITMENT AGENCY WHICH ENGAGES IN DIRECT OR INDIRECT DISCRIMINATORY PRACTICES.
7. THE CONTRACTOR OR SUBCONTRACTOR AGREES TO REVISE ANY OF ITS TESTING PROCEDURES, IF NECESSARY, TO ASSURE THAT ALL PERSONNEL TESTING CONFORMS WITH THE PRINCIPLES OF JOB-RELATED TESTING, AS ESTABLISHED BY THE STATUTES AND COURT DECISIONS OF THE STATE OF NEW JERSEY AND AS ESTABLISHED BY APPLICABLE FEDERAL LAW AND APPLICABLE FEDERAL COURT DECISIONS.
8. THE CONTRACTOR OR SUBCONTRACTOR AGREES TO REVIEW ALL PROCEDURES RELATING TO TRANSFER, UPGRADING, DOWNGRADING AND LAYOFF TO ENSURE THAT ALL SUCH ACTIONS ARE TAKEN WITHOUT REGARD TO AGE, CREED, COLOR, NATIONAL ORIGIN, ANCESTRY, MARITAL STATUS, SEX, AFFECTIONAL OR SEXUAL ORIENTATION, AND CONFORM WITH THE APPLICABLE EMPLOYMENT GOALS, CONSISTENT WITH THE STATUTES AND COURT DECISIONS OF THE STATE OF NEW JERSEY, AND APPLICABLE FEDERAL LAW AND APPLICABLE FEDERAL COURT DECISIONS.

THE CONTRACTOR AND ITS SUBCONTRACTORS SHALL FURNISH SUCH REPORTS OR OTHER DOCUMENTS TO THE AFFIRMATIVE ACTION OFFICE AS MAY BE REQUESTED BY THE OFFICE FROM TIME TO TIME IN ORDER TO CARRY OUT THE PURPOSES OF THESE REGULATIONS, AND PUBLIC AGENCIES SHALL FURNISH SUCH INFORMATION AS MAY BE REQUESTED BY THE AFFIRMATIVE ACTION OFFICE FOR CONDUCTING A COMPLIANCE INVESTIGATION PURSUANT TO SUBCHAPTER 10 OF THE ADMINISTRATIVE CODE (NJAC17:27).

* **NO FIRM MAY BE ISSUED A PURCHASE ORDER OR CONTRACT WITH THE STATE UNLESS THEY COMPLY WITH THE AFFIRMATIVE ACTION REGULATIONS**

PLEASE CHECK APPROPRIATE BOX (ONE ONLY)

- HAVE A CURRENT NEW JERSEY AFFIRMATIVE ACTION CERTIFICATE, (PLEASE ATTACH A COPY TO YOUR PROPOSAL).**
- I HAVE A VALID FEDERAL AFFIRMATIVE ACTION PLAN APPROVAL LETTER, (PLEASE ATTACH A COPY TO YOUR PROPOSAL).**
- I HAVE COMPLETED THE ENCLOSED FORM AA302 AFFIRMATIVE ACTION EMPLOYEE INFORMATION REPORT.**

INSTRUCTIONS FOR COMPLETING THE AFFIRMATIVE ACTION EMPLOYEE INFORMATION REPORT (FORM AA302)

IMPORTANT: READ THE FOLLOWING INSTRUCTIONS CAREFULLY BEFORE COMPLETING THE FORM. PRINT OR TYPE ALL INFORMATION. FAILURE TO PROPERLY COMPLETE THE ENTIRE FORM MAY DELAY ISSUANCE OF YOUR CERTIFICATE.

Item 1 - Enter the Federal Identification Number assigned to the Contractor or vendor by the Internal Revenue Service, or if a Federal Employer Identification Number has been applied for, but not yet issued, write the words "applied for",

or

If your business is such that you have not, or will not receive a Federal Employer Identification Number, enter the Social Security Number assigned to the single owner or to a partner, in case of partnership.

Item 2 - Check the box appropriate to your TYPE OF BUSINESS. If you are engaged in more than one type of business, check the predominant one. If you are a manufacturer deriving more than 50% of your receipts from your own retail outlets, check "Retail".

Item 3 - Enter the total "number" of employees in the entire company, including part-time employees. This number shall include all facilities in the entire firm or corporation.

Item 4 - Enter the name by which the company is identified. If there is more than one company name, enter the predominant one.

Item 5 - Enter the physical location of the company, include City, County, State and Zip Code.

Item 6 - Enter the name of any parent or affiliated company including City, State and Zip Code. If there is none, so indicate by entering "None" or N/A.

Item 7 - Check the appropriate box for the total number of employees in the entire company. "Entire Company" shall include all facilities in the entire firm or corporation, including part-time employees, not use those employees at the facility being awarded the contract.

Item 8 - Check the box appropriate to your type of company establishment. Single-establishment Employer shall include an employer whose business is conducted at more than one location.

Item 9 - If multi-establishment was entered in Item 8, enter the number of establishments within the State of New Jersey.

Item 10 - Enter the total number of employees at the establishment being awarded the contract.

Item 11 - Enter the name of the Public Agency awarding the contract. Include City, State and Zip Code.

Item 12 - Enter the appropriate figures on all lines and in all columns. THIS SHALL ONLY INCLUDE EMPLOYMENT DATA FROM THE FACILITY THAT IS BEING AWARDED THE CONTRACT. DO NOT list the same employee in more than one job category.

Racial/Ethnic Groups will be so defined:

Black: Not of Hispanic origin. Persons have origin in any of the Black racial groups of Africa.

Hispanic: Persons of Mexican, Puerto Rican, Cuban or Central or South American or other Spanish culture or origin, regardless of race.

American Indian or Alaskan Native: Persons having origins in any of the original peoples of North America, and who maintain cultural identification through tribal affiliation or community recognition.

Asian or Pacific Islander: Persons having origin in any of the peoples of the Far East, Southeast Asia, the Indian Subcontinent or the Pacific Islands. This area includes for example, China, Japan, the Philippine Islands and Somoa.

Item 13 - Check the appropriate box, if the race or ethnic group information was not obtained by 1 or 2, specify by what other means this was done in 3.

Item 14 - Enter the dates of the payroll period used to prepare the employment data presented in Item 12.

Item 15 - If this is the first time an Employee Information Report has been submitted for this company, check block "Yes".

Item 16 - If the answer to Item 15 is "No", enter the date when this company submitted the last Employee Information Report.

Item 17 - Print or type the name of the person completing this form. Include the signature, title and date.

Item 18 - Enter the physical location where the form is being completed. Include City, State, Zip Code and Phone Number.

**State of New Jersey
AFFIRMATIVE ACTION EMPLOYEE INFORMATION REPORT**

IMPORTANT: READ INSTRUCTIONS ON PRIOR PAGE CAREFULLY BEFORE COMPLETING FORM. TYPE OR PRINT SHARP BALL POINT PEN. FAILURE TO PROPERLY COMPLETE THE ENTIRE FORM MAY DELAY ISSUANCE OF YOUR CERTIFICATE.

SECTION A - COMPANY IDENTIFICATION

1. FID. NO. OR SOCIAL SECURITY	2. TYPE OF BUSINESS <input type="checkbox"/> 1. MFG. <input type="checkbox"/> 2. SERVICE <input type="checkbox"/> 3. WHOLESALE <input type="checkbox"/> 4. RETAIL <input type="checkbox"/> 5. OTHER	3. TOTAL NO. OF EMPLOYEES IN THE ENTIRE COMPANY		
4. COMPANY NAME				
5. STREET	CITY	COUNTY	STATE	ZIP CODE
6. NAME OF PARENT OR AFFILIATED COMPANY (IF NONE, SO INDICATE)		CITY	STATE	ZIP CODE
7. DOES THE ENTIRE COMPANY HAVE A TOTAL OF AT LEAST 50 EMPLOYEES? <input type="checkbox"/> YES <input type="checkbox"/> NO				
8. CHECK ONE: IS THE COMPANY: <input type="checkbox"/> SINGLE-ESTABLISHMENT EMPLOYER <input type="checkbox"/> MULTI-ESTABLISHMENT EMPLOYER				
9. IF MULTI-ESTABLISHMENT EMPLOYER, STATE THE NUMBER OF ESTABLISHMENTS IN N.J.: []				
10. TOTAL NUMBER OF EMPLOYEES AT THE ESTABLISHMENT WHICH HAS BEEN AWARDED THE CONTRACT: []				
11. PUBLIC AGENCY AWARDED CONTRACT:		CITY	STATE	ZIP CODE

OFFICIAL USE ONLY

DATE RECEIVED	COUNTY	OUT OF STATE PERCENTAGES		ASSIGNED CERTIFICATION NUMBER
MO/DAY/YR		MINORITY	FEMALE	

SECTION B - EMPLOYMENT DATA

12. Report all permanent, temporary and part-time employees ON YOUR OWN PAYROLL. Enter the appropriate figures on all lines and in all columns. Where there are no employees in a particular category, enter a zero. Include ALL employees, not just those in minority categories, in columns 1, 2, & 3.

JOB CATEGORIES	ALL EMPLOYEES			MINORITY GROUP EMPLOYEES (PERMANENT)								
	Col. 1 TOTAL (Cols. 2&3)	Col. 2 MALE	Col. 3 FEMALE	MALE				FEMALE				
				BLACK	HISPANIC	AMERICAN INDIAN	ASIAN	BLACK	HISPANIC	AMERICAN INDIAN	ASIAN	
Officials and Managers												
Professionals												
Technicians												
Sales Workers												
Office and Clerical												
Craftworkers (Skilled)												
Operatives (Semi-skilled)												
Laborers (Unskilled)												
Service Workers												
TOTAL												
Total employment from Previous Report (if any)												

The data below shall NOT be included in the request for the categories above.

Temporary and Part-time Employees										
13. HOW WAS INFORMATION AS TO RACE OR ETHNIC GROUP IN SECTION B OBTAINED? <input type="checkbox"/> 1. VISUAL SURVEY <input type="checkbox"/> 2. EMPLOYMENT RECORD <input type="checkbox"/> 3. OTHER (SPECIFY)						15. IS THIS THE FIRST EMPLOYEE INFORMATION REPORT (AA.302) SUBMITTED? <input type="checkbox"/> 1. YES <input type="checkbox"/> 2. NO			16. IF NO, DATE OF LAST REPORT SUBMITTED MO. DAY YEAR	
14. DATES OF PAYROLL PERIOD USED										

SECTION C - SIGNATURE AND IDENTIFICATION

17. NAME OF PERSON COMPLETING FORM (PRINT OR TYPE)(?CONTRACTOR EEO OFFICER)	SIGNATURE	TITLE	MO. DAY YEAR
18. ADDRESS (NO. & STREET)	(CITY)	(STATE)	(ZIP CODE) PHONE (AREA CODE, NO. & EXTENSION)



RECIPROCITY FORM

IMPORTANT NOTICE TO ALL BIDDERS

Effective October 7, 1991 in accordance with N.J.S.A. 52:32-1.4 and N.J.A.C. 17:12-2.13, the State of New Jersey will invoke reciprocal action against an out-of-State bidder whose State or locality maintains a preference practice for their bidders.

For States having preference laws, regulations, or practices, New Jersey will use the annual surveys compiled by the Council of State Governments, National Association of State Purchasing Officials, or the National Institute of Governmental Purchasing to invoke reciprocal actions. The State may obtain additional information anytime it deems appropriate to supplement the above survey information.

Any bidder may submit information related to preference practices enacted for a local entity outside the State of New Jersey. This information may be submitted in writing as part of the bid response proposal, and should be in the form of resolutions passed by an appropriate governing body, regulations, a Notice to Bidders, laws, etc. It is the responsibility of the bidder to provide the documentation with the bid proposal or submit it to the Director, Division of Purchase and Property within five (5) working days of the public bid opening. Written evidence for a specific procurement that is not provided to the Director within five working days of the public bid opening will not be considered in the evaluation of that procurement, but will be retained and considered in the evaluation of subsequent procurements.

Any bidder having evidence of out-of-State local entities invoking preference practices should complete the form below, with a copy of appropriate documentation. The form and documentation may be submitted with your bid response proposal.

Name of Locality having preference practices:

City /Town/Authority	
County	
State	

Documentation Attached

Resolution

Notice to Bidder

Regulations/Laws

Other _____

Name of Firm Submitting this information _____

Please Print

NOTICE TO ALL BIDDERS
REQUIREMENT TO PROVIDE A CERTIFICATION
IN COMPLIANCE WITH MACBRIDE PRINCIPLES
AND NORTHERN IRELAND ACT OF 1989

Pursuant to Public Law 1995, c. 134, a responsible bidder selected, after public bidding, by the Director of the Division of Purchase and Property, pursuant to N.J.S.A. 52:34-12, or the Director of the Division of Building and Construction, pursuant to N.J.S.A. 52:32-2, must complete the certification below by checking one of the two representations listed and signing where indicated. If a bidder who would otherwise be awarded a purchase, contract or agreement does not complete the certification, then the Directors may determine, in accordance with applicable law and rules, that it is in the best interest of the State to award the purchase, contract or agreement to another bidder who has completed the certification and has submitted a bid within five (5) percent of the most advantageous bid. If the Directors find contractors to be in violation of the principles which are the subject of this law, they shall take such action as may be appropriate and provided by law, rule or contract, including but not limited to, imposing sanctions, seeking compliance, recovering damages, declaring the party in default and seeking debarment or suspension of the party.

I certify, pursuant to N.J.S.A. 52:34-12.2 that the entity for which I am authorized to bid:

_____ has no ongoing business activities in Northern Ireland and does not maintain a physical presence therein through the operation of offices, plants, factories, or similar facilities, either directly or indirectly, through intermediaries, subsidiaries or affiliated companies over which it maintains effective control; or

_____ 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-89.8 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.

I certify that the foregoing statements made by me are true. I am aware that if any of the foregoing statements made by me are willfully false, I am subject to punishment.

Signature of Bidder

Name (Type or Print)

Title Name (Type or Print)

Name of Company Name (Type or Print)

Date

STATE OF NEW JERSEY STANDARD TERMS AND CONDITIONS

- I. Unless the bidder is specifically instructed otherwise In the Request for Proposal, the following terms and conditions will apply to all contracts or purchase agreements made with the State of New Jersey. These terms are in addition to the terms and conditions set forth in the Request for Proposal (RFP) and should be read in conjunction with same unless the RFP specifically indicates otherwise. If a bidder proposes changes or modifications or takes exception to any of the State's terms and conditions, the bidder must so state specifically in writing in the bid proposal. Any proposed change, modification or exception in the State's terms and conditions by a bidder will be a factor in the determination of an award of a contractor purchase agreement.
- II. All of the State's terms and conditions will become a part of any contract(s) or order(s) awarded as a result of the Request for Proposal, whether stated in part, in summary or by reference. In the event the bidder's terms and conditions conflict with the State's, the State's terms and conditions will prevail, unless the bidder is notified in writing of the State's acceptance of the bidder's terms and conditions.
- III. The statutes, laws or codes cited are available for review at the New Jersey State Library, 185 West State Street, Trenton, New Jersey 08625.
- IV. If awarded a contract or purchase agreement, the bidder's status shall be that of any independent principal and not as an employee of the State.

1. STATE LAW REQUIRING MANDATORY COMPLIANCE BY ALL CONTRACTORS

- 1.1 **BUSINESS REGISTRATION** - All New Jersey and out of State Corporations must obtain a Business Registration Certificate (BRC) from the Department of the Treasury, Division of Revenue prior to conducting business in the State of New Jersey. Proof of valid business registration with the Division of Revenue, Department of the Treasury, State of New Jersey, should be submitted by the bidder and, if applicable, by every subcontractor of the bidder, with the bidder's bid. No contract will be awarded without proof of business registration with the Division of Revenue. Any questions in this regard can be directed to the Division of Revenue at (609) 292-1730. Form NJ-REG. can be filed online at <http://www.state.nj.us/treasury/revenue/gettingregistered.htm#busentity>
- 1.2 **ANTI-DISCRIMINATION** - All parties to any contract with the State of New Jersey agree not to discriminate in employment and agree to abide by all anti-discrimination laws including those contained within N.J.S.A. 10:2-1 through N.J.S.A. 10:2-4, N.J.S.A.10:5-1 et seq. and N.J.S.A.10:5-31 through 10:5-38, and all rules and regulations issued there under.
- 1.3 **PREVAILING WAGE ACT** - The New Jersey Prevailing Wage Act, N.J.S.A. 34: 11-56.26 et seq. is hereby made part of every contract entered into on behalf of the State of New Jersey through the Division of Purchase and Property, except those contracts which are not within the contemplation of the Act. The bidder's signature on this proposal is his guarantee that neither he nor any subcontractors he might employ to perform the work covered by this proposal has been suspended or debarred by the Commissioner, Department of Labor for violation of the provisions of the Prevailing Wage Act.
- 1.4 **AMERICANS WITH DISABILITIES ACT** - The contractor must comply with all provisions of the Americans With Disabilities Act (ADA), P.L 101-336, in accordance with 42 U.S.C. 12101 et seq.
- 1.5 **THE WORKER AND COMMUNITY RIGHT TO KNOW ACT** - The provisions of N.J.S.A. 34:5A-I et seq. which require the labeling of all containers of hazardous substances are applicable to this contract. Therefore, all goods offered for purchase to the State must be labeled by the contractor in compliance with the provisions of the Act.
- 1.6 **OWNERSHIP DISCLOSURE** - Contracts for any work, goods or services cannot be issued to any corporation or partnership unless prior to or at the time of bid submission the bidder has disclosed the names and addresses of all its owners holding 10% or more of the corporation or partnership's stock or interest. Refer to N.J.S.A. 52:25-24.2.
- 1.7 **COMPLIANCE - LAWS** - The contractor must comply with all local, state and federal laws, rules and regulations applicable to this contract and to the goods delivered and/or services performed hereunder.
- 1.8 **COMPLIANCE - STATE LAWS** - It is agreed and understood that any contracts and/or orders placed as a result of this proposal shall be governed and construed and the rights and obligations of the parties hereto shall be determined in accordance with the laws of the STATE OF NEW JERSEY.
- 1.9 **COMPLIANCE - CODES** - The contractor must comply with NJUCC and the latest NEC70, B.O.C.A. Basic Building code, OSHA and all applicable codes for this requirement. The contractor will be responsible for securing and paying all necessary permits, where applicable.

2. LIABILITIES

- 2.1 **LIABILITY - COPYRIGHT** - The contractor shall hold and save the State of New Jersey, its officers, agents, servants and employees, harmless from liability of any nature or kind for or on account of the use of any copyrighted or uncopyrighted composition, secret process, patented or unpatented invention, article or appliance furnished or used in the performance of his contract.
- 2.2 **INDEMNIFICATION** - The contractor shall assume all risk of and responsibility for, and agrees to indemnify, defend, and save harmless the State of New Jersey and its employees from and against any and all claims, demands, suits, actions, recoveries, judgments and costs and expenses in connection therewith 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 materials supplied under this contract. This indemnification obligation is not limited by, but is in addition to the insurance obligations contained in this agreement.
- 2.3 **INSURANCE** - The contractor shall secure and maintain in force for the term of the contract liability insurance as provided herein. The contractor shall provide the State of New Jersey with current certificates of insurance for all coverages and renewals thereof which must contain the proviso that the insurance provided in the certificate shall not be canceled for any reason except after thirty days written notice to:

The insurance to be provided by the contractor shall be as follows.

- a. General liability policy as broad as the standard coverage forms currently in use in the State of New Jersey which shall not be circumscribed by any endorsements limiting the breadth of coverage. The policy shall be endorsed to include:

- (1) BROAD FORM COMPREHENSIVE GENERAL LIABILITY
- (2) PRODUCTS/COMPLETED OPERATIONS
- (3) PREMISES/OPERATIONS

The limits of liability for bodily injury and property damage shall not be less than \$1 million per occurrence as a combined single limit.

- b. Automobile liability insurance which shall be written to cover any automobile used by the insured. Limits of liability for bodily Injury and property damage shall not be less than \$1 million per occurrence as a combined single limit.
- c. Worker's Compensation Insurance applicable to the laws of the State of New Jersey and Employers Liability Insurance with limits not less than

\$100,000 BODILY INJURY, EACH OCCURRENCE
\$100,000 DISEASE EACH EMPLOYEE
\$500,000 DISEASE AGGREGATE LIMIT

3. TERMS GOVERNING ALL PROPOSALS TO NEW JERSEY PURCHASE BUREAU

3.1 CONTRACT AMOUNT - The estimated amount of the contract(s), when stated on the Advertised Request for Proposal form, shall not be construed as either the maximum or minimum amount which the State shall be obliged to order as the result of this Request for Proposal or any contract entered into as a result of this Request for Proposal.

3.2 CONTRACT PERIOD AND EXTENSION OPTION - If, in the opinion of the Director of the Division of Purchase and Property, it is in the best interest of the State to extend an contract entered into as a result of this Request for Proposal, the contractor will be so notified of the Director's Intent at least 30 days prior to the expiration date of the existing contract. The contractor shall have 15 calendar days to respond to the Director's request to extend the contract. If the contractor agrees to the extension, all terms and conditions of the original contract, including price, will be applicable.

3.3 BID AND PERFORMANCE SECURITY

- a. Bid Security - If bid security is required, such security must be submitted with the bid in the amount listed in the Request for Proposal, see N.J.A.C. 17: 12- 2.4. Acceptable forms of bid security are as follows:

- (1) A properly executed individual or annual bid bond issued by an insurance or security company authorized to do business in the State of New Jersey, a certified or cashier's check drawn to the order of the Treasurer, State of New Jersey, or an irrevocable letter of credit drawn naming the Treasurer, State of New Jersey as beneficiary issued by a federally insured financial institution.

- (2) The State will hold all bid security during the evaluation process. As soon as is practicable after the completion of the evaluation, the State will:

- (a) Issue an award notice for those offers accepted by the State;
- (b) Return all bond securities to those who have not been issued an award notice.

All bid security from contractors who have been issued an award notice shall be held until the successful execution of all required contractual documents and bonds (performance bond, insurance, etc. If the contractor fails to execute the required contractual documents and bonds within thirty (30) calendar days after receipt of award notice, the contractor may be found in default and the contract terminated by the State. In case of default, the State reserves all rights inclusive of, but not limited to, the right to purchase material and/or to complete the required work in accordance with the New Jersey Administrative Code and to recover any actual excess costs from the contractor. Collection against the bid security shall be one of the measures available toward the recovery of any excess costs.

- b. Performance Security - If performance security is required, the successful bidder shall furnish performance security in such amount on any award of a term contractor line item purchase, see N.J.A.C. 17: 12- 2.5. Acceptable forms of performance security are as follows:

- (1) The contractor shall be required to furnish an irrevocable security in the amount listed in the Request for Proposal payable to the Treasurer, State of New Jersey, binding the contractor to provide faithful performance of the contract.

- (2) The performance security shall be in the form of a properly executed individual or annual performance bond issued by an insurance or security company authorized to do business in the State of New Jersey, a certified or cashier's check drawn to the order of the Treasurer, State of New Jersey, or an irrevocable letter of credit drawn naming the Treasurer, State of New Jersey as beneficiary issued by a federally insured financial institution.

The Performance Security must be submitted to the State within 30 days of the effective date of the contract award and cover the period of the contract and any extensions thereof. Failure to submit performance security may result in cancellation of contract for cause pursuant to provision 3.5b,1, and nonpayment for work performed.

3.4 VENDOR RIGHT TO PROTEST - INTENT TO AWARD - Except in cases of emergency, bidders have the right to protest the Director's proposed award of the contract as announced in the Notice of Intent to Award, see N.J.A.C. 17:12-3.3. Unless otherwise stated, a bidder's protest must be submitted to the Director within 10 working days after receipt of written notification that his bid has not been accepted or that an award of contract has been made. In the public interest, the Director may shorten this protest period, but shall

provide at least 48 hours for bidders to respond to a proposed award. In cases of emergency, stated in the record, the Director may waive the appeal period. See N.J.A.C. 17: 12- 3 et seq.

3.5 TERMINATION OF CONTRACT

a. Change of Circumstances

Where circumstances and/or the needs of the State significantly change, or the contract is otherwise deemed no longer to be in the public interest, the Director may terminate a contract entered into as a result of this Request for Proposal, upon no less than 30 days notice to the contractor with an opportunity to respond.

In the event of such termination, the contractor shall furnish to the using agency, free of charge, such reports as may be required,

b. For cause:

(1) Where a contractor fails to perform or comply with a contract, and/or fails to comply with the complaints procedure in N.J.A.C. 17: 12-4.2 et seq., the Director may terminate the contract upon 10 days notice to the contractor with an opportunity to respond.

(2) Where a contractor continues to perform a contract poorly as demonstrated by formal complaints, late delivery, poor performance of service, short-shipping etc., so that the Director is repeatedly required to use the complaints procedure in N.J.A.C. 17:12-4.2 et seq. the Director may terminate the contract upon 10 days notice to the contractor with an opportunity to respond.

c. In cases of emergency the Director may shorten the time periods of notification and may dispense with an opportunity to respond.

d. In the event of termination under this section, the contractor will be compensated for work performed in accordance with the contract, up to the date of termination. Such compensation may be subject to adjustments.

3.6 COMPLAINTS - Where a bidder has a history of performance problems as demonstrated by formal complaints and/or contract cancellations for cause pursuant to 3.5b a bidder may be bypassed for this award. See N.J.A.C. 17:12-2.8.

3.7 EXTENSION OF CONTRACT QUASI-STATE AGENCIES - It is understood and agreed that in addition to State Agencies, Quasi-State Agencies may also participate in this contract. Quasi-State Agencies are defined in N.J.S.A. 52:27B-56.1 as 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.

3.8 EXTENSION OF CONTRACTS TO POLITICAL SUBDIVISIONS, VOLUNTEER FIRE DEPARTMENTS AND FIRST AID SQUADS, AND INDEPENDENT INSTITUTIONS OF HIGHER EDUCATION - N.J.S.A. 52:25-16.1 permits counties, municipalities and school districts to participate in any term contract(s), that may be established as a result of this proposal.

N.J.S.A. 52:25-16.2 permits volunteer fire departments, volunteer first aid squads and rescue squads to participate in any term contract(s) that may be established as a result of this proposal.

N.J.S.A. 52:25-16.5 permits independent institutions of higher education to participate in any term contract(s) that may be established as a result of this proposal, provided that each purchase by the Independent Institution of higher education shall have a minimum cost of \$500.

In order for the State contract to be extended to counties, municipalities, school districts, volunteer fire departments, first aid squads and independent institutions of higher education the bidder must agree to the extension and so state in his bid. proposal. The extension to counties municipalities, school districts, volunteer fire departments, first aid squads and Independent Institutions of higher education must 'be under the same terms and conditions, including price, applicable to the State.

3.9 EXTENSIONS OF CONTRACTS TO COUNTY COLLEGES - N.J.S.A. 18A:64A - 25. 9 permits any college to participate in any term contract(s) that may be established as a result of this proposal.

3.10 EXTENSIONS OF CONTRACTS TO STATE COLLEGES - N.J.S.A. 18A:64- 60 permits any State College to participate in any term contract(s) that may be established as a result of this proposal.

3.11 SUBCONTRACTING OR ASSIGNMENT - The contract may not be subcontracted or assigned by the contractor, in whole or in part, without the prior written consent of the Director of the Division of Purchase and Property. Such consent, if granted, shall not relieve the contractor of any of his responsibilities under the contract.

In the event the bidder proposes to subcontract for the services to be performed under .the terms of the contract award, he shall state so in his bid and attach for approval a list of said subcontractors and an Itemization of the products and/or services to be supplied by them.

Nothing contained in the specifications shall be construed as creating any contractual relationship between any subcontractor and the State.

3.12 MERGERS, ACQUISITIONS - If, subsequent to the award of any contract resulting from this Request for Proposal, the contractor shall merge with or be acquired by another firm, the following documents must be submitted to the Director, Division of Purchase & Property.

- a. Corporate resolutions prepared by the awarded contractor and new entity ratifying acceptance of the original contract, terms, conditions and prices.
- b. State of New Jersey Bidders Application reflecting all updated information including ownership disclosure, pursuant to provision 1.5.
- c. Vendor Federal Employer Identification Number.

The documents must be submitted within thirty (30) days of completion of the merger or acquisition. Failure to do so may result in termination of contract pursuant to provision 3.5b.

If subsequent to the award of any contract resulting from this Request for Proposal, the contractor's partnership or corporation shall dissolve, the Director, Division of Purchase & Property must be so notified. All responsible parties of the dissolved partnership or corporation must submit to the Director in writing, the names of the parties proposed to perform the contract, and the names of the parties to whom payment should be made. No payment should be made until all parties to the dissolved partnership or corporation submit the required documents to the Director.

3.13 PERFORMANCE GUARANTEE OF BIDDER - The bidder hereby certifies that:

- a. The equipment offered is standard new equipment, and is the manufacturer's latest model in production, with parts regularly used for the type of equipment offered; that such parts are all in production and not likely to be discontinued; and that no attachment or part has been substituted or applied contrary to manufacturer's recommendations and standard practice.
- b. All equipment supplied to the State and operated by electrical current is UL listed where applicable.
- c. All new machines are to be guaranteed as fully operational for the period stated in the Request For Proposal from time of written acceptance by the State. The bidder will render prompt service without charge, regardless of geographic location.
- d. Sufficient quantities of parts necessary for proper service to equipment will be maintained at distribution points and service headquarters.
- e. Trained mechanics are regularly employed to make necessary repairs to equipment in the territory from which the service request might emanate within a 48-hour period or within the time accepted as industry practice.
- f. During the warranty period the contractor shall replace immediately any material which is rejected for failure to meet the requirements of the contract.
- g. All services rendered to the State shall be performed in strict and full accordance with the specifications stated in the contract. The contract shall not be considered complete until final approval by the State's using agency is rendered.

3.14 DELIVERY GUARANTEES - Deliveries shall be made at such time and in such quantities as ordered in strict accordance with conditions contained in the Request for Proposal.

The contractor shall be responsible for the delivery of material in first class condition to the State's using agency or the purchaser under this contract and in accordance with good commercial practice.

Items delivered must be strictly in accordance with the Request for Proposal.

In the event delivery of goods or services is not made within the number of days stipulated or under the schedule defined in the Request for Proposal, the using agency may be authorized to obtain the material or service from any available source, the difference in price, if any, to be paid by the contractor failing to meet his commitments.

3.15 DIRECTOR'S RIGHT OF FINAL BID ACCEPTANCE - The Director reserves the right to reject any or all bids, or to award in whole or in part if deemed to be in the best interest of the State to do so. The Director shall have authority to award orders or contracts to the vendor or vendors best meeting all specifications and conditions in accordance with N.J.S.A. 52:34-12. Tie bids will be awarded by the Director in accordance with N.J.A.C.17:12-2.1D.

3.16 BID ACCEPTANCES AND REJECTIONS - The provisions of N.J.A.C. 17:12-2.9, relating to the Director's right, to waive minor elements of non-compliance with bid specifications and N.J.A.C. 17: 12- 2.2 which defines causes for automatic bid rejection, apply to all proposals and bids.

3.17 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.

The State may also consult with clients of the bidder during the evaluation of bids. Such consultation is intended to assist the State in making a contract award which is most advantageous to the State.

3.18 STATE'S RIGHT TO REQUEST FURTHER INFORMATION - The Director reserves the right to request all information which may assist him or her in making a contract award, including factors necessary to evaluate the, bidder s financial capabilities to perform the contract. Further, the Director reserves the right to request a bidder to explain, in detail, how the bid price was determined.

3.19 MAINTENANCE OF RECORDS - The contractor shall maintain records for products and/or services delivered against the contract for a period of three (3) years from the date of final payment. Such records shall be made available to the, State upon request for purposes of conducting an audit or for ascertaining information regarding dollar volume or number of transactions.

4. TERMS RELATING TO PRICE QUOTATION

4.1 PRICE FLUCTUATION DURING CONTRACT - Unless otherwise noted by the State, all prices quoted shall be firm through issuance of contract or purchase order and shall not be subject to increase during the period of the contract.

In the event of a manufacturer's or contractor's price decrease during the contract period, the State shall receive the full benefit of such price reduction on any undelivered purchase order and on any subsequent order placed during the contract period. The Director of Purchase and Property must be notified, in writing, of any price reduction within five (5) days of the effective date.

Failure to report price reductions will result in cancellation of contract for cause, pursuant to provision 3.5b.1.

- 4.2 **DELIVERY COSTS** - Unless otherwise noted in the Request for Proposal, all prices for items in bid proposals are to be submitted F.O.B. Destination. Proposals submitted other than F.O.B. Destination may not be considered. Regardless of the method of quoting shipments, the contractor shall assume all costs, liability and responsibility for the delivery of merchandise in good condition to the State's using agency or designated purchaser.

F.O.B. Destination does not cover "spotting" but does include delivery on the receiving platform of the ordering agency at any destination in the State of New Jersey unless otherwise specified. No additional charges will be allowed for any additional transportation costs resulting from partial shipments made at contractor's convenience when a single shipment is ordered. The weights and measures of the State's using agency receiving the shipment shall govern.

- 4.3 **C.O.D. TERMS** - C.O.D. terms are not acceptable as part of a bid proposal and will be cause for rejection of a bid.
- 4.4 **TAX CHARGES** - The State of New Jersey is exempt from State sales or use taxes and Federal excise taxes. Therefore, price quotations must not include such taxes. The State's Federal Excise Tax Exemption number is 22-75-0050K.
- 4.5 **PAYMENT TO VENDORS** - Payment for goods and/or services purchased by the State will only be made against State Payment Vouchers. The State bill form in duplicate together with the original Bill of Lading, express receipt and other related papers must be sent to the consignee on the date of each delivery. Responsibility for payment rests with the using agency which will ascertain that the contractor has performed in a proper and satisfactory manner in accordance with the terms and conditions of the award. Payment will not be made until the using agency has approved payment.

For every contract the term of which spans more than one fiscal year, the State's obligation to make payment beyond the current fiscal year is contingent upon legislative appropriation and availability of funds.

The State of New Jersey now offers State contractors the opportunity to be paid through the VISA procurement card (p-card). A contractor's acceptance and a State Agency's use of the p-card, however, is optional. P-card transactions do not require the submission of either a contractor invoice or a State payment voucher. Purchasing transactions utilizing the p-card will usually result in payment to a contractor in three days. A Contractor should take note that there will be a transaction processing fee for each p-card transaction. To participate, a contractor must be capable of accepting the VISA card. For more information, call your bank or any merchant services company.

- 4.6 **NEW JERSEY PROMPT PAYMENT ACT** - The New Jersey Prompt Payment Act N.J.S.A. 52:32-32 et seq. requires state agencies to pay for goods and services within sixty (60) days of the agency's receipt of a properly executed State Payment Voucher or within sixty (60) days of receipt and acceptance of goods and services, whichever is later. Properly executed performance security, when required, must be received by the state prior to processing any payments for goods and services accepted by state agencies. Interest will be paid on delinquent accounts at a rate established by the State Treasurer. Interest will not be paid until it exceeds \$5.00 per properly executed invoice.

Cash discounts and other payment terms included as part of the original agreement are not affected by the Prompt Payment Act.

- 4.7 **RECIPROCITY** - In accordance with N.J.S.A. 52:32-1.4 and N.J.A.C. 17: 12- 2. 13, the State of New Jersey will invoke reciprocal action against an out-of-State bidder whose state or locality maintains a preference practice for their bidders.
5. **CASH DISCOUNTS** - Bidders are 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 lowest bid.
- Discount periods shall be calculated starting from the next business day after the recipient has accepted the goods or services received a properly signed and executed State Payment Voucher form and, when required, a properly executed performance security, whichever is latest.
 - The date on the check issued by the State in payment of that Voucher shall be deemed the date of the State's response to that Voucher.
6. **STANDARDS PROHIBITING CONFLICTS OF INTEREST** - The following prohibitions on vendor activities shall apply to all contracts or purchase agreements made with the State of New Jersey, pursuant to Executive Order No. 189 (1988).
- No vendor shall pay, offer to pay, or agree to pay, either directly or indirectly, any fee, commission, compensation, gift, gratuity, or other thing of value of any kind to any State officer or employee or special State officer or employee, as defined by N.J.S.A. 52:13D-13b and e., in the Department of the Treasury or any other agency with which such vendor transacts or offers or proposes to transact business, or to any member of the immediate family, as defined by N.J.S.A. 52:13D-13i., of any such officer or employee, or partnership, firm or corporation with which they are employed or associated, or in which such officer or employee has an interest within the meaning of N.J.S.A. 52: 13D-13g.
 - The solicitation of any fee, commission, compensation, gift, gratuity or other thing of value by any State officer or employee or special State officer or employee from any State vendor shall be reported in writing forthwith by the vendor to the Attorney General and the Executive Commission on Ethical Standards.
 - No vendor may, directly or indirectly, undertake any private business, commercial or entrepreneurial relationship with, whether or not pursuant to employment, contract or other agreement, express or implied, or sell any interest in such vendor to, any State officer or employee or special State officer or employee or special State officer or employee having any duties or responsibilities in connection with the purchase, acquisition or sale of any property or services by or to any State agency or any instrumentality thereof, or with any person, firm or entity with which he is employed or associated or in which he has an interest within the meaning of N.J.S.A. 52: 130-13g. Any relationships subject to this provision shall be reported in writing forthwith to the Executive Commission on Ethical Standards, which may grant a waiver of this restriction upon application of the State officer or employee or special State officer or employee upon a finding that the present or proposed relationship does not present the potential, actuality or appearance of a conflict of interest.

- d. No vendor shall influence, or attempt to influence or cause to be influenced, any State officer or employee or special State officer or employee in his official capacity in any manner which might tend to impair the objectivity or independence of judgment of said officer or employee.
- e. No vendor shall cause or influence, or attempt to cause or influence, any State officer or employee or special State officer or employee to use, or attempt to use, his official position to secure unwarranted privileges or advantages for the vendor or any other person.
- f. The provisions cited above in paragraph 6a through 6e shall not be construed to prohibit a State officer or employee or Special State officer or employee from receiving gifts from or contracting with vendors under the same terms and conditions as are offered or made available to members of the general public subject to any guidelines the Executive Commission on Ethical Standards may promulgate under paragraph 6c.

NOTICE TO ALL BIDDERS **SET-OFF FOR STATE TAX NOTICE**

Please be advised that, pursuant to P.L. 1995, c. 159, effective January 1, 1996, and notwithstanding any provision of the law to the contrary, whenever any taxpayer, partnership or S corporation under contract to provide goods or services or construction projects to the State of New Jersey or its agencies or instrumentalities, including the legislative and judicial branches of State government, is entitled to payment for those goods or services at the same time a taxpayer, partner or shareholder of that entity is indebted for any State tax, the Director of the Division of Taxation shall seek to set off that taxpayer's or shareholder's share of the payment due the taxpayer, partnership, or S corporation. The amount set off shall not allow for the deduction of any expenses or other deductions which might be attributable to the taxpayer, partner or shareholder subject to set-off under this act.

The Director of the Division of Taxation shall give notice to the set-off to the taxpayer and provide an opportunity for a hearing within 30 days of such notice under the procedures for protests established under R.S. 54:49-18. No requests for conference, protest, or subsequent appeal to the Tax Court from any protest under this section shall stay the collection of the indebtedness. Interest that may be payable by the State, pursuant to P.L. 1987, c.184 (c.52:32-32 et seq.), to the taxpayer shall be stayed.

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1.0 INFORMATION FOR BIDDERS

1.1 Purpose and Intent

This Request for Proposal (RFP) is issued by the Purchase Bureau, Division of Purchase and Property, Department of the Treasury, on behalf of the State of New Jersey. The purpose of the RFP is to solicit proposals from qualified bidders for the operation and maintenance of the Families First Electronic Benefits Transfer (EBT) system. This RFP is designed to provide interested parties with sufficient information to prepare and submit proposals for consideration by the State of New Jersey. The term of the contract resulting from this RFP will be five years.

Bidders responding to this RFP must represent their ability to provide a fully developed, functional EBT system for the delivery of cash assistance and food stamp benefits. The system must be conveniently accessible by all recipient population groups. At a minimum, the Bidder's proposed system must have the following capabilities:

- process input using the existing New Jersey system environment. The State will not make modifications to its Family Assistance Management Information System (FAMIS) system to accommodate the Contractor.
- accept daily and monthly electronic batch transmissions of payment and client demographic data from the State's FAMIS on-line eligibility system via an automated interface;
- provide daily and monthly electronic transmissions of payment and client history data to the State's FAMIS system via an automated interface;
- provide on-line update and inquiry capability to the Families First EBT database;
- provide for secure on-line issuance and cancellation of benefits;
- log and report all data by county, from the initial input process through the reporting process. All elements that make up a county report must be rolled up by elements into a State total report.
- make all reports available in county sort with county totals and State total;
- meet U.S. Department of Agriculture, Food and Nutrition Service (USDA/FNS) operating and reporting requirements as contained in 7CFR Parts 272, 274, 276, 277 and 278, Food Stamp Program Standards for Approval and Operation of Food Stamp EBT Systems;
- comply with the Quest® Operating Rules;

- provide for direct deposit of payments to vendors (such as landlords and utilities) on behalf of cash benefit recipients (for example, Voluntary Restricted Payments or VRP in the State's FAMIS system);
- include the issuance of General Assistance (GA) cash benefits through the Families First card;
- provide for direct deposit of cash assistance payments to a recipient's individual bank account;
- process and report on food stamp claim repayments;
- convert EBT benefits to food stamp coupons when a recipient moves from New Jersey to a non-EBT state. The system must continue to support benefit conversions until nationwide operability is available.

Bidders must represent their ability to:

- implement and operate a system at a cost that is competitive with EBT systems in other states, and which is provided to New Jersey at the best possible rate;
- complete development and testing with sufficient lead time to be able to successfully convert the State's existing caseload to the Bidder's system prior to the expiration of the State's current contract for EBT services, which expires August 14, 2004;
- provide Families First EBT cards to all payees over-the-counter at the 21 county welfare agencies;
- provide for a self-selected personal identification number (PIN);
- provide all software required for the system's operation;
- provide point-of-sale (POS) equipment to merchants who are not associated with a third party processor (TPP) but wish to participate in food stamp EBT;
- provide appropriate training and technical support to all users, including benefit recipients, State and County staff, and merchants;
- research and resolve all system errors such as ATM and POS misdisburses;
- receive reports of stolen or lost cards and disable the cards immediately;
- assume liability for benefit replacement in the event of negligence, fraud or breach of security;

- provide cardholders with a hard copy of their transaction history for up to three months, if requested;
- for the duration of the contract, provide a full-time integrated testing process that will simulate production and allow for electronic transmission of all required files between the State system test model and the Bidder's EBT system test model;
- provide features within the system that serve to reduce the possibility of fraud and misuse.

1.2 Background

The participation of cash assistance and food stamp benefit recipients in the Families First EBT program is mandatory. Recipients receive a plastic, magnetic-stripe Families First card that they use to access their benefits. Benefits are electronically posted to recipients' food stamp and cash accounts with an available date. Once benefits are posted and the available date is reached, recipients can access their food stamp benefits at any participating store, and may access their cash benefits at ATMs or other POS locations.

1.3 Key Events

1.31 Questions and Inquiries

It is the policy of the Purchase Bureau to accept questions and inquiries from all potential bidders receiving this RFP.

Written questions should be mailed or faxed to the Purchase Bureau to the attention of the assigned Purchase Bureau buyer at the following address:

NJ Department of the Treasury
 Division of Purchase and Property
 P. O. Box 230
 Trenton, NJ 08625-0230
 Attention: Mary Lou Goho
 Phone: (609) 292-4927
 Fax: (609) 292-5170
 marylou.goho@treas.state.nj.us

1.3.1.1 Cut-off Date for Questions and Inquiries

The cut-off date for submission of questions will be the date of the Mandatory Pre-Bid Conference. While all questions will be entertained at the Mandatory Pre-Bid Conference, it is strongly urged that questions be submitted in writing prior to the Mandatory Pre-Bid Conference. Written questions must be delivered to the Purchase Bureau buyer. It is requested that bidders who have long, complex or multiple part questions submit them in writing as far in advance of the Mandatory Pre-Bid conference as possible. This request is made so that answers can be prepared by the State by the time of the Mandatory Pre-Bid Conference.

1.3.1.2 Question Protocol

Questions should be submitted in writing to the attention of the assigned Purchase Bureau buyer. Written questions should be directly tied to the RFP by the writer. Questions should be asked in consecutive order, from beginning to end, following the organization of the RFP. Each question should begin by referencing the RFP page number and section number to which it relates.

Short procedural inquiries may be accepted by telephone by the Purchase Bureau buyer; however, oral explanations or instructions given over the telephone shall not be binding upon the State. Bidders shall not contact the Using Agency directly, in person, or by telephone, concerning this RFP.

1.3.2 Mandatory Site Visit – not applicable to this procurement

1.3.3 Mandatory Pre-Bid Conference

A Mandatory Pre-Bid Conference has been scheduled for this procurement. The date, time and location are provided as follows:

October 7, 2003, 10:00 a.m.
New Jersey Division of Family Development
Quakerbridge Plaza
Building #7, Conference Rooms 200A-B-C
Trenton, New Jersey 08619

The purpose of the Mandatory Pre-Bid Conference is to provide a structured and formal opportunity for the State to accept questions from bidders regarding this RFP.

Any revisions to the RFP resulting from the Mandatory Pre-Bid Conference will be formalized and distributed to attendees as written addenda to the RFP. Answers to deferred questions will also be distributed to attendees as written addenda to this RFP.

1.3.4 Document Review Room – not applicable to this procurement

1.4 Additional Information

1.4.1 Revisions to this RFP

In the event that it becomes necessary to clarify or revise this RFP, such clarification or revision will be by addendum. Any RFP addendum will be distributed as follows:

Any addendum issued before the Mandatory Pre-Bid Conference will be distributed to all bidders who were sent the initial RFP. Any addendum issued at the time of or after the Mandatory Pre-Bid Conference will be distributed only to those bidders represented and properly registered at the Mandatory Pre-Bid Conference.

1.4.2 Addendum as a Part of this RFP

Any addendum to this RFP shall become part of this RFP and part of any contract resulting from this RFP.

1.4.3 Issuing Office

This RFP is issued by the Purchase Bureau, Division of Purchase and Property. The buyer noted in Section 1.3.1 is the sole point of contact between the bidder and the State for purposes of this RFP.

1.4.4 Bidder Responsibility

The bidder assumes sole responsibility for the complete effort required in this RFP. No special consideration shall be given after bids are opened because of a bidder's failure to be knowledgeable of all the requirements of this RFP. By submitting a proposal in response to this RFP, the bidder represents that it has satisfied itself, from its own investigation, of all of the requirements of this RFP.

1.4.5 Cost Liability

The State assumes no responsibility and bears no liability for costs incurred by bidders in the preparation and submission of proposals in response to this RFP.

1.4.6 Contents of Bid Proposal

The entire content of every bid proposal will be publicly opened and becomes a public record. This is the case notwithstanding any statement to the contrary made by a bidder in its bid proposal.

All bid proposals, as public records, are available for public inspection. Interested parties can make an appointment to inspect bid proposals received in response to this RFP with the Purchase Bureau buyer.

1.4.7 Price Alteration

Bid prices must be typed or written in ink. Any price change (including "white-outs") must be initialed. Failure to initial price changes may preclude an award being made to the bidder.

2.0 DEFINITIONS

For purposes of this RFP the following terms and abbreviations will be used.

Acceptance Testing	The process of testing all components and system functionality to determine the system is ready for implementation. Acceptance testing includes: functional requirements testing, error condition and stress testing, as well as regression testing to ensure testing deficiencies are resolved without creating new deficiencies.
Account Management Agent (AMA)	An automated application that supports the activities of the Federal Reserve Bank of Richmond's operations in providing Automated Standard Application for Payments (ASAP) account management activities to the Food and Nutrition Service (FNS) for the Federal EBT Food Stamp Program.
ACF	Administration for Children and Families. The federal agency within the U.S. Department of Health and Human Services that is responsible for the supervision of the Temporary Assistance to Needy Families (TANF) program.
ACH	Automated Clearing House. An electronic clearing and settlement system for exchanging electronic transactions among participating depository institutions.
Acquirer	The financial Institution or its agent that establishes an account with a merchant and processes payment card authorizations and payments. In the context of this RFP, it also refers to a Third Party Processor (TPP) that accepts transactions from a merchant and routes them to the EBT host processor.
ACSES	Automated Child Support Enforcement System.
Addendum	Further information related to this RFP issued by the Purchase Bureau after publication of the RFP, which modifies or interprets the RFP by additions, deletions, clarifications or corrections.
Adjustment	A debit or credit transaction initiated by an Acquirer or Terminal Operator on behalf of an Acquirer, to correct a system error or to correct an out-of-balance condition identified in the Settlement process.
Agreement	The contract resulting from this RFP.
ALERT	Anti-fraud Locator of EBT Retailer Transactions

All-Inclusive Hourly Rate	An all-inclusive hourly rate which must include all direct and indirect costs including, but not limited to: overhead, fee or profit, clerical support, travel expenses, safety equipment, materials, supplies, managerial support and all documents, forms, and reproductions thereof. All-inclusive hourly rates also include portal-to-portal expenses. Time spent in traveling to and from the work site or employee's normal work station shall not be included in this rate.
AMA	See Account Management Agent.
Amendment	A change in the scope of work to be performed by the contractor. An amendment is not effective until it is signed by the Director, Division of Purchase and Property.
ANSI	American National Standards Institute. The U.S. standards group responsible for issuing U.S. standards and maintaining consistency with similar international standards.
ARU	Automated/Audio Response Unit. Computer peripheral that accepts data from touch-tone telephones and responds with synthesized voice commands and information. Used by an EBT system to provide balance information or to authorize manual transactions.
ASAP	Automated Standard Application for Payments. An all-electronic payment and information system developed jointly by the Treasury Department's Financial Management Service (FMS) and the Federal Reserve Bank of Richmond. The latter, in its capacity as Treasury's fiscal agent, operates the system. ASAP is a system through which grantee organizations receiving federal funds can draw from accounts pre-authorized by federal agencies.
ATM	Automated Teller Machine. Unattended terminal that reads a magnetic stripe card and permits the cardholder to make transactions such as cash withdrawals.
Authorized Representative	An individual designated by a food stamp recipient to have access to his or her benefits.
Authorized Retailer	Any merchant who has been approved by FNS to accept food stamps as payment for eligible food items and has also completed and signed a retailer agreement. Authorized retailers include, but are not limited to, retail grocery stores, food chains, farmers markets, roadside vendors, delivery services, and cooperatives.

Automated Teller Machine	See ATM.
Available Balance	The amount of funds that may be accessed by a cardholder for a transaction from a cash or food stamp account.
Balance Inquiry	A non-financial transaction that permits the cardholder to obtain the current balance of his or her account(s).
Bank Identification Number (BIN)	Set of numbers as defined by the American Bankers Association (ABA) and International Standards Organization (ISO), which appears in the primary account number and identifies the card issuer for purposes of interchange.
Batch Exception Report	An error report that lists unprocessed transactions from batch files.
Batch Files	Files generated in batch processing.
Bid Proposal Form	Page one of the RFP (cover sheet).
Bidder	An individual or business entity submitting a bid proposal in response to this RFP.
BIN	See Bank Identification Number.
Card Issuer	The institution or its agent that issues the identification card to the cardholder.
Case	One or more individuals usually sharing family membership and eligibility classification, i.e., mother and child.
Case Number	The 10-digit number that uniquely identifies a case in New Jersey's FAMIS/EBT system. The case number begins with "C" or "S" followed by six numeric characters and ending with a three-digit county code.
Cash Programs	New Jersey public assistance programs that provide cash to eligible recipients, including General Assistance (GA), Temporary Assistance to Needy Families (TANF), and WorkFirst NJ (WFNJ).
CAV	Card Authentication Value. A cryptographic value encoded on Track 2 of the magnetic stripe and used to validate its contents.
Clearing Account	Account maintained by the Concentrator Bank for settlement purposes.

Clearing Report	A settlement report that shows all cash and food stamp funds processed through the contractor.
Client	An eligible recipient of one of the State's benefit programs.
Concentrator Bank	The financial entity that provides specific financial services to the EBT Contractor in support of daily settlement. The Concentrator Bank provides Automated Clearing House (ACH) services to accept funds for food stamp transactions from the Federal Reserve and/or funds for cash transactions from the State's financial institution for settlement with individual retailers/ATM networks, etc. on a daily basis.
Contract	The RFP, any addendum to this RFP, the bidder's proposal submitted in response to this RFP, and the Division's Notice of Acceptance.
Contracting Officer	The Director of the Division of Purchase and Property. By statutory authority, the Director is the chief contracting officer for the State of New Jersey.
Contractor	Vendor to whom a bid is awarded to perform a service or provide goods as specified in the RFP at the price(s) quoted.
Contractor System	See Host System.
CSP	Child Support and Paternity
CSR	Customer Service Representative. A live person who provides assistance to an EBT client or retailer via a phone call to a customer service center. Examples of assistance include access to account information and action on reports of lost or stolen cards.
CWA	County Welfare Agency. Local office that has responsibility for directly administering the programs supervised by the Division of Family Development, such as TANF, WFNJ and the Food Stamp Program. The CWAs are responsible for taking applications, determining eligibility, updating computer files, and providing social services to clients that reside in their county.
DES	Data Encryption Standard. Standard for encrypting data to allow secure transmission of information between points.
DFD	Division of Family Development. The Division within the Department of Human Services that supervises the administration of the public assistance entitlement programs.

Direct Deposit	The electronic transfer of a payment from a company, organization or government entity directly into an individual's bank account.
Division	The Division of Purchase and Property.
EBT	Electronic Benefits Transfer. System that uses electronic funds transfer, automated teller machines, and point-of-sale (POS) technology for the delivery and control of public assistance benefits.
EBT-only Acquirer	The entity (contractor or subcontractor) that acquires, routes and settles transactions for EBT-only retailers under the contract resulting from this RFP.
EFT	Electronic Funds Transfer. A system that transfers funds through electronic messages instead of by traditional means, such as cash or checks.
Evaluation Committee	A committee established to review and evaluate the bid proposals submitted in response to this RFP and to recommend a contract award.
FAMIS	Family Assistance Management Information System. The State's current automated eligibility system, which meets federal requirements for automated systems. It contains TANF and food stamp eligibility, financial and demographic information.
FNS	Food and Nutrition Service. The agency within the U.S. Department of Agriculture that is responsible for administering the Food Stamp Program.
FNS Regulations	The final rules and regulations promulgated by FNS. The regulations serve as the set of standards for operation of FSP EBT systems.
Food Stamp Program (FSP)	The federally funded assistance program authorized by the Food Stamp Act of 1964 that enables individuals and households to purchase food items to maintain nutritionally adequate diets. Eligibility is determined and benefits are issued by the states.
Food Stamp Purchase	A payment for the value of eligible food items sold to a customer at an FNS authorized retailer.
Food Stamp Return	A refund for the value of merchandise originally purchased with food stamp benefits that is brought back by a customer for a credit from the retailer.

FRB	Federal Reserve Bank. The central bank of the United States, created by Congress and made up of a seven-member Board of Governors in Washington, D.C., twelve regional Federal Reserve Banks and their 25 branches. The Federal Reserve Bank of Richmond has been designated by FNS to perform as an Account Management Agent for the federal Food Stamp Program.
Functional Demonstration	The process of demonstrating user interfaces with system components and the full range of system functionality. This process is a pre-requisite to acceptance testing.
Functional Requirements	Major elements of benefit issuance and redemption that must be provided by the EBT system. For the Food Stamp Program they include: 1) authorization of recipient benefits, 2) benefit delivery to recipients, 3) retailer and bank account settlement, 4) management of retailer participation, and 5) reconciliation and reporting.
GA	General Assistance. The State-funded program that provides cash assistance to adults who meet established eligibility criteria.
Group Living Arrangements/ Group Home	Specific licensed residential living facilities for a number of individuals.
Hold	A temporary restriction placed on the funds in an account. The funds on hold are unavailable to the client.
Host Processor	The entity (contractor or subcontractor) that runs the EBT host system.
Host System	The central EBT processing system (hardware, software and data) that processes transactions and maintains client and retailer accounts.
Hot Backup Site	A fully redundant back-up system located in a separate geographic location from the primary system to help ensure that it is not subject to the same natural or man-made disasters. Synchronized databases are maintained at both sites so that in the event of a failure at the primary site, cutover to the back-up site can be effected in a matter of minutes.
“Hot Card”	A card that is no longer valid but has not been returned to the card issuer.
IIN	Issuer Identification Number. (See BIN.)
Inquiry	A transaction that requests that certain information from the database be shown on a terminal screen.

Interface	A point within an application where data flows from one system to another.
ISO	International Standards Organization. Group responsible for coordinating international standards, including financial processing standards.
Issuer	Entity that issues the access device (card). A card issuer is the approver of a transaction – the entity that maintains the account relationship with the cardholder.
Invoice	State billing form AR50 or AR50/54.
Manual Authorization	See Voice Authorization.
Manual Transaction	An off-line food stamp purchase or merchandise return completed by use of a paper manual voucher.
Manual Voucher Clear	The submission of a manual voucher, either electronically or by mail, to confirm the authenticity of the manual transaction and effect settlement. Voice authorization must be obtained with respect to each manual voucher prior to the voucher clear in order to place a hold on funds in the client’s EBT account. Once the voucher is cleared, the funds are debited permanently from the account and credited to the retailer. If the voucher transaction is not cleared within 30 days, the hold is released and the funds again become available to the client.
“May”	Denotes that which is permissible, not mandatory, in the bid response.
NACHA	National Automated Clearing House Association. NACHA develops operating rules and business practices for the Automated Clearing House (ACH) network and for electronic payments in the areas of Internet commerce, electronic bill and invoice presentment and payment, e-checks, financial electronic data interchange (EDI), international payments, and EBT.
Net Position	Value representing the amount due to or from a financial institution for transactions exchanged and processed during the day.
Network	An organization that manages and operates a payment system that supports authentication, authorization, clearing and settlement of retail point-of-sale (POS), ATM and other transactions among network participants bound by the network’s operating rules, and has entered into a Processor Agreement with an Issuer or its Designated Agent. Participants

in a network include financial institutions, merchants, and organizations that provide transaction-processing services to the network.

Network Switch	Component of an electronic funds or benefits transfer system that routes transactions between POS and ATM machines and the relevant authorizing database.
Non-Traditional	A retailer or vendor authorized by FNS to accept food stamp benefits in exchange for eligible food items that does not have access to a phone line or electricity at the point of sale, and therefore is unable to use a standard POS device to authorize transactions (e.g., farmers' markets and route vendors). Others, such as group homes, treatment centers, food cooperatives and communal dining facilities may have special circumstances that require a variety of unique accommodations in order to continue FSP participation in the EBT environment.
Off-line	An EBT system or transaction in which individual purchases are authorized without telecommunication between the POS device or ATM and a central database. In an off-line EBT system, data on the recipient's account balance is maintained on the access card and purchase authorization only requires contact between the card and the local device.
OIT	Office of Information Technology. The New Jersey State data processing center, which processes FAMIS data and is responsible for file transfers between New Jersey and the awarded EBT contractor.
On-line	An EBT system or transaction in which authorization of individual purchases requires telecommunication between the POS device or ATM and a central database in which data on account balances is maintained.
PAN	Primary Account Number. The assigned number that identifies the card issuer and cardholder. It includes the issuer's identification number and an individual account identification number.
PIN	Personal Identification Number. A numeric code selected by or assigned to the recipient and used to control access to individual accounts. The PIN must be entered on a keypad before any transaction can be processed.
PIN Offset	An encrypted version of the PIN that is usually encoded on the magnetic stripe of an access card. It allows PIN verification to be conducted at the point of entry.
PIN Pad	A device through which a cardholder may enter his or her PIN at a terminal.

Point-of-Sale (POS)	Typically used in reference to equipment such as a terminal, PIN pad and printer, deployed at a retail location and used to initiate the electronic debit of recipient accounts and credit to retailer accounts.
Prime Contractor	The entity with which the State contracts for the implementation, maintenance and operation of the EBT system.
Processor	Any company that processes transactions on behalf of an issuer, acquirer or merchant.
Project	The undertaking or services that are the subject of this RFP.
Proposal	The documents submitted by a bidder in response to this RFP.
QRB	See Quality Review Board.
Quality Review Board	A group composed of representatives from participating State and local agencies that reviews and approves all project deliverables and provides a formal quality assurance process.
Quest® EBT Operating Rules	Uniform EBT rules established and maintained by the National Automated Clearing House (NACHA), which form the basis of a uniform operating environment for EBT.
Receipt	Hard copy description of a transaction that took place at the POS, containing at a minimum, the date, merchant name and location, truncated PAN, type of account accessed, transaction amount and account balance.
REDE	Retailer EBT Data Exchange.
Re-presentment	Transmission to the authorizing host of a transaction that was previously denied for insufficient funds at a later date in hope that sufficient funds would then be available.
Request for Proposal (RFP)	This document, which establishes the bidding and contract requirements and solicits proposals to meet the purchase needs of Using Agencies as identified herein.
Resubmission	The submission for authorization of an off-line food stamp transaction or a store and forward food stamp transaction following the denial of such transaction.

Retailer	A merchant who is authorized to participate in the Food Stamp Program and transacts benefits for food stamp and/or cash benefit recipients.
Return	See Food Stamp Return.
Reversal	A system generated message that returns the full value of the transaction to the cardholder.
RFP	See Request for Proposal.
Settlement	The exchange of information that results in the transfer of funds from one entity to another to complete a financial transaction. In EBT, these transfers include the flow of funds via ACH between the EBT contractor's bank account and bank accounts belonging to TPPs, networks and direct connect retail chains, as well as between the EBT-only acquirer's bank account and authorized retailers' accounts.
“Shall” or “Must”	Denotes that which is a mandatory requirement of the RFP. Failure to meet a mandatory requirement will result in the rejection of a bid proposal as materially non-responsive.
“Should”	Denotes that which is recommended, not mandatory.
Smart Card	An access card that has an integrated circuit embedded in the card. It can store data and perform certain computational and memory functions. When used in off-line EBT systems, data on the recipient's account balance is maintained on the card, and purchase authorization only requires contact between the card and the local device.
SSI	Supplemental Security Income. A federal program that provides cash assistance to aged, blind and disabled individuals under Title XVI of the Social Security Act.
STARS	The USDA/FNS Store Tracking and Reporting System.
State	The State of New Jersey.
State Food Stamp Program	Federal legislation currently prohibits participation by certain classes of resident aliens who had previously been eligible for FSP benefits. The legislation allows a State option to continue participation by these individuals providing they meet all other eligibility requirements, and the State pays the full value for these additional benefits. New Jersey has opted to do so, and has cases that receive only federal food stamps, only State food stamps, or both. The State pays for 100 percent of the State

	FSP benefits. Funds to cover their benefits are drawn directly from the State.
Store and Forward	A process by which a food stamp transaction is electronically stored with an encrypted PIN by a POS terminal operator when the POS terminal operator is unable to communicate with the card issuer, and is later forwarded to the issuer for approval.
Subcontractor	An entity that the prime contractor engages to undertake some or all of the obligations of the contract.
Subtasks	Detailed activities that comprise the actual performance of a task.
Surcharge	A fee added to a transaction by an acquirer, terminal operator or merchant for a transaction initiated at a terminal.
TANF	Temporary Assistance to Needy Families. The cash assistance program that replaced AFDC.
Task	A discrete unit of work to be performed.
Third Party Processor	A company other than that with which the State has contracted that drives and maintains retailer POS terminals, authorizes and processes transactions and settles retailer accounts.
TPP	See Third Party Processor.
Transaction	A specific set of input data that initiates a specific action in the EBT system.
Update	The process by which information is added to, changed, or deleted from a computer system.
USDA	United States Department of Agriculture. The federal agency that oversees the Food and Nutrition Service and its programs.
Using Agency or Agency	The entity for which the Division has issued this RFP and will enter into a contract.
Vendor	An entity that sells goods and provides services.
Voice Authorization	An affirmative response to a retailer request for approval of a manual voucher transaction. This request is made via ARU or CSR through the retailer toll-free customer service call center.

Voluntary Restricted Payment (VRP)	A portion of the cash assistance benefit that is voluntarily designated by the recipient for payment of rent, mortgage or utility expenses in the form of a two-party payment to a landlord or other entity.
Voucher	The paper slip that is used to document an off-line food stamp transaction.
Voucher Clear	See Manual Voucher Clear.
Voucher Form	See Manual Voucher.
VRU (Voice Response Unit)	See ARU.
Waiver	An exception to or deferral from implementing a specific regulation that is granted to a state by a federal agency (e.g., USDA/FNS).
WFNJ	WorkFirst NJ. New Jersey's welfare reform program.
WIC	Special Supplemental Food Program for Women, Infants and Children.
Work Plan	A detailed plan provided by the Contractor that outlines all of the tasks, dates and deliverables necessary to accomplish the implementation of the EBT system.

3.0 SCOPE OF WORK

3.1 INTRODUCTION

This section provides an overview of the management, functional and technical requirements to develop, test, implement, and operate an EBT system in conformance with federal regulations, applicable national standards, and the State's performance expectations. Sections detail the specifications for equipment, software functionality, telecommunications, access card production and issuance, training and ongoing operational support.

The State intends for the EBT system to be an industry standard application, which primarily uses existing commercial networks and installed ATMs and POS equipment. In certain circumstances, as more fully described herein, the Contractor will be required to obtain, install and maintain POS equipment on the State's behalf. The two primary factors that will affect equipment acquisition and placement requirements are: 1) the State is required to guarantee an opportunity to participate to all U.S. Department of Agriculture/Food and Nutrition Service (FNS) authorized food stamp retailers; and 2) the State must assure that cash assistance recipients have adequate access to ATMs and POS devices to obtain cash benefits.

This overview serves as a guide for the Bidder's response, which is expected to address issues of the specifications in the same order in which they appear in this RFP. This will permit an assessment of the Bidder's capabilities to effectively plan and manage the conversion of New Jersey's current EBT system to the system solution proposed by the Bidder. Unless expressly noted as an exception herein, the Contractor and any subcontractors shall comply with the Quest® EBT Operating Rules and any modifications thereto. These operating rules detail the operational requirements for EBT contractors, third party processors and other parties participating in the EBT program. The Bidder's system must conform to USDA/FNS EBT regulations (7CFR274.12). These regulations serve as the basis for USDA/FNS approval of the Bidder's system. The EBT system must also comply with technical standards established by the American National Standards Institute (ANSI) and the International Organization for Standardization (ISO) where applicable.

In each section of the response, the Bidder should detail specific plans for the conversion of the State's existing EBT system to the Bidder's proposed system, as well as specifications on that new system. A Comprehensive Conversion Plan is required as a deliverable in the Design and Development Phase.

3.2 BIDDER'S MANAGEMENT PRESENTATION

The Bidder shall provide an introduction to their management structure, key personnel, and services. The State is particularly interested in a Bidder that has substantial experience in developing, implementing and managing financial systems such as EBT, EFT and financial network services, transaction processing, or other similar financial processes. The Bidder's experience, combined with that of any subcontractor(s), shall demonstrate the capability to successfully meet the requirements of this RFP. The bidder's proposal shall highlight its

corporate capabilities, organizational structure, financial stability, and previous experience related to the requirements of this RFP. The Bidder's response must include:

A. Bidder's Capabilities:

1. Date the firm was established and ownership model;
2. Number of employees in total and those with responsibilities related to the requirements of this RFP;
3. Organizational and decision-making chart relative to the EBT system proposed;
4. Specific details concerning prior and current litigation and/or formal administrative protests or actions such as notices of default, unsatisfactory performance, etc. involving state or federal government and private companies related to the quality or performance of EBT, EFT or related services for any local, county, state or federal government agency, public or private association, or private organization.

B. Bidder's Experience:

1. A detailed description of all relevant financial system development, implementation and/or operating experience within the last five years, including period of performance and contract value, that demonstrates the Bidder's ability to satisfy the requirements of this RFP;
2. A list of states or governmental agencies and contact names, addresses, and telephone numbers for whom the Bidder has provided relevant system development.

3.3 EBT MANAGEMENT PLAN

The Bidder's response must include an EBT Management Plan that meets the following requirements:

3.3.1 Staffing and Team Organization

The Contractor shall provide a project team to be headed by an overall Project Manager whose responsibility is to carry out the tasks in this RFP. The Contractor's Project Manager shall have successfully managed the implementation and/or operation of an EBT or other system of comparable size and similar complexity as defined within this RFP within the last 5 years.

The Contractor's EBT Project Manager must be named in the proposal. The Project Manager's appointment must be confirmed no later than two weeks after the effective date of the contract and shall continue until the State's written acceptance of the successful conversion of the current EBT system to the Contractor's EBT system. His or her appointment and continuing service is subject to State approval.

The Contractor will designate a local Account Manager responsible for the EBT contract who, following successful conversion, must maintain regular contact with the State's EBT Project Manager and designated staff members for the term of the contract. His or her appointment and continuing service is subject to State approval. A replacement may be required for any legitimate performance reason at the State's option, and the newly designated staff is subject to State approval.

The following shall be clear in the Bidder's proposal:

- A description of the project team to be assigned to the State including position title, overall responsibilities, percent of time on the project, amount of time during each phase of the contract each will spend in the State, name and resumes of all key staff and identification of positions to be hired upon contract award. If the design of the team will change during different phases of the project, this must be identified.
- A description of any subcontractors that will be employed to perform any of the work required by the contract resulting from this RFP, as well as copies of any subcontractor agreements;
- The degree of coordination expected between the Bidder's Project Manager and the State;
- The decision-making authority of the Bidder's Project Manager within the organization in relation to this EBT project;
- The Bidder's management structure to ensure adequate oversight and provide executive direction for its Project Manager. In this regard, the Bidder shall identify the corporate officer(s) to be contacted should major problems arise during the performance of the Contract. It shall be the responsibility of the corporate contact person(s) to return a telephone call received from the State's EBT Project Manager within twenty-four hours of receipt;
- The lines of authority and communication that will exist within the Bidder's project team.

The Contractor must have an appropriate number and mix of project staff on-site at the Contractor's location and within the State at all times during this project to ensure successful design, development, implementation and operation. The State does not require full-time staff on location within the State for the duration of the contract, but the Contractor must establish and staff a local office during the design, development and implementation phases, and Contractor staff must be located on site within the State until a steady state of operations is reached. The Contractor must provide a plan whereby the Project Manager or designee is available on-site in the State within 72 hours of the State's request at no cost to the State.

3.3.2 Problem Management

The Bidder shall identify and maintain a system for problem reporting and resolution. This system must include an on-line access method, or hard copy documentation, for use by both Contractor and State staff to track reported problems. The system must include problem identification, personnel responsible for the resolution, projected time for resolution, status, escalation procedures, and the recording of final outcome. If the Contractor decides to provide hard copy documentation for problem reporting and resolution, documentation shall be provided on a weekly basis.

3.3.3 Change Management

The Bidder shall provide formal change management procedures. Subsequent to acceptance of the EBT Detail Design Document and extending throughout the term of the Contract, all design

changes agreed upon and all corrective actions must be reflected formally through change orders. Change orders must be authorized by the Contractor and the State. The Contractor shall provide the State with timely (at least 30 days) pre-notification of any system changes proposed, including requests made by other users that could have an impact on the New Jersey EBT System. The Contractor shall not implement any system changes until State staff adequately tests and subsequently approves those changes.

The Contractor must maintain a mechanism to track requested changes by source/reason and any other modifications made to the system during the life of the contract. Change management procedures shall include proper testing of all changes prior to being introduced into the production environment. This includes the application of hardware upgrades and patches. Web-based change management software is suggested.

3.3.4 Risk Management

The Bidder shall describe how it will identify, monitor, and control project risk factors. The Contractor shall report to the State's EBT Project Manager within its regular project status report its assessment of risk factors along with options and plans to minimize each risk factor. The Contractor shall include in its risk assessment the following:

- Loss or re-assignment of personnel
- Security
- Project schedule
- Unacceptable test results
- Subcontractor performance
- Batch file and transaction processing capacity
- Certification of Third Party Processors
- POS deployment & Retailer training
- Card issuance
- Communication links
- System interfaces
- Response to exception reporting from TPP, financial institutions, the State, etc.
- Customer Service
- Delays in financial settlement
- Delays in Automated Clearing House (ACH) payments

3.3.5 Transition from Current Contract

The Contractor will be expected to work in a businesslike manner with the State's current EBT system provider for the purpose of effecting a smooth and timely transition from the current Contractor to the new Contractor's proposed system. The actual database conversion shall be scheduled for no earlier than 10:00 p.m. Eastern Time.

3.3.6 Transition to Subsequent Contract

When the contract resulting from this RFP terminates, the Contractor shall work in a businesslike manner with any future EBT Contractor for a smooth transition between systems. The Contractor shall provide the future EBT Contractor both test data and production data in a timely manner to support the transition of EBT services from the Contractor to the future EBT Contractor. Data shall be provided in a manner and format that supports the conversion effort.

The Contractor shall support the conversion effort to the new EBT Contractor at no additional cost to the State. This includes providing an adequate mix of staff on-site at the Contractor's data center on the day of conversion to support the conversion process from the beginning until the process is successfully completed. The Contractor shall also provide a complete reconciliation of its food stamp benefit records to balances remaining in the State's AMA/ASAP account upon expiration of the contract resulting from this RFP.

3.3.7 Conversion Work Plan

The Bidder's response must include a detailed Work Plan, describing all of the activities necessary to accomplish the successful conversion of New Jersey's current EBT system to the Bidder's proposed system without disruption to the business of the State. A Comprehensive Conversion Plan is one of the early deliverables in the Design and Development Phase. It must be delivered to the State Project Manager within 30 days of the effective date of the contract. Major deliverables shall be produced on a staggered work schedule throughout the plan and with adequate time (30 calendar days) for review and approval by the State and the federal government. In its response to this RFP, the bidder must note in each section of the proposal the conversion aspects, i.e., how conversion will be effected, as well as the ongoing system proposal. Details of New Jersey's current EBT system environment are included in Attachment B. The State does not intend to modify its current EBT environment to support the conversion to a Bidder's proposed system.

The Bidder's Work Plan shall include a description of the Bidder's overall approach to identify and attain the tasks, milestones, and time frames to meet the requirements of this RFP. It shall include a Gantt chart breakdown of work to be done as follows:

- A detailed schedule beginning with the contract effective date, which includes the projected system conversion date, provides contingency plans for meeting deadlines, and ensures that the system is tested and ready for conversion at least 90 days prior to the expiration of the current contract;
- A detailed work breakdown structure including phases, activities, tasks, and deliverables;
- State resource requirements and responsibilities, if any;
- Staff resources assigned to the Work Plan and major tasks including position title and percent of time;
- Identification of Subcontractor staff, if any, and their involvement in Work Plan tasks;
- Bar chart format identifying the beginning and ending time for each significant task;
- All milestones identified;
- Task relationships and dependencies identified;
- Quality assurance check points identified;

- Critical paths identified;
- A plan for the purchase and distribution of equipment, inventory, supplies, materials, etc. that will be required to fully implement the contract on the required start date.

3.3.8 Quality Review Board

Within each project phase, the Contractor's Project Manager may be required to meet with the Quality Review Board (QRB). The QRB will serve as the final review and approval authority for deliverables throughout the project and will meet monthly unless otherwise agreed upon. To allow sufficient time for the QRB's review of deliverables, QRB members must receive all sub-phase deliverables at least ten working days prior to each scheduled QRB meeting.

The initial meeting of the QRB will include a presentation by the Contractor of the project Work Plan. The Contractor's Project Manager must be present at the initial QRB meeting. The Contractor's Project Manager must address all questions raised by the QRB with regard to the adequacy or correctness of the Work Plan and supporting documentation. After the QRB meeting, the Contractor's Project Manager must prepare minutes of the meeting specifying all revisions agreed to at the meeting. The minutes must be provided to the State Project Manager no later than five (5) business days after the QRB meeting. The minutes will be reviewed and approved by the State Project Manager before they are distributed to the members of the QRB. In addition, the Contractor's Project Manager must modify project documentation, if necessary, to reflect any changes agreed to at the QRB meeting. The revised documentation must be distributed to all individuals who received original documentation.

The following information shall be contained in a project status report provided by the Contractor at each QRB meeting:

- A list of tasks and their associated deliverables that have been completed and approved during the report period (since the last meeting) with completion and approval dates identified;
- A list of tasks and their associated deliverables completed and awaiting approval at the end of the reporting period (since the last meeting) with completion dates identified;
- A list of tasks in progress but not completed;
- Identification of tasks ahead of schedule;
- A list of tasks behind schedule or scheduled to have started but were not started, with reasons for delays;
- Problems encountered in the current reporting period and proposed solutions;
- Problems resolved since the last meeting and the methods of resolution;
- A list of any questions and/or issues that must be resolved;
- Identification and justification of any adjustments in the project schedule, resources (staff), scope of work and cost;
- Disputed items;
- A schedule for the next month's activities.

3.3.9 Design and Development Stages to be identified in the Work Plan

The Design and Development Phase and the Operational Phase describe the contract's time and task references. Within the Design and Development Phase, the State requires a timetable for conversion of its current EBT system to the Contractor's system, reflecting each of the stages below. The following represent deliverables required of the Contractor. These deliverables must be identified as milestones in the Work Plan.

Design Stage

The Contractor shall provide the following documents and services.

i. User Requirements Definition – Based on the user requirements, this document shall include final determinations regarding, but not limited to: hardware, operating system and application components; card design; card order and delivery mechanisms; administrative system user roles and assignments; standard Reports Manual; training materials; deployment of EBT equipment and software in State and County offices; FAMIS/EBT interface; batch file transmission format and schedule; retailer implementation; conversion details.

ii. System Design – The Contractor shall provide a written detailed system design, including process flow charts and logic diagrams based on a mutual agreement of the Contractor and the State. The System Design is a detailed and exact statement of the working relationship among all components of the EBT system including the Contractor, USDA/FNS, the State, retailers, and clients. The design document shall include the interface between the Contractor's system and the State's FAMIS system. The State will not make changes to accommodate the interface. The design document shall include diagrams that show all communication links between the vendor's host system and the desktop. Both logical and physical diagrams are required. The design document shall also include the interface to be established with USDA/FNS for transmission of current authorized retailer data. During this process, the Contractor shall develop its Disaster Contingency Plan and Security Plan.

iii. Functional and Acceptance Test Plans – The Contractor shall develop and finalize written Functional and Acceptance Test Plans, test procedures, test scripts, and test data for evaluating the EBT system. The test plans shall include the methodology to be used to verify that the EBT system works in accordance with program specifications. The plans shall specifically cover: the types of testing to be performed; the organization and responsibilities of the test team; test database generation; test case development, test schedule; and documentation of test results. The plans shall emphasize system reliability, workability in an operational environment, and acceptability to EBT system participants.

iv. Comprehensive Conversion Plan - The Contractor shall provide a description of activities and timelines for conversion. This description shall include: establishment of retailer agreements; equipment deployment; training components and schedule; format and schedule for the transmission of client data to establish and maintain EBT accounts and benefit information; identification of card issuance procedures; availability of Contractor staff to resolve retailer, operational, settlement, and other problems that may arise; and other information as requested by the State during the design phase. The Contractor will be responsible for migration of transaction acquirers, POS device deployment and installation; migration of client data to the Contractor's EBT database and EBT card replacement, if necessary. The conversion plan must

describe in detail how these tasks will be accomplished. All schedules must provide sufficient lead, order, and training time.

The Conversion Plan must address three specific components:

EBT-only POS Terminals

It is critical that clients be able, without interruption or delay, to redeem their food stamp benefits or access their cash benefits during the conversion of EBT-only equipment. Business operations of retailers using EBT-only equipment must continue uninterrupted during the conversion to new terminals and terminal drivers. At least 90% of all existing EBT-only terminals shall be converted prior to the database conversion.

EBT Database

Database conversion (conversion from existing database to new database) shall take place overnight on a weekend. The Contractor shall analyze transaction volumes and select a weekend when the least number of retailers and clients would be impacted. The entire conversion shall be completed in ten hours or less. No stand-in processing of client transactions will be required during conversion.

The Contractor shall:

- Perform significant testing of the conversion process, including performing test transactions against the converted database in the Test System. Testing shall also validate that PINs have been converted successfully. Time frames for all conversion tasks shall be documented during the conversion testing process.
- Accept three years of transaction history to be transferred from the current EBT Contractor.
- Provide for conversion of ninety days of on-line transaction history onto the new system unless another arrangement is agreed to by the State.
- Have checkpoints and reconciliation procedures built into the conversion process to ensure that no benefits or records are dropped.
- Have a contingency fall back plan in case the conversion cannot be completed in a timely manner due to problems.

Card Re-issuance

The Contractor shall convert existing active cards to new card stock following the conversion of the database, if necessary. Conversion to the new card stock shall take place during a three to six month window.

Development Stage

The Contractor shall provide the following documents and services after State approval:

- Final training materials
- EBT system components developed according to User Requirements and System -Design documents.
- Initiate equipment deployment and training of State and County staff and retailers according to the Conversion Plan.

Testing Stage

- Assign a testing liaison and provide contact information.
- Test all system components including file transfer between the State and the Contractor's system.
- Provide a Functional Demonstration Report on the results of the functional demonstration, including a description of all discrepancies and explanations of why they occurred and how they were resolved.
- Perform acceptance and stress testing of the EBT system according to the State-approved Acceptance Test Plan. Retest to ensure correction of problems. The Contractor shall make the system available for any such testing and shall cooperate fully with the State and USDA/FNS test teams. Acceptance testing shall be performed on site in New Jersey.
- Prepare and submit the Acceptance Test report to the State. Prior to proceeding to the implementation phase, this report must be approved by the State and USDA/FNS.

The Design and Development Phase must be completed to successfully implement the system on or before May 14, 2004. The State shall provide written acceptance of conversion when it is satisfactorily completed.

3.3.10 Operational Phase

The Operational Phase begins when the Contractor begins processing the State's EBT transactions, assuring a seamless conversion in benefits delivery. During this phase the Contractor shall fully perform all facets of an effective EBT system as specified in the contract resulting from this RFP.

3.4 CONTRACTS MANAGEMENT

The Contractor will be responsible for establishing and maintaining all contracts necessary to deliver benefits. This includes relationships with financial networks, food retailers, banks, check cashing operators, and any other retailer locations at which clients will be able to use their EBT cards for cash purchases, cash withdrawals, and/or food stamp purchases.

The bidder must describe its approach to the recruitment of a network of subcontractors to operate a statewide system of ATMs and POS devices through which cardholders will access cash and food stamp benefits and make balance inquiries. The Bidder's response should contain the specific plans, methods, and time frames to accomplish these actions.

While the Contractor is responsible for the recruitment of commercial participants and the creation of the benefit delivery network, the State reserves the right to mediate negotiations/disputes between the Contractor and benefit deliverers, or other entities to be used in the benefit delivery process.

Finally, the response to this section shall provide for periodic, planned meetings and communications with retailer and banking trade associations, as well as with user advocacy groups. The State will facilitate such meetings and communications in order to evaluate system usage and discuss problems. The Contractor will be responsible for collecting any data, preparing an agenda, and providing all support materials for such meetings or communications,

as well as providing appropriate vendor staff to attend the meetings. All materials and/or other forms of information must be approved by the State prior to distribution.

3.4.1 Retailer Relationship Management

The bidder must describe its management plan for retailer relationships. The plan must include details and time lines for recruitment and bringing new retailers onto the EBT system, for adding and deleting retailers, and for managing the retailer database. The plan shall include certification by the Contractor that neither it nor any of its subcontractors or subsidiaries, which may own automated teller machines, will assess terminal owner surcharges to New Jersey EBT cardholders. Additionally, the plan should include a provision to notify all ATM and POS transaction acquirers in writing that they may not surcharge New Jersey EBT cardholders for POS or ATM transactions.

3.4.2 Subcontractors

The Bidder shall provide a description of the qualifications and experience, relative to the services provided, of each subcontractor with whom the Bidder intends to contract if it is selected for contract award. The bidder shall also include in its proposal for each intended subcontractor any prior and current litigation and/or formal administrative protests or actions such as notices of default, unsatisfactory performance, etc in similar instances as required of the Bidder. (See Section 3.2.A.4 of this RFP.)

The Contractor will establish written agreements with each subcontractor to provide services within the proposed EBT system. Each agreement is subject to review by the State. The State will hold the Contractor responsible for the entire contract, regardless of work that is subcontracted.

The Bidder must provide a letter of commitment from each intended subcontractor to participate as described in the Bidder's proposal.

3.4.3 Performance Standards

The following table defines the State's performance standards for the delivery of EBT services and the performance deficiencies that may trigger the imposition of hold-back provisions, described in Section 3.4.3.1.

Requirement	Performance Deficiency
<p><u>EBT Central Computer Availability and Reliability</u></p> <p>The EBT system central computer shall be available 99.9% of scheduled up time, 24 hours a day, 7 days per week measured on a monthly basis. Scheduled up time shall mean the time the database is available for transactions excluding scheduled downtime for routine maintenance. The EBT central computer consists of all system functions over which the Contractor has control, either directly or through a subcontractor relationship.</p>	<p>Failure of EBT system central computer to be available and operational 99.9% of the time measured on a monthly basis, excluding scheduled downtime.</p>
<p><u>Settlement and ACH Processes</u></p> <ol style="list-style-type: none"> 1. The timeframe for the ACH settlement window will be met 90% of the time measured on a monthly basis. 2. AMA entries will be made with 100% accuracy. 3. STARS daily redemption totals will be provided to the Benefit Redemption System Branch (BRSB) at least weekly with 100% accuracy. 	<ol style="list-style-type: none"> 1. Failure to meet the timeframe for the ACH settlement window 90% of the time measured on a monthly basis. 2. Two or more errors in providing AMA data to the FRB of Richmond over a two-month period. 3. Two or more errors in the daily redemption totals provided to the BRSB over a two-month period.
<p><u>Benefit Availability</u></p> <p>Benefit authorizations received by 11:59 p.m. ET will be posted to recipient accounts and be available at 6:00 a.m. ET the next morning.</p>	<p>Failure to make benefits that are received by 11:59 p.m. ET available by 6:00 a.m. ET the following morning for two or more days within a calendar month.</p>
<p><u>EBT Switching Services</u></p> <p>The EBT switch shall be available 99.8% of the time in any calendar month, not including scheduled downtime or failure of communication lines or telecommunications equipment that is out of the control of the Contractor.</p>	<p>Failure to provide EBT switch availability 99.8% of the time in any calendar month.</p>
<p><u>Transaction Response Time</u></p> <p>100% of EBT-only transactions shall be processed within 20 seconds or less measured on a monthly basis. The response time standard refers to on-line POS transactions and is defined as the time between the pressing of “enter/send” at the input device and the receipt and display of the entire, complete response at the input device.</p>	<p>Failure to complete 100% of EBT-only POS transactions within 20 seconds in any calendar month.</p>

<p><u>Inaccurate Transactions</u> The system shall permit no more than 2 inaccurate transactions for every 10,000 food stamp or cash benefit financial transactions, measured on a monthly basis.</p>	<p>Failure to maintain an accuracy standard of no more than 2 errors per every 10,000 food stamp or cash benefit transactions in any calendar month.</p>
<p><u>Customer Service Call Center</u> 1. 85% of calls answered within 4 rings measured over a three-month period. (4 rings are defined as 25 seconds.) 2. 95% of all calls to Customer Service Representatives (CSRs) or the Audio Response Unit (ARU) answered within 2 minutes measured over a three-month period.</p>	<p>1. Failure to answer 85% of calls within 4 rings measured over a three-month period. 2. Failure to answer 95% of all calls to CSRs or the ARU within 2 minutes measured over a three-month period.</p>
<p><u>Host Response Time for Administrative Terminal</u> Host response time for administrative terminal transactions for on-line data shall not exceed 2 seconds 98% of the time measured on a monthly basis.</p>	<p>Failure to meet administrative terminal response time of 2 seconds 98% of the time in a calendar month.</p>
<p><u>Equipment Installation for EBT-only Retailers</u> 95% of EBT-only POS terminals shall be installed and operational within 14 days of the Contractor receiving a retailer's complete contract, measured over a three-month period. Retailer-initiated delays are not included.</p>	<p>Failure to install 95% of EBT-only POS terminals within 14 days of the Contractor receiving a retailer's complete contract, measured over a three-month period.</p>

3.4.3.1 Penalties for Non-Compliance with Performance Standards

The performance deficiencies listed above shall be subject to hold-back provisions set forth below. The remedies set forth here do not preclude the use of any other remedy provided by the Contract or applicable law; however, the State agrees to invoke the hold-back provisions as its first avenue in seeking to resolve performance deficiencies. The State's decision not to invoke the hold-back provisions in any instance of performance deficiency shall not be deemed to be a waiver of the State's right to invoke the hold-back provisions in any other instance.

The State will notify the Contractor of the first incident of failure to meet one or more of the defined performance standards and request a corrective action plan. The State will set a date for submission of the plan. If the State does not receive the plan by the due date and no extension has been granted, the State may, at its discretion, invoke the appropriate "first month's delayed payment" remedy per the schedule.

If the State receives the plan by the due date, the State will work with the Contractor to achieve a mutually agreed upon final corrective action plan and schedule. The State may, at its discretion, invoke the appropriate "first month's delayed payment" remedy if the Contractor does not meet the schedule and no extension has been granted.

The State will notify the Contractor when it is satisfied that the problem has been corrected. If the State determines that, after the expiration of the corrective action schedule, the incident has occurred again (second incident), the State may, at its discretion, invoke the delayed payment schedule until such time as the failure is remedied.

The State may, at its discretion, delay payments to the Contractor according to the following schedule:

- First month- the State may delay payment of fifteen percent (15%) of the total monthly invoice amount.
- Second consecutive month – The State may delay payment of thirty percent (30%) of the total monthly invoice amount
- Third and additional consecutive months – The State may delay payment of forty-five percent (45%) of the total monthly invoice amount.

Payments may be delayed until the State, in its sole discretion, ascertains the Contractor has fully complied with the performance standards and that such compliance will continue. Upon determining the Contractor has fully complied and will continue to comply with performance standards, the State shall promptly pay the Contractor the outstanding payment amount previously delayed as a penalty for the subject instance of non-compliance.

3.5 TRAINING

This section requires data about the Bidder's ability to design, produce and implement the training programs integral to the successful operation of an EBT system. The Bidder must provide a Comprehensive Training Plan, explaining the training programs proposed for each of the user groups of the EBT system:

- 1) Clients;
- 2) Retailers; and
- 3) State and county staff.

The State must approve any and all training programs prior to their use, including training aids, and must be allowed adequate time (20 working days) for such review.

The Comprehensive Training Plan and all training materials will become the property of the State. The State may duplicate the Contractor's training materials as needed. Training materials developed by the Contractor will remain available for State and county staff use through the period of the contract.

3.5.1 Client Training

Current clients are familiar with the EBT system. Training of current clients will be handled through the distribution of an informational brochure. Clients must be advised that they may

request “hands on” training and explain how to receive this training. County offices will provide face-to-face training to clients, if requested by clients.

Printed Training Brochure.

The Contractor must design and develop a simple but thorough printed client-training brochure for the duration of the contract. Brochures must be provided in English and Spanish.

The Contractor shall distribute brochures to all existing clients at the time of card conversion and provide the county welfare agency offices with initial supplies of brochures for ongoing client training. The Contractor must provide the State with a camera-ready version of the brochure that the State may use to obtain additional supplies of brochures if needed during the term of the contract.

At a minimum, the training brochure shall include the following topics:

- Use of the Families First EBT card at the point of sale, including the types of transactions that can be processed at POS terminals
- Use of the Families First EBT card at ATMs, including the types of transactions that can be processed at ATMs;
- Use and safeguarding of the card and PIN
- Use of transaction receipts to track balances
- Manual food stamp transaction procedures
- Guidance on reporting problems with the card, including misdispenses, and on reporting a lost or stolen card
- Customer service functions, including use of the ARU
- The FNS non-discrimination statement

Training Video.

The Contractor shall develop an EBT training video for use in the county welfare agency offices. The training video should be no more than 15 minutes in length. The training video script should be geared to a fifth-grade education level. The video must be provided in English and Spanish, as well as in a closed-captioned English language version for the hearing impaired. The training video must be available in VHS and in DVD format. The Contractor must provide at least two (2) copies of the video in each language and in both VHS and DVD format to every county welfare agency office, and must provide the State with a master copy of the video in each language. The State retains the option to request the video in additional languages through change orders if the need warrants. Bidders shall identify the cost of providing training videos in additional languages in its cost proposal.

3.5.2 Retailer Training

The Contractor is responsible for training all retailers for which the Contractor or its subcontractor is acting as an acquirer. The Bidder must develop a retailer-training plan. The Contractor is responsible for developing a Retailer User Manual during the Design and Development Phase, which will be distributed by the Contractor to all retailers prior to the Operational Phase. All training plans and materials developed by the Contractor must be approved by the State.

At a minimum, retailer training shall include:

- training on proper installation and operation of EBT equipment
- interpreting POS messages
- manual procedures for food stamp transactions
- processing electronic and manual returns
- reversals, adjustments, and corrections
- reconciliation and settlement
- retailer customer service contact methods
- recipient rights
- process for accepting paper food stamp coupons
- training on troubleshooting equipment problems

The Bidder's response must specify the method of training to be provided to retailers and address both conversion and ongoing training needs. Specific training plans for new installations of Vendor-provided equipment must be outlined. Training material may be mailed to retailers. A telephone-training component is required if the training plan provides for mailing of training material as the primary training method.

The State does not intend to mandate that the Contractor provide an on-site visit to install and explain the use of equipment, even though it may be preferred. On-site training may be required if the State determines that the off-site installation process is having an adverse impact on retailers. The Contractor must assure the State that retailers with Vendor-provided equipment can obtain whatever training is required to operate the equipment.

3.5.3 State/County Staff Training

The Contractor is responsible for providing all current State and County staff with an overview of the Contractor's system. Approximately 300 State staff and 6,000 County staff must receive the overview. Overview sessions will be conducted at each County office and at the State office.

The Contractor is also responsible for training appropriate existing State and County administrative staff in a variety of internal operating units on the operation of the administrative system, including security, benefit issuance administration, card issuance administration and card production equipment, and any other equipment necessary for local EBT operations. Training must be conducted on location in each county office and at the State office. All training must be completed at least one month prior to the start of conversion. It is estimated that a maximum of 150 State and County staff will require this specialized training.

The proposal must include the development of a NJDFD/County Staff User Manual providing procedural and operational instructions. This manual shall include:

- Operation and use of Vendor-deployed POS equipment
- Operation and use of PIN device
- Administrative system access and use
- Dispute resolution procedures
- System security and access control
- Overview of customer service support for clients and retailers

- Access to customer service support for administrative staff
- Use of reports to meet federal reporting requirements and effectively monitor and manage use of the EBT system.

The Contractor must keep this manual updated throughout the life of the contract.

The Contractor must also provide a Reconciliation Manual specific to AMA/ASAP food stamp issuance reconciliation.

Computer based training (CBT) may be proposed by the Bidder to facilitate ongoing training and orientation of new employees.

3.6 REPORTS

The Contractor must provide all reports on line, printed and as exportable output. Export files must be available as text, tab delimited, comma delimited and Excel formats. In response to this section, the Bidder must describe its standard report menu or list the contents of its standard report package and provide a brief description of the frequency and intended purpose/use of each report. Reports on EBT system operations are mandated by Federal agencies for oversight and review purposes. State agencies also require substantial report information to monitor system performance, perform internal reconciliation activities, and provide information to the Federal agencies.

State reporting requirements: Three areas of reports are required:

- Conversion Reports: reports necessary to accomplish the transition from the existing Contractor
- Operational Reports: reports that must be provided throughout the operational period of the contract. The Contractor must make reports available on-line and must provide the State with a file containing all reports so that the State may include them in its web-based report system.
- Ad Hoc reports: The State reserves the right to have the Contractor create new reports if additional data needs are identified during the course of the contract.

Any report that includes county data must be sorted by county and include both county totals and a State total.

3.6.1 Conversion Status Report Requirements

The following reports will be required for the State to monitor the status of conversion activities and will be generated twice per month unless the State determines during the course of operations that the reports are required more frequently.

1. Conversion Activity Report - This report is a summary, by task, of completed activities and scheduled activities. The first report will be generated two weeks prior to the first task for conversion, and will specify the tasks for week number one and week number two of the conversion effort. The second report will be generated at the end of week two

of conversion. This report will specify the completed activities and scheduled activities for the next two-week period. Each subsequent report will be generated at two-week intervals and have the second reported format thereafter.

2. Conversion Problem Report - This report is a summary of problems encountered, status, actions taken to resolve them, and support required from the State and/or federal agencies.
3. Conversion Delay Report - This report is a summary of anticipated and unanticipated delays, reasons for the delays, and corrective actions taken. Any delays that require a change to the project work plan must be specifically noted and changed in the work plan. The modified work plan must be provided with this report. This work is not additional work as defined in Section 5.22 of this RFP.

3.6.2 Operational Report Requirements

Ongoing operation report categories will include:

- Financial
- Batch Processing
- Support
- Security
- Statistical/System Performance
- Billing
- Customer Service

Financial Reports

Financial reports include those reports that the Contractor will provide to the State in order to account, reconcile and audit the EBT system processing and operations. The Contractor will provide daily account activity reports that reflect all account actions received from the State via batch and/or on-line processing.

Batch Processing Reports

The Contractor will propose a standard set of batch processing reports to ensure the complete and accurate transfer of data during nightly batch processing.

Support Reports

Support reports assist the State in monitoring system activity. They include reports on the Aging Process, card replacement activity and out-of-state card use.

Security Reports

Security reports include reports that provide for a variety of user security profiles and provide information on user activity to assist the State in the detection and investigation of internal fraud.

Statistical/System Performance Reports

Statistical/System Performance reports provide statistical information on various elements and functions of the system.

Billing Reports

Billing reports provide supporting detail and/or documentation for the charges included in the monthly invoice.

Customer Service Reports

Customer Service reports provide detail on the performance of the Contractor's customer service call centers for both clients and retailers.

A complete list and description of reports required by the State for the duration of the contract is included in Attachment D.

The Contractor must work with the State to define the schedule for all reports. The Contractor must provide a Reports Manual during the Design and Development Phase. The Reports Manual must identify the print format, local printing functions and print options (single page print and entire report).

The Contractor will be required to provide new reports and/or make report formatting and content modifications mandated by Federal agencies at no additional expense to the State. The Bidder shall provide a discussion of the methodology and time frame needed to fulfill such requests.

3.7 INSPECTIONS, AUDITS, AND INVESTIGATIONS

3.7.1 Inspections and Audits

The State and the Federal government shall have the right to inspect, review, investigate, and audit all parts of the Contractor's or any subcontractor's facilities engaged specifically in performing EBT services. In such capacity, the State, or its representatives, shall have access to facilities, records, reports, personnel and other appropriate aspects of the EBT system.

The Contractor will obtain an annual Statement of Auditing Standards No. 70 (SAS No. 70) Examination of Requirements in accordance with Food Stamp Program regulations at 7CFR274.12(j)(5) as amended February 29, 2000.

In cases where transaction logs are required for court, the Contractor will be required to ensure that the chain of evidence is preserved.

3.7.2 Investigations and Compliance Requirements

In order to assist in ongoing investigations, FNS must have access to the Contractor's administrative terminals for selected field office, regional office and investigative staff. The Contractor must provide administrative terminal software and security software that are Windows compatible, or appropriate hardware and software, to the locations identified by FNS. This includes a method to interface with the EBT host from multiple locations through dial-up or other means. This access is intended to enable FNS to inquire on specific card and/or retailer information.

The Contractor must advise, assist and appropriately act to aid FNS and the State in detection and investigations of abuses by retailers, recipients or workers, including but not limited to reporting unusual activity. This may entail cooperation with various authorities of the State and federal agencies that are responsible for compliance with laws and regulations governing the various assistance programs. Retailers authorized by FNS to accept food stamp benefits may become subject to monitoring and investigations by the FNS FSP Compliance Branch, the USDA Office of Inspector General (OIG), the IRS, the Secret Service, or local police departments. Recipients are subject to investigation by the State program authorities. Because the State must cooperate with federal agencies in creating fictitious cases and cards for investigative purposes, as well as providing information to investigators, the Contractor may also be impacted. The State and the Contractor will determine an orderly process for performance of these responsibilities. Access to information concerning these matters will be restricted both at the State agency and at the Contractor's location so that investigations are not compromised. These needs must be addressed in the design phase, tested as necessary in acceptance testing, and available at conversion implementation. Minimally the following are required:

- Creation of cases and cards to be used by investigators;
- Posting of benefit authorizations to the investigative cases, possibly on an irregular basis as needed by the investigators;
- Training, card issuance and PIN selection for investigators using the cases;
- Providing reports on the investigative cases showing the amounts funded to the cases and the transaction histories of the funds on a monthly basis;
- Providing information from the system as needed for evidentiary purposes within 24 hours;
- Beginning at conversion implementation, providing extract files of retailer transaction history on a regular basis to the Food and Nutrition Service;
- Retention of all records for a period of three years from the date of last activity on each record.

3.8 EBT SYSTEM SECURITY

During the Design and Development Phase of the EBT project, an EBT Security Plan must be provided to the State as a deliverable. This security document must meet the EBT system security requirements of USDA/FNS and the State of New Jersey, as well as the security requirements contained in the Quest® EBT Operating Rules and any future modifications thereto.

The EBT Security Plan shall describe the administrative, physical, technical, and systems controls to be implemented for the EBT system. The Bidder's plan must, at a minimum, provide security measures for the following areas:

- Facilities Physical Security
- System Security
- System Data Security
- Administrative and Personnel Security

The EBT Security Plan shall provide for the ongoing certification and examination of the Contractor's operations and control system. The Contractor shall have the capability to detect and report attempted unauthorized entries into facilities/system. All security requirements for

the Contractor apply to both the production and back-up systems. The Contractor shall provide security awareness training, in accordance with Public Law 100-235, Section 5, Federal Computer System Security Training Act of 1987 (15 USC 271 et seq.), for all personnel involved in the management, operation, programming, maintenance, or use of the EBT system.

The Bidder will provide a summary overview of the EBT security document, and describe how it has been incorporated into a larger security program for automated data processing. Within the proposed system, the Bidder will highlight security features.

In particular, the Bidder will:

- Describe how its system security measures, including anti-virus controls, will meet industry standards and also meet USDA requirements. It should include policy statements that require periodic anti-viral software checks of the system to preclude infections and set forth its commitment to periodically upgrade its capability to maintain maximum effectiveness against new strains of software viruses. The plan should also include a description of the firewall control process and intrusion detection methodology, vulnerability assessments, and a database risk assessment, as well as detail on “hardening” of the operating system;
- Submit an anti-fraud plan that describes the measures proposed to monitor the system actively and aggressively for abuse, misuse, and fraudulent activities. This plan must indicate the Bidder’s agreement to implement and operate these anti-fraud measures, including any modifications implemented during contract development, throughout the term of the contract;
- Describe how its proposed system addresses security measures regarding communication access, message validation, and administrative and operational control measures.

Administrative and operational control procedures must ensure that:

- functions affecting an account balance are separated or dually controlled during processing and when requesting federal reimbursement. These functions may include, but are not limited to, the set-up of accounts, transmittal of funds to and from accounts, access to files to change account records, and transmittal of retailer and merchant deposits to the ACH network;
- passwords, identity codes or other security procedures must be utilized by State agency or local personnel and at data processing centers;
- procedures are in place for removing access to the system for individuals that no longer need such access;
- software-programming changes are dual-controlled to the extent possible;
- system operations functions are segregated from reconciliation duties;
- security is maintained for retailer contracts and voided checks and only appropriate staff have access to such material

Specifically the system must contain:

- computer hardware controls that ensure acceptance of data only from authorized terminals. These controls must include the use of mechanisms such as retailer identification codes, terminal identifiers and user identification codes, and/or other mechanisms and procedures recognized by the industry.

- Software controls placed at either the terminal or central computer, or both, which establish separate control files containing lists of authorized retailers, terminal identifying codes, and user access and identification codes. EBT system software controls shall include separate checks against the control files in order to validate each transaction prior to authorization and limit the number of unsuccessful PIN attempts that can be made before the card is locked out.
- communications network security that utilizes the Data Encryption Standard (DES) algorithm to encrypt the PIN from the point of entry, at a minimum.
- manual transaction procedures that provide for secure access to the system with minimal risk to household or retailer accounts.

3.9 DISASTER RECOVERY, BACK-UP AND CONTINGENCY OPERATIONS

The Bidder shall provide a summary description of its disaster recovery plan, back-up and contingency plans in the bid proposal. A formal Disaster Recovery Plan, Back-Up Plan and Contingency Plan are required system development deliverables. The proposal must identify the prime and back-up equipment locations by street address and include a copy of the disaster recovery plan.

3.9.1 Contractor's System

The Contractor shall provide back-up procedures to ensure the continuation of its operations in the event of a temporary or catastrophic disruption. Back-up procedures shall allow for benefits to be accessed and shall ensure access to the Contractor's administrative system when the Contractor's computer, system terminals, or communications are not operational.

The Contractor shall establish policies and assign responsibilities to ensure that appropriate contingency and disaster recovery plans are developed and maintained. Contingency planning consists of the advance plans and arrangements that are necessary to ensure continuity of the critical functions of the EBT system. The contingency plan shall describe the actions to be taken, the resources to be used, the notification process and associated time frames, and the procedures to be followed before, during and after any event occurs that would render inoperative a function supportive to the EBT system. The plan should also provide a description of personnel and their qualifications that will be responsible for back-up disaster recovery operations and management.

The Contractor shall provide an alternate means of authorizing EBT transactions during short-term outages, when switching over to a back-up site is not considered appropriate. The response to this requirement shall also include how the vendor will notify both the State and the retailer community that an outage is occurring and that an alternate means of transaction authorization is in place.

In the event of a disaster that impacts the availability of the Contractor's primary data processing site, the vendor shall have a back-up location available for host processing and telecommunications network services. If the back-up processing location is not a "hot site", the bidder must identify how long it will take to switch to the back-up site. The telecommunications link between the Contractor and the State's Data Center must be a switchable circuit. Two different

telecommunications carriers for primary and back-up lines are required. The two carriers must not share physical hubs.

The Contractor's disaster recovery plan shall also include a State notification process as well as disaster declaration criteria and time frames that are acceptable to the State. The Contractor shall notify the State immediately upon the vendor's decision to move to a disaster back-up site. If the vendor is providing EBT services to multiple states, the disaster recovery plan shall address the timing and order of recovery of New Jersey as compared to the other states being processed. The recovery of the New Jersey EBT system shall not be delayed because the vendor is recovering other states' EBT systems.

3.9.2 State Systems

The Contractor shall support the recovery of the State's EBT systems interface at a back-up site in the event of a disaster at the State's primary data center. This support shall consist of providing connectivity to the State's back-up site to support the transmission of data files and reports between the State and the EBT Contractor. Initial support may consist of dial-up access until a more robust solution can be implemented. As a last resort, connectivity during the initial period of a disaster may consist of passing tape cartridges between the Contractor and the State. In either case, the Contractor shall provide support to the State to ensure that benefits are still being provided to clients through the EBT system during the recovery of the State's data processing systems. Following the declaration of a disaster by the State and movement to a back-up data center, the Contractor shall work with the State technical staff to provide EBT administrative terminal support.

The State conducts annual disaster recovery testing and the Contractor must participate in that testing process.

The State has an EBT system Disaster Plan that has been approved by USDA/FNS. The Disaster Plan is included as Attachment E to this RFP.

3.9.3 Localized Disasters

The Contractor's plan must address localized disasters, in which the Contractor and State systems may be operational but EBT in the local area is inoperable, or a more general disaster (e.g., one in which the Federal Emergency Management Agency (FEMA) becomes involved). An increase in the recipient caseload due to a disaster will not entitle the Contractor to any special additional fees associated with the increased issuance.

3.10 CARD FUNCTIONALITY

The State is seeking a magnetic stripe based system. The Bidder shall detail its proposed card functionality.

3.10.1 EBT Benefits Card Design/Manufacture

If conversion to the Bidder's system requires issuance of a new benefit access card, the Bidder will be required to provide the State with a proposed redesign. The State will provide input to the design process and reserves the right to approve the card design. The Bidder's proposal must describe in detail its capabilities to design and/or manufacture the State's benefit access card and must identify any third party or subcontractor involvement in the process.

Unless requested by the State, the cost of any future card redesign, including distribution, will be at the expense of the Contractor.

3.10.2 EBT Benefits Card Specifications

To promote national recognition and acceptance, cards manufactured under a contract pursuant to this RFP shall include the Quest® logo in conformance with the Quest® Graphic Standards Manual. The Contractor shall submit samples of the proposed card to the State for approval.

The Contractor is responsible for ensuring that the benefit access card complies with all applicable standards including those specified by the American National Standards Institute (ANSI), International Standards Organization (ISO) 7813, Identification Cards and Financial Transaction Cards and the Quest® EBT Operating Rules. The following are the State's card requirements.

- A. Primary Account Number (PAN). The PAN is a 16- to 19-digit numeric field that provides the means of identifying the designated card issuer and the client to whom the card was issued. The State currently uses a 16-digit PAN. The PAN must be fully displayed on the face of the card.
- B. Bank Identification Number (BIN)/Issuer Identification Number (IIN). The BIN/IIN assigned to New Jersey's Families First EBT card is "610434".
- C. Personal Identification Number (PIN). The PIN is comprised of four (4) alpha or numeric characters. The Bidder's system must provide the client with the ability to select a PIN in the local county welfare agency offices. In addition to PIN select equipment installed in each local office, each county must receive a PIN select equipment set-up that can be used in the field in dial-up mode to allow certain clients to select a PIN in their homes.

The PIN verification must be conducted at the host and a PIN offset must not be encoded on the access card's magnetic stripe. The Bidder's Proposal must provide for using the existing PINs of current clients at time of system conversion.

- D. Magnetic Stripe Encoding. Track 2 of the EBT benefit card(s) shall be encoded in accordance with ISO 7813. The maximum character count in Track 2 shall not exceed 40 characters, including all control characters.

The Track 2 Service Code field shall be encoded with the designated numeric value of “120”. The Bidder shall encode the Card Authentication Value (CAV) Field of Track 2 with a cryptographic value to validate the Track 2 data contents.

The card will be non-expiring using the “4912” convention, which must be encoded in Field number 4 of Track 2.

Current Track 2 Format:

Field No.	Field Name	Field Length	Notes
1	Start Sentinel	1	
2	Primary Account Number	16 digits	IIIII NNNNNNNNNN C I = 610434 N = 9-digit number that uniquely identifies card C = Check digit
3	Field Separator	1	
4	Expiration Date	4	4912
6	Service Code	3	120
7	Card Authentication Value (CAV)	3	NNN
8	Discretionary Data	2	00-99
9	Longitudinal Redundancy Check	1	[space]

E. Card Information. All EBT benefit cards shall have the Primary Account Number (PAN) pre-embossed on the face of the card.

The following items must be present on the card reverse:

- The card shall clearly state, “Do Not Write PIN on Card”.
- The Contractor’s toll-free number for reporting lost or stolen cards as well as the toll free number for retailer assistance.
- A tamper-evident signature panel .
- The text message, “This card is not proof of Medicaid eligibility.”
- The card reverse shall also include the following statement, “If found, return to NJ Division of Family Development, P.O. Box 716, Trenton, NJ 08625-0716.”

F. Card Personalization. With the exception of cards created for conversion, cards will be personalized at the county welfare agency offices with the client’s name and case number. Currently the State uses Datacard 280 and 150i embossers for card personalization. The embossers were purchased in 1997-1998. The State currently contracts separately for annual maintenance of the embossers. A list of the embosser models deployed at the various county welfare agency offices is included in Attachment F. If the Bidder proposes a change to the card personalization process, the proposed process must be described in detail and associated costs must be provided in the Financial Proposal.

- G. Non-Discrimination Statement. The FNS non-discrimination statement is to be printed on the protective card sleeve that must be provided with each card and on any brochures or training materials provided. The statement shall read as follows, "This is an equal opportunity program. If you believe you have been a victim of discrimination in your efforts to receive food stamp benefits because of your race, color, national origin, sex, disability, religious beliefs or political beliefs, contact the Administrator, USDA/FNS, 3101 Park Center Drive, Alexandria, VA 22303."
- H. Photo on Card. At the option of the State, the Contractor must provide the capability to place the payee's photograph on the benefit access card. In its response, the Bidder must specify its approach to placing the payee's photograph on the card. If it is necessary to place additional equipment in each card issuance location to meet the requirements of this option, the Bidder must clearly specify the equipment requirements and price the equipment as specified in the instructions on pricing. Cards with photographs must be capable of being used in an ATM.

3.10.3 Access Card Useful Life

Access cards must meet all applicable industry standards. The Bidder's proposal must provide specifications regarding card durability/useful life and a discussion of the procedures it will utilize to identify and replace defective/substandard materials and worn-out cards.

3.10.4 Supplies of Card Stock

The Contractor will be responsible for providing the county welfare agency card issuance offices directly with an appropriate supply of blank card stock. The Bidder's proposal must address how the offices will be supplied with the card stock. Current quarterly card stock delivery information is included in Attachment G.

3.10.5 PIN Select Supplies

The Contractor will be responsible for providing local offices with adequate supplies of receipt tape and printer ribbons for the POS PIN-select equipment.

3.11 CARD CONVERSION

If conversion to the Bidder's system requires issuance of a new benefit access card to each cardholder, the Bidder must provide a comprehensive card conversion plan that includes a schedule showing when each county will undergo card conversion. Prior to the beginning of the card conversion process in each county, the Contractor must provide an informational notice to be mailed to clients advising them about the card conversion process. Every notice must include both the English and Spanish text.

The Contractor is responsible for the re-issuance, if necessary, of the State's existing EBT access card to all clients. NJDHS estimates that at conversion there will be approximately 180,000 access cards outstanding. Please refer to Attachment H for county caseload data.

Existing benefit cards must work throughout any conversion or until the new conversion card is activated. The Bidder shall propose how to preserve this functionality throughout conversion.

3.11.1 Card Issuance Locations

Cards must be issued over-the-counter, and the Contractor will be responsible for securing and staffing appropriate card conversion locations in each county. Any proposed card conversion sites must provide reasonable accommodations to meet the requirements of the Americans with Disabilities Act (ADA), and must be approved by the State. The sites must be located for easy client accessibility and convenient to public transportation. Sites that are within walking distance of the local county office are preferred. Additionally, the Contractor is responsible for meeting the special needs of the client population (i.e., foreign language interpreters, remote card issuance in certain clients' homes, sign language interpreters for the hearing impaired, etc.). The Contractor is responsible for card security at all card conversion sites. To help ensure that cards are issued to the correct payee, it is strongly suggested that any pre-personalized cards be sorted and boxed in case number order, rather than alphabetically. Past experience with cards filed alphabetically has demonstrated problems with incorrect card issuance due to the large number of clients with the same or similar names.

3.11.2 Card Issuance Scheduling and Client Notification

To facilitate the conversion process, the Contractor must send appointment letters to all clients selected for card conversion. The State will provide a card conversion file for each county that includes each payee's name and address. The Contractor will be responsible for printing, processing and mailing the client notification letters. Each letter must specify the date, time and place of card conversion for that client. The letter must include a statement advising the client that card conversion is mandatory for all clients, and that if the client does not receive a new card and select a PIN, he or she will not be able to access cash and/or food stamp benefits as of the effective date of conversion. The letter must also include a local or toll free telephone number for clients to call if they have special needs or must reschedule their card conversion. Appointment letter text and format must be approved by the State.

The Contractor will be required to closely coordinate all conversion activities with the local county welfare agency and the State Project Manager. The Contractor must maintain a list of clients who received new cards and a list of clients who were scheduled for card conversion but did not attend. These lists must be provided to the State on a daily basis. Client response to initial appointment letters was less than 50% during EBT implementation in New Jersey. A second appointment letter must be generated by the Contractor and sent to all clients who did not attend their first scheduled card conversion appointment. The second appointment must be prior to the live conversion date. All appointment letters and notices must be provided in English and Spanish.

During the first week of the conversion implementation month, the Contractor must be prepared to accommodate at its card conversion locations a significant number of clients who failed to attend their scheduled card conversion appointments. Although it is expected that specific card conversion deadline dates will be established for each county, if there are a significant number of clients who have not received new cards one month prior to the live conversion date, the State reserves the right to extend the live conversion date.

In some counties, due to a combination of caseload size and demographics, the Contractor may be required to secure more than one card conversion facility to accommodate the caseload. The Bidder may project the number of clients who must be accommodated at each conversion site by using the caseload for each county office. If the county welfare agency has more than one office location, the bidder may assume that additional conversion sites will be required. (See Attachment F for county office locations.)

Initial card conversion of all active clients in each county will be the responsibility of the Contractor. Card conversion sites must be staffed and operational at least one evening per week and at least one weekend per month during conversion in each county. If determined necessary by the State, additional evening or weekend hours must be provided.

The Contractor must ensure that any outstanding balance in a client's cash or food stamp account at the time of conversion remains available to the client.

After the entire active caseload of a county is converted to the new card, county staff will assume responsibility for card conversion and card issuance to new clients.

3.12 ONGOING CARD ISSUANCE

The mandatory method of card issuance will be over-the-counter (OTC) at the local county offices. Cards will be personalized at the local office with the client's name and county case number.

3.12.1 Number of Cards per Case

The State allows a maximum of two individuals to have valid EBT benefits cards accessing the same cash and/or food stamp account(s) (one primary and one secondary payee for each benefit type). This provides for two-parent households and client/authorized representative situations. Each card must contain unique identifying data (PAN and PIN) while accessing the same benefit account(s). All accounting and reporting functions must be able to handle this multiple card per client account requirement. The Bidder shall describe its plan to accommodate this need.

3.12.2 Card Deactivation

The Contractor shall immediately status¹ any card reported lost, stolen or damaged to the Client Help Desk. Following five (5) invalid PIN attempts, the Contractor will suspend the card until 12:01 a.m. Eastern Time the following day. This applies at both ATMs and POS devices. If the invalidation occurs at an ATM, the card should be returned to the individual with the appropriate message. In the case of accounts with multiple valid cards, all other cards must be allowed continued access to any remaining available funds.

Local county welfare agency offices must also have the capability of statusing cards via the Contractor's administrative system.

¹ Status a card – A common term in the industry, meaning to change the status of a card to lost, stolen, or deactivated.

The Contractor shall be liable for any losses from funds drawn from an account after the client notified the Contractor that the card was lost, stolen, or non-functioning.

Processes for card deactivation must be available 24 hours a day, seven (7) days a week.

3.12.3 PIN Issuance

The Bidder shall describe its PIN issuance procedures.

All PINs shall be selected by the cardholder/payee in person at the local county welfare agency office except that in special circumstances the local office may deploy staff and PIN select equipment to a cardholder's home to allow selection of a PIN. The Contractor shall provide the functionality to select or change a PIN through PIN selection/encryption equipment in each local county welfare agency office. A list of local offices that shows existing PIN selection equipment deployed in each location is provided in Attachment F. All PIN selections and changes must be performed on a terminal or device with PIN encryption capabilities. Under no circumstances may a PIN be transmitted to the EBT host without encryption in accordance with appropriate ANSI standards (X9.8 and X9.24).

3.12.4 Benefit Access Card Issuance and PIN Selection Equipment

The Bidder must describe its proposed card issuance process and provide detailed information about the equipment required. In its Cost Proposal, the Bidder must describe the process/unit cost, if any, involved in equipping each local office with card issuance equipment. The Bidder also must propose a plan for the preventive maintenance and repair of all card issuance and PIN-select equipment. The plan should include a description of Bidder's problem-tracking/reporting and service escalation procedures. Equipment that is not functioning must be repaired according to the following schedule unless back-up equipment is provided at each local office. If a local office reports a problem with card issuance equipment between 7:00 a.m. and 12:00 p.m. Eastern Time, a technician must be dispatched within one hour of the report and the equipment must be repaired or replaced the same day unless delayed at the request of the local office. If a local office reports a problem with card issuance equipment after 12:00 p.m. Eastern Time, a technician must be dispatched by 9:00 a.m. the following day and the equipment must be repaired or replaced within three hours of the dispatch unless delayed at the request of the local office. If the Bidder does not propose new card personalization equipment, the Bidder must describe how the interface with existing equipment will function.

3.12.5 EBT Benefits Card Replacement and Fees

Replacements for lost or stolen cards will be issued over the counter at the local county offices. The State may choose to implement a card replacement fee for cards that require replacement for reasons other than defective materials, normal wear and tear, or because the card was stolen. A variable replacement fee may be charged to the client depending on the number of replacement cards the client has received during that year. Bidders must propose an administrative terminal application program that will automatically calculate the appropriate replacement fee based on the State's fee schedule and deduct the fee amount from the appropriate benefit account. In addition, the State requests a proposal for "store and forward" of replacement card fees for instances when there are insufficient funds remaining in a cardholder's account to cover the cost of the replacement fee(s). In these cases, the replacement fee(s) would be stored until the next

time that benefits are available in the appropriate account, at which time the fee(s) would automatically be deducted.

3.13 ADMINISTRATIVE FUNCTIONS APPLICATION

The Contractor's database shall be accessed through State personal computers by a variety of State and county administrative and issuance personnel as determined by the State. The Contractor shall provide any software necessary to achieve access and accommodate multiple levels of security access. The software provided must be compatible with Windows 95 and higher (including Windows XP) operating systems. The Contractor shall provide the State and county security administrators a means to add users, assign a security level to each, delete users, and unsuspend passwords.

The Bidder must describe its proposal for administrative system functionality, including access control, and must specify the hardware and software necessary to support this function.

The State is seeking an administrative functions application that operates as a secure, web-based application. A Bidder whose current administrative functions application is not a web-based application must agree to rewrite its current application to operate as a secure web-based application and must provide a time frame for this activity. Creating the application as a secure web service allows the State to maintain compatibility with enhanced or modified versions of the software via a secure, capable web browser.

On-line inquiries shall provide for efficient movement between screens and a user-friendly environment. The Contractor shall ensure that the number of actions, codes, or commands required of the user is kept to a minimum. The system shall provide user prompts and display user error messages, where appropriate. Search criteria, when applicable, shall be flexible, user-friendly, and efficient. Response time must not exceed 3 seconds. (Reference RFP Section 3.4.3, "Transaction Response Time".)

Administrative functions shall include, but not be limited to:

- Inquiries (case, client, card, history)
- Case/Client setup
- Case/Client demographic maintenance (adds, changes, deletes)
- Benefit maintenance (adds, changes, holds, hold releases, cancellations)
- Card maintenance (issuance, reissuance, and deactivation)
- PIN re-set
- Security
- FS Claim repayment
- FS Coupon Conversion
- FS and Cash Adjustments
- Replacement Card Fee Payment

The Bidder must describe its administrative functions application addressing all points in this section. County welfare agency offices must have inquiry capability into the EBT system prior

to the start of card conversion in any county. On-line access must be available daily between 7 a.m. and 10:00 p.m.

3.14 RETAILER MANAGEMENT

The Contractor shall be responsible for managing retailer participation in the New Jersey EBT program. The Contractor's primary responsibilities include:

- providing every FNS-authorized retailer with the opportunity to participate in the EBT system
- ensuring that the State's EBT system is interoperable with other states' EBT systems as defined in 7CFR274.12
- assuring that a sufficient number of retailers have agreed to participate in the system to allow clients adequate access to both cash and food stamp benefits, including clients that shop at "non-traditional" retailers such as farm markets
- signing either an EBT-only retailer agreement or a third party processor agreement with all participating retailers. The Contractor shall enter into an agreement with the retailer in accordance with 7CFR274.12(h)(6). The State and FNS must approve the agreements prior to their release to retailers and third party processors.
- certifying and de-certifying third party processors and ATM providers/networks
- assuring that the participating retailers understand their responsibilities with regard to the policy, operating rules and operations of the EBT system
- maximizing the use of existing commercial POS terminals
- installing, maintaining and otherwise supporting vendor-provided EBT-only POS equipment as necessary
- providing help desk services to retailers for authorizing manual transactions, resolving issues/problems on vendor-supplied POS equipment and helping to resolve settlement questions and issues.

FNS regulations require that retailers authorized to participate in the Food Stamp Program be provided the opportunity to participate in the EBT system. The Contractor is responsible for retailer recruitment and participation. The Contractor must take the necessary steps to provide access to the EBT system for those retailers who choose to acquire their own terminals. Alternatively, the Contractor must supply POS devices to all FNS-authorized retailers who do not choose to purchase their own equipment. POS equipment supplied by the Contractor will be restricted to EBT use only.

In order to guarantee adequate access to cash and food stamp benefits, the Contractor will be required to procure and maintain POS equipment under certain circumstances as defined herein. In response to this section, the Bidder shall describe the POS equipment necessary to connect to the EBT system. Bidders must detail their plan for conversion of existing POS terminals already deployed on the State's behalf, either through purchase and conversion or replacement. The Contractor shall ensure that all POS devices at authorized retail locations are operable with the Contractor's EBT system prior to conversion.

The Bidder must include information on the useful life of contractor-supplied equipment, and a replacement plan for any defective, malfunctioning, or worn out POS equipment that the Contractor provides to retailers or that the Contractor converts from the previous Contractor. The State requires the right of first refusal of all installed POS equipment at the end of the contract resulting from this RFP.

3.14.1 Interoperability

The Contractor is required to provide interoperability in accordance with federal law and regulation. (See 7CFR Parts 272,274.) USDA/FNS interoperability regulations should be referenced in retailer and TPP agreements. TPP agreements specifically shall state that the TPP is required to load and update BIN/IIN numbers for all states. The Bidder must describe how interoperability requirements will be met. The EBT system must continue to support conversion of electronic food stamp benefits to paper food stamp coupons until nationwide interoperability is available.

3.14.2 POS Terminal and Peripheral Equipment Installation and Maintenance

The Bidder must present a detailed plan for the conversion of POS equipment at all current retailer locations and for the purchase or lease and installation of POS equipment at all retailer locations requesting and qualifying for Bidder-supplied terminal(s) as determined by the USDA/FNS formula, which is included in food stamp EBT regulations at 7CFR274.12(g)(4)(ii). The plan shall describe the methods of converting and deploying the equipment as well as ongoing maintenance.

If, during the conversion phase of any system implementation resulting from this RFP, or any point thereafter, the State, in its sole judgement, decides that the previously-described installation process is having an adverse impact on participating retailers, it may require the Contractor to provide on-site installation support for subsequent installations on a case-by-case basis when needed.

The Bidder also must describe its plans for the preventive maintenance and repair of all Bidder-installed POS equipment in compliance with USDA/FNS service standards. The plan should include a description of the Bidder's problem-tracking/reporting and service escalation procedures.

3.14.3 POS Equipment Supplies

The Contractor is responsible for providing supplies to retailers with vendor-installed POS terminals, as well as to the county welfare agency office locations with PIN select equipment. The Bidder shall describe its method for directly providing supplies or for reimbursing retailers and CWAs for their supply costs related to the EBT System.

3.14.4 Telecommunication Lines for POS Equipment

The Contractor shall be responsible to provide telecommunications lines back to the host system in a secure manner for vendor-installed POS devices as mutually agreed upon by the State, the retailer, USDA/FNS, and the Contractor.

3.14.5 Off-Line Transaction Processing - Manual Transactions

FNS regulations require that manual procedures for food stamp benefit transactions be available for non-traditional retailers, for those retailers whose food stamp redemption volume is low, and as a back up for retailers with POS equipment when electronic transactions are not available. Currently, retailers whose average monthly food stamp volume is less than \$100 are eligible to use manual transactions.

The Bidder must describe its system for manual transactions and time frames for handling manual transactions. The Bidder must also outline its procedures for distribution of off-line vouchers, including how they will ensure that authorized retailers have an adequate supply of vouchers throughout the term of the contract.

3.14.6 Store and Forward

Currently the State operates a “store and forward” process with the Pathmark supermarket chain as an alternative to manual transactions using off-line paper vouchers when electronic transactions are temporarily not available. The Contractor must support the “store and forward” process for Pathmark and any other merchant who wishes to operate store and forward processing in accordance with the State’s current FNS-approved procedures.

3.14.7 Group Living Arrangements

The State requires that certain group living arrangements approved by FNS, such as drug and/or alcohol treatment facilities, must be equipped with a POS device or make arrangements for voucher access if under the voucher threshold. In the case of alcohol and drug treatment centers, the center will apply for the Food Stamp Program on behalf of the client as an authorized representative and will be issued an access card for each client. The center will use the POS device or the manual voucher process to debit each eligible resident’s food stamp account periodically to pay for the cost of meals at the center. The debited amount will be credited to the center’s designated bank account. Residents of other group living arrangements authorized to accept food stamp benefits may purchase meals from the facility by using the card issued to them.

3.14.8 Retailer Test Cards

If requested, and in cooperation with the State, the Contractor shall make EBT test cards and accounts available to retailers for the purpose of testing their EBT POS system prior to going live. The State shall authorize that the cards be loaded with limited monetary value, not to exceed \$1.00. Retailers shall be instructed to conduct an offsetting refund transaction to ensure that there is no monetary impact on settlement balances. Retailer test card accounts shall not be subject to aging.

3.15 ACCESS TO CASH BENEFITS

The State intends to make access to benefits as convenient as possible; therefore, the Contractor must ensure that sufficient locations are available in each county to allow cash benefit recipients adequate access to their benefits. All cash access locations proposed by the Bidder must be surcharge free. The Bidder shall provide a cash access plan based on its analysis of available

cash issuance locations that will meet the cash distribution needs of the State. The State will determine if access to cash benefits is adequate.

The Bidder's cash access plans shall identify the total number of cash access points available in each county by type of access (e.g., ATM, full cash back retail POS, etc.).

The Bidder shall identify the processing network(s) to be used for cash benefit transactions. Cash withdrawal at ATMs, cash back from food retailers, and cash withdrawal without a fee or a purchase requirement at a check cashing location can be considered cash access sites. The State will review the Bidder's plan to provide adequate access and may require additional sites if the proposed access is determined inadequate. Cash benefit recipients must be allowed unlimited free POS access to their benefits and at least three free ATM cash withdrawals per month.

The State must pre-approve any Contractor installation of cash only POS equipment at a non-food stamp retailer location. To date, the State has approved installation of Contractor POS equipment only at licensed check cashers that elect to provide cash access through an agreement with the Contractor. Currently there are approximately 61 check casher locations in the State that provide EBT cash benefit withdrawals. The State pays licensed check cashers a fee of \$1.00 per withdrawal transaction. The Contractor shall be responsible for settling these fees to licensed check cashers through the standard settlement stream and billing the State appropriately on the monthly invoice.

The State reserves the right to deny access to its benefits through a third party processor POS if that POS is located in a business whose image is not consistent with the image the State has for its programs.

Any fees proposed to be paid by the Contractor to encourage participation of cash issuance sites other than ATMs or check cashing locations must be included in the case per month cost. No additional fees will be paid by the State for cash issuance.

Bidders must propose how they will meet the requirements of this section.

3.16 THIRD PARTY PROCESSORS

Third Party Processors (TPP) are entities that drive and maintain retailer POS terminals, authorize and process transactions and settle retailer accounts. This includes food retailers with their own terminals that are capable of relaying electronic transactions to a central database computer for authorization. The State is required by USDA/FNS to provide retailers with the opportunity to use TPPs, if they so choose, in order to participate in the EBT system.

The Contractor must certify and assure that TPPs connected to the EBT system comply with FNS regulations. All TPP agreements between the Contractor and TPPs or their retailers will be reviewed and approved by the State and FNS. At State request, the Contractor must enforce the terms of the agreements if problems are discovered in TPP activities. If the State asks the Contractor to correct a condition originating from a TPP and the condition is not corrected within

a reasonable time (not to exceed one calendar month), the State may require the Contractor to decertify the TPP until the condition is corrected.

The Contractor will be required to provide certain TPP locations with one dial-up EBT POS terminal for use as a back-up for processing EBT transactions when the store's telecommunication lines are down. The TPP must request the back-up terminal and the request must be approved by the State Project Manager.

New Jersey pays a transaction fee of \$0.014 per food stamp transaction to retailers who integrate EBT with commercial applications on their own equipment. The Contractor shall be responsible for settling these fees to retailers as part of the standard settlement stream and invoicing the State appropriately.

FNS requirements include, but are not limited to:

Terminal IDs. TPPs must assign each terminal a unique ID and include those terminal IDs as part of their transaction messages.

Transactions. TPPs must be able to support the entire transaction set included in the FNS EBT regulations. The Contractor must be able to process all of these transactions. The acquiring institution ID (bit 32) and the card acceptor ID (bit 41) must remain unchanged during the life of a transaction.

Interoperability. TPPs must be able to process transactions for cards issued by all states for all POS equipment supported by the TPP.

Balance Information. TPPs must be able to display the remaining food stamp balance on the printed receipt for all POS equipment supported by the TPP.

Truncated PAN. TPPs must have the capability to truncate the PAN on the printed receipt for all POS equipment supported by the TPP.

Serving only FNS-authorized Retailers. TPPs must only route food stamp transactions for retailers authorized by FNS to redeem food stamp benefits.

The Bidder must describe its business practices with respect to TPPs, including:

- The Bidder's plan to achieve maximum participation of TPPs.
- A description of Bidder's procedures for working with TPPs during certification and testing.
- The Bidder's TPP certification standard.
- The Bidder's plan to test changes (initiated by either the Contractor or TPP) throughout the contract.
- A description of how the Bidder monitors compliance with federal regulations.
- A description of the procedures the Bidder will use to protect the EBT system from computer viruses from TPP systems, as well as system and/or network attacks from TPP systems.
- A description of the procedures the Bidder will use to settle transaction activity disputes between TPPs and clients.
- A description of the procedures the Bidder will use to settle ACH deposit amount disputes raised by TPPs, including a time frame for resolution.

The State shall not be liable for any costs arising within the Contractor/TPP relationship.

3.17 RETAILER DATABASE MANAGEMENT

The Contractor shall develop and maintain a State FNS Retailer database management system that meets the functional requirements listed below and complies with FNS regulations.

- The Contractor shall be able to accommodate standard FNS Retailer EBT Data Exchange (REDE) file formats and apply REDE files per the FNS schedule. The Contractor is responsible for ensuring that only authorized food stamp retailers are redeeming food stamp benefits.
- At least once per week, the Contractor shall transmit information on retailer food stamp redemptions to the FNS Benefit Redemption Systems Branch (BRSB).
- At least once per month, the Contractor will transmit retailer redemption data to the USDA/FNS ALERT system.
- If the Contractor acts as the acquirer, the Contractor shall ensure that a new retailer is enabled to conduct food stamp transactions within two weeks of communication of authorization from FNS and receipt of a completed and executed EBT Retailer agreement.
- Retailers processing transactions through another acquirer or a third party shall be enabled to conduct food stamp transactions within thirty days of communication of authorization from FNS or by mutual agreement.
- The database shall ensure accurate EBT transaction detail data pertaining to each retailer is captured and shall contain up-to-date information about retailer bank accounts and store cutover times for ACH purposes.
- The Contractor shall provide physical and access security to the retailer management data.
- The Contractor shall provide commitment to cooperate with State or federal personnel conducting investigations or audits and to provide requested information within a mutually agreed upon time.

In response to this section, the Bidder shall describe the operating procedures it will utilize for retailer database management.

The Contractor must provide the State with a list of all participating food stamp retailers and cash benefit access locations. This report must show the store name and address and be sorted by county and by municipality within county. It must indicate whether a food stamp retailer will give cash back (cash withdrawal from cash benefits). If so, the cash back limit must be identified on the list. The list must be updated and provided annually throughout the term of the contract. The State may request ad hoc updates of the list periodically.

3.18 CUSTOMER SERVICE

The Bidder is required to submit its plan to develop and operate the customer service systems necessary for the efficient operation of the proposed benefit delivery system. Part of the system is a call center operation that is currently located in Camden, New Jersey. The State has ensured

that the lease of such facility is assignable from the current vendor. The equipment in the facility is owned by the State and will be part of the State equipment to be used in this program. The bidder shall propose the most effective and cost efficient solution for the call center operation, which is required to be located in Camden, New Jersey. Potential bidders are hereby informed that there is pending legislation that may affect this contract. S.1349 is located in the bidders' library and may require the vendor to restrict its hiring for this project.

The goal is a support system that effectively allows clients, retailers, and State/County personnel to obtain assistance with their processing needs or problem resolution. The Bidder shall include copies of their standard monthly report on response and solution times for the latest three months available. The report should detail, among other things, average speed of answer in seconds/number of rings, average call length, lost/abandoned calls, average number of calls in queue, and system busy counts. In calculating the average speed of answer, the time should reflect reaching the person that could help, not referral or placement on hold.

Customer service shall be available 24 hours a day, 7 days a week via a toll-free number. In responding to this section, the Bidder shall describe the telephone communication system it uses/proposes to use to operate the toll-free telephone system. Additionally, the proposal shall include detail on the number of lines available for client and retailer calls, the planned staffing levels at various times of the day/week/month, the language and system skill levels of customer service representatives (CSRs), and the call management software used to monitor performance. The Contractor must ensure that there are sufficient phone lines to handle all calls, especially during peak activity periods. The Bidder's response should present a plan in which 80% of calls are answered within four rings and holds last no longer than two minutes. No more than 10% of calls should experience busy signals. (See Section 3.4.3 of this RFP for performance standards.)

The Bidder must describe, in detail, the primary and back-up Automated Response Units (ARU) to be utilized for this system. Appropriate life cycle data and schedules for planned equipment upgrades and/or replacements should be provided as well.

Access to the ARU must be controlled through the entry of a client's PAN or through a retailer's account number unless the Bidder proposes an alternative control that is acceptable to the State. Provision must be made for callers using rotary phones, callers unable to enter their account numbers and/or PINs correctly, and callers requiring special assistance to be transferred to CSRs who are fully knowledgeable about the system's operation and who have been trained in customer service/satisfaction techniques.

The Bidder is requested to recommend for the State's consideration any other uses for the ARU other than those listed below which would represent an effective and economical application of this technology. The State reserves the right to review and approve the transaction flow and the content of all ARU messages and prompts prior to their implementation.

The Bidder must include detail on what types of calls will be handled by the ARU and what types of calls will be referred to customer service staff for further assistance. The Contractor must provide the State with all proposed State customer service reference materials for approval.

The Bidder must address its ability to provide support in both English and Spanish at a minimum, and detail how it will meet the needs of the entire State's client population with regard to additional languages and disabilities.

3.18.1 Client Customer Service

The Contractor shall respond to client questions, concerns, and requests through a Client Customer Service ARU and staffed Customer Service Call Center, both of which must be available 24 hours per day, 7 days per week.

Client Customer Service functions must include the following at a minimum:

- Access to account balances
- General system inquiry
- Mechanism to report lost, stolen, non-functioning or compromised cards
- Disputed transaction identification information
- Benefit availability information
- Transaction history information

The State reserves the right to remotely monitor calls made to Client Customer Service a minimum of five hours each month.

The ARU must prompt and provide responses in both English and Spanish. Client Customer Service ARU functions must include the following at a minimum:

- Access to account balances
- Automated transfer to Client Customer Service to report lost/stolen card
- Transaction history information. The ARU shall provide information about the last 10 transactions, by account (FS/CASH).

3.18.2 Retailer Customer Service

The retailer customer service call center line must be available 24 hours per day, 7 days per week and shall be used exclusively for retailer support.

Examples of EBT-only Retailer Customer Service functions include the following:

- General EBT-related inquiry or support
- Daily deposit inquiries/settlement data
- Equipment failure reporting or maintenance needs
- System problem resolution line
- Account problem resolution
- Supply ordering
- Off-line voucher approval

Examples of Retailer Customer Service ARU include the following:

- Daily activity totals
- Daily ACH totals
- Off-line voucher approval

3.18.3 Data Processing/Technical Support Help Line

The State requires a Data Processing/Technical Support Help Line available on a 24-hour a day, 7-day a week basis for the purpose of resolving production problems and locating files, transmissions, etc. Bidders should have both a telephone and web-based Help Desk able to transmit information and data files, if necessary. The Bidder must disclose its procedure for reporting and resolving production, test, and procedural issues and must provide a description of its problem escalation procedures.

3.19 TRANSACTION PROCESSING

This section solicits information regarding the Bidder's understanding of and proposal for meeting the requirements of both on-line and off-line financial transaction processing. The Bidder shall fully describe its financial transaction processing.

The Contractor shall have the capability to receive and process client ATM and POS EBT transactions. These transactions must be routed securely through a commercial switch or a direct connection to the Contractor. The Contractor shall ensure that clients access their food stamp accounts only at authorized food stamp retailer POS terminals. Cash accounts may be accessed through ATMs or POS terminals. The Contractor shall have the capability to process all interoperable QUEST transactions.

3.19.1 Transaction Processing Requirements

When a transaction authorization request is received, the Contractor shall provide the following transaction processing capability:

1. The Contractor shall determine and record the transaction type.
2. The Contractor shall determine the transaction fee structure and payee for all transactions. For cash account transactions, the Contractor shall determine if a fee applies. If so, the Contractor shall determine whether the fee applies to the State or to the client.
3. If a transaction fee applies to the State, the Contractor shall charge the State on the appropriate monthly invoice. If the fee applies to the client, the Contractor will deduct the fee from the client's cash account at the time of the transaction. There are no transaction fees for food stamp transactions.
4. Authorize or Deny Transaction. The Contractor shall authorize the transaction if:
 - The retailer has a valid FNS authorization number (if it is a food stamp transaction);
 - The cardholder PIN is verified;
 - The status of the card is verified, and;
 - There are sufficient funds in the account.

If any one of these conditions is not met, the Contractor shall deny the transaction. The Contractor shall ensure that client benefit accounts are not overdrawn and shall assume all liability if an account overdraw does occur.

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

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

3.19.2 Transaction Sets

At a minimum, the Contractor shall support the following Administrative, ATM, POS, and Exception transaction sets:

Administrative Transactions

- Account Set-up
- Update account information
- Add programs to existing card
- Benefit authorization
- Card issuance
- Card replacement
- Client PIN Selection
- Card Deactivation
- Coupon conversion
- Account adjustments
- Benefit expungements
- Client account inquiry
- Card replacement fees
- Claims repayments

ATM Transactions

- Withdrawal from cash account
- Balance inquiry from cash account
- Reversals/cancellations
- Adjustments

POS Food Stamp Transactions

The food stamp account balance must be printed on the receipt after approved transactions or transactions denied for insufficient funds. Food stamp transactions must include:

- Food stamp purchase
- Food stamp merchandise return
- Balance inquiry
- Void last (PIN entry must accompany the “void last” of a return.)

POS Cash Account Transactions

- Purchase transaction
- Purchase with cash back
- Cash back only
- Balance inquiry
- Reversal/cancellation
- Void last

Manual Food Stamp Transactions

The Contractor shall process manual transactions for Food Stamp Program benefits only. The manual authorization process may be used by:

- retailers who do not have immediate access to a POS device at the time of purchase, including food stores that choose to make home deliveries to food stamp benefit recipients, house-to-house trade routes, food buying cooperatives, farmers markets and other retailers authorized to participate in the Food Stamp Program;
- retailers who do not possess a POS terminal, such as those who do not qualify to receive State-provided equipment because their total monthly food stamp sales are under \$100; and
- retailers who have POS equipment, but their POS terminals are inoperable, there are problems with the telecommunications network between the POS terminal and the EBT host processor, or the EBT system is down or otherwise not available. This may include instances of disaster.

A paper voucher shall be designed and distributed by the Contractor to FNS-authorized retailers for use in processing manual food stamp transactions. Retailers may utilize their own voucher forms as long as they include, at a minimum, the data elements on the voucher designed by the Contractor. If the retailer opts to use the Contractor’s form, the Contractor shall provide an adequate supply of manual voucher forms to the retailer at no additional cost to the retailer or the State.

If a manual transaction is necessary, the retailer is required to complete the manual voucher and call the EBT contractor’s retailer customer service line to obtain a voice authorization prior to completing the manual transaction unless the retailer is not able to access the retailer customer service system at the time that the purchase is made.

If the retailer is unable to obtain authorization for the manual transaction because the Contractor's EBT system is unavailable for authorization processing, then the Contractor shall employ the "emergency stand-in processing" function discussed below.

If the retailer does not have access to a telephone (e.g., route vendor, farmers market), the retailer shall obtain a voice authorization as soon as possible after the purchase. Such transactions are performed at the retailer's risk. The retailer shall be liable for declined transactions if the retailer fails to obtain authorization and the EBT account has insufficient funds to cover the purchase.

The Bidder shall describe its process for authorizing manual vouchers relating to food stamp purchases and returns, explain how such transactions affect funds movement, and discuss how such transactions will be reported and addressed in end of day balancing.

Whenever a paper voucher is used, the Contractor shall require the PAN, the cardholder's signature and the authorization number (provided by the contractor's retailer customer service line at the time that the call for authorization was made) on the voucher as a condition for processing.

Upon providing a telephone authorization for a manual food stamp transaction, the Contractor shall place a "hold" on the amount of benefits necessary to fund the transaction. The Contractor shall maintain the hold on that amount until the voucher transaction is "cleared", up to a maximum of thirty calendar days. A retailer shall have thirty calendar days to submit the voucher, either electronically or by paper copy, to complete the transaction. If the retailer fails to submit the voucher within thirty days, the hold shall be released and the use of the funds shall revert back to the client. The retailer bears the liability for the transaction if the voucher is not cleared timely.

Emergency Stand-in Processing

If an FNS-authorized retailer cannot access the Contractor's EBT system because the Contractor's EBT system is unavailable for authorization processing and a voice authorization cannot be obtained, the Contractor must allow for "stand-in" processing of food stamp purchases up to \$50 for which the Contractor shall be liable for insufficient funds. The Bidder shall define in its proposals under what circumstances it would consider its EBT system unavailable. Responses to this requirement should specify the process by which retailers would be notified that "stand-in" processing is in effect, for both scheduled and unscheduled outages, and shall specify how the processing and settlement of these transactions will be conducted.

Retailers may be required by the contractor to obtain voice authorization of emergency vouchers within a reasonable period of time after the system becomes operational.

Voucher Clear

The Contractor must support two methods of clearing a manual transaction voucher. If the authorized retailer has a POS device, the retailer will convert the manual transaction to an electronic transaction for transmission to the contractor when the POS device is again able to communicate with the EBT Host. If the retailer is a non-traditional or low-volume FNS-authorized retailer, who does not have a POS device, the voucher will be mailed directly to the

Contractor for clearing and settlement. The Contractor shall process mailed manual vouchers on the day they are received or the following day. If a retailer mails in a voucher for which voice authorization was not obtained, or the signature or PAN are not present on the manual voucher, the transaction shall be declined and the retailer will be liable for the declined transaction.

Exception Transactions

- Food Stamp Merchandise Returns

A merchandise credit request may be initiated to credit a client's account for an original food stamp transaction. All merchandise credit requests must be initiated through use of a PIN and a magnetic stripe reader. The merchandise credit request must include the transaction date of the original transaction, the sequence number or transaction number, and may not be for an amount that exceeds the original transaction. Upon receiving a request for authorization of a food stamp merchandise return, the Contractor shall credit the amount to the client's food stamp account and provide the new account balance on the receipt.

- Void Transactions

The last transaction may be voided. The Contractor shall have the capability to accurately process the voided transaction and have the results reflected in the client's appropriate account.

- Transaction Adjustments

A transaction adjustment corrects a system out-of-balance condition identified during the terminal, retailer or acquirer reconciliation process. The adjustment will reference a settled original transaction that is partially or completely erroneous. The Contractor shall have the capability to process adjustments accurately and in conformance with the requirements and time frames in the USDA/FNS regulations at 7 CFR Parts 272, 273 and 274, issued July 5, 2000, and Chapter 5 of the Quest® Operating Rules. Adjustments made by the Contractor will cause funds to be moved either to or from a client's EBT account and will impact daily settlement. A daily Adjustment Notification File must be provided to the State with detail on pending debit adjustments so that the State can provide notification to the client.

The State of New Jersey has been granted a "no hold" waiver by USDA/FNS for Food Stamp Program adjustments. This waiver provides that for any debit adjustment to a food stamp account, the adjustment amount will be "flagged" for 18 calendar days pending notification to the client regardless of whether or not there are funds available in the account to cover the debit request. The client will continue to have access to the "flagged" funds during this period. If there are insufficient funds available to cover the adjustment request, the adjustment may be presented against the next month's benefits. The client has 15 calendar days from the date the adjustment notice is mailed to request a fair hearing. If no fair hearing is requested, the "flagged" adjustment amount will be released and settled. If the client requests a fair hearing, the State will notify the Contractor to remove the flag from the adjustment amount pending the results of the fair hearing process.

- Reversals

The Contractor shall propose a method for handling reversals. Reversals are system-generated transactions that reverse a previously authorized transaction, due to an equipment or

communication problem. The Contractor shall have the capability to process a correction of the reversal and have this reflected in the client's account.

- Key-Entered EBT Transactions

The Contractor shall accept and process EBT transactions where the complete card number (PAN) has been manually entered (key-entered) into the POS device. Transactions may be key-entered at times when a card presented by a client is damaged and/or the POS device is unable to accurately read the magnetic stripe. The validation of the client's PIN is still required on key-entered transactions. If a PIN pad is defective or for another reason the PIN does not accompany the transaction to the EBT Host for processing, the Contractor shall deny the transaction. A card must be present during a key-entered transaction.

The Contractor shall adopt other security measures to prevent client and retailer abuse/misuse of the key-entry feature. The Contractor will ensure that the PAN printed on the transaction receipt is truncated, and must be able to selectively disable or deny the capability of an EBT-only POS device from completing key-entered transactions. Finally, the Contractor shall track key-entered transactions by card number and by location. The Contractor shall propose procedures for responding to client reports of malfunctioning or defective equipment at retailer locations, including both EBT-only POS devices and retailer-owned devices.

3.19.3 Transaction and Fee Accounting

In processing transactions, the Contractor shall maintain the integrity of the system by accounting for transactions by program and accounting for transaction fees. The Contractor shall track the total number of transactions by transaction type and by retailer and ATM or POS location.

Transaction Accounting

Clients may be entitled to benefits under a number of programs. Each transaction must be allocated to the appropriate cash or food stamp account. Within each cash account, cash benefits will be pooled. The system must allow a transaction to go against multiple authorizations without system limitation. A client must have access to either the client's complete cash or FS balance without having to do multiple transactions. The Contractor shall allocate cash transactions to the appropriate cash benefit program and settle the transaction based on the primary program designation. Although cash benefit balances will be pooled in the cash account, the Contractor shall debit, maintain, and report cash account balances by program. The pooled cash benefits will be drawn in priority order as determined by the State.

In addition, a general ledger account for each benefit program must be maintained. Changes in client account balances must be balanced to changes in program benefit obligations outstanding at the end of each 24-hour processing cycle. The changes in program account balances must balance to the value of the day's transactions.

Fee Accounting

Clients will be provided with at least three (3) free cash ATM transactions and unlimited POS cash and food stamp transactions each month to provide adequate benefit access. Clients may be charged a nominal fee for each ATM cash withdrawal transaction after the three (3) free ATM

transactions per benefit month. The Bidder shall indicate whether it proposes to charge a transaction fee after three (3) free ATM transactions, and, if so, the amount of the proposed transaction fee. The Contractor shall have the capability to track and account for transaction fees on a monthly basis.

New Jersey pays a transaction fee of \$0.014 per food stamp transaction to retailers who integrate EBT with commercial applications on their own equipment. The Contractor shall be responsible for settling these fees to retailers as part of the standard settlement stream and invoicing the State appropriately

The Bidder must specify its approach for meeting the transaction fee accounting requirements.

3.20 CASE/CLIENT SET-UP AND BENEFIT AUTHORIZATION

In response to this section, the Bidder shall detail its Case/Client Set-Up and Benefit Authorization system and functionality and how it meets the State's requirements.

The Contractor shall have the capability to receive and process Case/Client Set-Up and Benefit Authorizations from the State in batch processing mode. The Contractor shall always process Account Set-Up data before Benefit Authorization data.

Case/Client Set-Up and Benefit Authorization records will be transmitted in separate file transmissions. Case/Client Set-Up data includes client case data necessary to set up an EBT account. The State will also transmit records to modify Case/Client information. The Contractor's system shall support these administrative actions taken by the State.

Benefit authorization records will specify the client's benefit allotment and the benefit availability date. The Contractor shall process Benefit Authorization records and post authorized benefit amounts to the appropriate EBT accounts, based on the client case number and program designator. Due to the addition of new cases and changes in client status, benefits are authorized by the State throughout the month. The State requires benefits to be available on a same-day, next day and monthly basis.

New Jersey staggers monthly benefit availability. Cash and food stamp benefits are made available over the first five calendar days of each month. If a client receives both cash and food stamp benefits, both benefits are available on the same day of the month. Benefit availability is based on the last digit of the client's case number, with some exceptions. The benefit available date is included in the benefit authorization record.

Batches will be indicated by the respective batch header and trailer records. To support batch processing, the Contractor shall agree to a specific time frame for the transmission of daily and monthly files. Within 30 minutes of receipt of a file, the contractor shall either confirm receipt of a complete and successfully transmitted file or contact the State agency and request the file be re-transmitted.

Daily File - Required to support same-day issuance of benefits. FAMIS daily benefit files are normally transmitted between 8:45 p.m. and 9:30 p.m. Eastern Time with a benefit availability time of 6:00 a.m. Eastern Time the following day. The State's Office of Information Technology (OIT) will notify the Contractor if the benefit files will not arrive by 11:00 p.m. Eastern Time.

Monthly File – Two transmissions – The monthly cash and food stamp transmission will contain multiple batches of cash and food stamp benefits each month (one batch for each type of benefit for each available date). This file transmission will occur between 3:00 a.m. and 6:00 a.m. Eastern Time on the Saturday following the date of the FAMIS system cut off. This date varies from month to month but dates are scheduled in advance on a yearly calendar. Cash and food stamp benefits must be posted immediately and must be available at 6:00 a.m. Eastern Time on the available date. The monthly Child Support Disregard (DCS) cash benefit file transmission will contain one batch of cash benefits with an available date of the 15th of the month. This file transmission will occur prior to the daily file transmission based on the CSP checkwrite schedule. This date varies from month to month, but dates are scheduled in advance on a yearly calendar. DCS cash benefits must be posted immediately and available at 6:00 a.m. Eastern Time on the 15th of each month.

The Contractor shall provide daily activity reports reflecting all case/client actions received from the State including case/client set-up, account modification, and benefit authorization detail.

3.20.1 Benefit Maintenance and Transaction Histories

Clients may be eligible for benefits under one or more benefit programs. All cash program benefits may be co-mingled and reported to the client as one balance. All food stamp program benefits may also be co-mingled and reported as one balance. Cash and food stamp benefits cannot be co-mingled and must be treated as separate for all transactions. Cash and food stamp programs are identified on the benefit by the benefit indicator.

When accessing benefits and performing balance inquiries, a single cash or food benefit shall be reported. Although the Contractor may not normally report balances at the program level for customer service or administrative purposes, the Contractor must be able to determine and report balance and transaction histories by program.

Current balances and a minimum six (6) months of benefit transaction history for each account (cash and food stamps) shall be maintained for on-line administrative and ARU access. After 6 months, transaction history shall be maintained off-line through the life of the contract. Access to the data will be granted to the State and other authorized government agencies as required for investigative and auditing purposes.

The Contractor shall ensure history information is made available only to authorized cardholders and authorized State and federal personnel.

At a minimum, transaction histories shall include:

Client name

Case Number

PAN

Benefit authorization number

Benefit program identifier

Transaction type, amount, date and time

Name of Retailer/Terminal Owner

Location of Retailer/Terminal

FNS Authorization Number

Terminal Identification Number

Reversal Reason Code

Error Response Code

System Trace Audit Number

History data older than 180 days old must be made accessible to authorized entities as required for investigative and auditing purposes. Access to this archived data must be user friendly, and the archived data must include all information that was previously available in on-line format. Depending on the quality and the user-friendliness of access to archived data, the State reserves the right to submit a monthly request for detailed transaction histories of archived transaction data for investigative purposes. These transaction histories must include the address of the location where a transaction was conducted as well as the name of the terminal owner, if available.

At the termination of the contract, the Contractor shall transfer – without cost to the State – account history data to an entity specified by the State and ensure accuracy and readability of such information at the new location, or maintain the history data and permit timely access to that data by authorized State and federal staff.

3.20.2 Daily History File from EBT Contractor

A Daily History File of benefit transactions shall be transmitted to the State containing all benefit transactions initiated for that day against each case. This history file will be used by the State to update the FAMIS history system.

Following are the required transactions that must be captured, stored and reported on the Daily History File for each authorization per case:

- Authorizations from FAMIS batch processing – will confirm receipt of benefit authorizations
- Authorizations entered on-line via vendor’s administrative system – will notify FAMIS of issuance
- Client Initiated Transactions – must contain a net total of client financial transaction activity, by program, to notify FAMIS of use
- Cancellations from FAMIS batch processing – will confirm receipt of cancellations

- Cancellations entered on-line via vendor's administrative system – will notify FAMIS of cancellations
- Benefits Aged at 3 months – will notify FAMIS that aged benefits have been removed
- Authorizations Held – will notify FAMIS that a benefit has been placed on Hold on-line via vendor's administrative system
- Authorizations Released – will notify FAMIS that a benefit Hold has been released on-line via vendor's administrative system
- Adjustments – will notify FAMIS that an adjustment (debit or credit) has been made to an authorization by the vendor system
- Card Fee – will notify FAMIS that a card fee has been charged to a client's authorization for the replacement of a card
- Repayment of FS Claim – will notify FAMIS that an on-line request has been completed and that an authorization has been debited in order to repay a FS claim
- FS Conversion – will notify FAMIS that an authorization has been converted from EBT to food stamp coupons

3.20.3 Food Stamp Benefit Conversions

FNS regulations contain rules for converting food stamp benefits from EBT to paper food stamp coupons when a client leaves an EBT project area. The Bidder shall describe its process for meeting this requirement. The State, in coordination with the local county offices, will assume responsibility for providing food coupons to clients. Bidders are also requested to propose a secure method of providing EBT cards and PINs to clients who leave the State and have a balance remaining in their EBT account.

3.20.4 Maintain Account Status

The Contractor shall establish and maintain an account status for each client account. The Bidder shall describe its method of determining and maintaining account statuses (i.e., Active, Inactive, Dormant, and Expunged) and notifying the State of benefit authorizations on which no debit transactions have occurred.

Benefit Aging Process

The Contractor is required to support three aging periods (1, 2 and 3 months) for cash and food stamp benefit authorizations. If any benefit authorizations (including partially used and held authorizations) have not been accessed for three months, that authorization and any other outstanding authorizations must be removed from the cardholder's account. This process must be run on a monthly basis and must generate a file of aged benefits to the State. In addition, benefits in aging period 3 must also be contained on that day's history file to the State. These files are used by the State for reconciliation purposes and to post aged benefit information to

FAMIS. The local county offices may reissue benefits as appropriate and notify the Contractor via the standard batch update process. Reissued benefits will appear as new benefit authorizations to the Contractor.

To support the State's current Aging Process, the Contractor's EBT system must include a "date last used" field that indicates the last time there was activity on a specific benefit authorization. The EBT Contractor must make a monthly Aging File available to the State, which reports unused authorizations in the appropriate aging period (1, 2 or 3 months). This file shall be made available on the 12th of each month by 4 a.m. The file is processed by the State to generate client notices and closing actions for cases with aged benefits.

3.20.5 Repayment of Claims

Households shall be given the option to repay claims using EBT benefits. Benefit repayments are administrative functions that will be input locally on EBT system administrative workstations by authorized CWA staff. System design shall outline the actual methodology to be used for conducting these transactions and the subsequent accounting involved. Repayment of claims is a type of non-settling transaction for which no funds are moved.

3.20.6 Access to Account Information

The Bidder shall describe its process and capability to provide account information to clients and State and county workers, with necessary measures for security.

The Contractor must provide on-line access to the USDA/FNS Mid-Atlantic Regional Office, the Trenton Field Office, the USDA/FNS Compliance Office and the USDA/FNS/Office of Inspector General (OIG), Northeast Region, and arrange for that access to be implemented at the same time that the State's EBT system is implemented. The Bidder must detail its planned approach to this requirement.

3.21 SETTLEMENT

The Contractor shall establish a daily electronic financial settlement schedule, develop settlement policies and procedures, and provide settlement information. The Contractor must assure that benefits received from the State are accurately posted to clients' accounts. Additionally, the Contractor must accurately debit/credit clients' accounts for withdrawals, fees, and refunds as well as credit retailers, third party processors, and financial institutions for benefits disbursed. These settlement and reconciliation processes shall occur on every bank business day at a time to be specified by the Contractor, or as required by standard banking practice, and in accordance with applicable State and federal regulations.

Development of a Settlement Manual is a Design and Development Phase Deliverable. In response to the RFP, the Bidder shall describe its proposed settlement processes. The Bidder must propose procedures for reconciling:

- Client account daily beginning balances and net draws versus the ending balance;
- Client net redemptions versus acquirer settlement values;
- Total funds entering, exiting, and remaining in the system each day;

- Total net change in system-wide obligations outstanding to the sum of the net change in obligations outstanding;
- The net settlement value of all transactions to the sum of the net settlement value for the Food Stamp Program;
- The net settlement value of all transactions to the sum of the net settlement value for the State.

3.21.1 Daily Cutoff and Reconciliation

The Contractor shall designate a standard daily cutoff time for EBT transaction processing. The specified cutoff time must allow the Contractor sufficient time to originate ACH payments for next day settlement with retailers or third party processors that adhere to the specified time.

The Contractor shall allow retailers and third party processors directly connected to the vendor the flexibility to define their own transaction or processing day. If a cutoff time different from that of the Contractor is selected, settlement must be performed no later than two banking days after the transaction date.

The Contractor will make the daily settlement amount known to the State electronically along with the daily settlement reports by 7:00 a.m. Eastern Time the next business day. If electronic access is temporarily unavailable, hard copies of settlement reports must be faxed to the State by 8:00 a.m. Eastern Time.

The Contractor shall maintain ledger accounts at the case and State levels. The EBT system must be balanced and reconciled on a daily basis. The Contractor must meet the Food Stamp Program reconciliation requirements of 7CFR 274.12(k) and the USDA/FNS Reconciliation Guidance.

3.21.2 Dispute Processing

In any system where benefits are transacted, disputes may arise. Daily balancing totals at the retailer, merchant, and financial institution level may not match those at the system level. Funds transferred or deposited to the retailer, merchant, and financial institution accounts via the ACH may not match totals calculated independently by the retailer, merchant and/or financial institution. The Bidder must describe in detail its procedures and time frames for resolving such disputes.

3.21.3 Commercial Settlement

To effect commercial settlement through the ACH, the Contractor shall have an originating and receiving relationship with the ACH, either directly or indirectly through an agreement with a Financial Agent. The Financial Agent must be a federally insured financial institution capable of accepting credits and/or debits and transmitting them in ACH format. The bidder shall submit proof in its bid proposal that the Financial Agent is a federally insured financial institution.

If the Contractor is not a financial institution, the Contractor must execute an agreement with a Financial Agent that binds both parties to the NACHA Operating Rules.

3.21.4 Account Management Agent (AMA)

The Contractor must provide USDA/FNS with settlement data in the format that FNS requires for the following system interfaces:

AMA, daily batch update

ASAP, daily draw

The Federal Reserve Bank (FRB) of Richmond serves as Account Management Agent (AMA) for the FNS Food Stamp EBT Benefit Account. The AMA system interfaces with the Treasury Department's Automated Standard Application for Payments (ASAP), monitors ASAP funding limits based on projected FSP activity established by FNS for each state, and performs reconciliation required by FNS. Consequently, the EBT Contractor must interface with the AMA and provide data necessary for funds projection and FSP reconciliation.

The Contractor must provide summary information by availability (effective) date on:

- increases in benefit authorizations;
- on expungements;
- decreases due to coupon conversion; and
- other returned benefits.

The transmission of issuance and returned benefit data elements shall be accomplished through batch processing. This method allows the Contractor to use the State's issuance file to automatically update AMA. This method also allows AMA to obtain the data provided by the Contractor from the BRSB to perform reconciliation of net retailer credits to ASAP payment requests. Therefore, the Contractor must be able to accommodate batch processing. File specifications may be obtained by contacting the FRB of Richmond at (804) 697-8384. In addition, the Contractor must be responsive to requests from the State or FNS to research and resolve discrepancies discovered in reconciliation of State-reported issuance data and the data provided to AMA by the Contractor.

AMA also uses the summary level retailer credit data provided by the Contractor to the FNS Benefit Redemption Systems Branch in Minneapolis to reconcile funds drawn down from the EBT benefit accounts in ASAP. Discrepancies shall be brought to the attention of the Contractor for prompt research and resolution.

Upon implementation of batch processing, states and their Contractors must be certified by FNS to ensure the accuracy of data transmission. The on-line method of entering AMA issuance shall serve as a back-up to batch processing. Any manual data entry will require State on-line certification before it will be allowed to update ASAP, and requires special equipment and software provided by the FRB. The technical requirement for this capability is available from FRB of Richmond as well.

3.21.5 Government Settlement

The Contractor will be designated as the State's fiscal agent for the Food Stamp Program and will make the federal payment request on behalf of the State through the ASAP system.

For cash benefit programs, the State will provide the cash funds to cover the withdrawals on the morning of the first business day following the settlement. For example, for a settlement at 3:00 P.M. on Tuesday, the State will provide the necessary funds via wire transfer to the Contractor's bank account before 12:00 noon on Wednesday, provided the State receives the settlement reports electronically or in hard copy format by 8:00 a.m. on the day following settlement.

3.21.6 Bank Requirements

The State must approve the bank account structure proposed by the successful Bidder.

The State must approve the concentrator bank; however, the Contractor will remain responsible for payments to the concentrator bank for services rendered. Therefore, the concentrator bank fees must be built into the cost per case per issuance month proposal submitted by the Bidder. Further, the Contractor will remain as the single point of contact for problem resolution of issues arising from concentrator bank activities.

The Bidder shall describe the tasks to be performed by the concentrator bank that form the basis of the sub-contract between the Contractor and the concentrator bank.

The Contractor shall be liable for any errors in the creation of the ACH tape or its transmission to the concentrator bank.

In response to this section the Bidder shall:

1. Acknowledge acceptance of liability for the creation and transmission of the ACH files to the concentrator bank as well as the successful completion of the posting process.
2. Describe the basic functions of the automated interface with the concentrator bank.
3. Provide a general description of the error resolution procedures that the Contractor would seek to implement with the concentrator bank.

3.22 SYSTEM INTERFACE REQUIREMENTS

The Contractor must work cooperatively with the State to design appropriate systems links to insure that all transmissions are completed within the performance parameters set forth within this RFP. The Contractor must support both batch and on-line, real-time transmissions from the State. The provision and maintenance of communications facilities for batch and on-line transmissions between the Contractor and the State is the responsibility of the Contractor. The Contractor will use communications software and protocols compatible with the State's current system environment. The Contractor will use the State's telecommunications network and infrastructure to support on-line communications among the State, county agencies, and the EBT host. The New Jersey Office of Information Technology (OIT) Architecture document is available on the State web page at http://www.nj.gov/it/it_architecture.pdf. A diagram of the New Jersey Department of Human Services current network architecture is included in this document as Attachment I.

3.22.1 Data Communication

The Contractor will be required to provide and maintain two (2) communication links into the State of New Jersey. One of these links will be active and one will be a “hot” spare. These links shall terminate as follows:

Link 1

A T1 communication circuit shall be established from the Contractor’s data or communication center to the Department of Human Services Network Control Center, 222 South Warren Street, Trenton, New Jersey 08608. This data circuit will provide the primary path and should terminate on the State of New Jersey side into vendor-owned and maintained equipment, which in turn would provide an Ethernet connection to the DHS Extranet Partner access point at Capital Place One (firewall). The Contractor must work with the New Jersey Department of Human Services to establish an Extranet Partner relationship. This work would require completion of an Extranet Partner Form. In addition, Contractor staff must work with Department of Human Services Security staff to establish appropriate firewall rule sets to accomplish necessary business data flow.

In addition to the primary data path, the Contractor will provide a dial backup line (Link 2).

Link 2

A T1 telecommunication circuit shall be established from the Contractor’s data or telecommunication center to the Division of Family Development Office located at 12A Quakerbridge Plaza, Hamilton Township, New Jersey 08619. This data circuit will provide a secondary backup path and should terminate on the State of New Jersey side into vendor-owned and maintained equipment, which in turn would provide an Ethernet connection to the Redundant DHS Extranet access point at Quakerbridge (firewall). The Contractor shall work with the New Jersey Department of Human Services to establish an Extranet Partner relationship. This work would require completion of an Extranet Partner Form. Contractor staff must work with Department of Human Services Security staff to establish appropriate firewall rule sets to accomplish necessary business data flow. In addition, agreements and a disaster recovery plan will need to be established and in place to allow State of New Jersey EBT traffic to utilize the secondary path in the event of a failure within the primary data link or a failure in DHS equipment at Capitol Place One.

A dial backup line shall be provided by the contractor for the secondary data path.

Once these data links are established and testing is completed, the Department of Human Services Network Control Center will be the primary link to the Contractor.

All batch transactions between systems will be confirmed by the receiving party with a confirmation message, one per file transmission. In addition, the State will require that appropriate control procedures be implemented by the Contractor to insure that all transmitted data was accurately and completely received to prevent the processing of incomplete and/or duplicate data.

3.22.2 Federal System Interfaces

The Contractor must provide data to USDA/FNS in the formats that FNS requires for the following system interfaces:

1. AMA, daily batch update
2. ASAP, daily draw
3. STARS, daily or weekly transmittal of food stamp redemptions by food retailer for each day
4. ALERT, monthly transaction activity used for retailer compliance activity

Files must be provided in the format required by FNS, within established timeframes, and accurately. Failed or inaccurate transmissions must be resolved in a timely manner by the Contractor, working in conjunction with the appropriate federal technical staff.

In addition, the Contractor must access the FNS REDE system periodically to obtain up-to-date information on FNS authorized retailers.

3.23 CENTRAL PROCESSING UNIT

The Bidder's proposal must describe, in detail, the Central Processing Unit (CPU) to be used to operate the system. This description will include specific information regarding the primary system and related hardware, as well as the proposed back-up equipment. The response will address the ability of the CPU to process current transaction volumes, as well as provide information on the maximum capacity of the CPU. The Bidder's proposal must include capacity planning/modeling results to support its conclusions as well as actual system performance statistics for the past twelve months if the Bidder is proposing the use of an existing system, or an upgrade thereto, or for anticipated results based on modeling and/or design criteria if the Bidder is proposing use of a new system.

The Bidder must advise the State if the CPU will be used exclusively for this application/state program or will be shared with other applications and/or state programs, and detail the performance impact, if any, such a processing environment will exert on the EBT program. The proposal shall include data regarding the method of acquisition of the primary and back-up equipment if either is not already owned or leased by the Bidder. The bid proposal must also set forth appropriate life cycle data and schedules for planned equipment replacement and/or upgrades, if any. Finally, the proposal must identify the prime and back-up (including hot site, if any) equipment locations by street address and include a copy of related summary level security/disaster recovery plans.

3.24 INTEGRATED DATABASE

The Contractor's system shall include a fully integrated database that supports on-line queries of account activity, administrative updates, and a full range of account management reporting. The database design shall support expansion of the EBT system to additional State programs. To that end, it shall be parameter (i.e., table, menu) driven to the fullest extent possible.

3.25 PERFORMANCE REQUIREMENTS

System performance is one of the most important aspects of a successful EBT system. If system performance is poor, all user groups, especially the clients and retailers, are adversely affected. System performance factors include system processing speed, availability, reliability, capacity (to absorb volume increases), and ease of use. The Bidder must propose a system that, at a minimum, achieves performance standards consistent with Federal regulations.

3.25.1 Processing Speed and Response Time Standards

Response time standards for purposes of this paragraph refer to on-line POS transactions and are defined as the time between the pressing of "enter/send" at the input device and the receipt and display of the entire complete response at the input device. For EBT-only transactions, the transactions must be processed within 20 seconds or less measured on a monthly basis. These times apply to terminals installed by the Contractor on the State's behalf and/or those connected directly to the Contractor's EBT system. On-line transactions that are transmitted to the Contractor by Third Party Processors must be processed by the Contractor's CPU in accord with their processor agreements.

Response time standards for transactions originating at ATMs, the ARU and administrative workstations shall be in accordance with generally accepted industry standards.

The Bidder must submit data for each type of transaction documenting average/maximum response times for its EBT system during the past twelve months if the Bidder is proposing the use of an existing or upgraded system. If the Bidder is proposing the use of a new system, anticipated results based on modeling and/or design criteria must be submitted. Additionally, the Bidder must specifically commit to achieve the State's performance requirements and discuss the steps it will take to correct any deficiencies.

3.25.2 Availability

System availability refers to the percentage of time the system is functioning so that transactions can be processed. (See Section 3.4.3.) The Bidder must propose a system that at least meets FNS regulations. Scheduled downtime must be performed during non-peak hours (between 12 midnight and 5 a.m. Eastern Time).

The Bidder must submit data for the most recent twelve-month period documenting the availability of its EBT system, including unscheduled down time and the times of its scheduled, routine maintenance. A Bidder that does not have twelve months of EBT experience must submit data for all available months.

3.25.3 Transaction Volume Changes

Over the life of any contract awarded pursuant to this RFP, the Contractor can expect fluctuations in volumes of EBT transactions whether a result of expansion/contraction of qualified households or the result of increases/ decreases in commercial POS and ATM

transaction volumes, including commercial non-EBT telecommunication traffic. New Jersey EBT transaction statistics for calendar year 2002 are provided in Attachment J.

The Bidder must propose a system that can accommodate such fluctuations, especially increases, without a degradation of service. Its proposal must document the transaction volumes for which its current and proposed system(s) have been sized and disclose the current capacity utilization level of its CPU as well.

3.25.4 Ease of Use

Ease of use refers to the "user friendliness" of the system. Most existing, commercially installed ATMs and POS devices generally meet industry standards for ease of use and are not under the Bidder's control. This section deals primarily with the equipment acquired and installed by the Contractor on the State's behalf to fulfill the requirements of this solicitation.

The Bidder must propose an EBT system designed with ease of use in mind. Its response shall include, at a minimum, a description of how it will implement the approaches listed below.

- Provide effective operational prompts/menus for users
- Minimize the number of steps in a transaction
- Eliminate the use of codes/commands
- Standardize placement of common data elements on screen displays
- Customize screen displays for specific transactions
- Provide on-line help capability
- Provide ability to toggle between functions/applications

3.26 EQUIPMENT AND SOFTWARE

The Bidder must provide detailed information about the proposed POS and PIN selection devices and interfaces required, including manufacturer, model, operating characteristics, dimensions, and environmental/power requirements. The Bidder must also describe the personal computer requirements for installation of Contractor-provided administrative functions software. The Bidder must describe any other software and equipment necessary for the State to issue EBT cards over the counter, identifying what is provided by the Contractor and what is to be provided by the State.

The State shall be responsible for installation of all software on its personal computers, including the administrative functions software. The Contractor is required to provide a test version of any new software with a 2-month testing window prior to production installation. The Contractor is required to provide written instructions for installation and provide technical assistance as needed. The Contractor shall provide, at its expense, upgrades to software needed to maintain functionality and communication with the Contractor's EBT server at no additional cost.

3.27 SYSTEM ENHANCEMENTS

For enhancements and change orders requested by the State, the Bidder will provide a schedule of its hourly rates for the various levels of systems analysts and programmers typically assigned to such EBT modification activities. Hourly rates must be all inclusive. The Contractor will submit to the State its cost estimate including programming time and/or any incremental change for the State's review prior to implementing any State-requested changes. The State will pay only for actual documented costs of changes made, not to exceed the estimated cost.

3.28 TESTING

The Contractor must maintain the necessary hardware and software to provide the State with a test database separate from but the same as the production system in all respects except for the changes being tested. The State will use this capability to verify the accuracy and integrity of any modifications scheduled to be made to the production EBT system and to test the potential effect of any changes made to its FAMIS system on the EBT system. System modifications may be required for many reasons including changes in federal regulations, development of new programs, federal agency requests for information, and State agency purposes. Full access, both on-line and batch, to the test database must be provided to authorized State staff for the purpose of testing and approving all State-requested modifications before they are implemented in the production system. In all other cases, the State must be notified of any planned system modifications and may elect to perform independent testing to verify expected results.

The Contractor must identify a testing liaison who will work cooperatively with the State to ensure that appropriate testing is planned, scheduled and completed using appropriate test data.

The test environment must be capable of receiving [and sending] both on-line and batch test data and/or files from a variety of sources including State mainframes, administrative workstations, POS terminals, and telephones. Test accounts will experience transactions similar to what would occur for actual client accounts. The transactions for the test account environment will be reported separately from production data.

The State requires the Contractor to test and certify the initial production EBT system provided to the State and any subsequent modifications made thereto, including hardware, software, communications, and procedures. The Contractor will be required to comply with State and FNS standards for unit, system, and acceptance testing.

In response to this Section, the Bidder shall:

- Describe the test database and proposed test environment, including location of the site.
- Describe the procedures for testing changes to the EBT system.
- Describe how it will provide the State access to the test environment.
- Describe how it will provide the State with test results of State-initiated EBT system changes resulting from regulatory change, special request, etc., for State review and approval prior to implementation into the production system.

4.0 PROPOSAL PREPARATION AND SUBMISSION

4.1 General

The bidder must follow instructions contained in this RFP and in the bid cover sheet in preparing and submitting its bid proposal. The bidder is advised to thoroughly read and follow all instructions.

The information required to be submitted in response to this RFP has been determined to be essential in the bid evaluation and contract award process. Any qualifying statements made by the bidder to the RFP's requirements could result in a determination that the bidder's proposal is materially non-responsive. Each bidder is given wide latitude in the degree of detail it elects to offer or the extent to which plans, designs, systems, processes and procedures are revealed. Each bidder is cautioned, however, that insufficient detail may result in a determination that the bid proposal is materially non-responsive or, in the alternative, may result in a low technical score being given to the bid proposal.

4.2 Proposal Delivery and Identification

In order to be considered a bid proposal must arrive at the Purchase Bureau in accordance with the instructions on the RFP cover sheet. Bidders submitting proposals are cautioned to allow adequate delivery time to ensure timely delivery of proposals. State regulation mandates that late proposals are ineligible for consideration. The exterior of all bid proposal packages must be labeled with the bid identification number, final bid opening date and the buyer's name. All of this information is set forth at the top of the RFP cover sheet.

4.3 Number of Bid Proposal Copies

Each bidder must submit one (1) complete ORIGINAL bid proposal, clearly marked as the "ORIGINAL" bid proposal. Each bidder is requested to submit ten (10) full, complete and exact copies of the original. The copies are necessary in the evaluation of the bid proposal. Bidders failing to provide the requested number of copies will be charged the cost incurred by the State in producing the requested number of copies. It is suggested that bidders make and retain a copy of their bid proposal.

4.4 Proposal Content

The proposal should be submitted in one volume and that volume divided into four (4) Sections as explained below.

4.4.1 Section 1 – Forms

4.4.1.1 Ownership Disclosure Form

In the event the bidder is a corporation or partnership, the bidder must complete the attached Ownership Disclosure Form. A completed Ownership Disclosure Form must be received prior to or accompanying the bid. Failure to do so will preclude the award of the contract.

4.4.1.2 MacBride Principles Certification

The bidder must complete the attached MacBride Principles Certification evidencing compliance with the MacBride Principles. Failure to do so may result in the award of the contract to another vendor.

4.4.1.3 Affirmative Action

The bidder must complete the attached Affirmative Action Employee Information Report, or, in the alternative, supply either a New Jersey Affirmative Action Certificate or evidence that the bidder is operating under a Federally approved or sanctioned affirmative action program. The requirement is a precondition to entering into a valid and binding contract.

4.4.1.4 Set-Aside Contracts – Not applicable to this procurement.

4.4.1.5 Bid Bond

This Section supplements Section 3.3a of the Standard Terms and Conditions. The amount of the bid bond is noted on the RFP cover sheet. The bid bond must be submitted with the bidder's proposal. In the event the bidder has an annual bid bond on file with the Purchase Bureau, the bidder should so note in the appropriate box on the RFP cover sheet.

4.4.2 Section 2 – Technical Proposal

In this Section, the bidder shall describe its approach and plans for accomplishing the work outlined in the Scope of Work Section, i.e., Section 3.0. The bidder must set forth its understanding of the requirements of this RFP and its ability to successfully complete the contract. This Section of the proposal shall contain at least the following information:

4.4.2.1 Management Overview

The bidder shall set forth its overall technical approach and plans to meet the requirements of the RFP in a narrative format. This narrative should convince the State that the bidder understands the objectives that the contract is intended to meet, the nature of the required work and the level of effort necessary to successfully complete the contract. This narrative should convince the State that the bidder's general approach and plans to undertake and complete the contract are appropriate to the tasks and subtasks involved.

Mere reiterations of RFP tasks and subtasks are strongly discouraged, as they do not provide insight into the bidder's ability to complete the contract. The bidder's response to this Section should be designed to convince the State 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 proposal will lead to successful contract completion.

4.4.2.2 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 including, but not limited to, status meetings, status reports, etc.

4.4.2.3 Contract Schedule

The bidder shall include a contract schedule. If key dates are a part of this RFP, the bidder's schedule should incorporate such key dates and should identify the completion date for each task and sub-task required by the Scope of Work. Such schedule should also identify the associated deliverable item(s) to be submitted as evidence of completion of each task and/or subtask.

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.

4.4.2.4 Mobilization and Implementation Plan

It is essential the State move forward quickly to have the contract in place. Therefore, the bidder must include as part of its bid proposal a mobilization and implementation plan, beginning with the date of notification of contract award of the EBT system.

Such mobilization and implementation plan should include the following elements:

- (a) A detailed timetable for the mobilization and implementation period. This timetable should be designed to demonstrate how the bidder will have the system operational within six (6) months of contract award.
- (b) The bidder's plan for the deployment and use of management, supervisory or other key personnel during the mobilization and implementation period. The plan should show all management, supervisory and key personnel that will be assigned to manage, supervise and monitor the bidder's mobilization and implementation of the contract within the period of contract award through the first six (6) months of the contract.

NOTE: The bidder should clearly identify management, supervisory or other key staff that will be assigned only during the mobilization and implementation period.

- (c) The bidders' plan for the purchase and distribution of equipment, inventory, supplies, materials, etc., that will be required to fully implement the contract on the required start date.
- (d) The bidder's plan for the use of subcontractor(s), if any, on this contract. Emphasis should be on how any subcontractor identified will be involved in the mobilization and implementation plan.

4.4.2.5 Potential Problems

The bidder should set forth a summary of any and all problems that the bidder anticipates during the term of the contract. For each problem identified, the bidder should provide its proposed solution.

4.4.3 Section 3 - Organizational Support and 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 RFP.

4.4.3.1 Location

The bidder should include the location of the bidder's office that will be responsible for managing the contract. The bidder should include the telephone number and name of the individual to contact.

4.4.3.2 Organization Chart (Contract Specific)

The bidder should include a contract organization chart, with names showing management, supervisory and other key personnel (including subcontractor's management, supervisory or other key personnel) to be assigned to the contract. The chart should include the labor category, title and project role and responsibility of each such individual.

4.4.3.3 Resumes

Detailed resumes should be submitted for all management, supervisory and key personnel to be assigned to the contract. Resumes should be structured to emphasize relevant qualifications and experience of these individuals in successfully completing contracts of a similar size and scope to those required by this RFP. Resumes should clearly identify previous experience in completing similar contracts. Beginning and ending dates should be given for each similar contract. A description of the contract should be given and should demonstrate how the individual's work on the completed contract relates to the individual's ability to contribute to the successfully providing the services required by this RFP. With respect to each similar contract, the bidder should include the name and address of each reference together with a person to contact for a reference check and a telephone number.

In the event the bidder must hire or otherwise engage management, supervisory and/or key personnel if awarded the contract, the bidder should include a recruitment plan for such personnel. Such recruitment plan should demonstrate that the bidder would be able to initiate and complete the contract within the time frame required by this RFP.

4.4.3.4 Backup Staff

The bidder should include a list of backup staff that may be called upon to assist or replace primary individuals assigned. Backup staff must be clearly identified as backup staff.

In the event the bidder must hire management, supervisory and/or key personnel if awarded the contract, the bidder should include, as part of its recruitment plan, a plan to secure backup staff in the event personnel initially recruited need assistance or must be replaced during the contract term.

4.4.3.5 Organization Chart (Entire Firm)

The bidder should include an organization chart showing the bidder's entire organizational structure. This chart should show the relationship of the individuals assigned the contract to the bidder's overall organizational structure.

4.4.3.6 Experience of Bidder on Contracts of Similar Size and Scope

The bidder should provide a comprehensive listing of contracts of similar size and scope that it has successfully completed, as evidence of the bidder's ability to successfully complete the services required by this RFP. Emphasis should be placed on contracts that are similar in size and scope to those required by this RFP. A description of all 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 RFP. For each such contract, the bidder should provide the name and telephone number of a contact person for the other contract party. Beginning and ending dates should also be given for each contract.

4.4.3.7 Financial Capability of the Bidder

The bidder shall provide proof of its financial capacity and capabilities to undertake and successfully complete the contract. To satisfy this requirement, the bidder shall submit a certified financial statement, including applicable notes, reflecting the bidder's assets, liabilities, net worth, revenues, expenses, profit or loss, and cash flow for the most recent calendar year or the bidder's most recent fiscal year; or, if a certified financial statement is not available, then either a reviewed or compiled statement from an independent accountant setting forth the same information required for the certified financial statement. In addition, the bidder must submit a bank reference.

4.4.3.8 Subcontractor(s)

4.4.3.8.1 Should the bidder propose to utilize a subcontractor(s) to fulfill any of its obligations, the bidder shall be responsible for the subcontractor's (s'): (a) performance; (b) compliance with all of the terms and conditions of the contract; and (c) compliance with the requirements of all applicable laws.

4.4.3.8.2 The bidder must provide a detailed description of services to be provided by each subcontractor, referencing the applicable Section or Subsection of this RFP.

4.4.3.8.3 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.

4.4.3.8.4 The bidder should provide documented experience 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 proposal.

4.4.4 Section 4 - Cost Proposal

Note that Attachment A contains the mandatory price sheets to be included in the the bidder's bid proposal. The bidder must submit all requested pricing information. Failure to submit all requested pricing information may result in the bidder's proposal being considered materially non-responsive. Each bidder must hold its price(s) firm through completion of the contract award process.

5.0 CONTRACTUAL TERMS AND CONDITIONS

5.1 Precedence of Contractual Terms and Conditions

The contract shall consist of this RFP, addendum to this RFP, the contractor's bid proposal and the Division's Notice of Acceptance.

Unless specifically noted within this RFP, the Standard Terms and Conditions take precedence over the Special Terms and Conditions.

In the event of a conflict between the provisions of this RFP, including the Standard Terms and Conditions and the Special Terms and Conditions, and any addendum to the RFP, the addendum shall govern.

In the event of a conflict between the provisions of this RFP, including any addendum to this RFP, and the bidder's proposal, the RFP and/or the addendum shall govern.

5.2 Performance Bond

This section supplements Section 3.3b of the Standard Terms and Conditions. A performance bond is required. The amount of the performance bond is noted on the RFP cover sheet. Year one (1) of the contract necessitates the performance bond at 10% of the bid amount. Thereafter the performance bond shall be 10% of the remaining balance of the bid amount. The performance bond must be posted within 30 days of the effective date of the contract award. The performance bond must remain in full force and effect for the term of the contract and any extension thereof.

5.3 Business Registration – See Standard Terms and Conditions, Section 1.1

5.4 Contract Term and Extension Option

The term of the contract shall be for a period of five (5) years. The anticipated "Contract Effective Date" is provided on the cover sheet of this RFP. If delays in the bid process result in an adjustment of the anticipated Contract Effective Date, the bidder agrees to accept a contract for the full term of the contract. The contract may be extended for two additional one-year extensions, by mutual written consent of the contractor and the Director.

5.5 Contract Transition

In the event services end by either contract expiration or termination, it shall be incumbent upon the contractor to continue services, if requested by the Director, until new services can be completely operational. The contractor acknowledges its responsibility to cooperate fully with the replacement contractor and the State to ensure a smooth and timely transition to the replacement contractor. Such transitional period shall not extend more than 180 days beyond the expiration date of the contract or any extension thereof. The contractor will be reimbursed for

services during the transitional period at the rate in effect when the transitional period clause is invoked by the State.

5.6 Availability of Funds

The State's obligation to pay the contractor is contingent upon the availability of appropriated funds from which payment for contract purposes can be made. No legal liability on the part of the State for payment of any money shall arise unless funds are made available each fiscal year to the Using Agency by the Legislature.

5.7 Contract Amendment

Any changes or modifications to the terms of the contract shall only be valid when they have been reduced to writing and executed by the contractor and the Director.

5.8 Contractor Responsibilities

The contractor shall have sole responsibility for the complete effort specified in the contract. Payment will be made only to the contractor. The contractor shall have sole responsibility for all payments due any subcontractor.

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 the 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 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.

5.9 Substitution of Staff

If it becomes necessary for the contractor to substitute any management, supervisory or key personnel, the contractor will 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 evidencing that the individual(s) proposed as substitution(s) 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's 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.

5.10 Substitution or Addition of Subcontractor(s)

This Subsection serves to supplement but not to supersede Section 3.11 of the Standard Terms and Conditions of this RFP.

If it becomes necessary for the contractor to substitute and/or add a subcontractor, the contractor will identify the proposed new subcontractor and the work to be performed. The contractor must provide detailed justification documenting the necessity for the substitution or addition.

The contractor must provide detailed resumes of the proposed subcontractor's management, supervisory and other key personnel that demonstrate knowledge, ability and experience relevant to that part of the work that the subcontractor is to undertake.

In the event a subcontractor is proposed as a substitution, the proposed subcontractor must equal or exceed the qualifications and experience of the subcontractor being replaced. In the event the subcontractor is proposed as an addition, the proposed subcontractor's qualifications and experience must equal or exceed that of similar personnel proposed by the contractor in its bid proposal.

The contractor shall forward a written request to substitute or add a subcontractor to the State Contract Manager for consideration. If the State Contract Manager approves the request, the State Contract Manager will forward the request to the Director for final approval.

No substituted or additional subcontractors are authorized to begin work until the contractor has received written approval from the Director.

5.11 Ownership of Material

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, software computer programs and accompanying documentation and 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 this contract shall be and remain the property of the State of New Jersey and shall be delivered to the State of New Jersey upon 30 days notice by the State. With respect to software computer programs and/or source codes developed for the State, the work shall be considered "work for hire", i.e., the State, not the contractor or subcontractor, shall have full and complete ownership of all software computer programs and/or source codes developed. To the extent that any of such materials may not, by operation of law, be a work made for hire in accordance with the terms of this Agreement, contractor or subcontractor hereby assigns to the State all right, title and interest in and to any copyright, 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.

Should the bidder anticipate using pre-existing intellectual property in the project, the intellectual property must be identified in the bid proposal. Otherwise, the language in the first paragraph of this section prevails. If the bidder identifies such intellectual property ("Background IP") in its bid proposal, then the Background IP owned by the bidder on the date of the contract, as well as any modifications or adaptations thereto, remain the property of the bidder. Upon contract award, the bidder or contractor shall grant the State a non-exclusive, royalty free license to use any of the bidder/contractor's Background IP delivered to the State for the purposes contemplated by the Contract.

If the proposed solution includes commercial, off-the-shelf (COTS) software, the licenses for the COTS software purchased by the contractor for the EBT system shall be assigned, if possible, to the State.

5.12 Data Confidentiality

All financial, statistical, personnel, client and/or technical data supplied by the State to the contractor are confidential. The contractor is required to use reasonable care to protect the confidentiality of such data, i.e., the same care that it would exercise with respect to its own confidential data. Any use, sale or offering of this data in any form by the contractor, or any individual or entity in the contractor's charge or employ, will be considered a violation of this contract and may result in contract termination and the contractor's suspension or debarment from State contracting. In addition, such conduct may be reported to the State Attorney General for possible criminal prosecution.

5.13 News Releases

The contractor is not permitted to issue news releases pertaining to any aspect of the services being provided under this contract without the prior written consent of the Director.

5.14 Advertising

The contractor shall not use the State's name, logos, images, or any data or results arising from this contract as a part of any commercial advertising without first obtaining the prior written consent of the Director.

5.15 Licenses and Permits

The contractor shall obtain and maintain in full force and effect all required licenses, permits, and authorizations necessary to perform this contract. The contractor shall supply the State's Contract Manager with evidence of all such licenses, permits and authorizations. This evidence shall be submitted subsequent to the contract award. All costs associated with any such licenses, permits and authorizations must be considered by the bidder in its bid proposal.

5.16 Claims and Remedies

5.16.1 Claims

All claims asserted against the State by the contractor shall be subject to the New Jersey Tort Claims Act, N.J.S.A. 59:1-1, et seq., and/or the New Jersey Contractual Liability Act, N.J.S.A. 59:13-1, et seq.

5.16.2 Remedies

Nothing in the contract shall be construed to be a waiver by the State of any warranty, expressed or implied, or any remedy at law or equity, except as specifically and expressly stated in writing executed by the Director.

5.16.3 Remedies for Non-Performance

In the event the contractor fails to comply with any material contract requirement, the Director may take steps to terminate the contract in accordance with the State Administrative Code. In this event, the Director may authorize the delivery of contract items by any available means, with the difference between the price paid and the defaulting contractor's price either being deducted from any monies due the defaulting contractor or being an obligation owed the State by the defaulting contractor.

5.17 Late Delivery

The contractor must immediately advise the State Contract Manager of any circumstance or event that could result in late completion of any task or subtask called for to be completed on a date certain. Notification must also be provided to the Director at the address below:

State of New Jersey
Director, Division of Purchase and Property
33 West State St.
P.O. Box 230
Trenton, New Jersey 08625-0230

5.18 Retainage – See Section 3.4.3.1 of this RFP.

5.19 State's Option to Reduce Scope of Work

The State has the option, in its sole discretion, to reduce the scope of work for any task or subtask called for under this contract. In such an event, the Director shall provide advance written notice to the contractor.

Upon receipt of such written notice, the contractor will submit, within five (5) working days to the Director and the State Project Manager, an itemization of the work effort already completed

by task or subtask. The contractor shall be compensated for such work effort according to the applicable portions of its cost proposal.

5.20 Suspension of Work

The State Contract Manager may, for valid reason, issue a stop order directing the contractor to suspend work under the contract for a specific time. The contractor shall be paid until the effective date of the stop order. The contractor shall resume work upon the date specified in the stop order, or upon such other date as the State Contract Manager may thereafter direct in writing. The period of suspension shall be deemed added to the contractor's approved schedule of performance. The Director and the contractor shall negotiate an equitable adjustment, if any, to the contract price.

5.21 Change in Law

Whenever an unforeseen change in applicable law or regulation affects the services that are the subject of this contract, the contractor shall advise the State Contract Manager and the Director in writing and include in such written transmittal any estimated increase or decrease in the cost of its performance of the services as a result of such change in law or regulation. The Director and the contractor shall negotiate an equitable adjustment, if any, to the contract price.

5.22 Additional Work and/or Special Projects

The contractor shall not begin performing any additional work or special projects without first obtaining written approval from both the State Contract Manager and the Director.

In the event of additional work and/or special projects, the contractor must present a written proposal to perform the additional work to the State Contract Manager. The proposal should provide justification for the necessity of the additional work. The relationship between the additional work and the base contract work must be clearly established by the contractor in its proposal.

The contractor's written proposal must provide a detailed description of the work to be performed broken down by task and subtask. The proposal should also contain details on the level of effort, including hours, labor categories, etc., necessary to complete the additional work.

The written proposal must detail the cost necessary to complete the additional work in a manner consistent with the contract. The written cost proposal must be based upon the hourly rates, unit costs or other cost elements submitted by the contractor in the contractor's original bid proposal submitted in response to this RFP. Whenever possible, the cost proposal should be a firm, fixed cost to perform the required work. The firm fixed price should specifically reference and be tied directly to costs submitted by the contractor in its original bid proposal. A payment schedule, tied to successful completion of tasks and subtasks, must be included.

Upon receipt and approval of the contractor's written proposal, the State Contract Manager shall forward it to the Director for the Director's written approval. Complete documentation from the

Using Agency, confirming the need for the additional work, must be submitted. Documentation forwarded by the State Contract Manager to the Director must all include all other required State approvals, such as those that may be required from the State of New Jersey's Office of Management and Budget (OMB) and Office of Information and Technology (OIT).

No additional work and/or special project may commence without the Director's written approval. In the event the contractor proceeds with additional work and/or special projects without the Director's written approval, it shall be at the contractor's sole risk. The State shall be under no obligation to pay for work done without the Director's written approval.

5.23 Form of Compensation and Payment

This Section supplements Section 4.5 of the RFP's Standard Terms and Conditions. The contractor must submit official State invoice forms to the Using Agency with supporting documentation evidencing that work for which payment is sought has been satisfactorily completed. Invoices must reference the tasks or subtasks detailed in the Scope of Work section of the RFP and must be in strict accordance with the firm, fixed prices submitted for each task or subtask on the RFP pricing sheets. When applicable, invoices should reference the appropriate RFP price sheet line number from the contractor's bid proposal. All invoices must be approved by the State Contract Manager before payment will be authorized.

Invoices must also be submitted for any special projects, additional work or other items properly authorized and satisfactorily completed under the contract. Invoices shall be submitted according to the payment schedule agreed upon when the work was authorized and approved. Payment can only be made for work when it has received all required written approvals and has been satisfactorily completed.

5.24 Year 2000 Compliance – Not applicable to this procurement

5.25 Contract Activity Report – Not applicable to this procurement

5.26 Substitution of Section 2.2 Language of the State's Standard Terms and Conditions

The contractor's liability to the State for actual, direct damages resulting from the contractor's performance or non-performance, or in any manner related to the contract, for any and all claims, shall be limited in the aggregate to 500% of the value of the contract, except that such limitation of liability shall not apply to the following:

1. The contractor's obligation to indemnify the State of New Jersey and its employees from and against any claim, demand, loss, damage or expense relating to bodily injury or the death of any person or damage to real property or tangible personal property, incurred from the work or materials supplied by the contractor under the contract caused by negligence or willful misconduct of the contractor;
2. The contractor's breach of its obligations of confidentiality; and,

3. Contractor's liability with respect to copyright indemnification.

The contractor's indemnification obligation is not limited by but is in addition to the insurance obligations contained in Section 2.3 of the Standard Terms and Conditions.

The contractor shall not be liable for special, consequential, or incidental damages.

6.0 PROPOSAL EVALUATION / CONTRACT AWARD

6.1 Proposal Evaluation Committee

Proposals may be evaluated by an Evaluation Committee composed of members of affected departments and agencies together with representative(s) from the Purchase Bureau. 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 in an advisory role.

6.2 Oral Presentation and/or Clarification of Proposal

A bidder may be required to give an oral presentation to the Evaluation Committee concerning its bid proposal. The Evaluation Committee may also require a bidder to submit written responses to questions regarding its proposal.

The purpose of such communication with a bidder, either through an oral presentation or a letter of clarification, is to provide an opportunity for the bidder to clarify or elaborate on its bid proposal. Original bid proposals submitted, however, cannot be supplemented, changed, or corrected in any way. No comments regarding other bid proposals are permitted. Bidders may not attend presentations made by their competitors.

It is within the Evaluation Committee's discretion whether to require a bidder to give an oral presentation or require a bidder to submit written responses to questions regarding its proposal. Action by the Evaluation Committee in this regard should not be construed to imply acceptance or rejection of a proposal. The Purchase Bureau buyer will be the sole point of contact regarding any request for an oral presentation or clarification.

6.3 Evaluation Criteria

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

6.3.1 The bidder's general approach and plans in meeting the requirements of this RFP.

6.3.2 The bidder's detailed approach and plans to perform the services required by the Scope of Work Section of this RFP.

6.3.3 The bidder's documented experience in successfully completing contracts of a similar size and scope to those required by this RFP.

6.3.4 The qualifications and experience of the bidder's management, supervisory or other key personnel assigned to the contract, with emphasis on documented experience in successfully completing work on contracts of similar size and scope to those required by this RFP.

6.3.5 The overall ability of the bidder to mobilize, undertake and successfully complete the contract. This judgment will include, but not be limited to the following factors: the number and qualifications of management, supervisory and other staff proposed by the bidder to complete the contract, the availability and commitment to the contract of the bidder's management, supervisory and other staff proposed and the bidder's contract management plan, including the bidder's contract organizational chart.

6.3.6 The bidder's Cost Proposal.

6.4 Contract Award

The contract shall be awarded with reasonable promptness by written notice to that responsible bidder whose bid, conforming to the invitation for bids, will be most advantageous to the State, price and other factors considered. Any or all bids may be rejected when the State Treasurer or the Director of the Division of Purchase and Property determines that it is in the public interest so to do.