

APPENDIX II

EXHIBIT A – SPECIAL PROVISIONS

The following provisions supplement or modify the provisions of Items 1 through 9 of the CF Standard Integrated Contract 2016, as provided herein:

A-1. ENGAGEMENT, TERM AND CONTRACT DOCUMENT

In addition to the provisions of Section 1.3, the following provisions apply to this contract.

This contract may be renewed for a period not to exceed five (5) years or for the term of the original contract, whichever period is longer. For purposes of this provision, the term of the original contract shall be five (5) years, reflecting the Performance Period of TBD, through TBD. Such renewal shall be made by mutual agreement and shall be contingent upon satisfactory performance evaluations as determined by the Department and shall be subject to the availability of funds. Any renewal shall be in writing and shall be subject to the same terms and conditions as set forth in the initial contract, including any amendments.

Program Specific Terms

In addition to the definitions in Section 1.4.1 of the CF Standard Integrated Contract 2016, the following definitions apply to this contract.

Term	Definition
ACH	Automated Clearing House 1) A funds transfer system governed by the rules of National Automated Clearing House Association (NACHA) which provides for the inter-bank clearing of electronic entries for participating Depository Institutions. 2) The paperless funds transfer system maintained by the Federal Reserve or other entities that have networks to exchange electronic funds transfer items. The ACH network is utilized by the Federal Reserve and financial institutions to process electronic debits and credits between financial participants.
Acquirer	A financial institution participant that either owns or operates point-of-sale (POS) devices and signs Merchant Agreements with retailers for the acceptance of the Florida EBT card.
Actionable Referral	A Referral (defined below) that indicates a violation as defined in s. 414.39, F.S., which in the opinion of the Department warrants an investigation by the Department of Children and Families or the Department of Financial Services, Division of Public Assistance Fraud (DPAF).
Active SNAP/Cash EBT Account ("Active Account")	Is defined for invoicing purposes and otherwise as an open account possessing current SNAP and/or cash benefits for the account holder. Provider will assess a Cost Per Case Month fee for each Active Account each month that the account receives either a SNAP or a cash benefit. No charges will be assessed for any EBT account that does not receive a benefit during the billing month.
Active WIC EBT Account ("Active Account")	Is defined for invoicing purposes and otherwise as an open account possessing current prescription benefits for the account holder with a benefit expiration date occurring in that calendar month. Provider will assess a Cost Per Case Month for each Active Account each month that account possesses current prescription benefits. No charges will be assessed for any WIC EBT account that does not possess current prescription benefits with a benefit expiration date during the billing month.
ALERT	Anti-Fraud Locator of EBT Retailer Transactions

Term	Definition
Alternate Payee	A person authorized by the household primary payee to act on behalf of an assistance group to make application for cash assistance and, if so designated, to receive the cash payment on behalf of the household. Alternate payees are secondary payees in addition to the primary payee and are provided with an EBT card with their name on it, their own PIN, and full access to the benefits in the EBT cash account.
AMA	Account Management Agent
ANSI	American National Standards Institution The U.S. standards group responsible for issuing U.S. standards and maintaining consistency with similar international standards.
ARU	Automated Response Unit A telephone answering system that is accessed through a touch-tone telephone and responds with voice commands and information.
ASAP	Automated Standard Application for Payments
ATM	Automated Teller Machine An electronic hardware device designated by an Acquirer to accept cards that, when activated by a cardholder through use of a magnetic stripe on a card, are capable of automatically dispensing U.S. currency directly from such device and responding to balance inquiries.
Authorized Representative	A person authorized by an assistance group to act on their behalf in making application for food assistance benefits and, if so designated, to receive the food benefit on behalf of the assistance group. Authorized representatives are secondary payees in addition to the primary payee and are provided with an EBT card with their name on it, their own PIN, and full access to the benefits in the EBT food account.
BIN	Bank Identification Number A set of numbers assigned by the American Bankers Association that appear as a part of the primary account number (PAN) on the face of the card; and that identifies the card issuer for purposes of interchange, sometimes referred to as an Issuer Identification Number (IIN).
Benefits	All Non-WIC payments (such as SNAP benefits, Cash benefits, etc.)
Benefit Date	The date that benefits are posted in the account; the benefit deposit date for ongoing issuances is a fixed date, the same date each month, no matter whether it is a holiday or weekend. The benefit deposit date may be different for each type of program benefits.
BRSB	Benefit Redemption System Branch
CAV	Card Authentication Value A cryptographic value encoded on Track 2 used to validate its contents.
Cash Account	An account or authorization file maintained by an Issuer that may represent pre-funded or day-of-draw benefits, or both, administered by one or more government entities, and for which the issuer has agreed to provide access under the QUEST® Rules or other operating rules, as applicable.
CFR	Code of Federal Regulations
Claim	A request made by a retailer/acquirer or cardholder/issuer/State agency for account adjustment, debit or credit.
CPCM	Cost per Case Month
CSR	Customer Service Representative

Term	Definition
Dedicated Resource	A named resource in the Provider's team assigned on a full time basis to the State and this contract.
Department	Department of Children and Families
DES	Data Encryption Standard The Data Encryption Standard as promulgated by the National Bureau of Standards. An encryption/decryption algorithm published by ANSI as Standard X3.92-1981 used to encrypt PIN data in EBT and EFT transactions for secure transmission. Standard used currently to encrypt financial transaction is triple DES (3DES).
DFS	Department of Financial Services
DOH	Department of Health
Downtime	The failure of required host transaction processing system under the direct control of the provider that prevents the acquirer from obtaining EBT host approval of the transaction amount, with cardholder PIN and the magnetic stripe data, prior to completion of a transaction.
DPAF	Division of Public Assistance Fraud, also PAF
D-SNAP	Disaster Supplemental Nutrition Assistance Program - FNS approves D-SNAP operations in an affected area under the authority of the Robert T. Stafford Disaster Relief and Emergency Assistance Act when the area has received a Presidential disaster declaration of Individual Assistance (IA) from the Federal Emergency Management Agency (FEMA).
DUKPT	Derived Unique Key Per Transaction – a key management scheme in which for every transaction, a unique key is used which is derived from a fixed key. DUKPT is used in POS terminals with 3DES to encrypt the PIN block.
EBA	Electronic Benefit Account
EBT	Electronic Benefits Transfer - The delivery of government benefits through electronic means and equipment.
EBT-Only Retailer	A person or entity that has agreed to accept cards for purchases of goods or services from food assistance accounts, but not from cash accounts, and that has been specifically authorized by USDA-FNS to accept food assistance transactions.
EFT	Electronic Funds Transfer
Encryption	The method used to protect PIN data by transforming it into cryptographic form. The translation of data by hardware devices or software programs that renders transmitted data unintelligible, thereby protecting the privacy of information.
Encryption Key	A mathematical value that is used in an algorithm to transform plain text into cipher text or vice versa.
FAET	Food Assistance Employment and Training Program A component of the Food Assistance Program that provides reimbursements to eligible recipients for transportation and other expenses directly related to seeking and obtaining employment. FAET is administered by the Florida Department of Economic Opportunity (DEO).
FAP	Food Assistance Program - The Federal Supplemental Nutrition Assistance Program operated under the authority of the Food Stamp Act of 1977, as amended, and administered by the State of Florida. The Florida legislature approved the name Food Assistance Program in 2010.
FLORIDA System	The Florida Online Recipient Integrated Data Access System, Department of Children and Families legacy system for integrated eligibility support for multiple programs, including, but not limited to, food assistance, cash assistance (TCA, RAP), and Medicaid.

Term	Definition
FL WISE	WIC MIS System used by Florida WIC
FNS	Food and Nutrition Service of the U.S. Department of Agriculture
Food Assistance Account	1) An authorization file maintained by an issuer that represents benefits administered by a government entity under the Federal Supplemental Nutritional Assistance Program. 2) An authorization file maintained on behalf of a cardholder from which food assistance purchase transactions at authorized retailers are authorized.
Food Assistance Merchandise Refund	A transaction initiated with a card at a POS terminal or via a manual voucher to credit a cardholder's food assistance account for a return of merchandise originally purchased from the food assistance account with the same card.
Fraud Solution	Fraud detection and prevention web-based solution composed of data and supporting sub-system components which are configurable by user profile to assist in identifying suspected fraudulent situations and high risk activities relating to Florida EBT. The Fraud Solution will facilitate collection of key fraud indicators and metrics, which can assist investigators and lead to Actionable Referrals.
Fraud Services	Development of fraud profiling data to alert investigators of cardholders that are potentially misusing benefits; fraud detection and benefit recovery specific reporting capability; use of predictive modeling or geo-coding to identify misuse of benefits; web-based fraud dashboard with a suite of tools and the functionality necessary to assist with the identification of potentially fraudulent situations.
Fraud System Interfaces	The applications which permit user access and navigation of the Fraud Solution and associated services.
FRB	Federal Reserve Bank
Gateway	A service provided by a network for access to other regional and network networks.
HGTN	Host Generated Tracking Number, also known as the Unique EBT transaction identifier.
ISO	International Standards Organization when referring to transaction processing; also, Independent Sales Organization when referring to TPP's; the international group responsible for issuing technical standards.
Interoperability	The ability of the EBT system to process interstate food assistance and cash transactions, including transactions occurring at a Florida retailer or ATM acquirer when the cardholder has benefits and payments issued by another State and a Florida cardholder's transactions occurring at a retailer or ATM acquirer in another State. The EBT system must accept these transactions and route to the appropriate States' EBT system for authorization and settlement.
Issuer	A depository institute that has entered an agreement with a government entity or EBT service Provider to undertake the responsibilities of an Issuer under the QUEST® rules.
IVR	Interactive Voice Response
Manual (Food Assistance) Transaction	An off-line transaction whereby the retailer completes a paper sales draft, obtains the cardholder's signature as well as a telephone authorization code from the Provider.
Manual Authorization	A code provided a retailer as part of a telephone authorization indicating that a manual food assistance transaction has been approved.
Manual Voucher	The form a retailer completes whenever a manual transaction is done.
NACHA	National Automated Clearing House Association

Term	Definition
Network	A switch, together with all other computer hardware and software connected to the switch, all telecommunications facilities and equipment utilized in connection therewith, and all other agreements and documents including the QUEST® Operating Rules utilized by the network for the purpose of supporting the interchange of transactions.
NSF	Not Sufficient Funds (aka: Insufficient Funds)
Office of Public Benefits Integrity	The Office of Public Benefits Integrity (OPBI) is responsible for investigating public assistance fraud or misuse in the FAP, TANF/TCA, and Medicaid programs, as well as recovering benefit overpayments through the administration of the Benefit Investigations (BI) and Benefit Recovery (BR) programs.
OSS	Optional State Supplementation A state funded cash assistance program for aged, blind or disabled individuals in alternative living arrangements.
PAN	Primary Account Number The account number that identifies the issuer and the cardholder and that is fully displayed and encoded on the card.
Participant	In WIC a pregnant woman, breastfeeding woman, postpartum woman, infant or child who is receiving supplemental foods or food instruments under the WIC Program and the breastfed infant of a participating breastfeeding woman. A Participant is also a person who transacts WIC food instruments as part of a compliance investigation for WIC as authorized by the Department of Health or USDA or law enforcement or under contract authorized by the Department of Health.
Performance Period	The five-year period during which WIC and SNAP/Cash services are to be provided, commencing on TBD , continuing through the Ending Date of this contract and, if renewed, through the ending date of the renewal period.
PNAS	Personal Needs Allowance Supplement A state funded cash program that supplements the amount of SSI personal needs allowance for individuals in Institutional Care Programs.
PIN	Personal Identification Number A four-digit numeric code issued to or selected by a cardholder, which must be used by the cardholder in conjunction with a card to initiate a transaction.
PIN Pad	A device that meets all applicable standards set forth in the QUEST® Operating Rules and EBT Security Manual guidelines through which a cardholder may enter his or her PIN at a terminal.
POS	Point of Sale A location at which cardholders access benefits; also, a POS terminal.
PPD	Primary Program Designation; also, an ACH file transfer format
Prescription	Refers to WIC – healthy foods provided via a grant through DOH
QUEST®	QUEST® is the mark that supports nationwide EBT transaction routing supported by the National Automated Clearing House Association.
QUEST® Operating Rules	The QUEST® Operating Rules, including all exhibits thereto and all documents incorporated therein, as amended from time to time by the National Automated Clearing House Association.
RAP	Refugee Assistance Program

Term	Definition
Recipient (aka: Cardholder, Customer)	An individual who has been determined eligible to receive one or more government benefits or services.
Referral	A recipient EBT card, a case, a specific retailer, a transaction or any other item or activity or combination thereof that has been selected through data analytics, by the Dedicated Resource, Provider systems, or other means.
REDE	FNS Retailer EBT Data Exchange
Reversal	A transaction that returns a prior transaction attempt to the entity that initiated it and resets the system to its previous status.
Settlement	<p>1) The movement of funds between an issuer and an acquirer in satisfaction of transactions in accordance with the QUEST® Rules.</p> <p>2) The process of transferring funds for sales and credits between acquirer and issuers, including the final debiting of a cardholder's account and crediting a retailer's account.</p> <p>3) In the Food Assistance Program, settlement involves Federal EBT funds, which are used to support cardholder food purchases and payments to retailers.</p>
Settlement Day	The calendar date on which funds are transferred for settlement. The period between cut-off times established by an issuer for settlement.
Stand-In Processing	The process whereby the switch Provider, or other processing entity, authorizes transactions in place of the EBT host or its processor at times when it is unable to authorize such transactions.
Store and Forward Transaction	The process by which a retailer's system stores a transaction and encrypted PIN when the System is inoperative to be forwarded to the Host at a later time.
Subcontractor	All other entities under contract to the Provider that, upon Department approval, provide a service specifically defined and required by the Provider, either core or ancillary services. Core service subcontractors are considered to perform critical services and functions including, but not limited to, EBT card production and/or management, EBT-only terminal driving, EBT transaction switching, settlement, etc.
Surcharge	A fee added to a transaction by an acquirer, terminal operator, or retailer for a cash only transaction initiated at an ATM machine or POS terminal.
Switch	The processing, reporting, and funds settlement of daily transaction activity within a network.
TANF/TCA	Temporary Assistance for Needy Families also known as Temporary Cash Assistance
TDD	Telecommunication Device for the Deaf
Terminal Driver	The entity that operates the POS terminals for a merchant or a financial institution.
Third Party Processor Agreement	A written agreement between an issuer, designated agent or acquirer and a third party service Provider pursuant to which the third party service Provider agrees to be bound by and comply with the QUEST® Rules, as such rules may be amended from time to time.
TPP	<p>Third Party Processor</p> <p>A non-member organization or individual who provides EBT services as an independent sales organization, encryption support service Provider, network and/or processor as described in the QUEST® Operating Rules.</p>
Trace Number	The number assigned by the acquirer system to identify a transaction.

Term	Definition
TTY	A teletypewriter or text telephone is a special device that lets people who are deaf, hard of hearing, or speech-impaired use the telephone to communicate, by allowing them to type messages back and forth to one another instead of talking and listening.
USDA	United States Department of Agriculture
USDA-FNS	United States Department of Agriculture, Food and Nutrition Service Department responsible for the Federal administration of the Supplemental Nutritional Assistance Program; the Special Supplemental Nutrition Program for Women, Infants and Children; and other types of food assistance benefit programs.
VRS/VRI	Video Relay Service/Video Remote Interpreting
WIC	Special Supplemental Nutrition Program for Women, Infants and Children

A-2. STATEMENT OF WORK

There are no changes or additional provisions to this Section.

A-3. PAYMENT, INVOICE AND RELATED TERMS

There are no changes or additional provisions to this Section.

A-4. GENERAL TERMS AND CONDITIONS GOVERNING PERFORMANCE

Provider Liability and Indemnity.

There are no changes or additional provisions to this Section.

Intellectual Property.

Section 4.7. of the CF Standard Integrated Contract 2016 is hereby revised to read as follows:

All documents, records, programs, data, film, tape, articles, memoranda, and other materials not developed or licensed by the Provider prior to execution of this Contract, but specifically developed under this Contract shall be considered "work for hire" and the Provider transfers any ownership claim to the State and all such materials will be the property of the State. Use of these materials, other than related to contract performance by the Provider, without the prior written consent of the State, is prohibited. During the performance of this Contract, the Provider shall be responsible for any loss of or damage to these materials developed for or supplied by the State and used to develop or assist in the services provided while the materials are in the possession of the Provider. Any loss or damage thereto shall be restored at the Provider's expense. The Provider shall provide the State full, immediate, and unrestricted access to the work product during the term of this Contract. It is specifically agreed that the State shall have exclusive rights to all data processing software falling within the terms of section 119.084, F.S., which arises or is developed in the course of or as a result of work or services performed under this Contract, or in any way connected herewith. Notwithstanding any other provision, the Provider shall retain exclusive ownership of all hardware and software tools ("Contractor Tools") used in the performance of the services, and the State shall have no residual rights to the Contractor Tools beyond the term of the Contract.

4.7.1. If the Provider uses or delivers to the Department for its use or the use of its employees, agents or contractors, any design, device, or materials covered by letters, patent, or copyright, it is mutually agreed and understood that except as to those items specifically listed in Exhibit A as having specific limitations, the compensation paid pursuant to this Contract includes all royalties or costs arising from the use of such design, device, or materials in any way involved in the work contemplated by this Contract. For purposes of this provision, the term "use" shall include use by the Provider during the term of this Contract and use by the Department its employees, agents or contractors during the term of this Contract and perpetually thereafter.

4.7.2. Notwithstanding the foregoing provisions, if the Provider or one of its subcontractors is a university and a member of the State University System of Florida, then section 1004.23, F.S. shall apply, but the Department shall retain a perpetual, fully-paid, nonexclusive license for its use and the use of its contractors of any resulting patented, copyrighted or trademarked work products.

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4.7.3. All rights granted under this section shall be read in a manner consistent with 2 CFR 200.315. In the event of conflict, 2 CFR 200.315, shall control.

Employment Screening

Two new subsections 4.14.4. and 4.14.5. are hereby added as follows:

4.14.4. Before beginning such contributions, all persons contributing to Provider's performance of deliverables or tasks under this contract, either directly or through subcontract, sub-subcontract, etc., shall be screened, and while contributing subsequently rescreened, in the manner required by Children and Families Operating Procedure (CFOP) 60-25, Chapter 2., for Contracted Staff (see 2-11 of CFOP 60-25), by or at the direction of the Provider. If the result of such screening or rescreening could form the basis for a prospective employee or present employee of the Department to not be employed or to lose their employment, the person will not be permitted access to Department systems and client data. None of the contingent, exemptive, or in any way exculpatory procedures in CFOP 60-25, are applicable.

4.14.5. The Provider shall maintain a file of the screenings and rescreenings resulting from 4.14.4 of persons permitted to contribute to the performance of deliverables or tasks under this contract. If, in the opinion of the Department, following a review of such file, the person's background poses an unacceptable risk of improper handling or dissemination of sensitive information, the Department may refuse or limit that person access to Department systems and client data.

Provider Responsibilities

A new subsection 4.17. is hereby added as follows:

The Provider shall be solely and uniquely responsible for the satisfactory performance of the tasks, activities, and deliverables as described in this contract. By execution of this contract, the Provider recognizes its singular responsibility for the tasks, activities and deliverables described herein and warrants that it has fully informed itself of all relevant factors affecting accomplishment of the tasks, activities and deliverables and shall be fully accountable for the performance thereof.

Coordination with Other Providers/Entities

A new subsection 4.18. is hereby added as follows:

The Department may undertake or award other contracts for additional or related work, and the Provider shall fully cooperate with such other Providers and Department employees. The Provider shall not commit or permit any act, which shall interfere with the performance of work by any other Provider or by Department employees. The Department shall equitably enforce this clause as to all Providers, to prevent the imposition of unreasonable burdens on any Provider.

The failure of other providers, entities or subcontractors does not relieve the Provider of any accountability for tasks, activities, deliverable or services that the Provider is obligated to perform pursuant to this contract.

Warranty

A new Section 4.19. is hereby added as follows:

The Provider shall agree to the following representations and warranties for the benefits of the Department as an affirmation of facts in existence at all times this contract shall be in effect:

Quality of Deliverables and Department Review

A new Section 4.19.1. is hereby added as follows:

The Provider shall consent and warrant that the services provided for shall be performed diligently in a skillful and workmanlike manner and the services and deliverables shall comply with any specifications and standards provided by the Department at the time a work assignment is made. The Department may make inspections or conduct testing to determine that the services are properly performed. Such inspections and tests may be held at any reasonable time and the Provider shall give assistance in carrying out such inspections and tests.

Timeliness

A new Section 4.19.2. is hereby added as follows:

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The Provider warrants that it will complete all change requests as requested by the Department within the timeframes agreed upon by the Department. Any extension of time requested by the Provider must be approved by the Department in advance.

A-5. RECORDS, AUDITS AND DATA SECURITY

Data Security

A new subsection 5.5.8. is hereby added as follows:

The Provider shall notify the Department of any instances of non-compliance related to security promptly upon discovery, and no later than two (2) business days following such discovery. Notification shall include a description of the non-compliance and corrective measures planned and/or taken. The Department must approve any corrective actions prior to the Provider considering any such actions as appropriate or final.

If either the Provider or the State learns of any actual theft of, unauthorized disclosure or, loss of, or inability to account for client data or any unauthorized intrusions into its facilities or information processing systems which reasonably could adversely affect such client data, or otherwise constitute a security breach of such data, such entity shall promptly, but no later than 24 hours from the time it first learns of such breach, notify the other entity of such security breach. The Provider and the State shall provide each other with the following information to the extent such information is known at the time:

- i. Nature and impact of the security breach;
- ii. Assessment of immediate risk due to the security breach;
- iii. Corrective measures already taken; and
- iv. Corrective measures and mitigation efforts to be taken.

The Provider and the State shall cooperate with each other in taking all actions required by applicable law to recover the affected data and shall continue providing status reports regarding the resolution of the security breach and prevention of future breaches until the security breach is resolved.

A-6. PENALTIES, TERMINATION AND DISPUTE RESOLUTION

Termination

Subsection 6.2.2. is hereby deleted.

A new subsection 6.2.8. is hereby added to read as follows:

Upon receipt of a termination notice the Provider shall continue to support operations and provide transition support as required under Section 4.8.

Department Determinations

A new Section 6.4. is hereby added to read as follows:

6.4.1. The Department reserves the exclusive right to make certain determinations. The absence of the Department setting forth a specific reservation of right does not mean that all other areas of the contract are subject to mutual agreement.

6.4.2. The Department reserves the exclusive right to make any and all determinations which it deems are necessary to protect the best interests of the State of Florida and the health, safety, and welfare of the clients which are served by the Department.

6.4.3. The Department reserves the right to determine satisfactory performance of the Provider in carrying out tasks and completing deliverables specified in this contract through review of status reports on deliverables and reports on service tasks to be submitted by the Provider and monitoring conducted by the Department.

A-7. OTHER TERMS

Americans with Disabilities Act

Section 7.13. is revised to read as:

The Provider shall include the following notice on all training materials for each training day offered: "IF YOU NEED SPECIAL ACCOMMODATIONS BECAUSE OF A DISABILITY IN ORDER TO PARTICIPATE IN THE _____, PLEASE CONTACT (INSERT NAME) AT LEAST TWO WEEKS PRIOR TO THE FIRST _____ DATE AT (ENTER TELEPHONE NUMBER)

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BETWEEN THE HOURS OF (ENTER TIME) AND (ENTER TIME). TELEPHONE CALLS FOR SPECIAL ACCOMMODATIONS WILL BE ACCEPTED THROUGH (ENTER MONTH/DAY/YEAR)."

Drug Free Workplace

A new **Section 7.19.** is hereby added to read as follows:

The specific language, below, is required by the USDA-FNS and must be signed by BOTH the State and the selected Offeror (No official form is required):

The grantee agrees to: (A) make a good faith effort, on a continuing basis to maintain a drug-free workplace (including taking specific actions described at 7 CFR Part 3021.200 through 3021.230); and (B) identify all workplace locations where work under the federal award will be performed. Since federal entities will no longer collect a paper certificate, this may include the following:

- a) Notifying all sub-grantees and contractors of the Drug Free Workplace rules;
- b) Making conforming changes to internal procedures, directives, training materials, etc.; and
- c) Incorporating the new rules into sub-grantee monitoring practices.

A-8. FEDERAL FUNDS APPLICABILITY

There are no changes or additional provisions to this Section.

A-9. CLIENT SERVICES APPLICABILITY

There are no changes or additional provisions to this Section.

EXHIBIT B - SCOPE OF WORK

B-1. SCOPE OF SERVICE

B-1.1. Implementation of EBT

Implementation of EBT in Florida is mandated by State legislation in Florida Statutes at s. 402.82, and the Code of Federal Regulations (CFR), Title 7, Volume 4, Section 274.1 authorizes the Department to contract for these services.

B-1.2. EBT/EFT Services

The Provider will provide Electronic Benefit Transfer / Electronic Funds Transfer (EBT/EFT) services for the State's Supplemental Nutrition Assistance Program (SNAP), referred to as the Food Assistance Program (FAP) in Florida, Temporary Assistance for Needy Families/Temporary Cash Assistance (TANF/TCA) Program, the Special Supplemental Nutrition Program for Women, Infants and Children (WIC), Refugee Assistance Program (RAP), Food Assistance Employment and Training Program (FAET), and other programs or benefit types as required by the Department, to which both parties agree.

B-2. MAJOR CONTRACT GOALS

The objectives of the Department for benefit/prescription delivery for its largest programs are to:

1. Improve customer service and timely and accurate delivery of cash, food, WIC and other benefits to eligible recipients.
2. Enhance the efficiency and effectiveness of program administration and accountability.
3. Reduce program fraud and abuse.
4. Improve delivery and costs of the Disaster Services program.
5. Reduce overall benefit delivery costs.

B-3. SERVICE AREA/LOCATIONS/TIMES

B-3.1. Service Delivery Location

The Provider shall deliver EBT/EFT services including programmatic changes made to the EBT/EFT application, data in production and lower environments, and call center and operational support provided from within the continental United States for the duration of this contract.

During the transition period, the Provider shall have sufficient staff located in Tallahassee, Florida to ensure successful completion of the transition. After the transition period, the Provider shall maintain sufficient staff in Tallahassee, Florida to facilitate performance of contracted services and tasks.

The Provider's administrative offices shall be located at the address specified in the CF Standard Integrated Contract 2016, **Section 1.2.2.**

B-3.2. Service Times

The Provider shall provide 24 hours per day, 7 days per week support for SNAP/Cash and WIC EBT/EFT operational activities.

B-3.3. Changes in Location

The Provider shall notify the contract manager, in writing, thirty (30) calendar days in advance of any changes in the street or mailing address, telephone number, electronic mail address, or facsimile number that affects the Department's ability to contact the Provider.

B-4. CLIENTS TO BE SERVED

This is primarily a non-client service contract. The Provider shall serve persons receiving Florida EBT/EFT benefits and WIC prescriptions who contact the Provider through the Interactive Voice Response (IVR), call center, or cardholder portal.

B-5. CLIENT ELIGIBILITY

The Department will determine client eligibility.

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B-6. CLIENT DETERMINATION

The Provider will serve all clients who contact the Provider's IVR, call center, or cardholder portal.

B-7. EQUIPMENT

The Provider shall furnish sufficient equipment, property, information technology resources, and supplies to deliver the described services.

B-8. CONTRACT LIMITS

Any work performed by the Provider, other than the deliverables and tasks described in this Contract for which compensation is prescribed, unless pursuant to a formal contract amendment, shall be gratuitous and not subject to charge by the Provider or compensation by the Department.

EXHIBIT C - TASK LIST

This section of the Contract describes the EBT system technical requirements and services that must be provided by the Provider. The State intends to maintain, at a minimum, the level of service that is currently being provided. All requirements included in this Contract are to be considered core unless a requirement is indicated to be an option.

The Provider shall provide the following system, services and support for the required EBT/EFT solution:

- System Interfaces (State and Federal)
- EBT Account Structure and Benefit Delivery Model
- Account Set-up and Benefit Authorization
- EBT Cards and Personal Identification Numbers (PINs)
- EBT Administrative System Functionality
- Data Warehouse and Ad Hoc Reporting
- Transaction Processing & Routing
- Direct Deposit from the EBT Cash Benefit account
- FNS Number for Retailer Validation
- EBT-only Retailer Management
- Cash Access
- Settlement
- Reconciliation
- System Security
- Reporting
- Investigations Support: Fraud Prevention and Detection
- Customer Service
- Training
- Disaster Services Support
- Change Management
- Performance Standards
- Innovations

The Provider shall perform all functions necessary for the proper delivery of services including, but not limited to, the following Service Tasks (**Section C-1**) and Administrative Tasks (**Section C-2**):

C-1. SERVICE TASKS

Section C-1.1. outlines SNAP/Cash EBT Service Requirements

Section C-1.2. outlines WIC EBT Service Requirements

Section C-1.3. outlines SNAP/Cash and WIC Transition and Testing Requirements

C-1.1. SNAP/Cash EBT Service Requirements

C-1.1.1. State System Interfaces

Currently, EBT/EFT services are used by or are planned to be used by multiple State agencies and offices for program benefit and service delivery. The Department has a defined set of interfaces established between the existing EBT system and the State's eligibility systems that support the transfer of instructions, information and data required to set-up, change and maintain accounts on the EBT host system. Because of the expense and effort that would be required of the Department to change the current interfaces, the Provider is required to use the existing interface designs and file layouts currently in production to the extent possible. Should the need for change in any existing interface design be accepted by the Department, the change will be made at no cost to the Department. The final decision regarding any proposed change will be made by the Department.

The Provider must support the current interfaces with the Florida On-line Recipient Integrated Data (FLORIDA) system and the One Stop Service Tracking (OSST) system. The Provider shall provide multiple host-to-host communication links as required to support multiple eligibility systems. These links must support batch, near real time and real time on-line communications and must be provided at no cost to the Department.

C-1.1.1.1 FLORIDA (Florida On-line Recipient Integrated Data Access) System

The FLORIDA system provides cardholder and benefit instructions, information and data to the EBT system for the following programs:

1. FAP (Food Assistance Program)
2. TCA (Temporary Cash Assistance)
3. RAP (Refugee Assistance Program)

The FLORIDA eligibility system utilizes a TCP/IP (Transmission Control Protocol/Internet Protocol) architecture. Users access the system by obtaining a 3270 session from a TN3270 Server on an IBM z/OS Platform. Telecommunications capabilities between regional offices and service centers throughout the State are provided through MFN, My Florida Network. FLORIDA uses Sterling Commerce Connect Direct® File Transfer product to send and receive EBT data from the current service provider's system. The mainframe supports secure connectivity via FTPS (FTP Secure). The mainframe also utilizes a third-party product, CyberFusion, to exchange files securely. EBT remote users use a SSL based VPN tunnel to access the FLORIDA eligibility system as well as the EBT system URLs.

The Department has initiated a project to replace the FLORIDA system with new technology within the next five (5) years. The Provider shall first use the allocated annual 3,000 hours defined in the parties' agreement to support these efforts.

C-1.1.1.2 OSST (One Stop Service Tracking) System

The OSST system supports, supports the Food Assistance Employment and Training (FAET) Program administered by the Department of Economic Opportunity (DEO). The OSST system utilizes the same telecommunications link as FLORIDA described in **Subsection C-1.1.1.1** above.

C-1.1.1.3 Batch File Processing

The primary method used to exchange information between the State systems and the Provider's EBT system is batch file processing. The descriptions of the EBT files are provided in **Subsection C-1.1.4.1** and the specific file formats are detailed in EBT Interface File Layouts and Processes as Incorporated by Reference at <http://www.dcf.state.fl.us/admin/contracts/ebt-2018/>.

C-1.1.1.4 Web Service Processing

With the implementation of the new FLORIDA eligibility system referenced in **Subsection C-1.1.1.1** above, the Department anticipates use of web services in processing certain types of account actions and updates.

C-1.1.1.5 Administrative System Application

The current EBT Administrative System application is used for both inquiry and update by Department staff and Customer Service Representatives. The Department does not expect the existing Administrative System screens to be duplicated in the new EBT Administrative system; however, the Provider shall replicate the existing functionality at a minimum. The descriptions of required Administrative System application functions are provided in **Subsection C-1.1.8**.

C-1.1.1.6 Fraud Analytics Interface

The Provider must support the data interface requirements needed for the Department to utilize EBT transaction data to develop and support fraud detection and predictive analytical tools provided by a third-party service provider. The Department may change the provider for these services prior to the beginning of any contract resulting from this procurement. The Provider shall work with the Department during the design phase to support the required interface requirements for fraud analytics.

C-1.1.2. Federal System Interfaces

The Provider is required to support the data requirements of USDA-FNS by interfacing with the systems described below. In addition, the Provider is required to maintain an updated authorized retailer database through an interface with USDA-FNS. The files described below are provided to the USDA-FNS in accordance with the schedule established by the Federal agency. Providers shall accommodate and comply with any changes to these files, formats, or schedules. Should discrepancies be discovered in any of these files, the Provider shall be responsive to requests from the Department or USDA-FNS to research and resolve the discrepancies.

C-1.1.2.1 AMA/ASAP (Account Management Agent/Automated Standard Application for Payment)

The Federal Reserve Bank (FRB) of Richmond serves as the Account Management Agent (AMA) for the USDA-FNS FAP EBT benefit account. The AMA system interfaces with the United States Treasury's Automated Standard Application for Payments (ASAP), monitors ASAP funding limits for the State, and performs reconciliations required by USDA-FNS. The Provider shall interface with the AMA and provide the necessary data for funds projection and FAP reconciliation.

The Provider must provide summary information by availability date for increases in benefit authorizations, decreases in expungements, and other returned benefits. Transmission of issuance and returned benefit data is accomplished through automated batch processing in a file format specified by the FRB. USDA-FNS requires States and their EBT service providers to be certified upon implementation of batch processing to ensure accuracy of data transmissions. The Provider must be responsive to requests from the Department or USDA-FNS to research and promptly resolve reconciliation discrepancies.

Providers are required to support an on-line method of entering AMA issuance data as a back-up to batch processing. Any manual data entry by the Provider requires State on-line certification before it will be allowed to update ASAP and requires special equipment and software provided by the FRB. Technical requirements for on-line data entry capability are also available from the FRB. See Federal AMA I File Layouts as Incorporated by Reference at <http://www.dcf.state.fl.us/admin/contracts/ebt-2018/>.

C-1.1.2.2 REDE (Retailer EBT Data Exchange)

This system is used by USDA-FNS to store and process FAP retailer data. USDA-FNS provides retailer data to States and their EBT service providers both daily and monthly. The State files include store demographic data, the USDA-FNS retailer authorization number, and other information to update the Provider's retailer database for additions and removals of retailers. The national file provides FNS numbers for all authorized FAP retailers nationwide to support interoperability and ensure that only authorized retailers can accept FAP benefits. The Provider must use the REDE system to establish and maintain its database of authorized FAP retailers. See Federal REDE Information and File Formats as Incorporated by Reference at <http://www.dcf.state.fl.us/admin/contracts/ebt-2018/>.

C-1.1.2.3 STARS (Store Tracking, Authorization and Redemption Subsystem)

STARS is the USDA-FNS FAP redemption database maintained by the Retailer Operations Division at FNS. The Provider must provide daily FAP redemption summary totals by retailer identification number to STARS. See Federal STARS System File Formats as Incorporated by Reference at <http://www.dcf.state.fl.us/admin/contracts/ebt-2018/>.

C-1.1.2.4 ALERT (Anti-fraud Locator of EBT Retailer Transactions)

The USDA-FNS Anti-Fraud Locator of EBT Retailer Transactions (ALERT) Subsystem uses retailer EBT transaction data files provided by the EBT service providers for fraud investigative purposes. The Provider must submit the file on the schedule required by FNS by secure method to FNS, beginning at system implementation. See Federal ALERT Submission File Specifications as Incorporated by Reference at <http://www.dcf.state.fl.us/admin/contracts/ebt-2018/>.

C-1.1.3. EBT Account Structure and Benefit Delivery Model

Florida customers have access to Food Assistance and cash benefits via an EBT card. Cash benefits are also issued to customers through direct deposit into their personal bank accounts. Through this solicitation, Florida intends to acquire EBT services to support

Food Assistance and cash benefit delivery, and direct deposit of cash at customer choice to their personal bank accounts. Throughout this ITN, these services are referred to as core services.

C-1.1.3.1 EBT Account Structure

Cardholders may be eligible to receive benefits from one or more programs. The Florida EBT account structure requires benefit access by a state-issued EBT card or direct deposit. The Provider shall provide an EBT system that is account based for transaction processing, balance tracking and display for Department staff and customers, and reporting.

The EBT account structure must ensure that:

1. Account and benefit balances are accurately maintained;
2. Benefits accessed by cardholders are drawn from the appropriate primary and subaccount(s);
3. Benefits are drawn on a first in, first out basis using the State's Primary Program Designation hierarchy;
4. Cash benefits within the cash account are drawn from the appropriate benefit type and program;
5. Benefits that have not yet reached their availability date are not included in the account balance; and
6. Benefit accounts are not overdrawn.

The Provider shall be liable for any losses resulting from errors or omissions. These liabilities will include, but are not limited to:

1. Allowing access to program benefits prior to the availability date;
2. Losses from incorrect or erroneous posting of debits, credits, or balance information to cardholders' accounts;
3. Losses from funds drawn from an account after the Provider has been notified that the card was lost or stolen;
4. Losses from transactions performed on inactive or canceled cards;
5. Damages or losses suffered by a federal or state agency due to negligence on the part of the Provider;
6. Loss of benefits caused by fraud or abuse by the Provider or its representatives or subcontractors;
7. Benefits paid out in excess of authorized cardholder benefit amounts; and
8. EBT host transaction processing errors.

The Provider shall establish an EBT account structure that supports the characteristics and restrictions of each of the benefit programs. The Provider's account structure must support Food Assistance, and cash benefit programs, including both prefunded and day-of-draw cash benefits. Florida reserves the right to modify program requirements in response to changes in State or Federal program regulations or add other Federal or state-administered programs. Therefore, the EBT account structure must have the flexibility to accommodate and support additional nutrition, cash, health, or other benefit programs that may be added to EBT/EFT services during the term of the contract.

The EBT primary account established for a cardholder will be supported by the state unique account identifier. Each primary account shall be capable of maintaining the balance for one or more subaccounts by type of benefit; including food assistance, non-restricted cash, restricted cash at the Department's option, or direct deposit. Each subaccount shall be capable of maintaining the cumulative balance for one or more individual benefit programs. The Provider is required to track balances at the subaccount and benefit program levels.

There may be instances where cardholders may have more than one account under a different state unique identifier due to household composition changes. The Department requires a solution that will allow multiple accounts to be matched, linked or merged into one account when this situation is discovered.

Funding methods vary across programs and these, as well as other considerations, impact the EBT account structure. Food assistance and cash benefits must not be commingled; however, non-restricted cash benefits may be pooled. For all benefit types, beginning and ending balances must be accounted for separately.

C-1.1.3.2 Cash Benefits

Cash benefits are administered by State agencies and may be either day-of-draw or prefunded at the State's option. Day-of-draw benefits credited to the cash account represent credit balances only. The Provider shall initiate fund transfers or draws after benefit usage by cardholders. Prefunded benefits are funded at the time benefits are authorized. The Provider shall be required to maintain an interest-bearing bank account to hold and maintain prefunded benefits. Prefunded benefits are subject to Federal Reserve Regulation E compliance. The Provider shall be liable for all funds deposited into prefunded benefit accounts.

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The Provider shall maintain a pooled cash account of non-restricted cash benefits for each eligible family or person. Pooled cash benefits can be either prefunded at the beginning of each benefit period or funded only after the cardholder accesses benefits (day-of-draw benefits). Whether benefits are funded on the day-of-draw or prefunded, the balance available to cardholders for cash withdrawal or balance inquiry must be the sum of all cash benefits in the pooled cash account. For audit and control purposes, the Provider shall track cash benefit transactions and balances by benefit type. In addition, Florida may add programs requiring restricted cash benefits to the EBT system in the future. In this event, restricted cash benefits may not be commingled with non-restricted cash benefits. Non-restricted cash benefits may be commingled but must be accounted for separately in accordance with the above requirements. Non-restricted cash benefits must be interoperable and may be accessed in any state or territory.

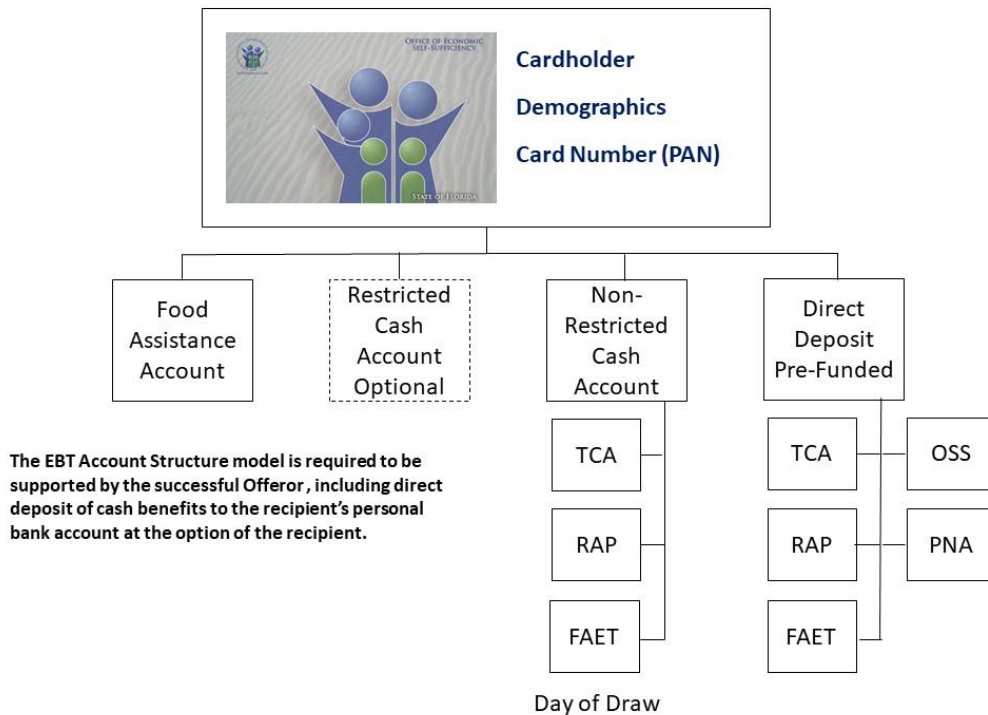
C-1.1.3.3 Food Assistance Program (FAP) Benefits

FAP benefits are federally-funded, state-administered, day-of-draw benefits funded after cardholder usage. Benefit amounts for eligible customers will be authorized in a benefit authorization file or record transmitted to the Provider's EBT host system. FAP benefits credited to the food benefits account represent credit balances only. The Provider shall initiate fund transfers after benefit usage by cardholders. For audit and control purposes, the Provider shall track FAP benefit transactions and balances by benefit type.

FAP benefits may be accessed via POS terminals using a valid EBT card at retailers authorized by the USDA-FNS. FAP benefits must be interoperable and may be accessed in any state or territory. FAP benefits may not be accessed at ATM terminals and may not be commingled with any other benefits in the EBT account.

C-1.1.3.4 EBT Account Structure Model

The EBT Account Structure model provided below is a pictorial representation of the account structure required to be supported by the successful Provider, including direct deposit of cash benefits from the EBT account to the customer's personal bank account at the option of the customer. Potential future program types that may be considered for inclusion in the EBT Account Structure are indicated in the diagram as optional with dashed lines.



C-1.1.3.5 Future Benefit Programs

The Department is considering the future addition of programs to the EBT/EFT system that may serve overlapping populations of existing program customers. In some instances, these programs are administered by multiple State entities using separate program databases. The Department is considering the future addition of the following benefit programs:

1. Optional State Supplementation (OSS): A state funded cash assistance program for aged, blind or disabled individuals in alternative living arrangements.
2. Personal Needs Allowance Supplement (PNAS): A state funded cash program that supplements the amount of Social Security Income (SSI) personal needs allowance for individuals in Institutional Care Programs

The Department requires the Provider to cooperate with efforts to add new benefit programs to the Provider's EBT system. The addition of programs will require, at a minimum, the addition of new benefit types to existing account types; however, some will require design and development by the Provider to support the new benefit program payments in the EBT Account Structure.

C-1.1.3.6 Primary Program Designation

The Provider's system must use the Primary Program Designation (PPD) to determine which cash benefit program funds will be drawn for disbursement and settlement. The PPD for Florida is:

1. 100% Federal funded benefits
2. Federal/State split funded benefits
3. 100% State funded benefits

In any given month, any 100% federal funded benefits will be drawn first. Benefits within the three (3) PPD levels are drawn on a first in/first out basis; therefore, oldest benefits are drawn first.

C-1.1.3.7 Unique Account Identifier

The Department uses a unique account identifier provided by the eligibility systems to establish accounts and authorize benefits on the EBT system. The unique account identifier is composed of a cardholder case number accompanied by member number identification for the individual designated to be the primary cardholder. An alpha suffix may be added to indicate the individual is a protective payee or legal guardian receiving the benefits in place of the primary cardholder, or to identify D-SNAP cases. The unique account identifier is the data element used to match demographic and benefit records. It is the intent of the Department to achieve any required transition to a new EBT system with minimal impact to current interface and file design layouts and processes on the eligibility systems.

C-1.1.4. Account Set-up and Benefit Authorization

Account set-up and maintenance and benefit issuance functions are supported by actions occurring within the State's eligibility systems. The Department transmits account set-up and benefit records to the Provider to establish EBT accounts and the associated cardholder and benefit issuance records. The EBT account is the master record kept and maintained by the Provider that contains required demographic information and detailed accounting for each benefit type (cash, food assistance) received by the cardholder.

The Provider must have the capability to accept account set-up and benefit authorization files and records from the Department in either batch, near real time, or online real-time processing mode. The specific file formats for account set-up and benefit authorization records, including data elements, field lengths, and record lengths, are provided in EBT Interface File Layouts and Processes as Incorporated by Reference at <http://www.dcf.state.fl.us/admin/contracts/ebt-2018/>.

NOTE: With the implementation of the new FLORIDA eligibility system referenced in **Subsection C-1.1.1.1** above, the Department anticipates use of web services in processing certain types of account actions and updates.

Account set-up and benefit authorization records will be batched into separate files identified by a transaction type code. Benefit authorization records transmitted from State to the Provider will be batched into separate files according to benefit program. In batch transmission mode, the respective header and trailer records will identify batch files.

To accommodate on-line transmission of account set-up and benefit authorization records during disaster situations and for investigations, the Provider must support on-line communications via an Administrative System application to the Provider host. Account set-up and benefit authorization records received in on-line mode must be processed immediately with account set-up and benefit posting occurring real time.

C-1.1.4.1 State File Transmissions

To support batch processing, the Department and the Provider will agree to specific time frames or windows during which daily batch files must be transmitted and received. Currently, nightly batch files are transmitted from the eligibility systems after close of business and end of day processing is completed (between 8:00 and 10:00 p.m. ET). It is the intent of the Department to modify the current interface design and processes as minimally as possible. The Provider must, however, be able to accept and process transmissions from the State 24 hours per day, 7 days per week.

The Provider must either promptly confirm receipt of a complete and successfully transmitted file or contact the Department and request the file be retransmitted within one (1) hour of receipt of the file. The Provider must confirm receipt of subsequent transmission(s) within 30 minutes of receipt until successful transmission/receipt has been completed.

For account set-up and benefit authorization records sent in batch mode and received by 11:59 p.m. Eastern Time (ET), the Provider must process the records, perform all edits, account maintenance functions, data base history updates, and make benefits available by 6:00 a.m. ET the following day.

The Provider shall provide a back-up procedure to transfer and accept account set-up and benefit authorization files and records should the normal file and/or record transfer process fail.

The Department will send batch files to the Provider for both daily and monthly updates to cardholder accounts. The intent of the Department is to use the current interface file design and specifications. The number of files transmitted daily and monthly could increase with the addition of program benefits and services. The files currently include:

1. One (1) daily account set-up file transmitted mid-day containing account set-up records for expedited food assistance benefit accounts to support same day card production and mailing. The eligibility system cut-off time for this expedited batch is 11:00 a.m. ET. The batch is created and transmitted to the EBT system for processing by 12 p.m.
2. One (1) daily account set-up and one daily demographic change file transmitted after close of business in the evening. The daily demographic file contains demographic records for all accounts not included in the mid-day expedited food assistance batch. Cards generated from this file are to be produced and mailed by the close of the following business day. The demographic change file contains all demographic data that changed during the daily cycle on the eligibility system.
3. Two (2) daily cash benefit files transmitted after close of business in the evening, one (1) from DCF and the other from DEO containing new benefit authorizations from the daily production cycle.
4. One (1) daily food assistance benefit file transmitted after close of business in the evening containing new benefit authorizations from the daily production cycle.
5. One (1) monthly recurring cash benefit file transmitted around the 20th of each month containing the monthly recurring benefit authorizations to be dispersed to cardholder accounts the following month in accordance with the required staggered issuance schedule.
6. One (1) monthly recurring food assistance benefit file transmitted around the 20th of each month containing the monthly recurring benefit authorizations to be dispersed to cardholder accounts the following month in accordance with the required staggered issuance schedule.
7. One (1) monthly demographic change reconciliation file transmitted around the 25th of the month.

The daily mid-day account set-up file contains account set-up records for expedited food assistance benefit accounts to support same day card production and mailing. The file consists of a header record, detail records and a trailer record. The cut-off time on the eligibility system for expedited batch processing is 11:00 a.m. ET. Records in this file are batched and transmitted to the EBT Host for processing by 12:00 p.m. Cards generated from the mid-day file are produced and mailed the same day.

The evening account set-up and demographic change files contain records for non-expedited food assistance benefit accounts, expedited food assistance benefit accounts received after the mid-day batch cut-off, and all cash accounts. The file consists of a header record, detail records, and a trailer record. Cards generated in the evening batch file will have their card issuance record created and combined with any card replacement records from the EBT Administrative System and EBT Customer Service (if needed) to be produced and mailed the following day. The demographic change file contains records of changes made to all existing accounts during the day. Demographic changes may include, but are not limited to; change of address, add secondary cardholder, change of Social Security number, etc.

The evening cash benefit files contains records for cash benefits that were authorized or intercepted that day. The file consists of a header record, detail benefit debit and credit records, and a trailer record.

The evening food assistance benefit file contains a header record, benefit debit and credit records, and a trailer record. The file consists of benefit records for food assistance benefits that were authorized or intercepted that day.

The monthly cash benefit file contains monthly cash benefit records for the recurring client population to be dispersed to cardholder accounts the following month in accordance with the required staggered issuance schedule. The file consists of a header record, benefit credit records, and a trailer record. The monthly average number of cash benefit records sent from 07/01/16 through 06/31/17 in the monthly recurring files is 67,060.

The monthly food assistance benefit file contains food assistance benefit records for the recurring client population to be dispersed to cardholder accounts the following month in accordance with the required staggered issuance schedule. The file consists of a header record, benefit credit records, and a trailer record. The monthly average number of food assistance benefit records sent from 07/01/16 through 06/30/17 in the monthly recurring file is 1,651,664.

For details about the above files see EBT Interface File Layouts and Processes as Incorporated by Reference at <http://www.dcf.state.fl.us/admin/contracts/ebt-2018/>.

The Provider shall support on-line, real time host-to-host account set-up and benefit authorization record transmission or frequent "mini batch files" (near real time) throughout the work day to support:

1. Disaster account services;
2. Investigations account services;
3. Address changes sent through the Self Service Portal; and
4. Card replacement requests sent through the Self Service Portal.

The Department requires the Provider to cooperate with efforts to expand use of this functionality, adding other services and activities.

C-1.1.4.2 Use of Existing File Formats

The Department has defined formats established for the exchange of account set-up records and benefit authorization records. These records are detailed within EBT Interface File Layouts and Processes as Incorporated by Reference at <http://www.dcf.state.fl.us/admin/contracts/ebt-2018/>. The Provider must utilize the existing record formats; however, additional data elements may be added, as necessary, to support functions on the Provider's EBT/EFT System.

C-1.1.4.3 Account Set-Up Files

The Provider must receive, and process account set-up and demographic change files transmitted by the Department. The same file format used for account set-up data is also to update cardholder demographic information. All account set-up and demographic change files will be transmitted in batch except for those from accounts added through the EBT Administrative System for the purpose of investigations or disaster services support. Account set-up data includes cardholder, case and demographic data necessary to establish an EBT account within the Provider's EBT host system. The Provider must process account set-up and demographic change records based on the unique account identifier. Additionally, the Provider must notify the Department of account set-up and demographic change file and record rejections, including the reason for rejection (e.g., no name for alternate cardholder).

C-1.1.4.4 Benefit Authorization Files

The Provider must receive, and process benefit authorization files transmitted by the Department. All benefit authorization files will be transmitted in batch except for benefits added through the Administrative System for those accounts established for the purpose of investigations or disaster support. The Provider must process benefit authorization credit records and post the authorized benefit amounts to the appropriate EBT accounts, based on the unique account identifier, benefit type, benefit availability date and unique authorization number generated by the State for each benefit authorization record. The Provider must process benefit authorization credit and debit records. Additionally, the Provider must notify the Department of benefit record rejections, including the reason for rejection (e.g., duplicate grant number).

C-1.1.4.5 Pending Benefits

Benefit records received by the EBT host shall be held in a "benefit pending" status until the benefit availability date arrives and posting occurs. Benefit records held in pending must be viewable through EBT Administrative System application inquiry functionality. Action may be required for eligibility purposes on pending benefits that have not yet reached the availability date.

The Provider must reject and return to the Department any benefit records that are not matched to a corresponding account on the EBT system and cannot be deposited into an account.

Benefits that are pending their benefit availability date must not be included in the account balance. Pending benefits are not to be included in the active account history until their availability date. Pending benefits must be stored separately from the active account history until they are deposited into the account on their benefit availability date.

C-1.1.4.6 Food Assistance Benefit Availability

For on-going cases, the State will authorize benefits, at a minimum, once per month. A monthly benefit issuance file containing benefit authorizations for the next calendar month (recurring benefits) will be sent in a batch file around the 20th of each month. Monthly recurring food assistance benefits must be posted as available on a staggered schedule over the first 28 calendar days of the month. The State will provide an availability date, which is included in the benefit authorization detail record passed to the Provider in the monthly batch file discussed above. On the specified availability date, benefits must be accessible to cardholders no later than 6:00 a.m. ET.

In situations requiring disaster services, the Department may require the lifting of staggered issuance by county/service site code or zip code for FAP cases (see **Section C-1.1.18.2.1.1**). The Provider shall support the lifting of staggered issuance as required by the Department, and post benefits immediately or on the date provided by the Department. These benefits shall be accurately and timely displayed in online account balances for use by customers and viewing by the Department staff.

In addition to the monthly recurring food assistance benefit file, the State will also transmit a nightly food assistance benefit file containing benefit records for new accounts, supplemental benefits, and to intercept pending benefits. Daily benefit files received by 11:59 p.m. ET must be processed and made accessible to cardholders no later than 6:00 a.m. ET on the following day.

C-1.1.4.7 Cash Benefit Availability

For on-going TCA and RAP cases, the State will authorize benefits, at a minimum, once per month. A monthly benefit issuance file containing benefit authorizations for the next calendar month (recurring benefits) is sent in a batch file around the 20th of each month. Monthly recurring cash benefits for TCA and RAP must be posted as available on a staggered schedule over the first three (3) calendar days of the month. The State will provide an availability date, which is included in the benefit authorization detail record passed to the Provider in the monthly batch file discussed above.). On the specified availability date, benefits must be accessible to cardholders no later than 6:00 a.m. ET.

In addition to the monthly recurring cash benefit file, the State will also transmit a nightly cash benefit files containing benefit records for new accounts, supplemental benefits, and to intercept pending benefits. Daily benefit files received by 11:59 p.m. ET must be processed and made accessible to cardholders no later than 6:00 a.m. ET on the following day.

There are two (2) nightly cash benefit files. The first contains benefit records for TCA and RAP. The second file contains records for FAET. FAET benefits are authorized by the Department of Economic Opportunity and are transmitted to EBT via the telecommunications protocol that is established for the State's food and cash assistance file transmissions. FAET files are received daily and no staggered issuance is required. There is no monthly recurring file for FAET benefits.

C-1.1.4.8 Disaster Account Set-up & Benefit Issuance

The Provider must support the on-line real-time set-up of accounts and benefit issuance via the Administrative System application for use during disaster situations. Access to this functionality must be restricted through the Administrative System security by use of special user security profiles and may be added to certain other user security profiles as needed. Please see **Section C-1.1.8.2.11** for a detailed description of this functionality.

C-1.1.4.9 Investigative Account Set-up and Benefit Issuance

The Provider must advise, assist and appropriately act to aid the Department in detection and investigations of potential program abuses by retailers, cardholders, and employees. This entails cooperation with various authorities of the State and Federal agencies that are responsible for compliance with laws and regulations surrounding the programs.

Retailers authorized by USDA-FNS to accept food assistance benefits may become subject to monitoring and investigations by the State, USDA-FNS Compliance Branch, USDA Office of Inspector General (OIG), the Internal Revenue Service, the Secret Service, or local law enforcement agencies. Cardholders are subject to investigation by State and Department program authorities and other entities as specified by law or statute. Access to information concerning these matters will be restricted at both the State and the Provider level so that the investigations are not compromised.

The Provider must provide system functionality by which the Division of Public Assistance Fraud (DPAF) in the Department of Financial Services can conduct investigations using active EBT cards distributed to members of the State Law Enforcement Bureau and federal agencies that are allowed access to food assistance accounts for investigative purposes. The Provider must support the following requirements to set up and maintain accounts on the EBT system for investigative purposes:

1. A unique state issuer identity on the EBT system to distinguish DPAF investigative accounts from client accounts for financial reconciliation purposes. The unique state issuer identity must allow for separate tracking of funds from that of the Department's cardholder' food assistance accounts via separate state issuer and benefit drawdown reports.
2. Manual entry into the AMA system.
3. Secure functions accessible by authorized personnel in the DPAF unit.
4. System access via both Secure Agency Networks and through Secure Virtual Private Network (VPN) when remote access becomes necessary due to special work circumstances or during disaster related activities.
5. Investigative account set-up functionality that allows only a designated user security profile and the corresponding user ID(s) to create an EBT account on-line that is indistinguishable from any other account.
6. Investigative benefit add functionality that allows only a designated user security profile and the corresponding user ID(s) to add benefits to the investigative accounts and only investigative accounts, in amounts not to exceed \$9,999.99.
7. Allow only designated user IDs or a special user security profile to view and access the system menu that contains the account set-up and benefit add functions.
8. Mail investigative cards and PINS to a designated address, which will be provided in the on-line investigative account set-up records.
9. Daily transmission via the batch interface of an account activity file that contains records of all EBT account activity on the investigative accounts for the previous day.

The requirements listed in this section are to be addressed in the Design Phase, tested as necessary in acceptance testing, and available at implementation. Please see **Section C-1.1.17** for a detailed description of requirements for Investigations Support: Fraud Detection and Prevention.

C-1.1.5. Account Maintenance

The Provider's EBT system must support the following account maintenance functionality.

C-1.1.5.1 Maintain Account Balances and Transaction History

The Provider shall be required to maintain and provide access to current account balances and a rolling seven (7) year transaction history for each account. The Provider shall provide the Department with on-line access through the EBT Administrative system to a minimum of 365 or 12 full months of financial and non-financial transaction history. Transaction history data must be maintained as required by the State, Federal Reserve Board, or Federal laws. The Provider must:

1. Maintain and provide access to current account balances and a rolling seven (7) year transaction history;
2. Provide on-line access to current account balances and transaction history data; and
3. Provide access to data older than seven (7) years for investigative and auditing purposes.

At the termination of the contract, the Provider shall transfer the most recent seven (7) years of transaction detail to an entity specified by the Department and ensure accuracy and readability of such information at the new location or maintain the transaction detail in such a form at that it supports timely access to that data by authorized Department and Federal staff. At a minimum the transaction data shall include:

1. PAN (card number);
2. EBT account number;
3. State Unique Identification numbers;
4. benefit program identifier;

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5. retailer identification numbers (both USDA-FNS, acquirer, and Reg. E Data);
6. terminal identification number;
7. latitude and longitude of the POS device at the time of the transaction
8. transaction type;
9. transaction amount;
10. balance by benefit type;
11. transaction date;
12. transaction time;
13. manual voucher data;
14. transaction results (approval code or denial reason);
15. store name and address;
16. account balance after the transaction; and
17. transaction history for benefits paid out through ACH.

C-1.1.5.2 Post Credits

Benefit authorization records specifying the amount of benefits authorized for a specific month will be transmitted to the Provider. The Provider must ensure that benefits are posted to the correct account (e.g., cash, food assistance, etc.) based on benefit type and are made available to the cardholder on the availability date. In addition to benefit authorizations, food assistance refunds made via POS terminals and manual transaction voucher processing will also result in credits to cardholder accounts. The Provider must ensure that food assistance refunds are posted only to the food assistance account.

C-1.1.5.3 Post Debits

A purchase or withdrawal at a POS terminal or ATM or an administrative action initiated by the Department or Customer Service will result in a debit posting to a cardholder's account. The Provider must be capable of receiving and posting debit transactions on an on-line, real-time basis to ensure that cardholder accounts are not overdrawn, and that there are sufficient balances to cover any authorized transactions.

C-1.1.5.4 Hold Funds

Retailers authorized before March 21, 2014, and who were already using manual vouchers for ongoing business may continue to do so until further notice. EXCEPTIONS: Eligible farmers' markets, direct-marketing farmers, military commissaries, non-profit cooperatives or organizations, group living arrangements, treatment centers, and prepared meal services may use manual vouchers until further notice. Manual processing must also be available to support cardholder access to food assistance benefits during situations of disaster recovery as dictated by the Department.

When manual food assistance transactions are performed, the retailer is required to obtain voice authorization from the Provider for the amount of the cardholder purchase. The Provider must "hold funds" for the transaction amount approved by voice authorization, for up to 30 days or until the retailer clears the transaction (if on or prior to the 30th day). If the manual transaction is presented for settlement within 30 calendar days from the date of authorization, the Provider must debit the cardholder account and settle the transaction. If the manual transaction is not presented within 30 calendar days from the authorization date, the Provider must release the hold on funds and make them available for cardholder access on the 31st calendar day.

The Provider must provide functionality to support immediate release of manual authorization holds for duplicate or erroneous manual authorizations from retailers.

C-1.1.5.5 Benefit Expungement

The Provider's system must maintain an active account status for each EBT subaccount included in the EBT primary account. All accounts must be maintained in active status for a minimum of 365 days (one year) from the date of the last financial transaction.

Benefits that have not been accessed by the cardholder for a period of one (1) year (365 days) must be expunged from the EBT system. Currently, the State expunges at the benefit level from the date of the last cardholder initiated financial transaction. If the benefit did not have a debit transaction performed against it, then expungement occurs 365 days from the date of availability. Each benefit on the system must age individually and independently.

The Provider must provide the following reports for benefit aging at a minimum:

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1. Two (2) daily electronic file reports of expunged benefits including the unique state account identification number, cardholder name, benefit type, benefit authorization number, original benefit amount and benefit balance at the time of expungement. One (1) file is required for the Department for expunged FAP and cash benefits. A separate file is required for the Department of Economic Opportunity for expunged FAET benefits.
2. A monthly electronic file report of benefits that have not had a client-initiated debit or manual authorization hold transaction for in the prior 90 days or more.

See EBT Interface File Layouts and Processes as Incorporated by Reference at <http://www.dcf.state.fl.us/admin/contracts/ebt-2018/> for file layouts for these electronic files.

C-1.1.5.6 Administrative Actions

The Provider must support the following administrative actions used for account maintenance purposes. Administrative Action History for all actions shall be maintained online for 365 days in the Administrative System.

C-1.1.5.6.1 On line Account Set-up and Benefit Issuance

The Provider must provide on-line account set-up and update to support card and benefit issuance for disaster services and investigative accounts by authorized Department staff through the Administrative System. This function must allow entry of all data necessary to completely establish an account on the EBT system including, but not limited to, cardholder address and personal information such as social security number and date of birth, and support the issuance of a benefit to the account that includes recording all pertinent benefit information (e.g., amount, type, etc.).

C-1.1.5.6.2 PIN Freeze

The Provider must provide the capability in the Administrative System for a cardholder's PIN to be frozen. This function allows authorized Department staff to prevent cardholders from changing their PIN in certain circumstances. The PIN will be "frozen" and cannot be changed unless it is released by an authorized Department staff person. The actions must be reported on the Administrative System Non-Financial Administrative Actions report.

C-1.1.5.6.3 PIN Freeze Release

The Provider must provide the capability in the Administrative system for the PIN Freeze to be released. This function releases the PIN Freeze described in **Subsection C-1.1.5.6.2** above that prevents cardholders from changing their PINs. Release of the PIN change prevention function must be performed by authorized Department staff using the Administrative System application. The release actions must be reported on the Administrative System Non-Financial Administrative Actions report.

C-1.1.5.6.4 Card Status

The Provider must provide the functionality through the Administrative System for certain users to be able to change card status and issue replacement cards.

C-1.1.5.6.5 Account Suspension/Lock

The Provider must provide the capability in the Administrative System for authorized Department staff to suspend or temporarily lock a subaccount (cash or FAP). This function places the subaccount in "inactive" or suspended status and prevents any debit transactions from being performed on the subaccount. The actions must be reported on the Administrative System Non-Financial Administrative Actions report.

C-1.1.5.6.6 Account Reactivation

The Provider must provide the capability for the subaccount suspension or lock to be released by authorized Department staff. This function releases the account suspension or lock described in **Subsection C-1.1.5.6.5** above and allows the return of cardholder access to the account. In addition, this function must also support the reactivation of expunged status accounts, if applicable. The release actions must be reported on the Administrative System Non-Financial Administrative Actions Report.

C-1.1.5.6.7 Repayment

The Provider must support voluntary benefit repayments from cardholders by program benefit category through the Administrative System. This function is used by authorized Department staff to allow cardholders to make restitution to the Department for benefits

received in excess of entitlement, and settlement of agency claims. Repayments are non-settling transactions and are reported on the required Account Repayment report.

C-1.1.5.6.8 Direct Deposit

The Provider shall support the direct deposit of cash benefits received from the State in the EBT cash benefit authorization file into client personal bank accounts upon request. This service is currently required and supported and is a voluntary option for cash benefit clients. The Provider must use automated clearinghouse (ACH) payment functionality to support the direct deposit of cash benefits into client bank accounts.

The Provider shall maintain bank account and routing information for direct deposit clients. The Department will obtain bank account and routing information from the client and provide to the Provider for set-up of the ACH payment. Management of direct deposit data is provided via the EBT Administrative System though the capability to add and update direct deposit client information. Provider options for management of direct deposit information and accounts will be discussed and agreed upon during the design phase prior to development. Reports to support direct deposit are found in Exhibit D.

Direct deposit returns are live dollar payments that are rejected and returned to the Provider by the client's designated bank. Direct deposit returns must be handled in a timely and expeditious manner. The Provider shall make returned direct deposit benefits available to the recipient as quickly as possible, by posting the benefits into the EBT cash account or by other means. The Provider must notify the Department of all returned direct deposit benefits within 24 hours. Provider methods and processes for handling returned and rejected cash direct deposit benefits will be discussed and agreed upon during the design phase prior to development.

C-1.1.5.6.9 Account Adjustments

The Provider is required to adjust cardholder accounts to correct auditable, out of balance settlement conditions during the redemption process that occur due to a system error in accordance with USDA-FNS regulations (for food assistance benefits) and the QUEST® Operating Rules. A system error is defined as an auditable processing failure at a point in the redemption process that results in the improper crediting or debiting of an account or the failure to credit or debit an account. Claims for adjustments may be initiated by the cardholder, the retailer, or any entity in the transaction processing stream that identifies the need for an adjustment request (e.g., the EBT service provider, the acquirer/TPP, and/or the Department).

C-1.1.5.6.9.1 Cardholder Initiated Adjustment Claims

Cardholders have 90 days from the date of the error to initiate an adjustment claim. The Provider has 15 calendar days from the date the cardholder reports the error to investigate and complete the adjustment and report positive action details to the Department. Cardholder initiated adjustments not settled within the 15 calendar day timeframe must still be completed. Cardholder initiated claims received over 90 days from the date of the error will be denied.

C-1.1.5.6.9.2 Retailer/Acquirer/TPP Initiated Adjustment Claims

Retailer/acquirer/TPP initiated adjustment claims must be investigated and completed no later than 15 calendar days from the date of the error. Debit adjustment claims from retailers outside the 15 calendar time frames will be rejected. Credit adjustment claims from retailers/acquirers/TPPs both within and outside the 15 calendar day timeframe will be processed by the Provider within a maximum of four (4) calendar days from the receipt of the request and the information required to process the credit.

C-1.1.5.6.9.3 Debit Adjustment Claims

The Federal Regulations for FAP require notification to cardholders of any impending debit adjustment claim. The Provider shall provide electronic notification to cardholders of pending debit adjustment using messaging technology including, but not limited to outbound messaging, alerts via phone, e-mail or text message, messaging on the Cardholder website, and messaging functionality on the Customer Service IVR. If none of the electronic messaging is available, then a letter containing the required information shall be produced and mailed to the cardholder. Messaging must contain the following data at a minimum:

1. Date adjustment will be completed;
2. Adjustment amount;
3. Card number (PAN);
4. Reason for adjustment;
5. Notification that any amount owed is subject to collection from the cardholder's next month's benefits; and
6. Department Fair Hearing Language.

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The cardholder has 15 calendar days from the date of notification by the Department to dispute the adjustment claim. If the cardholder does not dispute the claim, the Provider must complete the adjustment action at the end of 15 calendar days. If the cardholder's account does not contain sufficient funds to cover the entire debit adjustment, the Provider must attempt daily to complete the adjustment claim until the end of the next calendar month. Partial adjustments will not be settled.

If the cardholder disputes the debit adjustment, the Provider must take no further action until the Department completes the Administrative Hearing process, normally 45 calendar days. The Provider must provide functionality to notify the Department of the pending adjustment and by which Department staff will notify the Provider that the cardholder has disputed the debit adjustment claim. The Provider must also notify the acquirer/TPP/retailer of the change in status of the claim. The Provider must provide the Department with supporting documentation for the adjustment claim for use in the Administrative Hearing. During the Administrative Hearing process, no further action is to be taken to adjust the account for this specific claim action. If the Administrative Hearing decision is in the cardholder's favor, the Provider must deny the claim. If the Administrative Hearing decision is in favor of the completion of the debit adjustment claim, the Provider must act to post the debit adjustment to the cardholder's account immediately. If there are insufficient funds in the cardholder's account to cover the full debit claim adjustment amount, the Provider will attempt daily to process the adjustment through the end of the next calendar month. Partial adjustments will not be settled. The Provider must provide functionality by which Department staff will notify the Provider of actions to be taken upon receipt of the Administrative Hearings results.

C-1.1.6 Cards and PINs

The Provider's EBT system shall provide online real-time access to cardholders' EBT accounts via plastic, magnetic stripe card that supports electronic transactions with the use of a Personal Identification Number (PIN). The Provider shall provide cardholders with the capability to change/select PINs through a PIN selection option at EBT Customer Service or at the Provider's cardholder website.

The Department does not intend to replace Florida EBT Cards that have been issued to cardholders prior to any transition or the disaster card stock currently available to the department for disaster benefit issuance. The Provider's system must have the ability to operate without the replacement of the existing card base.

The responsibilities of the Provider include maintaining centralized card issuance, card storage, and management on behalf of the Department. The Department prefers card issuance be performed at a Visa/MasterCard certified facility.

C-1.1.6.1 Card Requirements

C-1.1.6.1.1 Magnetic Stripe

The Provider shall use a high-coercivity magnetic stripe for all Florida EBT cards. This requirement applies to both standard and disaster EBT cards. The Provider shall be required to produce card specifications and test results to confirm the card meets the ISO/IEC 7811 high-coercive card specifications and that the stripe for both standard and disaster cards is high-coercive.

The Provider shall provide an annual confirmation indicating that all cards provided to the Department during the preceding year, including disaster card inventories, meet the required card specifications with an annual certification test of card quality by an independent third party. This test shall involve six cards pulled at random from the vault card inventory. The Provider shall submit those six cards to an independent card-testing facility. The test results shall indicate the coercivity level and oersted rating of each tested card. The card test and the test results shall be provided to the Department within 90 days of the contract anniversary date.

The Provider shall ensure that the EBT card produced for the Florida EBT system complies with the specifications prescribed in the QUEST® Operating Rules, the International Standards Organization (ISO) and American National Standards Institution (ANSI) standards relating to cards used for financial transactions.

C-1.1.6.1.2 Florida EBT Card Production and Management

The Provider shall produce and supply magnetic stripe cards for issuance to cardholders. The Provider shall:

1. Perform all necessary processes and functions to design the Florida EBT card.
2. Issue, replace and distribute/deliver cards to cardholders by mail.
3. Maintain a centralized card issuance management database.
4. Provide secure access to the card issuance management database to Department authorized personnel in the Department's EBT/EFT services office for inquiry, monitoring, and tracking purposes. Data access includes, but may not be limited to: file type/name, card number, cardholder name, mailing address, batch, date produced, and date mailed. The database must also show if a card was pulled for overnight delivery as well as the tracking number.

CF Standard

5. Distribute/deliver cards to designated offices or other locations as may be needed during the term of this Contract.

C-1.1.6.1.3 Card Design

The Provider shall ensure that the EBT cards are designed and comply with specifications including the QUEST® Operating Rules, the ISO and ANSI specifications and standards relating to cards used for financial transactions. The EBT card must carry the QUEST® service mark.

The Provider shall use the current Florida EBT card design. An image of the artwork required for the card design is provided in Current Florida EBT Card Design as Incorporated by Reference at <http://www.dcf.state.fl.us/admin/contracts/ebt-2018/>. The Provider shall be required to change card design as requested every four (4) years. When this occurs, the Provider will assist the Department in the creation of a new card design and will modify all the related materials (such as card carriers, brochures, posters) for training and distribution.

The next design change will be 2018; therefore, the Provider shall be required to support a new card design in 2022. New cards shall be mailed out to active account holders through an attrition process as the current cards in use reach their expiration dates or are replaced.

The Department will provide input to the design process for the Florida EBT cards throughout the duration of this Contract and reserves the right for prior approval of any changes in the design or information printed on the new card. Examples of the new card must also be submitted to the Department for approval whenever the card is redesigned or changed in any aspect. Redesigned cards will be replaced through attrition.

The card obverse shall include the following design features:

1. Graphics approved by the Department using a four-color printing process;
2. The cardholder's name;
3. The sixteen (16) digit Primary Account Number (PAN) that begins with the Department's current BIN/IIN. PAN must be printed with contrasting color for readability; and,
4. Fine line printing.

The reverse of the card shall include the following design features:

1. Account information website (URL);
2. A high-coercivity magnetic stripe (for specifications see Track 2 format below);
3. A tamper evident signature panel;
4. The statement, "Do Not Write PIN on Card";
5. The toll-free numbers for Cardholder and Retailer Assistance;
6. Return address;
7. The QUEST® logo; and
8. Other printed information that may be specified by the Department.

C-1.1.6.1.4 Track 2 Format

Track 2 of the Florida EBT card must be encoded in accordance with ISO 7813. The maximum character count in Track 2 must not exceed 30 characters, including all control characters. The layout of Track 2 for the current EBT card is as follows:

Field Number.	Field Name	Length in Bytes
1	Start Sentinel	1
2	BIN/ISO (6 Bytes) Card Issuance Number (9 Bytes) Check Digit (1 Byte)	16
3	Field Separator	1
4	Expiration Date (YYMM)	4
5	Service Code	3
6	Card Authentication Value (CAV)	3

Field Number.	Field Name	Length in Bytes
7	End of Text	1
8	Longitudinal Redundancy Check (LRC)	1

The current Florida EBT Cards have an expiration date encoded on Track 2. The Service Code field is encoded with a value of "120". Cards have a Card Authentication Value (CAV) encoded. The Provider must continue to encode the CAV field on Track 2 with a cryptographic value to validate the Track 2 data contents. The current encryption keys shall be transferred to the successful Provider if a conversion from the current EBT service provider is required.

C-1.1.6.1.5 Card Number/BIN Number

The State of Florida's current BIN/IIN for FAP/cash EBT cards is **508139**. This BIN/IIN shall be used by the Provider only to provide access to payments and services provided under this contract. At the end of any contract, the BIN/IIN will stay with the State. The Provider shall issue EBT cards containing a sixteen (16) digit PAN that uses the State's current BIN/IIN as the first six (6) digits of the PAN. The current PAN sequence begins with 5081392 for regular State EBT cards. The process by which the Provider calculates the PAN for issued cards must not interfere with the existing card base being used by current EBT cardholders.

C-1.1.6.1.6 Card Issuance

Card issuance for new clients is driven by an indicator in the account set-up record. The Provider shall assign a Personal Account Number (PAN, i.e. card number) and issue an EBT card to the client if a positive card issuance indicator is received. EBT cards are issued to the Primary Payee of the household designated on the FLORIDA eligibility system. A separate EBT card may be issued upon authorization of the Primary Payee or as required in instances where a Protective Payee is needed. A separate EBT card may be issued to an authorized representative for the FAP benefits and/or to an alternate payee for the cash benefits. Three (3) cards could be issued for a household receiving FAP and cash.

The card must be encoded and printed with the PAN and meet the requirements specified above. All cards will be issued to clients via mail (United States Postal Service). EBT cards are not to be forwarded by the Postal Service. Each EBT card must include the following training materials in the designated language:

1. Card Carrier;
2. Training Pamphlet; and
3. Tips Card as part of the card carrier.

Card issuance requests within the expedited account set-up file received by the Provider in the mid-day batch must be placed in the mail by close of business that same day. All card issuance requests received in the end of day batch must be placed in the mail no later than the close of the next business day.

Express/overnight card delivery service must be available on an as needed basis to support special circumstances including Saturday delivery. The Provider must also support card pulls and address changes post production, but prior to mailing, from authorized Department personnel.

EBT cards shall be mailed on all available United States Postal Service mail days, including Saturdays.

C-1.1.6.1.7 Card Status

The Department requires that all EBT cards be issued in active status, requiring no separate activation action.

An EBT card shall be immediately de-activated when the cardholder reports that their card was lost, stolen, non-functioning, or not received. (Note: this is completed only after the proper security measures are addressed). Deactivation shall also be immediate when the cardholder uses the automated card replacement function on the IVR/ARU or cardholder web portal.

Use of the EBT card must be suspended after four (4) consecutive invalid PIN entry attempts. The card shall be temporarily blocked until midnight (Eastern Time) on the calendar day the last PIN attempt occurred. The Provider may propose another time period for automated release of the card access.

C-1.1.6.1.8 Replacement Card Issuance

The Provider shall provide cardholders with 24 hours per day, 7 days per week support for the issuance of replacement EBT cards that are lost, stolen, damaged, non-functioning, or not received in the mail. Cards reported lost, stolen or malfunctioning must be deactivated immediately. The Provider shall track and count replacement cards by request reason types, assigning a code to each type as specified by the Department.

Replacement card requests shall be handled by the Provider's IVR/ARU, cardholder website, cardholder customer service and may be generated by authorized Department staff via the Administrative System. Card replacement requests may also be generated by clients through the Self Service Portal via web services. Replacement cards must be produced and mailed within 48 hours from the date of request. PANs shall not be reissued. PINs shall carry forward to replacement cards and do not require generation of a new PIN. The card replacement rate has historically been less than one percent (1%) of active cards in a given month.

The Provider shall work with the Department to establish and support functionality and processes related to excessive card replacement as specified in 7CFR 274.6 (b) (5) (6).

Option: Currently, Florida has no fees for card replacement. The Provider is required to support the option of card replacement fees if selected by the Department. Fees may be imposed for card replacements contingent upon approval of the fee by USDA-FNS, provided the fee does not exceed the cost to replace the card. If a card replacement fee is imposed, the Provider must debit the fee automatically from the cash account, and if no benefits are available in the cash account, the fee will be debited from the food assistance account. The fee amount must be returned to the Department. The Department must have the ability to override and reverse the fee in hardship cases. The Provider must provide the functionality to support this option, including but not limited to, tracking of fees and accounts, and summary and detailed reports. The solution must meet the Department's requirement and the USDA-FNS regulations regarding FAP card replacement.

C-1.1.6.1.9 Returned Cards

The Provider shall provide a secure Post Office Box for return of cards marked as "undeliverable" by the United States Postal Service and for cards returned by cardholders, group homes, retailers, and others. The Post Office Box address must be used as the return address on the reverse of all EBT cards. EBT cards shall not be forwarded and the mailing envelope must have "Do Not Forward" printed on the face. All cards returned to the Post Office Box must be deactivated and destroyed immediately with the appropriate card status code assigned.

C-1.1.6.1.10 PIN-Issuance and Encryption

Personal Identification Numbers (PINs) are required for use with Florida EBT cards. The PIN must be four (4) digits. PINs shall carry forward to replacement cards.

The Provider shall ensure that appropriate procedures are used to preserve the security and integrity of cards and PINs during the physical issuance process. The Provider must use Data Encryption Standard (DES) encryption for data communication purposes to protect a cardholder's PIN. The Provider must implement cryptography for its PIN management operations to render the PIN unintelligible during transmission to anyone not possessing the encryption keys.

The Provider shall translate and decrypt PINs for transactions within a physically secure Tamper Resistant Security Module (TRSM). The Provider must ensure that all keys by which PINs are encrypted are generated in a secure manner. The management of encryption keys must meet the standards set by the ANSI X9.8 and X9.24 standards. At a minimum, all encryption keys must be subject to dual control, i.e., no single person will have control over all parts of an encryption key. If there is a known or suspected compromise of an encryption key, internal escalation procedures must be followed, and the encryption key must be changed immediately.

Cardholders must have the option at any time to select their own PIN by using the Provider's cardholder customer service IVR/ARU or cardholder website. The Provider shall provide a secure automated PIN selection process that requires only one call to be made by a cardholder. The Provider shall provide a solution for a backup PIN selection process to be used if a cardholder cannot change the PIN through the customer service IVR/ARU, website, or both.

The one call, automated PIN selection function must require positive verification of the cardholder's identification using demographic data such as the primary cardholder's birth date, the primary cardholder's social security number, and/or or the primary cardholder's case number.

Secondary cardholders (authorized representatives, alternate payees), protective payees and legal guardians are required to use and verify the primary cardholder's demographic information. Demographic data, other than the name for secondary cardholders will not be sent to the Provider's EBT system.

C-1.1.7 Customer Service

The Provider shall provide Customer Service Centers through separate toll-free numbers for Florida EBT cardholders, designated Department staff and retailers 24 hours per day, 7 days per week. The Provider shall provide customer service that is compliant with the Americans for Disabilities Act (ADA). The Provider shall also provide EBT cardholders access to applicable account information and EBT-only retailers access to applicable retail support via web based online systems.

C-1.1.7.1 Cardholder Customer Service

Services and functions must be supported using Speech Interactive Voice Response / Automated Response Unit (IVR/ARU) with live Customer Service Representative (CSR) support from domestic locations in the United States. The Department requires that English, Spanish, and Haitian Creole and a translation line for other languages be supported by the IVR/ARU and the Customer Service Center, and that Telecommunication Device for the Deaf (TDD)/ Teletypewriter (TTY)/ Video Relay Service (VRS)/ Video Remote Interpreting (VRI) capability shall be available to cardholders with hearing disabilities and provided for CSR calls. The Provider must have the ability to add any additional languages as required in the future. The Department will review and approve the transaction flow and content of all customer service IVR/ARU messages, prompts, and scripts prior to their implementation. IVR/ARU messages or menu functions shall not be changed without prior approval of the Department. Draft scripts and message flows shall be provided to the Department for review and approval in accordance with agreed upon work plans and schedules, at a minimum of 60 days prior to implementation.

The Provider shall maintain a Call Procedures Manual that details procedures for handling each type of call including circumstances where callers are referred to the Department Customer Service Center. The manual will clearly describe escalation procedure to ensure all cardholder problems, concerns, and/or issues are resolved in a timely, efficient, and courteous manner. The Call Procedures Manual shall include processes that allow for ongoing quality assurance and joint continuous improvement through call monitoring, training, and performance reporting.

All calls shall be audio recorded and logged. The caller on inbound calls must be notified that the call will be monitored and recorded. Each recording must include the date, time, User ID or name of the CSR, origination call number and card number associated with the individual caller. Call recordings shall be maintained and be accessible for a period of six (6) months. Recorded calls may be archived after three (3) months; however, retrieval time must take no more than five (5) business days.

The Provider shall develop a Customer Service Staffing Capacity Plan to cover unanticipated high call volumes caused by system or telecommunication interruptions, natural disasters, or other unanticipated critical events.

The Cardholder IVR/ARU shall not involuntarily terminate calls ("polite disconnects"). Providers shall use the Department's call volume historical data to assist in the sizing of the call portal and number of CSRs available. To assist in handling high call volumes to CSRs:

1. The IVR shall tell the caller the approximate length of the wait;
2. The caller shall be offered the option of terminating the call, staying on the line, or either:
 - a. Selecting a callback from the CSR in the order their call is in the queue;
 - b. Selecting a callback from the CSR at a time convenient for the caller.

The cardholder IVR/ARU shall have upfront messaging capability to add temporary important service messages in the event of major changes, disasters, outages or any situation that might require notifications to cardholders. Messaging shall be able to be implemented within 24 hours after the Department's request, unless disaster services are in effect. In times of disasters, the Provider shall cooperate with the Department's needs and respond to requests for messaging as soon as possible and no later than two (2) hours unless another time frame is agreed to by the Department.

The Provider will make any necessary updates or changes to the IVR, its language or logic as necessary, at no additional cost to the Department. The Provider shall make IVR updates as required and as the Department requests as soon as possible but no longer than 30 calendar days after requested. The Department reserves the right to review and approve the transaction flow and content of all IVR messages, prompts, customer service scripts and web pages. Any changes to the approved IVR transaction flow, messages, prompt, customer service scripts and web pages shall be provided to the Department as soon as possible with the intention of implementation upon approval no later than 30 calendar days after request.

Providers shall provide the ability for Department staff monitoring of CSR calls on an as-requested basis.

The Provider shall meet or exceed performance standards for the Customer Service Center located in **Exhibit E**. Performance standards reporting for the Customer Services Center must be tracked and calculated separately for the IVR/ARU and the CSRs' performance. The Provider must support the following customer service functions and is encouraged to recommend for consideration any other transactions or services which represent an effective and economical application of this technology:

C-1.1.7.1.1 Cardholder Identification

The Provider shall provide access controls for the IVR/ARU to ensure security of cardholders' account information.

Callers requesting secure services such as, but not limited to PIN selection and card replacement, shall have positive identification confirmed prior to receiving services. Positive identification may be made by CSRs, electronically, or a combination of both. A minimum of two demographic data elements are required for positive identification. Data elements that can be used are:

1. Cardholder selected security code,
2. Date of Birth,
3. Zip Code,
4. Address,
5. FLORIDA case number, and
6. Social Security Number as a last and final alternative.

If a security code is present, that security code must be verified as one (1) of the two (2) minimum required identification criteria. A security code is a private password (e.g., such as Mother's Maiden Name) that is selected by a cardholder to restrict unauthorized changes to the cardholder's demographic information and account. Security codes must be verified first before other demographic data. Data requested for identification shall be rotated on a regular periodic basis.

Secondary cardholders (authorized representatives, alternate payees), protective payees and legal guardians must use cardholder identification data for the primary cardholder to access information through the IVR/ARU system or from CSRs. Demographic data for authorized representatives, protective payees and legal guardians is not captured on the eligibility systems and transmitted to the EBT system.

C-1.1.7.1.2 Customer Service Representative Access and Support for Callers Using Rotary Phones

Callers experiencing difficulty obtaining services using automated functions shall be provided easy access to a CSR for assistance. Callers using rotary phones must be offered voice interactive assistance or directed to a CSR for assistance without undue delay.

C-1.1.7.1.3 Cardholder Reporting of Lost, Stolen, or Damaged Cards, and Cards Not Received

Lost, stolen, or damaged cards are at the top of the call priority hierarchy. Providers shall support an upfront IVR/ARU menu option for card replacement where a cardholder must be immediately transferred to an automated system or CSR. The cardholder must be required to establish their identity by verifying at least two (2) demographic data elements. Non-entry of a card number shall prompt the call to be transferred to a CSR. If successfully identified, the caller will be asked to validate their address and then may report a card as lost, stolen, damaged, or not received and request a replacement card.

If entry of the required data in the IVR/ARU is unsuccessful, the call must be immediately transferred to a CSR. The CSR must verify the cardholders' identity, address, and security code (if present) before proceeding with the card replacement action. If the mailing address is not correct or the cardholder reports an address change, the IVR or CSR must route the caller back to the Self Service Portal or Department Customer Service Center to make the address change prior to issuing a replacement card.

C-1.1.7.1.4 Upfront Balance Inquiry

The Provider shall support functionality to provide online real time immediate access to subaccount balances through entry of the card number upon entry into the IVR/ARU. Callers will enter their card number and security code when prompted. The IVR/ARU shall immediately provide the current on-line real-time balance of both subaccount(s).

C-1.1.7.1.5 PIN Selection/Change

Callers selecting this IVR/ARU menu option must have their identity verified prior to selecting or changing their PIN. If a security code or password exists for the caller, this must be verified before any other identity verification is completed. CSR support shall be provided for

callers having trouble with the PIN selection process. PIN selection shall be accomplished by the cardholder using a single call to the Cardholder Customer Service number. (See **Subsection C-1.1.6.1.10** for one-call PIN change requirements).

C-1.1.7.1.6 Benefit Availability Information

The Provider shall provide two (2) menu options for benefit deposit information:

1. Last deposit date - the last date a benefit was deposited into each subaccount; and
2. Regular monthly (recurring) deposit dates based on Florida's staggered food assistance and cash benefit availability schedules. The Provider shall perform a data dip to obtain the staggered issuance date rather than a simple read of the benefit issuance chart to ensure accurate provision of this information to the caller.

C-1.1.7.1.7 Transaction History

Providers shall support functionality to provide information about the last ten (10) transactions performed on the selected subaccount. The Provider shall offer and provide two (2) months of transaction history to the cardholder, if requested, by program benefit via mail to the last known client address or on the customer's web account at cardholder option within two (2) business days. Costs for this services, including mailing costs, should be included in the CPCM pricing.

C-1.1.7.1.8 Cardholder Account Website Assistance

Providers shall provide assistance to cardholders experiencing difficulty accessing or using the EBT Cardholder website.

C-1.1.7.1.9 Benefit Access Point Information

Providers shall provide assistance to cardholders requesting information about POS or ATM site locations where EBT benefits may be accessed. This information shall also be provided to Florida EBT cardholders attempting to use their cards out-of-state.

C-1.1.7.1.10 Cardholder Initiated Claims

Providers shall support functionality for cardholders to file claims and record pertinent information about the claim to support investigation. Cardholders must also be provided easily accessible functionality to obtain information about the status of their adjustment claim request.

C-1.1.7.2 Cardholder Website

Providers shall provide a secure customer service website (https) for cardholders with at least 128-bit encryption. The Department shall review and approve the website before the Provider allows public access. The website shall contain links to other websites, both internal and external, as required by the Department, including the Self Service Portal and general information websites. The Department must be able to monitor what kind of actions, access, and inquiries are made using the website through the use of on-line reports.

The website shall have an area on the front page where messages from the Department can be posted as needed to display important messages or broadcasts to cardholders. Providers shall support the cardholder customer service functions described below.

C-1.1.7.2.1. Report a Lost/Stolen/Damaged Card and request a replacement.

1. The cardholder's identity must be confirmed prior to disabling the card.
2. Prior to replacing a card, the client's address must be confirmed unless otherwise specified by the Department.

C-1.1.7.2.2. Current Balance Inquiry.

Current Balance shall provide real-time account balance information for both subaccounts.

C-1.1.7.2.3. Transaction History

1. Transaction History shall provide the last ten (10) transactions by benefit program, i.e., transaction number, amount, and date.
2. Account History shall enable a cardholder to request a two (2) month statement of account history by program to be mailed to the last known client address within two (2) business days of the request.

C-1.1.7.2.4. PIN Select/Change

Cardholders shall have the option of selecting or changing their PIN after answering two (2) different security questions. These security questions shall not be the same security questions that are used to access the website. A PIN changed using the website must be recorded on the Provider's card history screen and identified as coming from the web.

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C-1.1.7.2.5. Benefit Availability Date

1. Cardholders selecting this option shall be given the date benefits will become available based on the issuance schedule supplied by the Department.
2. Cardholders may enroll to receive notification of benefit deposits, account adjustments, and other information by phone call, text message, or e-mail.

C-1.1.7.2.6. File a Claim:

Cardholders selecting this option shall be provided information on how to file a claim when an error occurs on their EBT account. This shall include the cardholder's rights and responsibilities.

C-1.1.7.2.7. Support for Customer Service Website:

Support shall be provided for cardholders having trouble accessing or using the Customer Service Website.

C-1.1.7.3 Other Optional Services

The Provider may offer other services, such as bill pay, to cardholders. If offered, these services will be made available to cardholders at the option of the Department.

Over the course of this contract, the Provider is encouraged to recommend for consideration any other transactions and/or uses of the IVR/ARU and/or website which would represent an effective and economical application of the technologies.

C-1.1.7.4 Retailer Customer Service

The Provider shall provide Retailer Customer Service via a separate toll-free number, 24 hours per day, 7 days per week. The Provider must employ the use of an ARU/IVR application. CSRs shall be available to provide assistance that is not provided through the ARU/IVR and for retailers experiencing difficulty using the ARU functions. The Department requires that the Retailer Customer Service Center support both English and Spanish, and that TTD/TTY services be available and provided as needed. The Provider's Retailer Customer Service Center must be operated and staffed in manner to exceed industry standard.

The Provider shall provide retailer customer service support that meets the following requirements:

1. Toll-free access 24 hours per day, 7 days per week without charge or call limits to the retailers;
2. Support by an ARU/IVR and CSRs;
3. Accessible to all retailers;
4. Support for manual transaction voucher voice authorization, receipt of mailed manual transaction vouchers from retailers unable to clear vouchers, and electronic clearing of vouchers;
5. Information about EBT and available commercial POS services;
6. Settlement information and reconciliation procedures;
7. Support and resolution of out-of-balance conditions.

In addition, Retailer Customer Service must provide the following support for EBT-only retailers:

1. Support and problem resolution on EBT-only POS equipment, and
2. Equipment maintenance, repair assistance, and equipment replacement, if needed.

Over the course of this Contract, the Provider is encouraged to recommend any other transactions and/or uses for the ARU/IVR that would represent an effective and economical application of this technology.

C-1.1.7.5 Retailer Website Services

The Provider shall provide a customer service website for retailers. The functionality of the retailer website shall be the same as the functionality for the Retailer Customer Service Center. In addition, the website shall provide a transaction history for EBT-only retailers. Client EBT card numbers shall be truncated in the transaction history. The Department shall review and approve the website before the Provider allows retailer access.

Over the course of this Contract, the Provider is encouraged to recommend for consideration any other transactions and/or uses of the EBT retailer website which would represent an effective and economical application of this technology.

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C-1.1.7.6 Department Staff Assistance

The Provider shall provide Department staff with assistance via a toll-free number, email address, or website. If the Provider provides access through its customer service center, Department personnel will be provided with a mechanism so that immediate and appropriate assistance from a live CSR can be obtained. Technical assistance for Department staff shall be available 24 hours per day, 7 days per week. Services to be provided include, but are not limited to:

1. Accept reports of system outages;
2. Technical and troubleshooting Administrative System issues;
3. Special card pulls and express delivery requests;
4. Special account maintenance functions assistance; and
5. Assistance with security issues.

High Priority requests for assistance that affect a cardholder's ability to access benefits or a systems user's ability to access the Administrative system production or test platforms must be acted upon within 24 hours.

Low Priority requests for assistance that do not affect cardholder ability to access benefits or systems users' ability to access the Administrative system production or test platforms must be acted upon within seven (7) days.

C-1.1.8. EBT Administration System

The Provider shall provide an on-line real time Administrative system for administrative and operational support and management of EBT services in Florida. System users will include Department administration and operations staff, State and Federal investigators, and USDA-FNS personnel.

The Provider shall provide EBT Administrative System application software and communication protocols to the Department and other agencies as identified by the Department. Administrative System application functionality must include multi-level access controls to ensure that only authorized individuals can perform administrative update transactions or access cardholder account information through the system.

The current Administrative System is browser based and the Provider shall provide a browser based solution for the Administrative System application using the hardware and software configurations currently used within the Department, service centers statewide and other agencies to the extent possible. If the Department changes its hardware and software configurations, the Provider must be able to adapt to any new combinations. The hardware and software must be compatible to be used with a variety of equipment and compositions in a real-time setting. Some of these combinations include, but are not limited to, the following:

1. Kiosk, dummy terminals, workstations, desktops, laptops, and any device that the Department may use to access the Administrative System;
2. Various operating systems: Windows all versions from 7 to the most current; and
3. Various browsers: Internet Explorer, Chrome, Microsoft Edge and Mozilla Firefox.

The Department intends to maintain current administrative system functionality at a minimum to the extent possible, understanding that the Provider may offer different screen configurations. The Provider must describe their administrative system application in terms of navigation, data content, and presentation during the design phase. The following inquiry and update functions are currently used and required at a minimum.

C-1.1.8.1 Inquiry Functionality

The Administrative System is primarily used for inquiry purposes. Navigation and data formatting on functionality within the system must be easy to use and understand. The Department requires that all history inquiry data be easily accessed from the Cardholder Search/Identification function once the appropriate cardholder/primary account record has been located. All inquiry actions must be tracked and reported in the Administrative Inquiry Report.

C-1.1.8.1.1 Search Function

This function allows a user to search for a specific cardholder using the following data elements: cardholder name, primary cardholder social security number, cardholder card number, cardholder State unique ID (case) number, cardholder address, benefit authorization number, and EBT system internal benefit account number, if assigned.

C-1.1.8.1.2. Cardholder Account Inquiry

This function includes a summary record that displays general demographic and account information about the cardholder as well as “at a glance” sub-account information. Users must have easy access to a chronological history of transactions performed on sub-accounts, detailed data for each debit and credit transaction, and detailed data for each benefit authorization including the debits and credits posted, running benefit balance, and any expungement transaction for each individual benefit authorization. All account history inquiry functions must contain a rolling 365 days of activity available on-line.

C-1.1.8.1.3. Cardholder Card History Inquiry

The Cardholder Card History function provides a chronological listing of all card, PIN, and demographic update actions for a cardholder for the past 365 days. It must also provide access to detailed information for each card or PIN action performed on the account either through Customer Service, Administrative system action, Cardholder Website application, or other system interface action including card issuance and replacements, PIN selection and changes, security code add/changes, and the actual card mailing address history for both primary and secondary cardholders on the account.

C-1.1.8.1.4. Retailer Transaction History

This function provides summary and detail transaction information about cardholder debit and credit transactions performed at retail locations for the past 365 days. The retailer FNS number and date of transaction shall be used to retrieve information.

C-1.1.8.1.5. File Processing Update

This function provides a chronological listing of files received and processed by the host central computer. It provides the type/name and control number of the files received, date and time validated, date and time updates processed, the number of records accepted/rejected, and the file status.

C-1.1.8.1.6. Benefit Issuer Totals Function

This function provides the following data, by settlement date and benefit type: prior balance and current balance, net deposits, debit and credit adjustments, and non-settling transactions.

C-1.1.8.1.7. State Issuer Totals Function

This function provides detailed information required to balance the system by account type and settlement date. The screen functions in an on-line capacity and data displayed is updated immediately as transactions occur.

C-1.1.8.1.8. Benefit Pending Inquiry

This function allows the user to perform inquiries on benefit records that are being held “pending”, and have not yet been deposited to accounts, e.g., benefits that have not reached their benefit availability date or have not matched to an account and are in “pending” status. Search shall be by state unique ID and must display the state unique ID, last name, first name, benefit type, availability date, and benefit amount.

C-1.1.8.1.9. Direct Deposit Inquiry

This function allows the user to perform inquiries to see if the cardholder is enrolled in direct deposit for cash benefits and provides pertinent cardholder information for support of direct deposit. The inquiry must support a search by state unique ID or first, middle, and last name. The inquiry must display the cardholder information (i.e. full name, with the cardholder’s complete address, and phone number.) and direct deposit information (e.g., account type, bank name, date added, last modified, status).

C-1.1.8.1.10. Account Adjustment Search

This function allows the user to perform inquiries to obtain detailed information about retailer initiated claims.

C-1.1.8.1.11. Financial Summary

This function displays at a glance the general statistical information including system balance, transaction summary, and snapshot of benefits in the system.

C-1.1.8.1.12. Letter of Credit Reconciliation

This function displays the daily settlement & reconciliation calculations for the USDA-FNS "Letter of Credit" and is used to monitor the benefits and use of food assistance benefits.

C-1.1.8.1.13. Deposit Flow Reconciliation

This function tracks the flow of deposits into the EBT system and details how benefits were applied for each day.

C-1.1.8.2 Update Functionality

Access to update functionality through the EBT administrative terminal shall be limited to certain authorized personnel by the Provider. All update functions must be tracked by user ID and reported on the Administrative Actions Reports. The Provider's Administrative System must support the following update functions:

C-1.1.8.2.1. Update Address/Telephone Information

This function allows on-line update of the primary cardholder's mailing address and telephone number supporting timely delivery of replacement cards when the primary cardholder's address has changed. A report shall be produced nightly of all address changes made on the screen during the day and must be available for Department staff by 6:00 a.m. ET the following morning.

C-1.1.8.2.2. Account Adjustments

This function supports adjustments to cardholder accounts to correct out-of-balance situations. This function will be used by the Provider's staff assigned account adjustment responsibilities and Department staff to provide notification of cardholder status related to the Administrative Hearings process.

C-1.1.8.2.3. Benefit Repayments by Benefit Type

This function allows the Department to receive cash and FAP benefits as payment on cardholders' outstanding debts to the State from their EBT accounts. This function is used only by Department Benefit Recovery staff. The user must be able to specify the program category (FAP/cash), the benefit type code, and amount of the repayment. Benefit repayment actions are required to be reported nightly and monthly on the Benefit Repayments Report.

C-1.1.8.2.4. Subaccount Suspension

This function allows the user to suspend an active subaccount so it cannot be accessed by the cardholder. An appropriate transaction message will be displayed at the POS or ATM if account access is attempted. This function is used by State investigative staff only. The suspension/hold is released using the Reactivate Account function by State staff only. The suspensions must be reported on a monthly Suspended Account Report.

C-1.1.8.2.5. Reactivate Subaccounts

This function supports reactivation of cardholders' subaccounts that were suspended or require reactivation for other reasons (closed account) as described in **Section C-1.1.8.2.4** above. The action reactivates the account for cardholder use and has no impact on the benefit aging and expungement process. This function will only be used by State staff. The reactivation actions must be reported on the Administrative Non-Financial Transactions Report.

C-1.1.8.2.6. PIN Freeze

This functionality will allow Department staff to place a "freeze" on a cardholder's PIN in certain circumstances such as identity theft to prevent the PIN from being changed. These actions must be reported on the Administrative Non-Financial Transactions Report.

C-1.1.8.2.7. PIN Release

This function allows Department staff to release the PIN Freeze action in **Section C-1.1.8.2.6** above. This function will only be used by authorized staff. These actions must be reported on the Administrative Actions Detail Report.

C-1.1.8.2.8. Card Status

This function allows both cardholder customer service and authorized Department staff to update or change card status and generate replacement EBT cards including deactivation of cards with or without replacement.

C-1.1.8.2.9. Investigative Account Set-up

This function is used by designated and authorized DPAF staff to support establishment of special accounts for investigative purposes.

C-1.1.8.2.10. Investigative Benefit Add

This function is used by designated and authorized DPAF staff to support the addition of benefits to special accounts established for investigative purposes.

C-1.1.8.2.11. Disaster Account Set-up & Benefit Add

This function is used to establish food assistance and cash disaster accounts and authorize disaster benefits. See **Section C.1.1.18.4.2.** for detailed information about this function.

C-1.1.8.2.12. Direct Deposit Add/Update

This function allows authorized Department staff to set-up direct deposit for cash recipients to their personal bank accounts. The functionality also allows for direct deposit information update and termination of direct deposit services.

C-1.1.8.2.13. Cardholder Demographics

This function allows authorized State staff to update cardholder demographics such as SSN and DOB.

C-1.1.8.3 Data Access and Retention

Current EBT account balances and a rolling three (3) year transaction history for each subaccount account must be maintained for on-line access through the EBT Administrative System. All financial and non-financial history data must also be maintained for on-line access through the EBT Administrative System for three (3) years for each EBT account.

Transaction and non-financial history older than three (3) years will be maintained in the data warehouse for easy accessibility on a seven (7) year rolling history schedule. All data older than seven (7) years can be kept in an archived format that can be accessed on an as needed basis. The Provider shall accept all applicable data made available by the Department, so long as the data is provided in the same data format. No data, databases, data fields, data elements, transactions, or accounts shall be deleted without written permission from the Department.

C-1.1.8.4 Administrative System Security

Secure access to the Administrative System application is the responsibility of the State EBT Administrative System Security Officer working in cooperation with the Provider's system security personnel. The Provider is responsible for training the EBT Administrative System Security Officer and State back-up staff.

The EBT Administrative System Security Officer and other security officers must be able to add, delete, and modify user access without Provider intervention. The expiration period for a user's password shall be 30 days from previous reset and users shall be able to reset their own password after answering pertinent security questions. Temporary passwords issued by the password administrator shall be set to expire after 30 days requiring the user to contact their security administrator.

The Provider shall provide for access controls to the EBT Administrative System that ensure all State, Federal, and Provider personnel with update and inquiry access to the EBT Administrative System are strictly controlled by security profile. The Provider shall provide software controls and access for security officers in remote locations to assist system users.

C-1.1.8.4.1 User Identification and Authentication

All personnel requiring access to the system must have their access established within the system security module. The system shall require unique identification from each user to access the system. The system shall not allow the display of passwords on an administrative terminal or PC monitor. Access to the files, databases, transactions and programs shall be restricted to those personnel needing access to such data to meet professional responsibilities.

The security system shall protect authentication and system data to make it unavailable to any unauthorized user. The security system shall provide the capability to identify authorized or unauthorized users as well as access levels and profiles of individual users. The security system shall support a lock out threshold for excessive invalid access attempts. The system shall also support automatic timeout after fifteen (15) minutes of user inactivity. System timeouts shall not occur to user IDs that are active in any of the administrative system's modules.

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The security system shall support the immediate deletion of users no longer authorized by the Department. In addition, the system shall send the Department notice of any user who has been inactive for three (3) months.

C-1.1.8.4.2 Control of User IDs and Passwords

The Provider shall provide the system and procedures for security controls to ensure that user IDs and passwords, including user IDs for use in disaster recovery services, are properly safeguarded. The Provider shall be responsible and bear liability for control of all User IDs and passwords that reside in the system.

C-1.1.8.4.3 System Access and Audit Controls

The system shall be able to create an audit trail of user access to the system and maintain and protect such records from modification, unauthorized access or destruction. The system must define and control access between authorized users and system functionality. At a minimum, the system shall be able to record and report the following user actions: log on, log off, password changes, program initiation, and all actions by system operators, administrators and security officers.

The security system shall provide monthly access privilege reports as specified by the Department summarizing how many users accessed EBT by organizational areas (e. g, administrative units, circuits or regions), and other agencies, as needed. These reports shall include, but are not limited to: new user creations, changes, deletions and modifications, unauthorized access attempts, destruction and the detail of individual security actions. (See **Exhibit D** for specific reporting requirements related to Administrative System security).

C-1.1.8.5. Discretionary Access Controls

The security system shall use identification and authorization data to determine user access to information and the level of information accessed. The security system shall provide security for administrative access by establishing user profiles for specific administrative functions required for performance of user job responsibilities. Each administrative user, when granted system access shall be assigned specific user profiles based on their job responsibilities, including both the production system and user acceptance test (UAT) regions. The Provider's security system must advise the security officer(s) when selected profiles are in conflict.

The Provider shall provide the current security profiles utilized in the EBT security system with detailed descriptions of user access to specific administrative functions and the job responsibilities supported.

The State's designated security officers shall have the capability to set up authorized users, change user passwords, reset users and generate reports on user access and status.

The following security profiles are currently used by the Department. Authorized users may have one or more profiles as specified by the authorized security officers. The Department is not limited to these profiles and intends to work with the Provider to implement unique security profiles that satisfy the Department's system security needs.

EBT Administrative System Security Profiles

<p>Profile 1 Security</p> <p>This profile supports EBT Administrative System security including password resets and other security functions to be performed by the State EBT Security Officer for the Administrative System, the Data Warehouse and other functions.</p>	<p>Profile 2 Finance</p> <p>This profile supports settlement, reconciliation and EBT system financial management functions.</p>	<p>Profile 3 Benefit Recovery</p> <p>This profile supports functions related to Benefit Recovery including, but not limited to inquiry to cardholder and transaction histories and benefit repayment functions.</p>
<p>Profile 4 Florida Help Desk</p> <p>This profile supports functions for Department operations staff including, but not limited to cardholder history and transaction inquiry and account reactivation.</p>	<p>Profile 5 Disaster Services</p> <p>This profile supports Disaster Account Setup and Benefit Add.</p>	<p>Profile 6 Inquiry</p> <p>This profile provides access to all EBT Administrative System inquiry functions, screens and history for cardholders and retailers, file processing, and pending functions.</p>

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<p>Profile 7 Update 1 Operations Staff</p> <p>This profile supports inquiry and update actions required by Department operations staff.</p>	<p>Profile 8 Update 2 Headquarters</p> <p>This profile supports inquiry and update actions required by Department Headquarters and Regional EBT staff.</p>	<p>Profile 9 Adjustment</p> <p>This profile supports inquiry and update functions related to retailer initiated adjustments.</p>
<p>Profile 10 Investigations 1</p> <p>For investigate account set-up.</p>	<p>Profile 11 Investigations 2</p> <p>For investigative account benefit adds.</p>	<p>Profile 12 Direct Deposit</p> <p>This profile supports inquiry and update functions related to Direct Deposit.</p>

C-1.1.9. System Security

The Provider shall implement and maintain a comprehensive security program for the EBT system and operations. The program shall include the administrative, physical, technical, and systems controls that are in place to meet the security requirements of the EBT system. It is the expectation of the Department that the system of internal controls used to manage risks to the EBT system and operations will be based on EFT industry standards.

The Provider and its subcontractors shall ensure that appropriate levels of security are established and maintained for the EBT services provided pursuant to this ITN. The Provider must process information that has been designated sensitive but unclassified. Sensitive but unclassified information is any information that the loss, misuse or unauthorized access to or modification of which could adversely affect the national interest of the conduct of Federal programs or the privacy to which individuals are entitled under Section 552a of Title 5, United States Code (the Privacy Act), but which has not been specifically authorized under criteria established by an Executive Order or an act of Congress to be kept secret in the interest of national defense or foreign policy.

The Provider shall submit documentation of the comprehensive security program in the Security Plan, a design phase required deliverable. The Security Plan shall describe the administrative, physical, technical, and system controls in place for the Department's EBT system, including the established audit schedule for all required audits and reviews. The Security Plan shall reflect the guidance of USDA – FNS Handbook 901, OMB Circular A – 130 and Circular A– 133 Compliance Supplement, 7 CFR 274, and EBT System Security Guidelines Handbook, February 2004. In addition to describing the controls to meet the security requirements of this section, the Security Plan must provide for the ongoing certification and examination of the Provider's operations and control system.

C-1.1.9.1. Facilities and Physical Security

The Provider shall use physical security and access control systems to limit access to any facilities used to process cards, process data, or house any sensitive data to authorized personnel and authorized visitors. The control systems shall have the capability to detect and report attempted unauthorized entries into the facility. In addition, the Provider must regulate access to the primary and backup data centers in such a way that the flow of all persons can be monitored and controlled.

The Provider must control physical access to operational facilities and specify the measures that are used to deny unauthorized access to, manipulation of, and/or sabotage of the EBT data processing and telecommunications facilities. At minimum, the following access control measures shall be provided:

1. Entrance security – The EBT data processing and telecommunications facilities shall be secured 24 hours per day, 7 days per week. The entrance(s) to the facilities shall provide for controlled entry and be secure against forced entry.
2. Locks – The facilities shall be locked at all times when authorized personnel are present.
3. Cipher or proximity/swipe card type devices – May be used during duty hours to control entry into the facility. During non-duty hours, the cipher lock shall not be used as a sole locking device.
4. Personnel Access Controls – Access to operational sites shall be controlled and limited to authorized personnel. Employee access to controlled areas within the operational site shall be controlled by electronic access or other comparable procedures.
5. Data Storage Security – All data on portable media shall be in secure access controlled storage areas with access limited to authorized personnel, when not being used by computer operations.
6. Fire Protection and Suppression – The primary and backup processing sites as well as the tape storage areas shall be equipped with fire detection and suppression systems that detect and suppress fire in the incipient stage.

C-1.1.9.2. EBT Systems Security

The Provider shall ensure the security of the EBT system and all system components. The Provider shall provide systematic and procedural controls for the areas detailed in the following subsections and other pertinent controls for the EBT system operations.

C-1.1.9.2.1. Control of Card Stock

The Provider shall specify the system and procedural controls to ensure that card stock is properly safeguarded against loss, theft and/or abuse at all points in the card production and issuance processes. The Provider is responsible and bears liability for all unissued card stock until such stock is either received by the Department, delivered to locations specified by the Department, or handed over to postal service employees for mailing to cardholders. The Department prefers a Visa/MasterCard certified card service bureau be used by the Provider for the production and storage of card stock.

C-1.1.9.2.2. Control of PINs

The Provider shall specify the system and procedural controls to ensure that access to all PINs, whether assigned or selected, is strictly controlled. The Provider is responsible for ensuring the confidentiality of the PIN during generation, issuance, storage and verification. The Triple Data Encryption Standard (DES) algorithm must be used to encrypt all PINs. The Provider shall ensure that clear text representation of the PIN will never be displayed on PIN entry devices or the EBT Administrative System. The Provider shall provide support for the PIN controls listed in Chapter IX, Security, of the QUEST® Operating Rules.

C-1.1.9.2.3. Communications Access Controls

The Provider shall provide communications software to control access to the EBT system. Such communications software controls must ensure that all access to the EBT system is strictly controlled. Communication access control software shall provide the capabilities below in addition to the requirements under Administrative System Security.

C-1.1.9.2.3.1. Transaction Communication

The Provider shall provide controls to ensure that EBT transaction communications are safeguarded and only processed from authorized terminals or PIN devices. Communications message validation shall provide for control edits for message completeness, file and field formats, and control and authentication lines and links. The Provider shall perform error checking of transmitted data. The Provider shall provide a configuration layout showing complete end-to-end details of the telecommunications and automated information system(s) as part of the Detailed System Design required as a system development deliverable. This shall include hardware components, including but not limited to, modems and encryption devices, that would be required for use in support of communication access controls.

C-1.1.9.2.3.2. System Data Security

System data shall be protected to ensure that system and confidential information is not disclosed for unauthorized purposes. In addition, the Provider shall not provide any state, local or federal agency with access to system data without approval from the Department. Such data security controls must include the following at a minimum:

1. The Provider shall ensure that only designated Department and other State and Federal authorized users access the EBT system data and operations, and that no other state or entity that has contracted with the Provider has access to Florida's EBT system data and operations.
2. Any sensitive information made available in any format shall be used only for the purpose of carrying out the provisions of this Contract. Information contained in such material must not be divulged or made known in any manner to any person except as is necessary in the performance of this Contract. Disclosure to anyone other than an authorized officer or employee of the Department is prohibited without prior written approval. Sensitive information must be accounted for upon receipt and securely stored before, during and after processing. In addition, all related output must be given the same level of protection as the source material and data.

C-1.1.9.2.3.3. Data Destruction

The Provider shall provide for the destruction of magnetic media or deletion of information from magnetic media when no longer required. The methodology for data or media destruction shall be approved by the Department.

C-1.1.9.2.3.4. Separation of Duties

The Provider shall provide for adequate internal controls through separation of duties and/or dual control for the functions of card and PIN issuance, system administration and security administration. This includes the separation of operations from control functions such as reconciliation, account set-up and benefit authorization, and settlement.

C-1.1.9.3. System Security and Operating Procedure Documentation

An integral component of the Provider's internal control structure is the provision and maintenance of adequate documentation of system and software applications and operating procedures and requirements. The Provider shall provide a detailed description of its internal security control structure.

The mechanisms within the application that enforce access controls shall be continuously protected against tampering and/or unauthorized changes.

C-1.1.9.4. Business Continuation and Contingency Plan for System Security

The Provider shall provide a Business Continuation and Contingency Plan that outlines specific security measures incorporated into the system as well as operational and alternate plans the provider will take in the event of disasters, security breaches, or criminal activities such as theft or counterfeiting of cards.

C-1.1.9.5. Inspections and Investigations

The Department, other State designated entities, and USDA-FNS have the right to inspect, review, investigate or audit all parts of the Provider's or any subcontractor's facilities engaged in performing EBT services. In such capacity, the Department, other State designated entities, USDA-FNS or their representatives shall be provided access to facilities, records, reports, personnel and other aspects of the EBT system as required by the Department.

C-1.1.9.6. Certification and Examination

The Provider shall provide the Department with an annual certification of compliance with banking, EFT, EBT and other regulations and requirements related to the EBT systems. The annual requirements shall be a normal cost of doing business for the Provider. The annual self-certification and examination requirements shall be applicable to the Provider and any organization(s) to which the Provider has contracted for the performance of EBT related services (subcontractors). It is the responsibility of the Provider to provide annual certification(s) and compliance by any subcontractors. All certifications of the Provider and any subcontractor(s) will be subject to independent examination and validation. The following list of EBT specific requirements shall be addressed in the self-certification of compliance.

1. Banking and Financial Service Rules – The Provider's certification of compliance shall include banking, EFT and financial service industry rules to the extent that such rules govern aspects of EBT system operations.
2. Benefit Program rules – The Provider shall comply with the specific benefit program level requirements. For benefit programs that do not have specific written requirements for participation in EBT, the Provider shall comply with the existing program level requirements as applicable, and with benefit level requirements as promulgated by the administering agency. The USDA-FNS and the Administration for Children and Families (ACF) have written requirements specifically for EBT participation.
3. Internal Controls and Physical/Personnel Security Requirements – The Provider is subject to the control and security requirements of this ITN and the components of its individual Security Plan.

Self-certification requirements shall include:

1. Evaluation of Compliance – The Provider shall accept responsibility for and provide an evaluation of its compliance with EBT specific requirements, applicable regulatory requirements, and the effectiveness of the internal control structure in ensuring proper safeguards for the administration of public funds.
2. Certification of Compliance – The Provider shall provide a written certification of compliance with all applicable banking and financial services industry requirements. The Provider shall explain how such determination of compliance was made, including bank examination, audit and internal review.
3. Internal Control – The Provider shall certify that it has properly administered all components of the EBT Security Plan and that such controls provide reasonable assurance that public funds administered through the EBT system are properly safeguarded and protected. The Provider shall describe how such certification was made.

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Annual Attestation Engagement requirements include:

1. Statement of Standards for Attestation Engagements No. 18 (SSAE No.18) - The Provider and any subcontractor(s) shall arrange for the performance of an annual attestation engagement by an independent auditor acceptable to the Department. The purpose of this engagement is to ensure that the certifications of compliance and internal control provide reasonable assurance and any disclosure of exceptions or qualifications made by the Provider are proper and complete. A written report of this engagement is required and shall be sent to the Department with the self-certification statements. The required audit is a Service Organizational Control (SOC) 1 Type 2 audit. SSAE No. 18 is applicable because it addresses the attestation requirements to examine management's assertions of compliance and internal controls. The Provider and any subcontractor(s) shall arrange for the performance of an annual examination engagement by an independent auditor acceptable to the Department in accordance with SSAE No. 18, Reporting on Controls at a Service Organization. The examinations shall cover the entire period since the previous examination period, e.g., 12-month review period for SSAE 18 report.
2. The Provider shall provide all the required reports from all entities to the Department within 90 days after the end of the examination period.

The independent audit of the Provider [service organization] must be performed under 2 CFR part 200, subpart F and in accordance with the American Institute of Certified Public Accountants (AICPA) Statement on Standards for Attestation Engagements Section 801, Reporting on Controls at a Service Organization. The audit must be consistent with the guidance provided in the "Examination of EBT Service Organizations" section of the Compliance Supplement (formerly OMB Circular A-133) applicable to the audit period. The auditor of the service organization is required to issue a report on controls placed in operation and tests of operating effectiveness of controls, which is commonly referred to as a "service organization control (SOC) 1 type 2 report" (7 CFR section 274.1(i)). Each audit must cover the entire 365 day reporting period. The timeframe for the audit shall be the State's fiscal year.

C-1.1.10. Transaction Processing

The Provider is responsible for the authorization of cardholder initiated food assistance and cash transactions. The Provider must have the capability to receive and process cardholder transactions from both ATM and POS devices. The Provider shall provide cardholders with access to their food assistance benefits at any EBT participating, USDA-FNS authorized food retailer location. Cash benefits may be accessed through participating ATMs or commercial POS terminals. All POS and ATM transactions coming in to the Provider's EBT system must be authorized.

C-1.1.10.1. Transaction processing requirements shall include:

1. Accepting transactions coming from an authorized transaction acquirer;
2. Authorizing or denying transactions;
3. Recording the latitude and longitude of the POS device at the time of the transaction;
4. Sending response messages back to the transaction acquirer authorizing or rejecting cardholder transactions;
5. Printing a cardholder receipt with the account balance after the transaction (the card number shall be truncated on the receipt); and
6. Logging the authorized/denied transactions for subsequent settlement and reconciliation processing, transaction reporting, and for viewing through transaction history.

C-1.1.10.2. The Provider's authorization system shall go through a series of checks and processes to determine whether a transaction initiated by a cardholder will be approved. These checks include determining if:

1. The retailer has a valid FNS authorization number (food assistance transactions);
2. The card number (PAN) is valid and the card is active;
3. The card expiration date, if applicable, has not occurred;
4. The number of allowed consecutive failed PIN tries has not been exceeded;
5. The PIN is entered correctly;
6. The account is active;
7. The EBT account holds a sufficient balance to satisfy the transaction amount requested; and

8. For refund transactions, benefit records must exist so that the refund can be properly posted to existing benefits. Refunds are restricted to a maximum of \$250 per transaction.

If any one of the above conditions is not met, the Provider must deny the transaction. The Provider shall ensure that benefit accounts are not overdrawn and assumes all liability if an account overdraft occurs. If the transaction is denied, the system must return a message to the retailer indicating the reason for denial (e.g., invalid PAN, invalid PIN, insufficient funds, etc.).

C-1.1.10.3. The Provider shall comply with the software and automated data processing equipment ownership rights prescribed in the Federal regulations and as further clarified or negotiated with the State and the Federal government. The Provider is responsible for ensuring that the EBT system meets the processing requirements and criteria established by USDA-FNS. The Federal government is not liable for any erroneous transactions or overpayments to cardholder accounts. Federal funds may not be drawn for erroneous transactions or overpayments in excess of the State authorized benefit amount.

It is the responsibility of the Provider to ensure that the EBT system meets performance and technical standards and regulations in the areas of:

1. System processing speeds;
2. Availability and reliability;
3. Security;
4. Ease-of-use;
5. Card and PIN requirements;
6. Performance – quality and quantity; and
7. Minimum transaction set.

C-1.1.10.4. For regulatory precedence, the Provider will use:

1. Federal regulations;
2. State statute and administrative rules; and
3. QUEST® EBT Operating Rules and all subsequent amendments.

If there is a conflict within the governing regulations and guidelines regarding a specific standard, the State will determine the appropriate standard to which the Provider must adhere. In determining the appropriate standard, the Department will allow consultation and input from the Provider, however the final decision will remain with the Department. The Provider must adhere to all changes, updates, revisions and policy interpretations of any Federal law that is applicable to FAP and EBT processing at no cost to the Department.

C-1.1.10.5. The Provider shall comply with all relevant processing speed requirements as stated in Federal regulations. The EBT host computer must internally process and respond to all on-line transaction requests within two (2) seconds. The Provider must provide back-up purchase procedures for USDA-FNS authorized retailers to use when the EBT system is unavailable, both for unscheduled and planned outages. The Provider must define both the back-up procedures proposed to be used and the method by which retailers will be notified that the back-up procedures are being implemented.

The Provider's EBT system must be available 99.9% of scheduled uptime, 24 hours per day, seven days per week. Scheduled uptime is defined as the time the database is available and accessible for transaction processing, and excludes scheduled downtime for routine maintenance.

The total system, including the host computer and any network or intermediate processing facilities under the control of the Provider (either service provider or subcontractor to the Provider), must be available 98% of scheduled uptime as defined above, 24 hours per day, 7 days per week.

The Department shall be notified in advance of scheduled downtime for routine maintenance, which must occur during off-peak transaction periods. The Provider must also provide advance notice to the Department of any scheduled downtime required outside of the normal time frame set aside for routine maintenance. Such downtime must be arranged with and approved by the Department.

The EBT system host computer must permit no more than two (2) inaccurate EBT transactions for every 10,000 EBT transactions processed. The transactions to be included in measuring system accuracy are:

1. All food assistance and cash debit transactions occurring at ATM and/or POS terminals and processed through the host computer;

2. Manual transactions entered into the system; and
3. Food assistance credit (refund) transactions.

The Provider shall resolve all errors in a prompt manner and in accordance with Federal regulations, State waivers, and the QUEST® EBT Operating Rules.

C-1.1.10.6. Transaction Interchange Specifications

The Provider shall be responsible for authorization of cardholder initiated food assistance and cash transactions. The Provider shall comply with ANSI X9.58; and shall comply with all updates to these standards at no additional cost to the Department.

C-1.1.10.7. Encryption

The Provider shall comply with FNS Regulations regarding communications network security and, at a minimum, shall utilize the Triple DES algorithm or better to encrypt the PIN during EBT transactions from the point of entry. Any of the network security measures may be utilized together or separately and may be applied at the terminal or central computer as indicated in the approved system design to ensure communications control.

C-1.1.10.8. POS and ATM Transactions

The EBT system shall be able to accept EBT transactions from POS devices for both food assistance and cash benefits and from ATMs for cash benefits.

C-1.1.10.9. POS Food Assistance Transactions

The Provider must be able to process, at a minimum, the following food assistance transaction types:

1. Food assistance purchase (swiped or key-entered)
2. Food assistance merchandise returns or credit
3. Manual voucher authorization
4. Manual voucher clear (including interoperable transactions)
5. Balance inquiry
6. Voids or cancellations
7. Reversals

USDA-FNS regulations prohibit the charging of a fee for any food assistance transactions. Therefore, cardholders must not be charged for any food assistance POS transactions.

Account balances must be printed on receipts for food assistance purchases, food assistance merchandise returns, and balance inquiries. The card number shall be truncated on the receipt.

C-1.1.10.10. Food Assistance Refund Transactions

The Provider shall provide for real-time processing of food assistance refunds or credits to eliminate creation of unapplied benefits and approval of excessive funds. The Provider shall meet any Federal and State restrictions on transaction dollar limits, number of transactions and total value of transactions per month for on line or manual FAP refund transactions.

Transaction activity shall be immediately updated to the EBT host database at the benefit level, although Providers may propose alternate update methods. At a minimum, however, the process must meet the real-time requirements described for refunds. Providers are required to specify the methods by which they update transaction activity on their host databases.

Refund transactions shall be denied if there is not an existing benefit with a utilized balance in the account in which the refund can be posted. The Department requires that the Provider also have a process to return funds to individual benefits so that the total value of each benefit does not exceed its original value, and that the value of the refund does not exceed the total value of benefits previously debited. A transaction amount limit, as well as monthly limits on the total number and value of refunds, will be placed on the food assistance refund transactions by the Department as defined by the approved detail design.

C-1.1.10.11. Manual Transactions, Voice Authorizations, Benefit Amount Holds, and Voucher Clear

The Provider must support manual food assistance purchase and return transactions using a standard paper voucher/sales draft, designed and distributed by the Provider to retailers authorized before March 21, 2014, and who are already using manual vouchers for ongoing business. In addition, eligible farmers' markets, direct-marketing farmers, military commissaries, non-profit cooperatives or organizations, group living arrangements, treatment centers, and prepared meal services may use manual vouchers until further notice.

Manual vouchers may also be used in situations of disaster recovery services upon authorization by the Department and USDA-FNS. The manual transaction voucher must be approved by the Department and USDA-FNS prior to its use.

The EBT card must be present for a retailer to conduct a manual transaction. The retailer must complete the manual transaction voucher and receive a voice authorization from the EBT host system prior to completing the food assistance sale. The retailer is required to fill in the transaction information listed on the manual transaction voucher and obtain the cardholder's signature. The authorization process must be automated (ARU type) for both purchases and returns, supported by live CSRs to assist retailers experiencing difficulty obtaining authorizations.

Upon providing authorization for the manual transaction, the Provider must place a hold on funds in the cardholder's food assistance account for the amount authorized. If the retailer has a POS device, manual vouchers must be cleared electronically. If the retailer belongs to the exempt category that does not have a POS device, the manual vouchers will be mailed to the Provider for processing and settlement. If the manual transaction is properly presented (all information required on the voucher is completed and the voucher is signed by the cardholder) within 30 calendar days, the Provider must settle the transaction. If the manual transaction is not properly presented, either manually or electronically, within 30 calendar days, the Provider must release the hold on the 31st day and make the funds available for cardholder access. The retailer or acquirer/TPP bears the liability for the manual transaction if the voucher is not cleared in a timely manner. The Provider must also have the capability to release benefits on hold prior to the 30 calendar day, if the hold is erroneously placed on the account.

C-1.1.10.12. Re-presentation of Manual Transactions

Re-presentation of manual vouchers shall not be permitted. The Provider's system shall be designed to prevent retailers from re-presenting manual vouchers.

C-1.1.10.13. Stand-in Processing

If the retailer cannot access the Provider's manual voucher authorization system because the host system is unavailable, the Provider shall provide "stand-in" processing for food assistance purchases up to \$50 per cardholder per retailer per day (from 12:00 a.m. until 11:59 p.m. local time). The Provider shall be liable for up to \$50 per transaction for insufficient funds resulting from stand-in manual transactions. The stand-in process proposed by the Provider cannot be burdensome or labor intensive for either the cardholder or the retailer and must include acceptable privacy and security features. The retailer is required to complete a manual voucher and must obtain the cardholder's signature on the voucher. If the retailer processes an emergency stand-in transaction for more than \$50, the Provider shall process the transaction if there are sufficient funds in the cardholder's account to cover the transaction. If there are not sufficient funds in the cardholder's account, the retailer shall be liable for any amount over \$50. When the system becomes available, the retailer shall electronically clear the manual transaction through a POS voucher clear transaction.

C-1.1.10.14. POS Cash Transactions

The Provider must be able to process the following cash transaction types at a minimum:

1. Cash purchase (swiped or key-entered) Note: Key entered cash transactions must be supported by the Provider; however actual use is at the retailer's option.
2. Purchase with cash back
3. Cash only withdrawal (cash received without purchase)
4. Balance inquiry
5. Voids or cancellations
6. Reversals

Cash account balances must be printed on receipts for cash purchases, purchases with cash back, cash withdrawals, and balance inquiries. Currently the Department provides the first two (2) cash only withdrawal transactions (POS or ATM) per month at no charge to the cardholder. The Provider shall ensure that the EBT system denies transactions if the balance of the cash account will not support both the requested withdrawal transaction and all allowable charges or fees. The card number shall be truncated on the receipt. Under no circumstances are manual transactions allowed for cash.

C-1.1.10.15. ATM Transactions

The Provider must have the capability to process the following ATM transaction types:

1. Withdrawal from cash account
2. Balance inquiry from cash account
3. Adjustments

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4. Reversals
5. Cancellations

Cash account balances must be printed on receipts for cash withdrawals, and balance inquires. Currently the Department provides the first two (2) cash only withdrawal transactions (POS or ATM) per month at no charge to the cardholder. The Provider must ensure that the EBT system denies transactions if the balance of the cash account will not support both the requested withdrawal transaction and all allowable charges or fees. The card number shall be truncated on the receipt.

C-1.1.10.16. Cash Access

Retailers are only permitted to provide cash access services to EBT cardholders through commercially deployed equipment.

The Provider shall provide adequate cash access for cardholders with cash accounts through ATMs and retailers providing commercial cash services. The Provider must maintain a database of ATMs and POS terminals including location name and address that provide cash access services to Florida EBT cardholders, including access in adjoining states that border Florida. This location information shall be available to cardholders through the cardholder website.

The QUEST® Operating Rules (<https://web.nacha.org/quest/quest-operating-rules>) govern the processing of all retailer cash transactions. Depending upon the Provider's arrangement with the prevailing ATM networks, either the QUEST® Operating rules or the ATM network's operating rules will govern ATM cash transactions. To preserve the integrity of the programs served through EBT, the Department reserves the right to disallow EBT cash transactions in certain types of locations.

C-1.1.10.17. Other Transactions Allowed at POS

The ANSI X9.58-2013 standard has been updated to address modern technology that eliminates the need to swipe the card or key-enter the card number (PAN) into the POS device. These are handled within X9.58 through the use of bit 58, POS condition code, and bit 22, card reading method at POS. This includes such innovations as identification by finger image (e.g., Pay-by-Touch) and Radio Frequency Identification (RFID) cards. The Provider must accept and process EBT transactions that contain the new codes, record the new transaction types as part of transaction history, and identify them to FNS as specified in the ALERT file instructions.

C-1.1.10.18. Exception Transactions

The Provider shall support the following exception transactions.

C-1.1.10.18.1. Voids or Cancellations

A transaction may be voided/cancelled by a retailer or cardholder at a POS device or by a cardholder at an ATM. The void message must include the trace number, the exact dollar amount, and other pertinent identifying information from the original transaction. The Provider must have the capability to accurately and immediately process the void or cancellation transaction and appropriately reflect the void or cancellation transaction in the cardholder's EBT account and account history.

C-1.1.10.18.2. Reversals

A POS or ATM transaction may be reversed if for some reason the completion of the transaction cannot be completed at the originating ATM or POS device (e.g., communication failure with the device, a device malfunction or a late timed-out response from the host). The entity (specifically the acquirer/TPP, retailer, or the ATM/POS device) within the response chain where the transaction error is recognized will generate a reversal message back to the Provider. The reversal message will include the trace number, the exact dollar amount, and other pertinent identifying information from the original transaction. The Provider must have the capability to accurately process the reversal transaction and have the results reflected immediately and appropriately in the cardholder's account.

C-1.1.10.18.3. Account Adjustments

The Provider shall adjust cardholder accounts to correct auditable, out-of-balance settlement conditions that result from system errors. A system error is defined as an auditable processing error resulting from a malfunction at any point in the redemption process: from the system host computer, to the switch, to the TPP, to a retailer's host computer or POS device. These adjustments may occur after the availability date and may result in either a debit or credit to a cardholder's account.

The adjustment transaction must reference the original transaction that was either completely or partially erroneous. The Provider shall accurately process the adjustment transaction and have the results reflected in the cardholder's account.

The Provider shall comply with USDA-FNS regulations and requirements for recording, tracking, and processing FAP transaction adjustments. The Department has approval from USDA-FNS for waiver of the "hold" provisions contained in the regulations. (See Federal Waivers as Incorporated by Reference at <http://www.dcf.state.fl.us/admin/contracts/ebt-2018/> for a list of the USDA-FNS waivers

related to EBT.) The Provider must comply with the QUEST® Operating Rules for cash account adjustments. The Department reserves the right to work with the cardholders and retailers/acquirers/TPPs to resolve human error adjustment issues.

Adjustments made by the Provider will cause funds to be moved either to or from the cardholder's EBT account, and will impact daily settlement. The Provider shall provide notification to the Department of pending debit adjustments so that notification can be provided to the cardholder as required by the Department. The Provider must provide data regarding the adjustment transaction as required by the Department.

C-1.1.10.18.4. Key-entered Transactions

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

The Provider shall adopt security measures to prevent cardholder and retailer abuse or misuse of the key-entry feature. The Provider shall ensure that the PAN printed on the transaction receipt is truncated, and the Provider must be able to selectively disable or prevent an EBT-only POS device from completing key-entered transactions. In addition, the Provider must track key-entered transactions by card number and by retailer, retailer address, terminal ID number, and USDA-FNS retailer number. The Provider shall respond to reports of malfunctioning or defective equipment at EBT-only retailer sites and take the appropriate action to resolve the issue.

C-1.1.10.19. Transaction Processing Fees

FNS regulations prohibit the charging of fees for any FAP transactions. The Consolidated Appropriations Act of 2018 (H.R. 1625) (Appropriations Act) implements Section 750 of the Appropriations Act, which prohibits State Electronic Benefit Transfer (EBT) processors, their contractors, subcontractors, or Affiliates from charging routing and switching fees for intra- or interstate transactions.

The Provider shall account for transactions by account type and accurately apply any applicable transaction fees. Each transaction must be allocated to the appropriate cash or food assistance account. A general ledger for each secondary account must be maintained by program benefit category.

Cardholders must be provided with up to two (2) free successful cash only withdrawal transactions each calendar month. Transactions that are reversed or voided, either partially or completely, shall not count as a free cash only transaction. Any fees associated with cash only withdrawals after the first two (2) transactions will be the responsibility of the cardholder.

The Provider shall be able to track and account for all cash withdrawal transaction fees on a monthly basis. The Provider must deduct cardholder transaction fees at the time of the transaction. The Provider must ensure that the cardholder has a sufficient cash account balance to cover the withdrawal, the fee, and any surcharges imposed. The Provider must also ensure that the Department is only billed for cash only withdrawals based on actual usage up to two (2) cash only withdrawals each calendar month.

Cardholders may perform cash purchase transactions and cash back with purchase transactions an unlimited number of times each month at no charge. Cardholders are also provided with an unlimited number of food assistance transactions each month at no charge.

C-1.1.10.20. Interoperability

The Florida EBT system is currently interoperable. The Provider shall support the Federal national interoperability requirements for processing FAP transactions in compliance with USDA-FNS regulations. The Provider shall also support national interoperability for cash transactions. The QUEST® EBT Operating Rules, required by this Contract, provide uniform standards to facilitate interoperability and portability nationwide.

The Provider must expeditiously resolve issues that prevent Florida EBT cardholders from using their cards in other states.

C-1.1.10.21. Restrictive Interchange

To protect the integrity of the benefit programs, Florida prohibits EBT transactions in certain merchant locations including casinos, liquor stores, and adult entertainment venues. The Provider shall support any restrictions that may be required and work with the Department to identify locations where EBT transactions may be prohibited. In addition, Florida residents are not permitted to purchase alcoholic beverages with State cash benefits at any location.

C-1.1.10.22. Store and Forward Transactions

A store and forward transaction is a FAP transaction that is stored electronically with an encrypted PIN by a POS terminal operator when the POS terminal operator is unable to communicate with the EBT host for any reason, and is later forwarded to the EBT host when communications are restored. Such transactions must be compliant with USDA-FNS regulations at 7 CFR §274. If in accordance with the QUEST® EBT Operating Rules, a retailer may store FAP transactions for forwarding to the Provider at a future time, provided the retailer's equipment is capable of storing a cardholder's encrypted PIN.

Store and forward transactions shall be processed at the retailer's risk. If sufficient funds are not available in the cardholder's account at the time the transaction is forwarded, the retailer shall be permitted to use the one-step partial store and forward process described in the Federal regulations cited above. Partial store and forward processing will allow the retailer to collect the balance remaining in the cardholder's account limiting their possible losses.

The retailer shall be allowed to forward the store and forward transaction to the EBT host one time within 24 hours of when communications with the system are restored and the EBT system is able to process transactions. Should the 24-hour time period cross into the beginning of a new benefit issuance period, the retailer shall be allowed to draw against all available benefits in the account to satisfy the outstanding purchase transaction. The Provider's system must prevent the use of store and forward as a way of accessing the cardholders' future months' benefits, unless the 24-hour time period crosses a calendar month.

The Provider's system shall include the following functionality requirements for both full and partial store and forward transactions:

1. The EBT authorization process will recognize store and forward transactions for POS transactions.
2. Store and forward transactions must be uniquely coded and tracked by:
 - a. card (PAN) number;
 - b. retailer location, (including latitude and longitude of the POS device at the time of transaction, if different than the authorized location);
 - c. swiped transactions; and
 - d. keyed transactions.
3. Store and forward transactions must be uniquely identified and included in the transaction history detail records.
4. When a transaction message is identified as a store and forward transaction, the EBT host will send authorization for a partial amount when the account available balance is less than the requested amount.
5. Store and forward denials will be tracked by reason code.
6. Store and forward partial authorization functionality must be capable of being turned on or off upon the Department's request, based on a system parameter flag.
7. A report of both successful and denied store and forward transactions must be produced at both the summary and detail levels.
8. Store and forward transactions (full and partial) must be included in the daily account activity file with a unique transaction response code.
9. Store and forward transactions must be identifiable on the Provider's administrative system, in the Provider's data warehouse, and in the Provider's customer service system.

C-1.1.11. Retailer Management

The Provider shall be responsible for managing retailer participation in Florida EBT. The Provider's primary roles and responsibilities include:

1. Providing all USDA-FNS authorized retailers with the opportunity to participate with the EBT system;
2. Maintaining the USDA-FNS retailer database;
3. Ensuring that the EBT system is interoperable with other states' EBT systems as required in 7 CFR 274.8(b)(10), the Electronic Benefit Transfer Interoperability and Portability Act of 2000, and the QUEST® Operating Rules;
4. Assuring that a sufficient number of retailers participate in EBT to provide cardholders with adequate access to both cash and food assistance benefits, including those cardholders that normally shop across State borders in "border stores" and at "non-traditional" retailers such as farmers' markets;
5. Assuring that the participating retailers understand their responsibilities regarding the policy, operating rules, and operations of the EBT system;
6. Signing either an EBT-only retailer agreement or a Third Party Processor (TPP) agreement for commercial retailers;
7. Maximizing the use of the existing commercial point-of-sale terminals;

8. Installing, maintaining and supporting Provider provided EBT-only POS equipment for exempt retailers in accordance with USDA-FNS policy for retailer participation;
9. Providing retailer customer service as required to exempt retailers for resolving issues and problems with Provider supplied EBT-only POS equipment, manual transaction voucher authorization and helping to resolve settlement and dispute questions and issues;
10. Certifying and de-certifying TPP's and ATM provider/networks to the EBT system; and
11. Accommodating FNS authorized restaurant hot meals locations where eligible homeless, elderly and/or disabled clients can purchase prepared meals.

C-1.1.11.1. Current Environment Description

Retailer management services are currently provided to retailers through TPPs and EBT-only retailers as a part of the comprehensive EBT/EFT contract. The following table provides retailer and EBT-only terminal data as of 11/05/2017:

Number of retailers with EBT-only equipment	104
Number of retailers with EBT-only equipment (more than one POS)	1
Number of non-traditional (retailers without EBT-only equipment)	203
Number of VX 520 devices deployed	105
Total number of EBT-only and non-traditional retailers	307
Number of re-installs per month (average of 6 months)	2
Number of installs per month (average of 6 months)	1
Number of de-installs per month (average of 6 months)	1
Number of integrated	16,070
Grand Total of all active retailers	16,174

The current percentage of EBT-only retailers is approximately 2% of the total number of retailers, with 98% of the retailers participating using commercial POS services.

C-1.1.11.2. Maintaining the USDA-FNS Retailer Database

The Provider shall use the USDA-FNS Retailer EBT Data Exchange (REDE) system to create and maintain a retailer database. The Provider shall accommodate standard file formats and apply REDE files per the FNS schedule. This function is vital to maintaining the integrity of the EBT system and assuring that only authorized retailers are redeeming FAP benefits.

REDE processing includes standard (regularly scheduled) nightly and monthly operations, and ad hoc operations. Both types of REDE operations are performed at the Retailer Operations Division at FNS. The standard nightly operations are performed nightly, Monday through Friday, and create the state and national retailer data update files. The standard monthly operations are performed on the first Saturday of the calendar month and create the full state and national retailer data files. The state retailer data update files are used to update the REDE database. Ad hoc operations are performed as requested when a state agency and/or EBT processor requests a start-up copy of a state or national retailer update file.

The Provider is responsible for ensuring that only authorized FAP retailers redeem FAP benefits. At least once per week, the Provider shall transmit information on retailer FAP redemptions to the Retailer Operations Division at FNS.

The Provider must receive and process REDE file updates in a timely manner to ensure that all newly authorized retailers can perform FAP transactions within two (2) weeks (14 calendar days) from receipt of the USDA-FNS authorization notice. Conversely, the Provider must suspend or terminate the FAP transaction processing privileges of a retailer that has been de-authorized or suspended within 48 hours of notification by USDA-FNS.

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 Provider shall cooperate with State or Federal personnel conducting investigations or audits and provide requested information within a mutually agreed upon time not to exceed 15 calendar days. The Provider shall report all suspicious retailer activity to the State and FNS.

C-1.1.11.3. Retailer Confidentiality

The Provider shall provide physical and access security for the retailer management data and/or databases, and shall ensure the privacy of confidential retailer data and information.

C-1.1.11.4. Information Reporting for Payments Made in Settlement of Payment Card and Third-Party Network Transactions

The Provider shall comply with all regulations relating to information reporting requirements, information reporting penalties, and backup withholding requirements for payment card and third-party network transactions specified in the United States Department of Treasury, Internal Revenue Service (IRS) Final Rule. IRS, 26 CFR Parts 1, 3 and 301, effective 12/31/10. This rule requires the Provider to file an information return for each calendar year reporting all payment and transactions and third-party network transactions with participating payees occurring in that calendar year. Therefore, the Provider shall supply to IRS or its designated entity as required each year the settlement payment information for the retailers that the Provider is directly responsible for handling POS devices and transaction processing.

The Provider shall provide the capability to track and process 1099 Statements for providers paid through the EBT/EFT services contract. Any 1099's shall not be included in records accessible by Department staff.

C-1.1.11.5. Retailer and Acquirer/Third Party Processor (TPP) Agreements

The Provider shall enter into services and compliance agreements with retailers and acquirers/TPP's. For all exempt retailers that accept EBT-only terminals, the Provider must enter into agreements:

1. To deploy and support EBT-only POS terminals pursuant to this ITN; and
2. To act as a TPP for the retailers.

For those retailers who choose to use or modify their existing equipment and either acquire the services of a TPP or serve as their own TPP, the agreement shall be to provide access to the EBT system by the TPP and those retailers that self-process, or any other acquirer. TPPs are responsible for training their EBT retailers and for providing required EBT QUEST® signage.

The retailer and TPP agreements will be directly between the Provider and the retailers or acquirers/TPPs. The Department will not be a party to these agreements. The agreements must describe the terms and conditions regarding the arrangements for use of the POS equipment and the operating procedures and rules. At a minimum, the agreements must include language that requires:

1. Compliance with the USDA-FNS regulations;
2. Compliance with the QUEST® Operating Rules;
3. Compliance with ANSI X9.58-2013;
4. Compliance with USDA-FNS regulations on interoperability and the Department's requirements for nationwide cash interoperability;
no charging of cardholders for FAP transactions;
5. Acquirer and TPP cooperation and timely response to requests for information and data from the Department and other State agencies such as, but not limited to, the Florida Departments of Law Enforcement (FDLE) and DPAF;
6. Certification of acquirer/TPP transaction sets by the Provider prior to beginning live transmission of actual transactions to the host or through transaction routing gateways;
7. No charging for authorization and settlement processing by the Provider for EBT transactions; and
8. Only USDA-FNS authorized retailers may perform FAP transactions.

Retailer and acquirer/TPP agreement language shall be reviewed and approved by the Department and USDA-FNS. Providers are required to certify and assure that acquirers and TPPs connected to the EBT system comply with USDA-FNS regulations and other Department requirements. At the Department's request, the Provider must enforce the agreements if problems are discovered in acquirer/TPP or retailer activities.

C-1.1.11.6. EBT-only Retailer Deployment Requirements

The Provider shall deploy EBT-only POS as required by the Department and USDA-FNS for exempt retailers. The Provider must deploy EBT-only POS devices and provide telecommunications as needed to enable these exempt retailers to participate in EBT. The Provider is permitted to provide additional POS equipment to retailers if the retailer wants to obtain additional equipment from the Provider. The Provider may charge the retailer for providing and supporting this additional equipment. However, any agreement covering such an arrangement is between the Provider and the retailer. The Department will not be party to these agreements.

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C-1.1.11.7. EBT-only Equipment Requirements

EBT-only POS equipment deployed by the Provider shall meet the operational and technical requirements for the EBT system and support the full food assistance transaction set. Cash transactions shall not be conducted on EBT-only POS terminals. The EBT-only POS terminals must provide an audible tone when transactions are declined and display visual verification of:

1. the transaction message before positive action is taken by the cardholder to release the message for authorization and settlement; and
2. the error message rejecting the transaction, including, but not limited to:
 - a. Insufficient funds;
 - b. Incorrect PIN; and
 - c. Invalid account.

EBT-only POS terminals shall meet or exceed the current levels of service and POS technology now deployed in the Department for EBT-only retailers. The Provider shall ensure that POS terminals deployed to EBT-only retailers are adaptable or upgradeable for future needs.

C-1.1.11.8. EBT-only Retailer Wireless POS Requirements

The Provider shall make available to qualified exempt (Farmer's Markets, Direct Farmers), authorized by FNS after contract begin date wireless POS and/or mobile app. for both Android and iOS (Apple) devices that support food assistance transactions only. The cost of the first 50 devices are to be included in the CPCM pricing.

C-1.1.11.9. EBT-only Equipment Support Services

The Provider shall provide the following services for the EBT-only POS terminals it deploys:

1. Repair or replacement services on faulty POS terminal equipment within one (1) business day of the request for service;
2. Routine maintenance;
3. Supplies or supply reimbursement; and
4. Retailer training for all deployed EBT-only terminals.

The Provider must provide a toll-free telephone number to report terminal malfunctions and to provide training on the equipment and its use. The Provider shall provide reasonable efforts to replace problem terminals by personal delivery or express mail. If a replacement terminal is shipped to the retailer, the Provider must contact the retailer to assist with the replacement terminal installation process. The retailer must have the ability to call the Retailer Customer Service to obtain assistance 24 hours per day, 7 days per week.

The Provider shall specify its method for meeting Federal regulations, for ensuring POS terminal deployment, and for providing supplies directly to the retailers or for reimbursing the retailers for their allowable supply costs related to the EBT system.

C-1.1.11.10. Non-Traditional Retailer Support

In addition to traditional retailers, USDA-FNS authorized retailers include non-traditional retailers such as drug/alcohol treatment centers, blind/disabled group living facilities, battered women and children shelters, homeless meal providers, restaurants, elderly/disabled communal dining facilities, meal delivery services, and route vendors.

Authorization as a retailer may not necessarily require the installation of POS equipment. However, authorized group home or congregate living type facilities listed above may be designated as exempt retailers by the Department and USDA-FNS and shall have the option to be equipped with EBT-only POS devices. The Provider must install POS devices in these facilities if the facility is designated as an exempt retailer. This allows the benefits from cardholders' accounts to be deposited directly into the facility's bank account at its financial institution. If the facility wants to provide cash access services to EBT cardholders, they must obtain commercially deployed equipment. The Provider shall provide EBT-only POS support for dine out programs for the elderly disabled, and homeless as needed and for demonstration projects with other non-traditional retailers.

The Federal regulations require that when residents move out of a group home or congregate living type facility, their EBT card and any EBT card held by a facility employee acting as authorized representative or secondary cardholder must be returned to the Provider by the facility. The Provider shall maintain a Post Office box for the secure return of group home EBT cards. All returned EBT cards must be de-activated immediately with an appropriate card status code and destroyed.

C-1.1.12. Settlement

The Provider shall be responsible for the execution of EBT settlement and reconciliation activities. EBT settlement and reconciliation shall be conducted in accordance with current Federal regulations as updated throughout the life of the Contract, and FNS reconciliation and settlement guidance. The Provider's host system shall operate on a 24-hour processing cycle. At a designated cutoff time each day, the Provider shall close out the current processing day and begin the next processing day. To support the settlement function, the Provider or its designated financial agent must have an originating and receiving membership in the national Automated Clearing House (ACH) network.

The Provider shall designate a standard daily cutoff time for EBT transaction processing. The 24-hour period between the cutoff time on Day 1 and Day 2 constitutes the EBT transaction day. The specified cutoff time must allow the Provider sufficient time to originate ACH payments for next day settlement. It is also preferred that the EBT cutoff coincide as closely as possible with the cutoff time of the prevailing EBT transaction switch and/or regional ATM/POS networks, if possible, to minimize the need for carry over or suspense accounting.

Settlement to retailers, acquirers/TPPs, and ATM networks shall be through the existing commercial banking ACH infrastructure. The Provider must have an originating and receiving relationship with ACH, either directly or through a subcontractor. The ACH transfer for settlement must make the Federal Reserve Bank (FRB) cut off time for next business day settlement.

The Provider shall establish settlement windows for the retailers to submit daily transaction data for creation of the ACH tapes for settlement purposes for each business day. All retailers, acquirers/TPPs, and ATM networks shall be allowed to select cutoff times that accommodate their business day. The Provider's agreement with these entities must fully explain the settlement process including time frames, debits, credits and adjustments.

The Provider shall be responsible for initiating next business day settlement of funds to EBT acquirers including retailers, TPPs, and financial institutions directly or through financial networks, financial institutions or other payment intermediaries. The Provider shall own and reconcile a clearing account used for daily settlement.

The Provider shall maintain the historical data for the EBT daily reports and the reports should be readily available with combined daily and monthly report totals.

The Provider will research all variances and provide documentation to support the resolution within five (5) business days after notification.

C-1.1.12.1. Federal Food Assistance Benefit Settlement

The Provider shall make Account Management Agent (AMA) updates through a daily batch file transmitted to the Richmond FRB, which serves as the account management agent on behalf of USDA-FNS. Richmond FRB has developed the AMA automated application on behalf of FNS to establish Letter of Credit controls for State EBT accounts and to monitor funding limits for each State EBT account. Although corrections and emergency updates can be made by the Provider through a manual process on an administrative terminal application, these manual entries must be approved by the Department before AMA is updated.

The draw of Federal funds to settle FAP benefit transactions shall be completed directly via U.S. Treasury's Automated Standard Application (ASAP) system by the Provider. Separate entries shall be made in ASAP for the regular food assistance benefit transactions and the investigative food assistance benefit transactions. Federal food assistance funds must be deposited into a zero balance clearing account maintained by the Provider for the settlement of EBT transactions.

C-1.1.12.2. Cash Benefit Settlement

The Provider shall interface with the State to draw funds for the settlement of State administered day of draw cash benefit programs, including those payments which are made by direct deposit from the EBT cash subaccount. At a minimum, the Provider shall provide the Department with the capability to verify, approve, and initiate the draw of State funds for settlement.

C-1.1.12.3. Current Settlement Process

The Department expects the successful Provider to maintain a settlement process that reflects the current process as much as possible. Current settlement procedures are described below. Please note that all times listed are for the Eastern Time Zone.

Settlement Process - Day 1

No later than 6:00 p.m.

Switch cutoff of daily transaction processing occurs, and totals are calculated. Switch settlement runs as a part of end of day processing. Settlement totals include transactions processed from 6:00 p.m. the previous day to 6:00 p.m. the current day. Settlement figures are prepared seven days a week.¹

No later than 7:00 p.m.

EBT host system cutoff of daily transaction processing occurs, and totals are calculated. Daily State Issuer numbers are run as a part of end of day activities. State Issuer totals include transactions processed from 7:00 p.m. the previous day to 7:00 p.m. the current day for business day reconciliation.

A business day activity log from the host (7:00 p.m. to 7:00 p.m. transactions) is compared to the switch log from (6:00 p.m. to 6:00 p.m. transactions) in an auto-reconciliation for cross balancing and accuracy. The one-hour difference is "held over" for the next day's balancing.

8:30 p.m. – 10:00 p.m.

The switch transmits files to their financial institution for ACH processing. ACH credit/debit files for food assistance transaction settlement are sent to the FRB for processing on the next business day.

Settlement Process - Day 2

Beginning of business day

The FRB processes the ACH files creating a debit to the EBT Service Provider's bank account and a credit to the end point, e.g., retailer or acquirer/TPP. The EBT Service Provider's bank account is in the negative with a daylight overdraft. The EBT Service Provider receives wire transfer of 100% of food assistance funds requested from the previous day via ASAP into its bank account.

Retailers or acquirers/TPPs receive funds at their designated financial institutions by ACH credit. When an acquirer/TPP is involved, the retailer will be credited in accordance with their agreement with the acquirer/TPP.

No later than 7:00 a.m.

All reports, including the state issuer and benefit issuer totals are available on-line to the Department for the prior day's processing. The State Issuer Balancing Report includes business activity for the EBT host system from 7:00 p.m. to 7:00 p.m. The Daily Deposit Calculation Report includes switch settlement totals of activity from 6:00 p.m. to 6:00 p.m. The Department uses the Daily Deposit Calculation Report for cash settlement to the EBT Service Provider.

No later than 8:00 a.m.

Daily reconciliation activities for food assistance transactions are initiated and completed. The benefit issuer totals for cash transactions are reconciled and verified.²

No later than 9:00 a.m.

¹ Over a normal weekend, three sets of ACH files are waiting on the FRB when it opens Monday morning, (i.e., 6:00 p.m. Thursday – 6:00 p.m. Friday; 6:00 p.m. Friday – 6:00 p.m. Saturday; and 6:00 p.m. Saturday – 6:00 p.m. Sunday). Federal Reserve Bank processing creates a debit to current EBT Service Provider's bank account and a credit to the end point, e.g., merchant or acquirer/TPP. Beginning of business Monday when the FRB processes the three files from Thursday 6:00 p.m. through Sunday 6:00 p.m., settlement to the end point includes separate credits for each settlement day. When Monday is a Federal holiday, four files would be processed by the FRB beginning of business Tuesday following the holiday and settlement to the end point includes separate credits for each settlement day.

² Based on the monthly recurring file benefit amounts and certification from the FLORIDA eligibility system, cash (purchase voucher amount from the certification) is vouchered via Electronic Funds Transfer (EFT) into the State Treasury SPIA account. The funds are invested and transferred through the State Treasury to the account for the bank, under contract for such services. Florida's statewide accounting system (FLAIR) is updated and daily certifications are accumulated and invested through the SPIA account to the bank under contract. Investments are authorized several times during the month as needed.

The Department initiates a funds transfer from the State Treasurer's Special Purpose Investment Account (SPIA) via the State Treasurer's on-line system to the State's zero balance account for EBT cash settlement. Daily movement of these funds occurs between the State accounts on each FRB business day.

8:30 a.m.-10:00 a.m.

The State initiates a wire transfer request to the EBT Service Provider's specified bank account to cover the existing daylight overdraft for cash settlement.

C-1.1.13. Reconciliation

The Provider shall provide a Settlement and Reconciliation Manual that contains instructions and procedures for performing daily reconciliation of the Provider's EBT System as defined within 7 CFR §274 consistent with USDA-FNS reconciliation and settlement guidance. The manual must identify the specific data and processes involved, and include the design models with illustrations of the EBT reports that are required for settlement and reconciliation of the Provider's EBT system.

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

Opening balance + credits - debits = End of day balance

The Provider shall ensure that the EBT system as a whole is in balance on a daily basis. The balancing functions performed by the Provider must ensure that the change in the net position in the sum of client accounts equals the change in the net position of program accounts at a summary level. The Provider shall also ensure that the change in the net position in the sum of the program accounts is equal to the change in the net position (obligations outstanding) for the State and Federal government agencies. The Provider must specify procedures in the Settlement and Reconciliation Manual for maintaining audit trails throughout the settlement processes.

C-1.1.13.1. USDA-FNS Reconciliation Requirements

The Provider shall meet FAP reconciliation requirements contained in 7 CFR §274 including at a minimum, but not limited to:

1. Cardholder account daily beginning balance, plus deposits and net draws versus the ending balance;
2. Cardholder net redemptions versus retailer/acquirer/TPP settlement values;
3. Total funds entering, exiting, and remaining in the system each day;
4. Total net change in system-wide obligations outstanding to the sum of the net change in obligations outstanding for all benefit programs;
5. Total net change in system-wide obligations outstanding to the sum of the net change in obligations outstanding for all government funding agencies;
6. The net settlement value of cardholder account adjustments to the sum of the net settlement value of adjustments settled to retailers and ATM acquirers;
7. Net redemptions of each program versus the daily suspense transactions that overlap daily ACH cut off times plus the current daily activity;
8. The net settlement value of all transactions to the sum of the net settlement values for all benefit programs; and
9. The net settlement value of all transactions to the sum of the net settlement value for the State.

As part of system balancing and reconciliation, the Provider shall determine the total amount of Federal funds by program and the total amount of State funds by program necessary to reimburse its accounts for the total credits due to EBT acquirers. The information generated during system cutoff and balance processing shall be used by the Provider to prepare the daily settlement files. The Provider shall specify procedures for maintaining audit trails throughout the reconciliation and settlement processes. The Provider shall keep the EBT settlement funds separate and apart from other commercial settlement accounts that the Provider may be handling. The Provider shall report any unsettled funds by subaccount to the Department.

Prior to making any change in reconciliation reports, processes or data displays, etc., the Provider shall provide 60 calendar day advance notice to the Department. Such changes are subject to Department approval.

ACH settlements, rejected due to incorrect account information or closed accounts, shall be researched by the Provider and when possible, corrected and re-sent to the retailer or acquirer/TPP account. The Provider shall return any food assistance related funds that could not be settled to the retailer within 180 calendar days of the initial ACH to USDA-FNS on behalf of the Department. If the

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responsibility for EBT-only acquiring is subcontracted by the Provider, the subcontractor shall return any rejected settlement funds that could not be settled to the retailer within 180 calendar days of the initial ACH to USDA-FNS on behalf of the Department. Unsettled funds shall be returned to the U.S. Treasury for USDA-FNS no later than ten (10) calendar days after the end of each Federal Fiscal Quarter (FFQ) in which the unsettled funds met the 180 calendar day resolution time period.

At a minimum, the Provider shall provide the following information for each unsettled payment returned: transfer type (credit or debit), transfer method (ACH, wire transfer, etc.), STARS settlement date, total amount, Federal food assistance amount, additional attempted settlement date(s), retailer/acquirer/TPP name, retailer's last known address, and FNS retailer number if food assistance funds are involved. In addition, the Provider must provide contract and contact information related to the retailer associated with each unsettled payment returned.

C-1.1.13.2. Department Responsibilities

The Department is responsible for ensuring that all benefits (cash and food assistance) authorized by the eligibility systems are posted to the Provider's EBT system or otherwise accounted for in the reconciliation. The Department will ensure that food assistance benefits posted to the Provider's EBT system are correctly reported to AMA by the Provider. The Department is responsible for performing the drawdown from the appropriate federal system for cash benefits. The Department will verify the liability remaining in the Provider's EBT system at the end of the processing day for food assistance benefits and will reconcile it against the outstanding liability on the ASAP system. The Department also performs a daily reconciliation of the outstanding liability for cash benefits.

C-1.1.13.3. Provider Requirements for System Reconciliation

Benefit authorizations are sent to the Provider in batch files. The EBT Service Provider processes the benefit files as they are received, and reports any problems with the benefit file to the Department through a confirmation return file. The confirmation return file contains the header and trailer records from the initial file, along with detail records for any benefit authorizations that were rejected. The last four positions of the detail records contain a response code providing the reason for the rejection. An inquiry screen on the EBT Administrative System shows the disposition of each benefit file as it is processed.

Regular monthly recurring benefits have a staggered availability date, i.e., twenty-eight (28) calendar days for food assistance and three (3) calendar days for cash. The availability date for daily benefit authorization records is the date the record was created on the eligibility system plus one (1), allowing for overnight batch transmission and next day availability. Benefit records that have been received by the EBT system, but for which an account does not exist on the EBT system may occur because the corresponding demographic records have not been sent by the eligibility system to the EBT system for EBT account set up.

All financial activity that takes place for each processing day is produced by the EBT system in reconciliation reports. These reports are provided to the Department in electronic format and are also available for viewing through the EBT Administrative System. The reports are used to validate the total amount of new benefit authorizations posted to the EBT system, the amount of benefit authorizations paid out to retailers, acquirers/TPPs due to the settlement of cardholder initiated transactions and any adjustments required to resolve out of balances because of system issues. Finally, these reports are used to reconcile the outstanding liability (e.g., benefit authorizations remaining on the EBT system waiting to be paid out) remaining on the EBT system. For food assistance benefits, the outstanding liability calculated from the settlement reports is reconciled to the outstanding liability reported by the ASAP system maintained by the FRB of Richmond for USDA-FNS.

The EBT Service Provider provides updates to the AMA system supported by the FRB of Richmond for USDA-FNS through daily batch file updates. The EBT Service Provider, acting as the State's fiscal agent, performs the draw down to settle food assistance transactions through the ASAP system. The Department reconciles the amount of the ASAP draw down to the settlement reports.

The Provider shall provide a comprehensive set of daily activity files to the Department reflecting all transactions or account actions that impact EBT account balances or account status.

The Provider shall reconcile the outstanding liability remaining on the EBT system to the liability being reported by the ASAP system. Reports that are comparable to the State Issuer Report and Benefit Issuer Report produced by the existing EBT service provider shall be provided as well as the standard reports currently being received or required by the Department. The reports are identified and described below. Although it is not expected that the formatting of these reports be duplicated, the Provider shall duplicate the data being presented. The Department shall have approval rights over all standard reports, data files, and/or financial reconciliation screens provided by the Provider.

C-1.1.13.3.1. EBT Administrative System Financial Screens

1. File Processing Detail – This screen shows detailed information about how the records within a file received by the Provider were processed by the EBT system. Records received are sorted into three (3) different categories: posted, pending and rejected. Debit and credit count and amount are shown for each of the categories.
2. Benefit Issuer Totals - This screen displays settlement information for a benefit type. For each benefit type, a daily total of prior balance, net deposit, debit & credits, non-settling and ending balance will be shown.
3. Letter of Credit Reconciliation – The screen shows daily settlement & reconciliation calculations for the State's USDA-FNS Letter of Credit and is used to monitor the appropriate authorization and use of food assistance benefits.
4. Deposit Flow Reconciliation - This screen tracks the flow of deposits into the EBT system and details how benefits were applied for each day.
5. State Issuer Totals - This screen is the State Issuer Balancing Report which shows all settlement totals for the day. There are two versions: one for cash and one for food assistance. The second page of the food assistance version is the Food Assistance Fraud Report.

C-1.1.13.3.2. Daily Financial Reports

1. Pending Benefits Report – This report provides information about benefits in the pending file on a daily basis. This report must provide totals by benefit type and availability date for cash and food assistance benefits. These daily reports shall be available for six (6) months.
2. State Issuer Totals Reports – These reports provide the settlement summary totals for food assistance and cash. These daily reports shall be available for six (6) months.
3. Benefit Drawdown Totals Report - This report provides the value of the outstanding liability for unused benefits residing on the EBT system at the end of the processing day. Totals must be maintained by program benefit category, and rolled up into the benefit type (i.e., cash or food assistance). State totals must be reported by benefit type. The ending balance for the previous day must become the beginning balance for the current processing day. It should be possible for the Department to reconcile the ending balance on this report to the outstanding liability reported on the ASAP system for the processing day.
4. Switch Log Totals - This report provides the debit and credit count and total amount for the day which provides the totals to complete the settlement and reconciliation for each day.

C-1.1.13.3.3. Monthly Financial Reports

1. Food Assistance Program Employment and Training Billing – This report provides information about the benefit, benefit type and the benefit count. This information is needed for settlement and billing for the Department of Economic Opportunity (DEO).
2. Billing Monthly – This report provides the case number information on the benefits which is needed to reconcile to the monthly invoice from the Provider.
3. State Issuer Totals – Cash, State Issuer Totals - Food Assistance, and State Issuer Totals – Food Assistance Investigative Accounts – These reports detail daily funds reconciliation by profile type (food assistance, cash, food assistance investigative accounts, FAET accounts).
4. Monthly Cash Benefit Update Totals and Monthly Food Assistance Update Totals – These reports show the benefit number total and amount that is posted, pending and rejected with the debits and credits for each benefit type.
5. Deposit Report – Cash & Food Assistance – This report provides a summary of deposit for each benefit type. Two (2) separate reports are required for each benefit type.

C-1.1.13.4. Discrepancy Resolution

The Provider shall notify the Department in writing within 48 hours of any differences in benefits posted to accounts, authorizations reported to the AMA system and draws reported to the ASAP system that do not reconcile with the eligibility systems or records generated by the Provider. This notification must explain why the discrepancy occurred, describe any impact, and indicate the action taken or underway to remedy the discrepancy. If the Department discovers a discrepancy, the Provider shall be responsive to requests for information and assist in prompt research and resolution.

C-1.1.13.5. Training on Reconciliation Procedures

The Provider shall provide initial reconciliation training to designated Department staff during any conversion that may occur. Thereafter, the Provider shall provide a full-day, on-site refresher training class to designated Department staff annually or as requested by the Department. The training shall be updated as needed during the course of the contract to reflect the inclusion of new programs, benefit types, changes to the reconciliation reports, processes or data displays.

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C-1.1.14. Training

The Provider shall provide training materials for cardholders, retailers with State provided EBT-only equipment and Department staff. In addition, the Provider shall support administrative training efforts and provide train-the-trainer sessions for Department core training staff upon request. The Provider shall be solely responsible for training of EBT-only retailers. The Provider must provide all materials, including, but not limited to, drafts and final versions of training materials, scripts and plans, both in hard copy and electronic media in the format(s) and software specified by the Department. The Department must approve all training materials, scripts, plans and activities, as well as all updates and changes, prior to use by the Provider.

C-1.1.14.1. Cardholder Training

The Provider shall develop and provide EBT training materials for cardholders, including training materials needed to support system conversion and operational transitions, if needed. The Provider shall also develop and provide scripts and training materials for the EBT Customer Service IVR/ARU System.

C-1.1.14.1.1. Cardholder Printed Material

The standard printed training materials (the card mailer, the training pamphlet and Tips card) must be included with each EBT card mailed to cardholders in the designated language. Florida requires printed materials in English, Spanish, and Haitian Creole. The language indicator is passed to the Provider in the demographic interface files. The Provider is responsible for designing, developing, producing, distributing and maintaining adequate supplies of these materials. In addition, the Provider must provide a bulk supply of printed cardholder training materials for local operational use in quantities to be determined by the Department. Contact information and addresses for distribution of bulk supplies of provided materials will be provided to the Provider by the Department. Cardholder training materials shall also be available in PDF format on the Customer Account Website.

Printed materials must be written in easy to understand language and at a fifth grade reading level. The total number and the percentage of materials needed in each language will be determined during the design phase. The breakdown as of January 2018 is 75% English, 24% Spanish, and 1% Creole. The production of training materials is an ongoing task throughout the life of the Contract; therefore, the Provider must maintain sufficient inventory of training materials that reflect caseload changes as well as changes in amounts of materials needed by language levels throughout the Contract period.

The following printed training materials shall be provided:

1. Tri-fold Training Pamphlet: This pamphlet shall include, at a minimum, the following information:
 - a. Use of the EBT Card at the point-of-sale including an explanation of all benefit transactions that can be processed at POS terminals;
 - b. Use of the EBT Card at ATMs including an explanation of all benefit transactions that can be processed at ATMs;
 - c. Use and safeguarding of the card and PIN;
 - d. Transaction fees and surcharges;
 - e. Benefit deposit date information;
 - f. Account aging and benefit expungement;
 - g. Account adjustments
 - h. How and where to use the EBT card;
 - i. Use of the transaction receipt to track balances;
 - j. Prominent display of the toll-free customer service helpline number and customer account website address;
 - k. Use of the customer service IVR/ARU available 24 hours per day, 7 days per week for:
 - 1) Balance inquiries;
 - 2) Information on cardholder transaction history to hear the last ten (10) transactions and obtain account histories;
 - 3) Card replacements and PIN changes;
 - 4) Reporting a lost, stolen damaged or not received card;
 - 5) Reporting unauthorized use of the card;
 - 6) PIN selection and use;
 - 7) Benefit deposit date, including last deposit information; and
 - 8) Filing claims.

- l. Use of the cardholder account website and functions including a toll-free number to call if the cardholder is having difficulty accessing or using the website;
 - m. Any other services that may be offered to cardholders; and
 - n. Non-discrimination statements required by USDA-FNS and the Department.
2. Tips Card: The Tips card is a condensed version of the instructions for the use of the card at the point-of-sale and ATM devices, structured to fold to standard wallet size. The Provider shall produce the Tips Card as a perforated attachment of the Card Mailer.
3. Card Mailer: The card mailer shall display:
- a. The non-discrimination statements required by USDA-FNS and the Department;
 - b. PIN selection information;
 - c. EBT and ESS Customer Service Numbers; and
 - d. Any of the information listed under 1. above, as space permits.

C-1.1.14.2. Retailer Training

The Provider shall develop and provide training materials for EBT-only retailers, including a User Manual, Quick Reference Sheet and toll free support number. For EBT-only POS terminals provided to retailers via mail or overnight delivery, the Provider may provide training through written training materials accompanying the terminal. However, if on receipt of the POS equipment, a retailer requests additional training or assistance, the Provider shall provide such assistance through the Retailer Customer Service Center or onsite training if requested by the retailer.

C-1.1.14.2.1. Retailer Printed Material

All EBT-only retailers shall be provided with printed training materials. All printed materials must be provided in English and Spanish. The Provider shall develop, produce, and distribute the following printed training materials for retailers:

- 1. User Manual: This manual is to be distributed to retailers using EBT-only equipment. The manual must include, at a minimum, the following information:
 - a. Toll-free number(s) for retailer assistance, voice authorizations, and general information;
 - b. POS equipment introduction and assembly;
 - c. Clerk transactions;
 - d. Off-line food assistance manual voucher transactions;
 - e. Supervisor transactions;
 - f. Store balancing;
 - g. Totals reporting;
 - h. Maintenance and troubleshooting;
 - i. Testing of equipment;
 - j. Use of the IVR/ARU; and
 - k. Use of the retailer website and functions, including the toll-free number to call if the retailer is having a problem accessing or using the website.
- 2. Retailer Quick Reference Sheet: This sheet is to be provided to retailers for use as a quick reference guide and must meet the following specifications:
 - a. One sided print;
 - b. Be small enough to post next to the cash register; and
 - c. At a minimum contain the following information:
 - 1) Terminal sign on/sign off procedures;
 - 2) Balance inquiry;
 - 3) Food benefit purchase;
 - 4) Food benefit returns; and
 - 5) Retailer customer service number(s).

C-1.1.14.3. Department Staff Training

The Department develops administrative training materials and provides training to Department EBT staff at all levels. The Provider shall support this effort by providing training to core training staff and a "train-the-trainer manual" that includes detailed documentation of Administrative System functionality. The Provider shall also provide documentation and supporting information for any updates and changes to the "train-the-trainer" manual to coincide with functionality changes made to the Administrative System. The Provider shall provide "hands on" training to the Department's core training staff upon request. In addition, the Provider must provide access to a training and/or test environment within the Provider's system to be used for "train-the-trainer" sessions and for ongoing support of Department EBT staff training. The Provider shall provide ongoing technical support for the test and/or training environment. Production data shall not be used for any training activities.

The Provider shall provide a Train-the-Trainer Manual, a core EBT training manual that encompasses complete operational system functionality. This manual must include information on:

1. Administrative System functionality including:
 - a. Menu access
 - b. Screen functionality
 - c. Detail data access (screen hierarchy)
 - d. Data available
 - e. Field definitions and code charts
 - f. Inquiry functions
 - g. Update functions
2. Accessing and using the On-line Reports function;
3. EBT system security procedures and access control;
4. Training cardholders to use EBT cards;
5. Use of the EBT card at ATM and POS devices;
6. Accessing EBT Cardholder Customer Service and available services;
7. Use of the cardholder account website; and
8. Use of the data warehouse.

C-1.1.14.4. Data Warehouse Manual

The Provider shall also provide detailed documentation of Data Warehouse functionality in both hard copy and electronic media as specified by the Department to support the Data Warehouse training. Documentation must be provided on standard and ad hoc reports including, but not limited to, the following topics:

1. Transaction inquiries:
 - a. By EDA account number,
 - b. By benefit authorization number,
 - c. By FNS number,
 - d. By card number,
 - e. By case number, and
 - f. By SSN.
2. Reports, including:
 - a. ATM/POS out of state usage report,
 - b. Latest card action report,
 - c. Credit transactions report,
 - d. Multiple same day recipient transaction report,
 - e. Multiple same day retailer transaction report,
 - f. Rapid or repeated transaction report,
 - g. Redemption of entire benefit in one transaction report,
 - h. Transaction denial analysis report,
 - i. Transaction denial summary report, and

j. Multiple card replacements within a month

C-1.1.15. ACH Services

The Provider shall provide ACH Payment functionality to support the direct deposit of cash benefits into client and/or Provider designated bank accounts. This functionality is separate from and in addition to the mandatory functionality to provide for direct deposit from the EBT cash account to a customer's personnel bank account at their request.

To support ACH payment services, the Provider, or its designated Financial Agent, shall have an ACH Originating Depository Financial Institution (ODFI) membership in the ACH network. The Department or designated agency will send the Provider ACH payment set-up or update information through batch files or through Administrative System functionality. The Provider, or its designated Financial Agent, shall originate these payments into the ACH payment network. The Department or designated agency will send the Provider ACH payment information through the batch file process or host-to-host. The Provider shall edit for duplicate files and records within the ACH process. The Provider shall initiate the settlement of direct deposit payments through agreed upon settlement procedures. The Provider shall maintain ACH activity records on customer and provider accounts, including date, amount, and banking information.

C-1.1.15.1. Use of NACHA File Specifications

The Provider shall use NACHA's ACH Input File specifications for creation and transmission of the ACH payment records.

C-1.1.15.2. Pre-note Process

The Provider's designated ODFI shall initiate a zero-dollar pre-note entry through the ACH to the Receiving Depository Financial Institution (RDFI) for the purpose of validating account information provided by customers/providers. The ODFI shall process the pre-note transactions in compliance with ACH rules. The Provider and/or the ODFI shall provide an automated capability for the department or designated agency to correct returned pre-note transactions.

C-1.1.15.3. Notifications of Change

Notifications of Change (NOCs) are zero dollar ACH transactions sent by an RDFI to the ODFI to correct information contained in a pre-note or live ACH transaction. The Provider and/or the ODFI shall develop an automated capability for the Department or designated agency to correct NOC information.

C-1.1.15.4. Returns

Returns are live dollar payments that are not accepted by the RDFI. The ODFI will receive returns on behalf of the Department or designated agency. The Provider and/or the ODFI shall develop an automated capability for the Department or designated agency to accept and/or correct returns and shall provide sufficient detail on returns to allow reconciliation, including the customer/provider identification number, name, social security number, bank account number and routing number, and process resends. Additionally, the Provider shall provide the capability to post ACH returns to a customer's pre-existing EBT account. At the Department's discretion, the Provider shall provide electronic notification to facilitate the automated generation of a letter to a customer/provider.

C-1.1.15.5. ACH Administrative Service

At the Department's discretion, the Provider shall provide ACH administrative services. The Provider shall record and maintain customers' or State vendors' account information, update account information, remedy account errors or returns, and resolve payment issues with the customer's or provider's financial institution. Customers or providers that report incorrect account information or change financial institutions without notice shall not have their funds transferred to the correct or new account until the Provider has recovered any funds transferred to the incorrect financial institution or account.

C-1.1.15.6. 1099 Statements

At the Department's discretion, the Provider shall provide the capability to track and process 1099 Statements for State vendors paid through this contract. Any 1099's shall not be included in records accessible by State staff.

C-1.1.16. EBT Data Warehouse and Reporting

The Provider shall provide the Department with an EBT data warehouse. The EBT data warehouse must contain all transactional data relating to the State's EBT cardholder accounts and any available metadata associated with the transactions and accounts. The EBT data warehouse is defined as an electronic repository of detailed EBT transaction and account data, separate from the on-line operational data base. The data warehouse should be designed in such a way that it facilitates the ability to derive reports and perform analysis of data derived from EBT system operations. The data warehouse shall have the capability to provide canned reports as required by the State, configurable reports, and ad hoc reports. The Provider must support complex and ever-changing State reporting requirements.

The Provider shall accept and convert all available data up to a seven (7) years transaction history from the current EBT service provider to populate the data warehouse. The conversion of data and population of the data warehouse shall be completed and tested prior to the system conversion date.

The Provider shall provide data warehouse capability that will allow authorized State staff to access the data warehouse through administrative terminals, screens, and/or systems or through an internet browser application. This data must include at a minimum, but not necessarily be limited to, the data elements shown in the following table. The information in this table is meant to demonstrate to prospective Providers the minimum type and extent of data expected in the data warehouse, rather than being the definitive list.

Data Warehouse Data Elements

Data Element	Description
Access Type	Cardholder account access)
Access Type Description	Account access type (food, cash, etc.)
Account Adjustments	Cardholder and Retailer Account Adjustment actions
Account Balance	Account balance as of the completion of the transaction
Account Number	Unique Identifier for the account
Account Suspension/Lock	Account suspension/lock actions completed on the Administrative System
Account Reactivation	Account reactivations to release suspension/lock actions completed on the Administrative System
Acquirer ID	Acquirer ID associated with this transaction
Address Change	Changes of addresses reported by the cardholder and updated on the EBT system
Applied Amount	Amount of the total transaction amount that was applied to an authorization
Applied Authorization Number	Authorization number(s) against which a transaction was applied
Authorization Response Number	Authorization number for the transaction
Benefit Month	Month for which the benefit was issued
Benefit Repayment	Voluntary benefit repayments from cardholders by program benefit category completed through the Administrative System
Card Entry Type	Identifies whether the card used for a transaction was swiped or manually entered
Card Expiration Date	Expiration date for the card
Card Issue Date	Date card issued
Card Number	Card number used for the transaction
Card Status Changes	Card Status actions completed on the Administrative System
Card Replacement Actions	Card replacement actions completed
Cardholder DOB	Cardholder date of birth
Cardholder Email Address	Cardholder email address if available
Cardholder Full Address	Cardholder full address
Cardholder Name	Cardholder full name
Cardholder Phone Number	Cardholder phone number
Cardholder Phone Number	Cardholder phone number
Cardholder Primary/Alternate indicator	Cardholder primary/alternate indicator
Cardholder County/Service Site Code	State specific code providing the administrative office responsible for the cardholder's case record
Cash Back Amount	Cash back amount for the transaction
Completed Issuer Fee Amount	Fee amount completed for the transaction
Cardholder Security Code	Secret code used for administrative transactions
Completed Surcharge Amount	Surcharge amount completed for the transaction

Data Element	Description
Completed Transaction Amount	Completed dollar amount of the transaction that was approved and completed
Current Account Balance	Account balance as of the completion of the most current transaction
Direct Deposit Status	Record of direct deposit actions (add, delete, change)
Direct Deposit Release Date	Date of direct deposit benefit release to the bank account
Direct Deposit Release Amount	Amount of direct deposit benefit release to the bank account
FNS Number	Retailer's Food and Nutrition Service authorization number
Authorization Funding Source	Indicates if the authorization is Federal or State funded
Authorization Funding Source Description	Description of the authorization funding source
Authorization Number	Authorization number for the authorization
Latitude and Longitude	Latitude and longitude of the POS device at the time of the transaction
Local Date	Local date for this transaction as determined by the terminal driver
Local Time	Host time logged by the EBT system in processing the transaction
Local Time	Local time for this transaction as determined by the terminal driver
Log Date	Host date logged by the EBT system in processing of the transaction
Log Time	Host time logged by the EBT system in processing the transaction
Merchant Full Address	Merchant full address
Message Type	Type of message sent on the inbound ISO 8583 message
Original Authorization Number	Manual authorization approval number or, on reversal transactions, the original approval number of the transaction being reversed
PIN Change	Indicator that PIN was changed
PIN Freeze Actions	PIN Freeze actions completed on the Administrative System
PIN Freeze Release Actions	PIN Freeze Release completed on the Administrative System
Program Type	Program type for a transaction
Received Benefit Type	State supplied benefit type for this authorization
Reference Number	Device and switch provided trace numbers; only available for ATM and POS transactions
Rejected Transaction	Indicates if a transaction was accepted or rejected
Reply Code	Response code for a transaction
Reply Code Description	Description of the reply code
Requested Issuer Fee Amount	Fee amount requested for the transaction
Requested Transaction Surcharge Amount	Surcharge amount requested for the transaction
Requested Transaction Amount	Original request amount for the transaction
Restaurant Indicator (Optional)	Indicates if the cardholder is authorized to use FA benefits in approved restaurants
Restaurant Indicator Description	Description of the restaurant indicator
Retailer Type Code	Identifies the business type code for the retailer
Retailer Type Code Description	Description for the retailer type code
Settlement Date	Settlement date for the transaction
State Code	Two-character State code identifier
State Unique ID	State unique identifier (also referred to as cardholder case number)

Data Element	Description
Terminal ID	ID of the ATM or POS terminal submitting the transaction
Terminal Merchant Name	Store name received in the ISO 8583 message
Trace Number	Device and switch provided trace numbers
Transaction Amount	Total amount of the transaction
Transaction Method	Keyed, Swiped, Other
Transaction Type	Identifies the transaction type
Transaction Type Description	Description of the action performed by the transaction
User ID	r performing the administrative transaction
Voucher ID	Manual voucher ID associated with the transaction

The Department must have the capability to sort and manipulate this data as needed. At a minimum, sort capability shall be provided at the Department, program, and organizational administrative levels. In addition, data shall be able to be sorted by selected parameters, including but not limited to: transaction type, transaction time period, out-of-state transactions, card status, key entered transactions, etc. In all date range instances, data shall be configurable, and the queries shall be able to include the entire data base. The Provider shall provide a suite of user friendly, pre-developed queries or reports to facilitate frequent or standard queries. Examples of these shall include, but are not limited to:

1. Transactions by cardholder account number with user definable date range;
2. Transactions by FNS number with user definable date range;
3. Transactions by EBT card number with user definable date range;
4. Transactions by Social Security Number with user definable date range;
5. Transactions by State Unique ID with user definable data range;
6. Transactions by zip code with user definable date range;
7. Out-of-state transactions with user definable date range and state codes;
8. Non-financial history data with user definable date range; and
9. Account administrative actions with user definable date range, service site or office.

Department users will normally fall into one (1) of two (2) categories: standard users, who are staff empowered to use already constructed queries/reports; and power users, who are a limited number of staff empowered to create custom queries or reports using the tools provided by the Provider. The Provider shall work with the Department to facilitate the development of standard queries or reports. The Provider shall also provide the ability for a power user to make a custom query or report available to standard users.

The Provider is expected to use, and make available to the Department's power users, standard reporting and data mining tools. Standard queries developed over the course of this Contract shall be provided at no cost to the Department or other State and Federal agencies using the data warehouse. As a value add, the Department is requesting that the Provider provide user access and full operational control of a web based analytic tool such as Tableau or similar program. The Department anticipates a maximum of fifty users requiring this access. The Department would like the program to support the creation of individual system dashboards and enable users to create and publish reports viewable on screen and in print media.

Access to the data warehouse shall be limited to authorized users and shall be secured through standard access control measures. The Department's EBT Security Officer and other designated security officers shall be able to create, change, reset and delete data warehouse user IDs and passwords.

The Provider is expected to keep the data warehouse current with no more than 36 hours of elapsed time between a transaction's occurrence and its loading into the data warehouse. Typically, EBT data warehouses are updated once every 24 hours. The Provider shall also be responsible for paying the license fees, if any, for the Department's users.

It is expected that retailer location data stored in the data warehouse will be normalized so that it agrees with FNS REDE data. It is further expected that demographic data transmitted to the Provider via the interface files will be available in the data warehouse in the same format as sent to the Provider's EBT host. Finally, the Department recognizes that the EBT data warehouse is a critical tool in the State's fraud prevention and detection initiatives.

C-1.1.16.1. Ad-hoc Reporting Capability

The Provider shall provide the Department with robust ad-hoc reporting capability. This ad-hoc reporting capability must be easy to use and provide access to financial and non-financial transaction history data via the data warehouse. The Provider shall provide parameter driven access to permit, at a minimum but not limited to, data inquiry, sorting and extraction as follows:

1. By account, summary credit, debit, and current balance information;
2. By account, detail information on all cash or food assistance transactions for a specified period of time, listing date, time, location, including latitude and longitude coordinates, and amount;
3. By account, detail information on all transactions for a specific retailer, POS terminal, or ATM;
4. By account, EBT card status, card issuance, card replacement history, security code change history, and PIN change history including account balance at time of replacement and summary statistics on card replacements over specified time periods;
5. By retailer, detail information on all cash or food assistance transactions for a specified period of time, listing such information as: account numbers, dates, times, locations, including latitude and longitude coordinates, terminals, and amounts;
6. By retailer, detail information on all transactions for a particular account; and
7. By transaction sequence number.

Due to changing and evolving business needs, the report formats and data requirements of the Department and the Federal program agencies are subject to change. The Provider shall support Department or FNS changes in reporting requirements at no cost to the Department.

C-1.1.16.2. Standard Reporting Package

The Provider shall provide a standard reporting package consisting of the reports defined in Exhibit D, Section D-2.2 – Comprehensive Report Listing.

The Provider shall accommodate the data storage and reporting needs of the Department and USDA-FNS in its reporting package. Required reports and reporting capabilities shall be provided via an Administrative System on-line reports module or by electronic files, as specified by the Department.

C-1.1.16.3. Daily Data Warehouse Files

The Provider shall provide the Department with the same EBT data used to create the data warehouse via daily electronic files. The Department will pass the files through to their internal and external business partners as needed. This includes EBT data updates in two (2) flat file formats detailed in EBT Interface File Layouts and Processes as Incorporated by Reference at <http://www.dcf.state.fl.us/admin/contracts/ebt-2018/> for file layouts:

1. Daily Address Change File; and
2. Transaction History File.

C-1.1.17. Investigations Support: Fraud Detection and Prevention

The Provider shall advise, assist, and act to aid the Department and the USDA-FNS in detection and investigation of fraud and abuse by retailers, recipients, or Department staff, including reporting suspected fraudulent EBT activity. The Provider shall cooperate with State and Federal agencies responsible for compliance with laws and regulations for all programs supported under this Contract.

C-1.1.17.1. Fraud Detection/Prevention Support Solution

The Provider shall deliver and operate a fraud solution that includes the following required functionality for use by Department authorized investigators:

1. Provides a dashboard that uses online, real time transaction data and combines it with other data in conjunction with a correlation engine to identify and display high risk and suspected fraudulent situations,
2. Generates alerts indicating possible fraud where a history of activity matches a set of defined conditions defined and/or approved by the Department,
3. Assigns the generated alerts to investigators for follow-up, and
4. Provides an administrative console that allows real-time adjustments to risk factors and thresholds.

The Provider's fraud detection solution shall at a minimum support the following functionality:

1. Configurable alert workstation(s) that displays information about EBT cards, recipients, and any associated alerts;
2. Navigation toolbar with links to internal and external data resources depending on a profile and user authorization;

3. Work queue list and chart showing the current open, pending and deferred alerts assigned to each investigator to be processed for a given work queue;
4. Search features by first and last name, living or mailing address, county, DCF PIN number, DCF case number, Florida EBT card number and alert rule;
5. Sorting and filtering capabilities for alerts and search results;
6. Report generation for monitoring workload, summarizing search results, and tracking high risk cases over time;
7. Interface for emailing a suspicious activity alert;
8. Ability to create additional rules when the data are available;
9. Supports research (such as drill down to detail information within the constraints of the system) to assist an investigator or Dedicated Resource with collection and review of various data related to an EBT Fraud Referral; and
10. Notes feature for users to enter text on specific objects, which can be viewed based on roles. For example, Department users cannot view DPAF users' notes, but DPAF users can view notes from anyone within the system as defined for Florida.

C-1.1.17.2. Investigative Support

The Provider shall provide administrative system functionality by which DPAF within the Department of Financial Services can create FAP accounts, authorize benefits, and receive EBT cards for use in investigations conducted by state law enforcement and USDA-FNS. See **Section C-1.1.4.9 - Investigative Account Set-up and Benefit Issuance** for requirements.

In addition, the Provider shall:

1. Provide cooperation and timely response based on mutually agreed upon communication procedures to information and data requests by DPAF
2. Provide information from the system, as needed, for evidentiary purposes as soon as practicable as agreed upon with the Department.
3. Promptly respond to investigative inquiries and subpoenas for information.
4. Provide a designated expert witness to testify in court for the prosecution as the custodian of records for the EBT system and data and, provide expert testimony related to normal daily business practices, data accuracy and accountability, and data and system security.
5. Provide, on rare occasions "for Law Enforcement purposes only," 24 hours per day, 7 days per week electronic monitoring and reporting of specific accounts and EBT card activity (via alerts in the Fraud Detection and Prevention solution) to designated DPAF members. These data requests and services shall be activated within two (2) hours of request during business hours and within four (4) hours of request during non-business hours.
6. Retain the most current 365 days of transaction data on the Administrative System for fraud detection purposes.

C-1.1.17.3. Fraud Detection and Prevention System User Guide and Training

The Provider shall provide an up to date Fraud Detection and Prevention System User Guide in MS Word electronic format to enable the Department staff to make user documentation with the additional policy, practices and system use standards specified by the Department. When material system changes are made to Fraud Detection and Prevention solution, the Provider will deliver written updates describing system changes being made to the system and updates to the User Guide. The Department is responsible for reviewing the changes and ensuring its training materials are updated if needed.

The Provider shall conduct train the trainer sessions to familiarize the Department with any new systems or material system changes upon release.

C-1.1.17.4. Fraud Services Dedicated Resources

The Provider shall provide three (3) Dedicated Resources for EBT Fraud Services to perform data analysis, provide reports, and act as the point of contact for the Department for fraud services support. Fraud Services include the referral of specific retailers and specific recipients for fraud investigation. The Dedicated Resources shall:

1. Collectively have experience in data analytics, data mining, and public assistance or financial fraud investigations;
2. Provide Fraud Services to include performing data correlations, data mining and analysis, and fraud analytics using retailer and client information, transactional information, and demographic changes;
3. Provide reports to the Department as requested when the data source is available; and
4. Consult with the Department on fraud related issues.

C-1.1.17.5. Meetings

The Provider shall meet with the Department monthly, or at the Department's request, to discuss the Monthly Report Card and Operations Status Report, tasks the Dedicated Resources are working on, as well as fraud trends related to Actionable Referrals. These meetings may be combined with the status meetings. At these meetings the Department may provide information regarding needed changes to the rules or parameters within the constraints of the systems that will allow for higher quality Actionable Referrals and aid the Department in obtaining its annual savings goals. The Provider shall provide information relating to planned changes to its fraud solution in pursuit of Department's fraud prevention objectives.

C-1.1.18. Disaster Services

It is the goal of the Department to continue transaction processing and disbursement of benefits in the event of adverse situations related to systems and telecommunications failures and in natural disasters. This section of the Contract addresses major risk points and solutions derived to enable continuation of business with minimal interruption in these adverse situations.

C-1.1.18.1. Provider's System

In the event of an outage or disaster impacting the availability of the Provider's primary data processing site, the Provider shall have a back-up site for host processing, telecommunications and network services. The Provider shall notify the Department immediately of any outages. If the outage is expected to exceed one (1) hour in duration, and based on an evaluation of the problem and the time required to resolve, transaction processing shall be switched to the EBT host back-up "hot site" upon agreement with the Department. Notification shall be provided to affected stakeholders, e.g., retailers, financial institutions, networks as applicable with instructions for operations as a result of the switch.

The Provider must provide an alternate means of authorization of EBT transactions during short-term outages when switching over to the back-up site is not considered appropriate. The Provider will notify the Department, the retailer community, and other stakeholders that an outage is occurring and alternate means of obtaining authorizations is in place, and include the process by which these transactions will be settled and reconciled.

The Provider's Business Continuation and Recovery Plan must include a notification process as well as disaster declaration criteria and timeframes that are acceptable to the Department. The Provider must advise the Department immediately upon recognition that a switch to the back-up site is required to prevent disruption of EBT services and transaction processing. If the Provider is providing EBT services to multiple states, the disaster recovery plan must address the timing and order of recovery of the Florida EBT system as compared to the other entities being processed. The recovery of Florida's EBT system must not be delayed because the Provider is recovering other states' EBT systems.

The disaster back-up site and alternate communications routing must be tested annually. The Provider must provide the Department with copies of these test results within 30 days of completion of the testing.

C-1.1.18.2. Disaster Services – Level I and Level II

Level I disaster criteria include:

1. Limited demographic area(s) affected;
2. Minimal number of clients/cardholders affected;
3. Limited power and telecommunications infrastructure impact - "spot outages", restoration in 1 - 3 days; and
4. Benefit redemption points are available.

Level II disaster criteria include:

1. Larger, but well defined areas affected;
2. Moderate number of clients/cardholders affected;
3. Power and telecommunications outages, restoration in 3 - 7 days; and
4. Benefit redemption points available.

C-1.1.18.2.1. Cardholder Support Services

C-1.1.18.2.1.1. Lift Staggered Issuance

In the event of a disaster, the Department requires the ability to post all benefits in a designated county or counties immediately, regardless of actual availability date originally assigned to the benefit. The Provider must support this requirement to immediately post benefits upon Department authorization by county/service site code and/or zip code. All account balances must accurately reflect the

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posting of benefits as a result of the lifting of staggered issuance. Transaction history must be clear and accurate to show the actual date the benefit was deposited into the account and reflect the correct balance as of the deposit. Daily reports for reconciliation must be complete and shall accurately display the changes in account balances. An electronic file of all accounts with benefits posted as a result of the lifting of staggered issuance shall be sent to the FLORIDA system for updating the eligibility system's inquiry screen, IQFS.

C-1.1.18.2.1.2. Replacement Benefits

In the event of a disaster, Federal policy permits replacement of food previously purchased with food assistance benefits by EBT cardholders that is lost, destroyed, or otherwise rendered unusable by the disaster. The Department will generate and transmit separate, identifiable files of replacement benefits for the Provider to deposit to cardholder accounts.

C-1.1.18.2.1.3. Increased Customer Support

In the event of a disaster, the Provider must provide the same scope of services at the Cardholder Customer Service and Retailer Customer Service Centers. The IVR/ARU must have specific disaster scripts that have been approved by the Department to notify callers of changes and potential delays. Because call volumes will likely increase, the Provider shall increase the number of CSRs available to support cardholders. The Provider must develop a Customer Service Staffing Capacity Plan to cover unanticipated high call volumes. CSRs must be alerted when accessing the cardholder records that the cardholder resides in the disaster area.

C-1.1.18.2.1.4. Drop-ship Delivery Option

In normal circumstances, new cardholders receive their cards via mail delivery at their residence or mailing address. In disaster situations, normal mail delivery may be interrupted or the household may be displaced. The Department requires the ability to drop-ship active cards via overnight express mail to a designated location at the cardholders' option. The Department also requires the Provider to support drop-shipment of boxes of disaster cards and materials to specified locations if on site card issuance is needed.

C-1.1.18.2.2. Retailer Support Services

C-1.1.18.2.2.1. Retailer/ATM Site Survey

Upon notification by the Department of an impending disaster, the Provider must survey selected retailer locations and financial institution/ATM networks to determine the level of service that may be available for cardholders. After the disaster has occurred, the Provider must contact these benefit redemption points again to determine the status of ongoing operations. The Provider must ensure that CSRs are aware of which benefit redemption points are not operational during and after the disaster in order to direct cardholders to benefit access locations.

C-1.1.18.2.2.2. Distribution of Manual Vouches

In the event of a disaster, retailers may require manual transaction vouchers. The Provider must maintain a bulk supply of manual transaction vouchers in strategic locations and propose a method by which the vouchers will be distributed to retailers prior to and during disaster events.

C-1.1.18.2.2.3. Disaster Off-line Manual Voucher

In a disaster scenario, if POS devices and phone lines are inoperable, retailers may use a special disaster off-line manual voucher process to document the benefit redemption transactions for the food assistance program without obtaining voice authorization prior to completion of the transaction. When phone lines are operational again, retailers will request authorization for the disaster off-line manual voucher through Retailer Customer Service.

C-1.1.18.2.2.4. Distribution of Disaster Off-line Manual Vouchers

The Provider must maintain a bulk supply of disaster off-line manual vouchers and propose a method by which the vouchers will be distributed to retailers. The Provider must immediately notify the Department of situations that potentially require the disaster off-line manual voucher process to be implemented. The Department and USDA-FNS must approve use of the disaster off-line manual voucher process before it can be implemented.

C-1.1.18.2.2.5. Extended Voucher Authorization and/or Clearance Period for Disaster Off-line Vouchers

Because retailers accept full risk and liability for disaster off-line manual voucher transactions, they have 90 days to obtain the authorization and may obtain the authorization incrementally. Retailers may clear the authorized disaster off-line manual voucher at any time during the 90-day period for the amount of benefits available at that time. A hold will be placed on the available benefits in the account. After 90 days, the hold will expire if the transaction is not cleared for the total amount authorized.

C-1.1.18.2.2.6. Increased Retailer Customer Service

In the event of a disaster, the Provider must provide increased support for the Retailer ARU and Customer Service operations to meet increased demand. The ARU must utilize the Department approved disaster script(s). Because call volumes will likely increase, the Provider must adjust the number of Customer Service Representatives available to support retailers as stated in the Customer Service Staffing Capacity Plan.

C-1.1.18.2.3. Technical Support

The Provider must support back-up site processing and alternative file and transaction routing for the following:

1. EBT Back-up Hot site to the State Eligibility System(s);
2. EBT Back-up Hot site to State Eligibility System Back-up Hot Site(s);
3. EBT System to State Eligibility System Back-up Hot Site(s);
4. POS and ATM transactions coming into a "transaction gateway" must be routed to the EBT Back-up Hot Site; and
5. Back-up connectivity and telecommunications support for routings listed above.

The Provider must support access to the EBT Administrative System via direct dial up or other alternate method in the event the State's telecommunications network becomes inoperable. The Provider must provide the appropriate security access and software required for this alternate path access. The Provider must also provide instructions to designated Department staff for use of the alternate access and software.

C-1.1.18.3. Disaster Services– Level III

Level III disaster criteria include:

1. Catastrophic;
2. Widespread commercial and residential impact;
3. Limited power and telecommunications service, outages expected to last longer than a week; and
4. Benefit redemption points are not available or very limited availability.

Level III services include the services provided for Level I and Level II disasters in addition to the services described below.

C-1.1.18.3.1. Disaster Cards and PIN Selection

The Provider is required to maintain a supply of 2,000,000 disaster cards to be available to support a Disaster Food Assistance Program (the Federal Disaster Supplemental Nutrition Assistance Program – D-SNAP). One million (1,000,000) vault cards must be readily available for shipment to the Department within 24 hours of request. The remaining 1,000,000 vault cards must be ready for shipment within five (5) calendar days from the date of initial request. The cards must be printed with a unique disaster PAN. No other personalization is required. English and Spanish language training materials must be enclosed. A supply of Haitian Creole training materials is also required. The Provider must also include special information with the card that provides the cardholder information about using the disaster card and PIN and disaster benefit aging policy. If compromised in any way, disaster cards must be able to be status changed immediately by Cardholder Customer Service or authorized Department personnel.

Card issuance for disaster services will occur on-site at local D-SNAP locations and through mail issuance as specified by the Department. The requirements related to D-SNAP cards are provided below.

1. Use of a card carrier with a tear off "Tips" card with card use information.
2. Active cards that require no activation by the cardholder.
3. Use of regular card stock.
4. The card number will be 16 digits and will begin with Florida's BIN "508139". The eighth digit of the card number for mailed cards is currently "2" (two). The eighth digit for on-site cards will be "9" (nine). The Provider shall ensure that the range of card numbers established for both mailed and on-site cards will not duplicate the card numbers currently in use by Florida cardholders or those in stock intended for issuance to cardholders.
5. The cards to be issued on-site will have "DSNAP" printed on the front.
6. Mailed cards will have the cardholder's name printed on the front.
7. Mailed cards must be in the mail within the next US Post Office mail date following the state request (file sent to Provider), e.g., card requested during business hours on Friday should be in the mail on Saturday
8. Mailed D-SNAP cards should not be forwarded, but instead must have a return post office box address for the return of undelivered cards.
9. PIN selection for mailed cards will occur through the EBT Customer Service ARU, the same process used with regular cards.

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10. Cards issued on-site must support parameter driven PIN assignment for these options: PIN = last four digits of the case number; PIN = last 4 digits of the card number; PIN = birth month & year; and PIN = birth month & day; PIN – 9 – 12 digits of card number. Please refer to the Florida Demographic Record Layout in EBT Interface File Layouts and Processes as Incorporated by Reference at <http://www.dcf.state.fl.us/admin/contracts/ebt-2018/> for PIN parameter coding.
11. Onsite cards will be packaged in counts of 250 cards per box with a label containing the job number, the last 10 digits of the card range, and the box count of between 1 to 4000 for the first 1,000,000 cards. The card box will be packaged inside of a larger box containing the D-SNAP card carrier and two copies of the manifest. The larger box will contain the same label.
12. On-site cards must have manifests produced and included with each box of card inventory. The manifest must have the job number printed in the top left hand corner. This job number will be the same job number on the card sleeve and the outer box. The manifests must have two (2) removable weather-proof stickers with the card number and the corresponding bar code on them for each card listed on the manifest. The barcodes will be 1D 3 of 9 bar codes, 1/8" x 2 1/8" printed above the card number. The cards shall be in sequential order with the two (2) removable stickers, space for the cardholder's signature and date, space for the disaster staff's initials. Two (2) sets of manifests must accompany each box of cards. The Provider shall have a quality assurance process to ensure printed manifest are clean and clear without blemishes and the barcode and card number will be printed squarely within the boundaries of the label. No changes to the manifests, barcodes, numbering, or count will be permitted without the written permission from the Department.

Please refer to the **Manifest example** below:

FLORIDA EMERGENCY EBT DISASTER OTC CARD MANIFEST					
BOX NUMBER	63ENPX-1	START DATE	END DATE		
LOCATION _____					
SEQUENCE NUMBER	CARD NUMBER	BAR CODE/PAN NUMBER	BAR CODE/PAN NUMBER	DCF INT	RECIPIENT SIGNATURE
000001	5081399999943001				
000002	5081399999943019				
000003	5081399999943027				
000004	5081399999943035				
000005	5081399999943043				
000006	5081399999943050				
000007	5081399999943068				
000008	5081399999943076				
000009	5081399999943084				
000010	5081399999943092				
000011	5081399999943100				
000012	5081399999943118				
000013	5081399999943126				
000014	5081399999943134				
000015	5081399999943142				

SIGNATURE OF VERIFIER/RECEIVER 1: _____ DATE: _____

SIGNATURE OF VERIFIER/RECEIVER 2: _____ DATE: _____

Worker Assigned To This Page: _____ DATE: _____

FFF

C-1.1.18.3.2. Cardholder Training Materials

Training materials provided to cardholders during disasters must be available in English, Spanish, and Haitian Creole languages. Training materials will be printed in English/Spanish and English/Haitian Creole. The Provider must maintain sufficient stock of these materials in

the required languages for use during disaster situations. English/ Spanish language materials will be packaged with the disaster cards. The Provider will maintain a supply of 200,000 Haitian Creole materials that shall be provided to the Department for individual distribution.

C-1.1.18.3.3. Disaster Interface Files

Level II and III Disaster Services support options for total automation, partial automation, and manual processes depending on the availability of power and telecommunication resources at disaster D-SNAP sites. Batch file processing will normally occur after close of business with the regular nightly batch file processing cycle unless more frequent or "off cycle" file transmissions are required and agreed upon by the Department and the Provider. In counties approved for D-SNAP, the Department will process D-SNAP disaster and Supplemental benefits.

Disaster batch files are identified by unique transaction type codes.

<u>TRANSACTION TYPE CODE</u>	<u>DESCRIPTION</u>	<u>CARD ISSUANCE METHOD</u>
FSCCFSD	D-SNAP Demographics for Drop-ship Cards	Mailed cards/Drop ship
FSDMAIL	D-SNAP Disaster Demographics - OTC	On site & mail
FLFSBEEF	D-SNAP Disaster Benefits (D-SNAP and regular program D-SNAP disaster supplements)	NA
FLFSBERP	FAP Disaster Replacement Benefits	NA

See EBT Interface File Layouts and Processes as Incorporated by Reference at <http://www.dcf.state.fl.us/admin/contracts/ebt-2018/> for file formats.

The Provider shall perform edit checks on client demographic information contained in the D-SNAP Demographics files to ensure that current active cardholders do not receive benefits from two (2) accounts during the disaster (duplicate participation check).

NOTE: See Exhibit D, D-2.3 for Disaster Services Reporting and Required Reports.

C-1.1.18.3.4. Post Disaster

The Department will notify the Provider when disaster service activities may be terminated. The Provider shall support termination of the use of Disaster Off-line Vouchers, Administrative System disaster functionality and user profiles, disaster card and PIN production, and Cardholder and Retailer Customer Service functions.

C-1.1.18.4. Special Disaster Services

C-1.1.18.4.1. Specialized Disaster Card/PIN Inventory

The Department also requires an inventory of special disaster card stock for special circumstances where direct entry into the Provider's EBT Administrative System for account set-up and benefit authorization must occur. This card stock is held by the current EBT service provider. These disaster cards are assigned a unique PAN to distinguish them from other cards. The card number should begin with 5081397. The cards are printed with a PAN and PINs have been pre-assigned to the cards. The cards and PINs are in secure storage and ready to be shipped to the Department upon request with manifests enclosed. The cards and PINs are organized in the same manner as on the manifest. Card and PIN mailers contain a sequential numeric coding on the exterior to ensure correct matching occurs. Card and PIN issuance using this inventory will occur at designated disaster sites. An Administrative System application ties the cardholders' unique account identifiers to the cards and PINs and automatically activates the card.

C-1.1.18.4.2. On-line Cardholder Account Set-up and Benefit Issuance

In the event of a disaster, eligibility requirements for disaster food assistance will be used. The Department requires that the Provider's EBT system be designed to automatically perform a duplicate participation check within the system to ensure the cardholder does not receive both regular and disaster service benefits, the ability to set-up accounts for this new population quickly, and authorize emergency benefits for those accounts. These benefits are specifically targeted for disaster assistance, and must be used within a certain number

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of days. These accounts and benefits must be created and maintained separately from the accounts and benefits in the regular FAP. In addition, duplicate participation check functionality shall be available for use with other programs as needed and specified by the Department during the term of this Contract.

Once a cardholder has been determined eligible and is assigned a unique state account ID, the Department must have the ability to add the cardholder record to the EBT host, authorize benefits, and link the EBT account to a vault stock disaster card with a pre-assigned PAN and PIN. This must be accomplished through on-line entry of information into the Administrative System using functionality specifically designed for disaster purposes only. Administrative System data entry must be completed in real-time, so that the cardholder may have immediate access to their benefits.

The functionality required for support of the specialized disaster services through the EBT Administrative System includes:

1. Entry of all demographic information needed to set-up a complete account on-line;
2. Functionality to link the state unique account ID to the PAN of the disaster card and PIN to be issued to the cardholder or the secondary cardholder;
3. Automatic activation of the disaster card upon linkage of the state unique account ID to the disaster card and PIN;
4. Automatic credit of either a pre-established, parameter driven benefit amount or key entered benefit amount into the cardholder food assistance or cash account;
5. Notification if the cardholder is already known to the EBT system and has not received a benefit during the current month;
6. Functionality to replace the current cardholders' regular EBT card with the disaster card and have the disaster card access the food assistance account with both the regular FAP benefits and disaster FAP benefits co-mingled in the account;
7. Acceptance of a unique program benefit type for disaster food and cash benefits with internal tracking and reporting of disaster benefits;
8. Expungement of unused disaster benefits parameter driven as determined by the Department;
9. Functionality to match demographic and benefit records received through the eligibility system/EBT system interface to the disaster accounts established via the Administrative System application and production of a report of any unmatched records;
10. Ability to perform immediate inquiry and card status actions on disaster cards and accounts established on-line; and
11. Reporting disaster account set-up and benefit issuance transactions performed by users on the Administrative System on the Administrative Financial Transactions Report.

C-1.1.18.4.3. Specialized Disaster User Profiles

The Provider shall provide the ability for authorized Department staff to create user IDs using a unique user profile for disaster account set-up and benefit authorization functions on the Administrative System application. These security profiles may also be used for D-SNAP, as needed.

C-1.1.18.5. Interstate (aka "Buddy State") Disaster Recovery Support Services

The Provider shall support the Department in collaboration with other states and Federal agencies to provide Buddy State disaster recovery services as may be agreed upon between the governmental parties. Buddy State Disaster Recovery Support Services are defined as agreed upon assistance by a state or states for another state or multiple states severely impacted by a disaster. The menu of support services may include, but is not limited to:

1. Personnel support, onsite or virtual;
2. Communications support;
3. Technical/equipment support;
4. Card issuance;
5. Data matches; and
6. Reporting.

Generic interface files were cooperatively developed by the EBT service providers and the states for use in interstate and across EBT service providers as needed. The Provider shall provide and be able to accept the generic interface files as specified in EBT Interface File Layouts and Processes as Incorporated by Reference at <http://www.dcf.state.fl.us/admin/contracts/ebt-2018/>.

C-1.1.19. Innovations

The Department has identified several areas where innovative technologies or services may be considered to meet the needs of the programs served or "to be" served in the future. The introduction of these innovations could occur at any time during the Contract upon execution of any required contract amendment(s).

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C-1.1.19.1. Wireless/Smart Phone Technology

The Provider shall provide options for the use of wireless or smart phone application technology to support POS transactions in locations without telephone lines and/or electricity such as farmers' markets, route vendors, roadside vendors, and produce stands.

C-1.1.19.2. Detection and Prevention of Fraud

The Provider shall provide innovative methods or technologies that would support the deterrence and detection of fraud, including, but not limited to, fraud committed by cardholders, retailers, and Department and Contractor employees. The Provider should provide methods that would support both State and Federal investigative efforts.

C-1.1.19.3. Cardholder/Caller Authentication

The Provider shall offer alternative methods for authenticating cardholders and/or callers that do not utilize demographic data commonly known or available to public. Such methods and the data to be used must be straightforward and easy to use and answer to avoid delays in the cardholder/caller receiving needed services or access to benefits.

C-1.1.19.4. Electronic Messaging & Alerts

The Provider shall provide options for expansion of out-bound messaging using email, voicemail and SMS text messaging for customer notification of important changes to their account or account access, such as deposit received, PIN changed, address changed, claim filed, notices posted to the EBT web-based account, or automated response systems. The Provider needs to be able to identify who is receiving electronic messaging alerts.

C-1.1.19.5. Electronic Data Interchange (EDI)

The Provider must provide information regarding options for the use of Electronic Data Interchange (EDI) technologies to expand the data transfer capability for benefit programs beyond current financial and transaction data. The expanded data transfer capabilities could include, but are not limited to program performance standards, time and attendance, service types, and eligibility criteria. The Provider must consider the use of interfaces with other existing databases of mutual customer data and information in their response, such as data available to financial institutions regarding ACH regular deposits indicating possible employment, and customer assets known to the financial institution. The benefits and challenges related to sharing of data and information across states and federal agencies must also be addressed.

C-1.1.19.6. Online Purchasing

FNS is currently conducting a pilot to test and evaluate the acceptance of SNAP benefits [and cash EBT] to pay for online food purchases. Federal SNAP legislation requires that FNS use the pilot results to determine whether to require all States to allow online purchasing with SNAP benefits. Florida has chosen to wait until FNS makes that determination and issues final guidance on requirements. The EBT/EFT Provider shall implement these requirements as part of its core pricing, within the mandated timeframe. At a minimum, FNS expects to require the Provider to:

1. Program the EBT system to recognize, accept and permanently store codes and data elements related to online transactions (as specified in X9.58-2013) including delivery street address and ZIP code
2. Accept online SNAP [and cash EBT] transactions only through FNS-approved secure online PIN-entry service providers; reject all online transaction requests coming from any other TPPs
3. Enable new transaction method code/description to identify that the transaction was performed through an online website, rather than by swiping the card or key-entry of the card number
4. Display the new method code or description on all screens that would normally indicate the transaction was swiped or keyed
5. Include the new method code in all reports and State data files that normally indicate the transaction was swiped or keyed
6. Enable process that allows online retailers to submit SNAP and cash EBT refund requests that do not contain a PIN value
7. Examine each incoming transaction to determine if it is coded as an online transaction and take appropriate actions as follows:
 - a. Compare all SNAP online transactions to the REDE file to validate that the retailer's FNS number is classified as an Internet Retailer (IR) store type; if not then deny the transaction.
 - b. Validate that retailers classified as IR only perform authorized online transactions (no voucher, cash back, cash withdrawal, store and forward or in-store/wireless POS)
 - c. Deny transactions without a PIN from retailers not classified as IR
8. For online refund transactions from retailers classified as IR:

- a. Validate card and FNS numbers against the original purchase transaction
- b. Ignore State-designated refund limits
9. Include all required data elements for online transactions in the ALERT file transmitted to FNS, utilizing version 2.00 of the ALERT specification.
10. Provide the standard daily and monthly online transaction summary totals report that was required to be developed for the pilot
11. Provide the standard daily and monthly online transaction detail file in CSV format that was required to be developed for the pilot
12. Display delivery street address and ZIP code on transaction detail screens
13. Include delivery street address and ZIP code in the daily activity file

C-1.1.20. Change Management

The Department requires that the Provider provide a formal change management process in its Change Management Plan (Section C.3 Standard Contracting Requirements). If system enhancements, changes or new services are developed by the Provider for any other state or political subdivision being provided with similar services, the same must be extended to the Department at no additional cost. Additionally, the Provider shall describe its approach as part of the Change Management Plan to inform the department about system upgrades and modifications implemented by other states.

C-1.1.20.1. Design Issues

Design issues are questions or concerns that arise before the program/system final baseline is set and are a part of the development process. Specifically, design issues are issues addressed and resolved prior to finalizing the system with acceptance of the transition/conversion and approval of all design, development and transition phase deliverables. Design issues are specific in nature and should be identified and raised throughout the development of program specifications and procedures for EBT stakeholders (e.g., authorized retailers, providers, financial institutions, ESS operations, investigative staff, and other stakeholders), in general and detailed system specifications. Design issues will be recorded and tracked in an issue log maintained by the Provider. Only those issues presented by the Department's EBT Services Director, or designee, are to be addressed by the Provider. Requests received by the Provider from other Department staff or entities are to be directed to the Department's EBT Services Director for consideration and action. If the Provider has issues for Department consideration, such issues are to be presented to the Department's EBT Services Director or designee for consideration and action. Only those modifications approved by the Department's EBT Services Director, or designee, will be acted upon by the Provider.

C-1.1.20.2. Program Baseline

The initial working baseline for the Department's EBT services will initially be established through the Contract and Design Phase. During the required phases, the baseline will expand to include: the finalized work plan, general and detail design documents, training and disaster plans, and other approved/accepted deliverables. The baseline will continue to expand to include system testing, reports, implementation plans, transition plans and documentation from the actual transition. The final baseline will be established upon acceptance of the conversion and approval of all design, development and transition phase deliverables. After the final baseline is established, any modifications to the system design or functionality will be defined as a change and will be documented and tracked.

C-1.1.20.3. Changes to the Program Baseline

Change requests seek to modify or enhance the baseline system, procedures, documentation, or application programs. Such requests alter the initial scope of the service or add/modify functionality after the system design has been baselined. Changes are categorized as remedial, conforming, or enhancing. The definition for each type of change is provided below. Remedial changes are not changes to the baseline and shall not result in additional costs to the Department. Conforming changes are required by law, regulation, or rules affecting the EBT system or services and shall not result in additional cost to the Department. Other changes requested by the Department and mutually agreed upon between the Department and the Provider, including terms, conditions, the use of state-allocated hours, and fee structure(s) if any, will be negotiated and agreed upon prior to development by the Provider. Any and all system changes shall be thoroughly managed in the system life cycle process, including regression testing and user testing by Department staff. Under no circumstances will modifications be migrated to production prior to official approval by the Department. The Provider's change management process shall minimally include the following areas.

C-1.1.20.3.1. Remedial Changes

Remedial changes are changes needed to make the system perform/function to meet the business needs of the Department as the design is intended to do. Such changes will be executed immediately. Either the Department or the Provider may identify the need for a remedial change. If the Provider identifies a problem requiring a remedial change, the Department shall be immediately notified. If the change is made immediately, the Provider shall notify the Department no later than one (1) business day following the implementation of the change. The Provider will work with the Department, to include testing, to ensure that a remedial change will not impact other EBT system services and functionalities before migration to production.

The EBT Contractor shall respond to and resolve reported defects/system issues in a timely manner based upon defect priority.

1. Critical priority defects (defects impacting state operations with no work around) shall have a response within two (2) hours of being reported, and shall resolve the issue within 24 hours of being reported.
2. Medium priority defects (impacting operations but a work around exists) shall have an initial response within four (4) hours, and shall resolve the issue within five (5) business days.
3. Low priority defects (defects not impacting operations) shall have an initial response within five (5) business days and be resolved within one (1) month of being reported.

Status of all reported defects shall be included in the required status reports until resolved.

C-1.1.20.3.2. Conforming Changes

Conforming changes are changes needed to adapt the system to changes in requirements that result from Federal regulation or State law, or mandated changes, and changes to the QUEST® Operating Rules.

The Provider shall be required to modify the EBT system to comply, at no cost to the Department, with modifications to Federal and State regulations, laws, and/or the QUEST® Operating Rules, including any system changes required by Federal legislation and policy changes and instructions issued by USDA-FNS or other federal agencies. The Provider may implement these conforming changes through two (2) approaches. The first is through a Department-initiated request and the established change management approach. The second is to provide the Department with a proposal to implement conforming changes to the system. The Provider may not initiate conforming changes without authorization from the Department EBT Services Director or designee.

C-1.1.20.3.3. Enhancing Changes

Enhancing changes are changes that are not remedial or conforming changes, including changes that will enhance performance, provide new functionality, improve cost-effectiveness or improve efficiency and ongoing operation or program maintenance. Enhancing changes may be Department or Provider-initiated.

C-1.1.20.3.3.1. Department Initiated Change Process

Department-initiated change orders to the system/service baseline and conforming changes will be initiated in writing. The Department's EBT Services Director will forward a written request to the Provider's designee for analysis of potential impacts on resources, hours, costs, and draft project timeline.

The Provider will return the results of the analysis to the Department EBT Services Director within two (2) weeks of receipt. If the Department chooses to formally request the change, the Provider's Representative will be notified in writing. Requested modifications must be incorporated and the revised analysis resubmitted within 15 business days of receipt of the Department requested modification. The Department will monitor implementation of the approved changes through routine management including scheduled status reports, request modifications, etc. Upon authorization of the change, the Provider will include the change in work plans, allocate resources as appropriate, and will provide ongoing status reports, as part of the regular status report, with hour and cost accounting (if any) to the Department until such time as the change has been completed and accepted by the Department.

The Provider shall provide 3,000 hours of combined design, development, testing and implementation time ("Annual Development Hours") to the Department for each year of the Contract at no cost to the Department, to be applied to any change requests. The Provider shall not apply personnel time toward the 3,000 hours for self-initiated system changes/enhancements or for any work necessary, including remedial and conforming changes, to maintain a compliant system with system functionality per the terms of the Contract. Any personnel time applied toward the 3,000 hours must have prior approval by the Department EBT Services Director. For Department initiated

changes that exceed the allocated 3,000 hours, a cost estimate shall be provided, by hour, using the hourly rate for the labor grades provided in the Provider's pricing. Any unused hours in a given year shall be rolled over into the following year.

Upon completion of a system change, the Provider shall provide a statement that details the number of hours used toward the change/enhancement effort; how those hours were used; and the hours available to the Department for the remainder of the year. The statement shall include a breakdown that specifically identifies the numbers of hours spent in design, development, testing, and implementation as well as the level of the Provider's staff involved in each activity. The required system change statement detail shall be created during the Design Phase of the project's implementation.

In addition, the Provider shall provide the Department with the number of hours available to the Department for changes/enhancements for the remainder of the year as part of the regular status report from the Provider's EBT Director.

The Department will designate change requests as low, medium or high priority. It is expected that work on low priority changes shall begin within 180 calendar days of written approval by the Department. It is expected that work on medium priority changes shall begin within 60 calendar days of written approval by the Department. Work on high priority changes shall be initiated by the Provider within 30 calendar days of written approval by the Department. All change requests shall include agreed upon start and completion dates. The Provider must provide a written agreed upon plan, specifying the progress of each phase of the change design, development, testing, and implementation.

C-1.1.20.3.3.2. Provider Initiated Change Process

The Provider must provide the Department with advance notice of all self-initiated changes to the EBT system, including gateway services. The Provider must coordinate all non-remedial changes to the system with the Department. Non-remedial changes must be implemented at a time agreed upon with the Department, so that the availability and participation of Department staff can be assured. The Department must be notified, in advance, of any known impacts the changes will have to the EBT services and system functionality, file formats, screens, reporting, performance, etc. The Provider will work with the Department, to include testing, to ensure that self-initiated changes do not unintentionally impact Department services and system needs. All Provider self-initiated changes to the EBT system shall be presented to the Department for discussion and initial acceptance. Upon completion of the self-initiated change, the Provider shall work with the Department to test the change as may be necessary. Department approval is required prior to moving any change into production.

C-1.1.20.3.4. Updates to System Documentation

The Provider shall maintain and update as required the key design and operational documents, plans and manuals delivered during the design, development, and transition phases, to reflect any and all changes from the established baseline. These include, but are not limited to:

1. System Design Documents;
2. Back-up and Contingency Plan;
3. System Security Plan;
4. System Operations/Interface Procedures Manual;
5. Reports Manual;
6. Settlement/Reconciliation Manual;
7. Administrative System Manual;
8. Customer Service Manual;
9. Data Warehouse Documentation;
10. All Fraud or research related documentation; and
11. Other system documentation affected by changes to the system.

If requested by the Department, the Provider shall provide some or all of the updated documentation to the Department prior to implementation of system and operational modifications into production.

C-1.1.20.3.5. Testing of System Modifications

The Provider shall ensure that all changes and modifications to the EBT system and services are thoroughly managed in the system life cycle process, including regression testing and user testing by Department staff prior to migrating the changes into the production environment. Under no circumstances will modifications be migrated to production prior to official approval by the Department.

C-1.1.20.3.6. Access to the Test Environment

The Provider shall provide access to its test platforms. The Provider's test environment shall mirror production. The Provider's acceptance testing region must be in a separate environment from the Provider's development environment. The Department shall have the ability to transmit test files to the Provider's EBT system to validate software and system changes. The Provider shall, in turn, have the ability to return test files to the Department. These files shall be identical in format to the files that would be returned to the Department in the production environment. In addition, from time to time, the Provider shall provide specialty test files as needed for developmental projects.

The Provider shall provide the Department the ability to monitor, in real time if needed, the test activities on the Provider's test platforms. The online access will be provided 24 hours per day, 7 days per week. The Provider shall inform key personnel in the Department when the test platforms will be unavailable, or are unavailable for whatever reason.

C-1.1.20.4. Professional Services for Changes

The Provider shall provide remedial and regulatory compliance professional services at no cost to the Department during the term of the Contract under the following circumstances:

C-1.1.20.4.1. Any features and or functionality needed to properly operate a compliant EBT SNAP solution which was overlooked, forgotten, or otherwise not included in the general scope of work within the contract will be delivered without additional fees to the Department.

C-1.1.20.4.2. When policy, rules or regulatory changes are made by FNS, the Provider shall make any and all required changes to the EBT SNAP system without additional fees to the Department.

C-1.1.20.4.3. When policy, rules or regulatory changes are mandated by Florida legislation, the Provider shall make these changes to the EBT SNAP system without additional fees to the Department. The only exception is if the changes, when implemented, would cause the EBT SNAP system to become noncompliant with FNS rules,

C-1.1.20.5. Annual Development Hours

The Provider shall provide 3,000 professional service hours annually of SNAP and fraud EBT related services as delivered by the Provider that are outside the scope of the contract at no cost to the Department ("Annual Development Hours"). These professional services include all labor hours of any type associated with the design, development, testing, deployment and implementation requested by the Department for efforts from Provider staff.

The 3,000 annual hours shall be calculated from TBD through TBD ("Annual Development Period"), beginning TBD. Utilization of the Annual Development Hours shall be subject to written approval by the Department prior to use of any of the 3,000 hours.

At the end of a given Annual Development Period, any unused Annual Development Hours will be rolled over to the following Annual Development Period without limit. All unused hours expire upon termination of the Contract and the Department shall not receive any credits for unused or expired hours.

C-1.1.20.6. Annual Consulting Hours

Each Annual Development Period the Provider shall provide the Department 100 expert consulting hours ("Annual Consulting Hours") for SNAP and fraud related matters, as directed by the Department, in order to support the Department in their process improvements and/or cost savings initiatives during the Annual Development Period.

C-1.1.20.7. Preliminary Estimates

Upon receipt from the Department of a set of business functional requirements related to a change that will require use of Annual Development Hours, the Provider shall submit to the Department a preliminary estimate.

C-1.1.20.7.1. The Preliminary Estimate will be non-binding and will provide the Department with a relative project size and cost assessment that will allow the Department to better assess its needs and prioritize its efforts.

C-1.1.20.7.2. The Provider may assess up to five (5) hours of time against the Annual Development Hours for the provision of each Preliminary Estimate it delivers to the Department at the Department's request.

C-1.1.20.7.3. The Preliminary Estimate shall include (i) an estimate of hours needed to provide a detailed estimate, (ii) a total project development effort estimate, and (iii) an estimate of ongoing operating costs the change will cause the Department to incur if implemented, if applicable.

C-1.1.20.7.4. The detailed estimate in the approved final design will be binding.

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C.1.2 WIC EBT Service Requirements

The Provider system deployed to support WIC EBT services must be an industry standard application primarily relying on the commercial networks and available commercial POS terminals or Provider installed WIC-only stand-beside hardware that is in conformance with Federal regulations, national standards and specified WIC State Office performance standards outlined herein. Furthermore, the Provider's WIC EBT system must be in compliance with FNS' most current version of the WIC EBT Operating Rules, the WIC EBT Technical Implementation Guide, and the current Florida-WISE (FL-WISE) EBT interface specification as defined in the Interface Control Document (ICD) dated 07/27/2017, which has been included as Florida eWIC to MIS ICD as Incorporated by Reference at <http://www.dcf.state.fl.us/admin/contracts/ebt-2018/>.

The Provider shall provide separate deliverables and documentation specific to the WIC Program.

The Provider shall be required to provide the systems and services required to allow the WIC State Office to set-up WIC accounts and authorize WIC prescriptions separate from SNAP and cash functionality. The customer service for cardholders and WIC retailers shall be equal to the SNAP EBT service levels unless FL WIC authorizes an alternate level.

C-1.2.1. WIC EBT System Documentation

The Provider shall maintain and update as changes occur in system design or configuration, the system and operational manuals delivered to reflect any and all changes from the established baseline. These manuals include, but are not limited to:

- System Design Documents;
- Interface Manual;
- Detail Design Manual;
- Backup and Contingency Plans;
- System Security Plan;
- System Operations/Interface Procedures Manual (including FL recoupment process);
- Reports Manual;
- Settlement/Reconciliation Manual;
- Administrative Functionality Manual;
- Customer Service Manual;
- Data Warehouse Documentation;
- Documentation for any other optional service; and
- Other system documentation affected by changes to the system.

The Provider shall provide updates to the any manuals by a system modification to the WIC State Office *prior* to implementing the respective system modifications into production. The WIC State Office shall have final approval on any updated manual.

C-1.2.2. WIC Call Center

The Provider shall provide the WIC State Office the agreed upon IVR and limited call center support during the term of the Contract. Limited support is defined as customer support resources, located within the Provider call center, to be used within a flexible work schedule as defined by the WIC State Office. The Provider shall also provide the Florida WIC office with three (3) customer support resources at no additional cost, to be located within the Florida WIC offices in Tallahassee. The Provider shall retain the incumbents currently in these positions and designate one of the three individuals on-site as the team lead for purposes of local personnel coordination and other support. WIC call center operational details that define the limited call center access shall be found in the Systems Operations and Interface Procedures Manual. In addition to providing WIC call center support, these three (3) staff members shall provide the services described in **Section C-2.1.1**.

C-1.2.3. WIC EBT Administrative System

The Provider shall accommodate the FL-WISE interface that facilitates the authorization of WIC participants and retailers and the issuance of all WIC EBT cards. The Provider system shall accept all transactions originating with WIC authorized retailers, processed through a TPP, or a direct connection or coming from the FL-WISE system.

The Provider shall support reconciliation and settlement of all account transactions and provide real time access through FL-WISE and via a direct web based access to the Provider's data and to all WIC EBT authorized accounts, retailer information and transaction data as it occurs. The Provider will support Florida WIC personnel physically entering vendor void transactions, recording those transactions,

including those voids and other variances in the daily settlement document that must be provided for daily settlement of payment as specified herein.

The Provider shall provide all required account record data in advance of payment to the Provider designated settlement account daily to include opening and closing balance and associated redemption reconciliation in the appropriate media for validation and verification prior to payment.

C-1.2.3.1. Administrative System Functionality

It is expected FL-WISE will handle some WIC EBT functionality; the WIC State Office requires the Provider to provide available functionality should FL-WISE not support these functions. The Provider's WIC EBT Administrative System shall support an interface with the WIC MIS that:

1. Supports WIC EBT account set up for Regular and Compliance Accounts through FL-WISE and through the Provider's EBT processing system;
2. Authorizes prescriptions for Regular and Compliance Accounts through FL-WISE and through the Provider's EBT processing system;
3. Changes card status through FL-WISE and through the Provider's EBT processing system;
4. Issues and replaces cards at clinics through FL-WISE and through the Provider's EBT processing system;
5. Supports Card and Account history inquiry (card issuance history, PIN selection/change history) access through FL-WISE and through the Provider's EBT processing system;
6. Supports searches by name, card number, state unique ID, account number, through FL-WISE and through the Provider's EBT processing system;
7. Supports account information inquiry through FL-WISE and through the Provider's EBT processing system;
8. Supports transaction history inquiry (by primary account number (PAN), state unique ID, and State Vendor authorization number) through FL-WISE and through the Provider's EBT processing system. Transaction history must be maintained by host generated transaction number (HGTM) uniquely assigned to each EBT redemption processed. These HGTM records will not be duplicated or deleted from the processing system;
9. Provides prescription detail data (history of actions against each individual household account) through FL-WISE and through the Provider's Administrative System;
10. Supports account access suspension and reactivation through FL-WISE and through the Provider's EBT processing system; and
11. Provides processing of vendor recoupment debits and credits through FL-WISE and through the Provider's EBT processing system.

C-1.2.3.2. Account History

The Provider shall provide to FL-WISE a current WIC EBT account balance and a rolling 365-day transaction history on-line for each account through application programming interface (API) inquires to the Provider's WIC EBT System. After 365 days, transaction history data may be maintained off-line for three (3) years or longer if required by the WIC State Office. At a minimum, data within the transaction history inquiries shall meet all FNS WIC and FL-WISE data requirements and may include:

1. PAN (card number)
2. WIC EBT account number
3. First and Last Name of Account Holder
4. Unique ID number, known as a host generated transaction number (HGTM)
5. Prescription type identifier
6. Retailer identification numbers (both the WIC State Office assigned WIC Vendor ID and acquirer) and Federal Reserve Regulation E data for retailer information
7. Terminal identification number
8. Transaction type
9. Transaction request amount
10. Transaction completion amount
11. Balance by prescription type
12. Local transaction date and time

13. Transaction results (approval code or denial reason)
14. Transaction Settled Date
15. Host Transaction Date/Time
16. Transmission Date/Time

C-1.2.3.3. Administrative System Usability

Administrative System web pages shall be user-friendly data in formatting and navigation.

C-1.2.3.4. Administrative System Security

The Provider shall provide a security system for the WIC EBT Administrative System whereby WIC State Office and Clinic user profiles can be established by the WIC State Office for users accessing the Provider's WIC EBT System directly. The WIC State Office will define the user profiles with the assistance of the Provider.

The Provider shall coordinate Administrative System security with the WIC State Office's EBT Security Officer.

C-1.2.3.5. Data Retention

The Provider will meet the WIC State Office's data retention requirement by providing access to three (3) years of transaction history for each WIC EBT account on the WIC EBT system. Transaction history older than three (3) years will be maintained in the data warehouse for easy accessibility on a seven (7) year rolling history schedule. All data older than seven (7) years will be kept in an archived database that can be access on an as needed basis. No data, database, data fields, data elements, transactions, or accounts shall be deleted without written permission from the WIC State Office.

C-1.2.3.6. Redemption Support Synchronization

The Provider shall enable a process and provide a web based report on vendor records. The report will show a reconciliation of the Provider's record of vendor number and X9 number and that same information for each vendor that is recorded within each of the supporting TPPs' system. This will be in an exportable data format acceptable to the WIC State Office. The data will be used to confirm and validate that all vendor number and X9 assignments and payment transfers are properly recorded and in consistent with the agreement with the state and the data in the state's MIS. The objective is to ensure that the vendor and X9 number assigned to each vendor is properly loaded by all TPPs, the Provider, and the state MIS. This ensures that authorized retailers receive credit for all of their payments immediately upon implementation within the EBT processing system.

C-1.2.3.7. Redemption Settlement Reconciliation

The Provider shall enable a process and provide a web based report and data extract in exportable data format acceptable to the WIC State Office showing the payment history and exchange by vendor and x9 number. The process shall depict daily, the settlement value paid to the vendor's settlement account as compared to the value of all transactions for that specific date. The data will also be provided in an exportable format to enable additional user evaluations.

C-1.2.4. WIC EBT Cards and PINs

The Provider shall

1. Supply high coercivity magnetic stripe cards to the WIC State Office and designated clinics throughout Florida
2. Provide online, real time access to cardholders' WIC EBT accounts via a prescription WIC card that supports electronic transactions
3. Provide the WIC State Office access to a centralized card issuance management database for tracking purposes
4. Ensure that the WIC EBT card produced for the Florida EBT system complies with the specifications prescribed in the International Standards Organization (ISO) and American National Standards Institution (ANSI) standards relating to cards used for financial transactions, and with WIC technical implementation guidance information and universal MIS EBT interface functional requirements.

The WIC EBT system shall be in compliance with FNS' most current version of the WIC EBT Operating Rules, the WIC EBT Technical Implementation Guide, and FL-WISE EBT interface specification. The Provider shall be prepared to provide a solution that is consistent with FNS national guidance on the interface between the WIC clinic MIS and the WIC EBT system.

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C-1.2.4.1. Card Design

The WIC EBT card supplied by the Provider shall be consistent with the current WIC EBT card design (example provided herein) and include the following design features.

The face of the card shall include:

1. Graphics using a four color printing process
2. Printed and/or embossed card number



The back of the card shall include the following features:

1. A high-coercivity magnetic stripe (for specifications see Track 2 format below)
2. A tamper evident signature panel
3. The statement, "Do Not Write PIN on Card"
4. The toll-free numbers for cardholder and retailer assistance
5. An address where the card is to be returned if found



The Provider may revise the current WIC EBT card design with WIC State Office approval. The Provider shall be required to change card design as requested every four (4) years at no additional cost. When this occurs, the Provider will assist the Department in the creation of a new card design, and will modify all the related materials (such as card carriers, brochures, posters) for training and distribution.

The next design change will be 2018; therefore, the Provider shall be required to support a new card design in 2022.

C-1.2.4.2. Track 2

Track 2 of the WIC EBT prescription 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.

Field Number	Field Name	Length
1	Start Sentinel	1
2	Primary Account Number	16
3	Field Separator	1
4	Expiration Date	4
5	Service Code	3
6	Card Authentication Value (CAV)	3
7	End of Text	1
9	Longitudinal Redundancy Check	1

The Provider shall encode the expiration date on Track 2, and the Service Code field shall be encoded with a value of "120". The Provider shall use the encryption keys currently in use. The Provider shall encode the CAV field on Track 2 with a cryptographic value to validate the Track 2 data contents. The expiration date on the card will be non-expiring (e.g., 4912).

The State of Florida's Bank Identification Number (BIN) for WIC EBT cards for WIC EBT is 61029600. The Provider shall issue WIC EBT cards containing a 16-digit PAN that utilizes the WIC State Office's current BIN.

C-1.2.4.3. Shipment of WIC EBT Cards to Local Agencies

Card inventory and inventory levels are managed and monitored within FL-WISE. The WIC State Office will use the inventory data provided through FL-WISE to assess the number of cards needed for each local agency. The WIC State Office will place bulk card orders on a quarterly basis to be shipped by the Provider directly to each of the numbered local agency locations throughout the state.

WIC EBT cards shall be shipped with logical numbering and inventory lists and shall be packed in numeric sequence from lowest to highest number. WIC EBT cards shall be packed in sealed boxes (or sleeves), not to exceed 400 cards per box. Sealed card boxes shall be shipped in cartons, not to exceed six (6) boxes per carton. As few as one (1) box of cards may be included in a shipment.

All costs associated with card delivery shall be borne by the Provider. At a minimum, the cards shall be delivered via the U.S. Postal Service using first class, postage pre-paid mail; however, the Provider may choose to use another method that is of equal or higher service. Under certain circumstances, the Provider shall, as authorized by the WIC State Office, employ the services of an overnight carrier to deliver cards. WIC EBT cards shall not be forwarded. The Provider shall not be held to the aforesaid requirement upon a force majeure circumstance and/or U.S. Postal (or alternate delivery method) business interruption.

C-1.2.4.4. Issuance of WIC EBT Cards

The WIC State Office's WIC Clinics using FL-WISE shall issue cards to the primary WIC EBT cardholder using the online message defined in the FL-WISE EBT interface specification (documented in the ICD dated 07/27/2017, which has been included as Florida WIC to MIS ICD as Incorporated by Reference at <http://www.dcf.state.fl.us/admin/contracts/ebt-2018/>. All cards will be issued in an active status. Only one (1) card will be issued per household. The primary cardholder may share the card, if needed, with a co-caretaker or proxy.

Once the card has been issued, the cardholder must select their PIN using a method that provides adequate verification of identity as prescribed by the WIC State Office, they shall select a PIN via a one-call IVR PIN select process, PIN select device or through the Internet using the Provider's client portal for authorized WIC participants.

The Provider shall provide the WIC State Office access to all card generation information and history.

C-1.2.4.5. Replacement Card Issuance

The Provider shall:

1. Receive calls from cardholders to Customer Service to report lost, stolen, damaged, or not received cards
2. Deactivate previously issued cards immediately when reported lost or stolen
3. Refer the caller to their respective WIC clinic for resolution and reissue as appropriate
4. Shall not issue any WIC replacement cards
5. Shall support the functionality for the PIN to carry forward to the replacement card

C-1.2.4.6. Cardholder PIN Selection

Cardholders shall have the option at any time to select their own PIN by using a PIN select IVR, pin select terminal, or through the Internet using the Provider's client portal for authorized WIC participants. The Provider shall provide a secure IVR PIN select procedure that requires the cardholder to make only one (1) call. The one (1) call, automated PIN selection function must require positive verification of the cardholder's identification using demographic data such as the primary cardholder's date of birth and zip code. The provider's solution shall recognize cultural differences in the presentation of such data as date. Families from some demographics place the day before the month while others place the month before the date. Failure to observe this requirement results in participants being locked out and user frustration.

The Provider shall provide an alternative method of PIN selection for those callers unable to complete the automated PIN selection process. An example of an alternative method would be PIN select through a cardholder web portal for PIN selection for authorized WIC participants. Co-caretaker or proxy are required to use and verify the primary cardholder's demographic information.

The Provider shall translate and decrypt PINs for transactions within a physically secure Tamper Resistant Security Module (TRSM). The Provider shall ensure that all keys by which PINs are encrypted are generated in a secure manner. The management of encryption keys must meet the standards set by the ANSI X9.8 and X9.24. At a minimum, all encryption keys must be subject to dual control, i.e., no single person will have control over all parts of an encryption key. If there is a known or suspected compromise of an encryption key, internal escalation procedures must be followed and the encryption key must be changed immediately.

Cardholders may also select their own PIN using an approved cardholder mobile app.

C-1.2.4.7. PIN Selection Devices

The Provider shall provide and maintain PIN selection devices. Replacement PIN selection devices shall be shipped within two (2) business day of request. The devices shall:

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1. Have the software capabilities to interface with the MIS for PIN selection.
2. Conform to ISO 9564 for PIN security and management
3. Accept and securely encrypt 4-digit PINs. The WIC State Office currently uses a 4-digit PIN.
4. Not display the PIN in text, print, or electronically record or write out the PIN.
5. Be encoded using 3DES or using end-to-end encryption.

C-1.2.5. WIC Services System Support, Disaster Services and Recovery Services

It is the goal of the WIC State Office to continue transaction processing and disbursement of prescriptions in the event of adverse situations related to systems and telecommunications failures and in disaster. The WIC State Office does understand there is no disaster food program for the WIC Program. This section addresses major risk points and solutions derived to enable continuation of business with minimal interruption in these adverse situations.

C-1.2.5.1. Provider System Recovery

In the event of an outage or disaster impacting the availability of the Provider's primary data processing site, the Provider must have a back-up site for host processing, telecommunications and network services. The Provider must notify the WIC State Office immediately of any outages based on a mutually agreed to Communication Plan. If the outage is expected to exceed one (1) hour in duration, and based on an evaluation of the problem and the time required to resolve, transaction processing shall be switched to the WIC EBT host back-up "hot site" upon the WIC State Office's approval. The Provider is responsible to communicate information to the WIC State Office in advance of the proposed failover (meaning the actual time the switch over may be technically executed) and assist the WIC State Office with any information or means available to provide notification to affected stakeholders, e.g., TPPs and networks as applicable with instructions for operations as a result of the switch. Notifications are to be preplanned and synchronized with the actual failover to the alternative site. This change over to the alternative site shall be transparent to the WIC Participant, WIC retailers, and the WIC State Office.

The Provider must support back-up site processing and alternative file and transaction routing for the following:

1. WIC EBT Back-up Hot site to the WIC State Office Eligibility System(s)
2. WIC EBT Back-up Hot site to State Eligibility System Back-up Hot Site(s)
3. WIC EBT System to State Eligibility System Back-up Hot Site(s)
4. Back-up connectivity and telecommunications support for routings listed above

The Provider shall provide a means to notify the WIC State Office, the retailer community, all TPPs and other stakeholders that an outage is occurring.

If the Provider is providing WIC EBT services to multiple states, the Disaster Recovery Plan must address the timing and order of recovery of the Florida WIC EBT system as compared to the other entities being processed. The Provider shall configure its support infrastructure to ensure that system recovery is coordinated with FL-WISE processing to allow restoration of WIC EBT services without interruption to the Florida WIC operational needs. The Provider shall ensure that any recovery of Florida's WIC EBT system must not be delayed because the Provider is recovering other states' WIC EBT systems.

The disaster back-up site and alternate communications routing must be tested annually. The Provider must provide the WIC State Office with copies of these test results within 30 days of completion of the testing. The annual test must include the WIC State Office, incorporating the steps necessary to accommodate disaster back-up operations supporting the State Office, its 2,000 retailers, and the participant population.

C-1.2.5.2. Disasters within the State

The Provider shall utilize an on demand inventory of disaster services to respond to disasters within the state and provide services, which are contingent upon the size of the affected demographic area, the population and number of cardholders in the affected area, and the availability of telecommunications and electrical service.

C-1.2.5.3. Cardholder Support Services

The Provider shall increase Customer Service support for cardholders and retailers as needed to cover unanticipated high call volumes. The Provider's customer service system shall be able to identify callers in disaster-designated areas.

The Provider shall be prepared to provide more WIC EBT cards, if needed, during a disaster.

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The Provider shall cover all mailing costs and/or service delivery costs (e.g. FedEx or UPS or similar means, necessary to replace cards and other miscellaneous. mailed materials as part of the disaster services activities.

C-1.2.5.4. Retailer Support Service

After a telecommunication disaster has occurred, the Provider must provide reporting on operational redemption points in the affected area to determine the level of prescription accessibility. The Customer Service Center shall be provided with regularly updated prescription access point information during the disaster period.

The Provider must provide the same scope of services for Retailer Customer Service as specified for Cardholder Customer Service above.

C-1.2.6. Customer Service

Customer service via the WIC IVR, using toll free numbers, and the internet web portal shall be available 24 hours per day 7 days per week. The WIC State Office will handle any calls routed from the IVR to a live customer service representative (CSR) during the hours of 8:00 AM – 6:00 PM EST, Monday through Friday, excluding state approved holidays. During those hours, the Provider's live CSR will provide limited call center support as directed by the WIC State Office. That service will be to accept reports of stolen cards, account deactivation and balance confirmations. Outside of the business hour timeframes noted above, calls shall be routed from the IVR to the Provider's call center to be answered by the Provider's live CSRs.

Requirements in this section apply to both telephone and internet customer services, as appropriate. (For Performance Measures see **Exhibit E**).

C-1.2.6.1. Cardholder Customer Service

The Provider shall support customer service for WIC cardholders as follows:

1. The Provider shall provide Cardholder Customer Service through an IVR 24 hours per day, 7 days per week, the purpose of which is to provide current WIC EBT account and prescription access information via a toll-free, "1-800" number that is designated by the WIC State Office.
2. The Provider shall provide automated voice response functionality. The update of which will occur upon WIC State Office request to incorporate changes in food or information provided to participants.
3. The Provider shall provide a cardholder services website (Cardholder Portal) that is available 24 hours per day, 7 days per week.
4. The Provider shall locate all customer service call center locations relevant to services within the United States. The WIC State Office prefers to keep the same toll free numbers, if possible.
5. Services shall be provided in English, Spanish and Haitian Creole. Particular attention shall be paid to unique linguistic requirements of these demographics to include the use and functionality of dates and how a specific numeric date is expressed in different languages. For example, certain cultures place the month before the day, while other cultures place the day before the month. Differences such as this have a direct bearing on the ability of the participant to effectively use an IVR. The Provider will be required to address this and other unique situations appropriately. Should additional issues become known during the term of the Contract, such issues must be resolved within 30 days of the notice from the WIC State Office to the Provider.

The Provider shall provide customer assistance that meets or exceeds the following service requirements:

1. Performance Standards regarding number of rings prior to answer and average time on hold shall be consistent with Performance Standards identified in Exhibit E
2. Provide IVR and Customer Service activity data in form and frequency approved by the WIC State Office
3. Telecommunication Device for the Deaf (TDD)/ Teletypewriter (TTY)/ Video Relay Service (VRS)/ Video Remote Interpreting (VRI) capability shall be available to cardholders with hearing disabilities
4. Help desk access and support for cardholders using non-touchtone phones or experiencing difficulty with web site access
5. Provide a direct IVR or messaging route to a CSR
6. Updates to IVR recordings (such as changes/additions to subcategory names or other messages) shall be completed within 30 days of the request made by the WIC State Office

The Provider's Cardholder Customer Service shall support the following functions:

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1. Report a Lost/Stolen/Damaged Card - the caller's identity shall be confirmed prior to disabling a card
2. Current Balance Inquiry - "Current Balance" shall provide "real-time" account balance information
3. Transaction History - "Transaction History" shall provide information about the last ten (10) transactions by prescription program, i.e., transaction number, amount, date. If requested by the cardholder, deposit history shall also be provided by prescription program
4. PIN Selection/Change - PIN selection/change requirements shall be consistent with the requirements outlined in **Section C-1.2.4.6.** relative to cardholder selection of PIN
5. Report Unauthorized Card Use - Callers shall be transferred to a CSR for assistance in reporting unauthorized card use
6. Customer Service Representatives - Provide CSRs to resolve cardholder issues that cannot be resolved by the IVR
7. Language Assistance/Translation – IVR/CSR support in English, Spanish and Haitian Creole and translation line in other languages
8. Positive Identification – Cardholders must have positive identification established prior to receipt of services by two (2) or more demographics data criteria

The Provider will make any necessary updates or changes to the IVR, its language or logic as necessary, at no additional cost to the WIC State Office. The Provider shall make IVR updates as required and as the WIC State Office requests as soon as possible but no longer than 30 calendar days after requested. The WIC State Office reserves the right to review and approve the transaction flow and content of all IVR messages, prompts, customer service scripts and web pages. Any changes to the approved IVR transaction flow, messages, prompt, customer service scripts and web pages shall be provided to the WIC State Office as soon as possible with the intention of implementation upon approval no later than 30 calendar days after request.

C-1.2.6.2. Cardholder Services Website

The Provider shall provide a cardholder services website (Cardholder Portal) for participants that provides the following functionality:

1. This portal shall provide the cardholder with their current available WIC benefit balances. The portal data shall be up-to-date within five (5) minutes of the last transaction processed effecting the participant's balance within the WIC EBT system.
2. Provide the ability to display all results in app functionality in either English, Spanish or Haitian Creole
3. Provide a history of transactions performed by the cardholder for the last 90 days.
4. Support changing the cardholder's PIN.
5. Provides external information for the cardholder, including
 - a. WIC income guidelines;
 - b. WIC contact information (clinic and state);
 - c. WIC prescreen tool for qualification;
 - d. How WIC works information;
 - e. Clinics' geographic location, address and number; and
 - f. Retailers' geographic location, address and number.
6. Include ability to display alerts, including:
 - a. Benefit expiration;
 - b. Next WIC Appointment; and
 - c. Broadcast messages
7. Provide participant family benefit data.

C-1.2.6.3. Cardholder Mobile App

The Provider shall provide a mobile app that provides the required functionality in both Android and iOS (Apple) devices for WIC participants as an integral portion of this Contract. In order to complete this task, the Provider shall cooperate in the submission and compliance with data agreements required for state system access. The Provider shall develop or provide mobile app software that will be owned and hosted by the WIC State Office. Source and compiled code shall be developed and reside in the WIC State Office's Team Foundation Server (TFS) development and software management environment. The Provider and WIC State Office shall make appropriate arrangements to enable operational access to the appropriate systems operational environment for a select number of Provider team members to complete these tasks. These team members shall complete necessary documentation in order to gain and maintain access to this environment. The WIC State Office is seeking a solution that will remain in operation even if a different Provider is selected in a future procurement. The following general requirements are to be observed. The app must be constructed in modular

or container form to facilitate efficient modular update without major modification to the entire system whenever data format(s) or source(s) is/are modified. The following applies:

1. Be hosted on servers within the state data (Oracle) and TFS environment, operated and managed by WIC State Office personnel. Technical assistance and troubleshooting shall be provided by the Provider upon request within one (1) business day. The Provider will be expected to complete development, testing and release within the state's TFS environment.
2. This app will provide the participant with WIC benefit balances up-to-date within five (5) minutes of the last transaction processed effecting the participant's balance within the WIC EBT system.
3. Provide the ability to enter password and ID once and the instrument is permitted to remember the entry of the information to prevent the need to enter that data each function of the app.
4. Permit changing of password on the mobile app.
5. Support "Forgot Password" functionality allowing the user to request or reset their password within the mobile app.
6. Provide the ability to display all results in app functionality in either English or Spanish
7. Provide participant family benefit data in the following configurations:
8. Provide a graphic or a representative graphic of the product, the quantity of the benefit remaining at the time of inquiry and the applicable section of the Florida WIC product pamphlet explaining the benefit qualifications.
9. Provide the ability to scan (e.g. read) a complete product universal product code (UPC)
10. Produce the UPC and product graphic on the screen after scanning
11. Identify the following information:
 - a. WIC item yes or no;
 - b. Is it on the participant benefit, yes or no;
 - c. The quantity remaining of the benefit (accurate within five (5) minutes of the last account transaction; and
 - d. Compute the number of packages eligible for purchase based upon the number remaining. This is particularly important when ounces are used as the issued benefit. How many boxes, containers may be purchased and any remaining ounces that cannot fit into a specific container count.
12. Provide the ability to communicate with the WIC program staff. Incorporate a function allowing creation of a message by users in a visible box within the mobile app which supports up to 640 characters for communication with WIC Program staff hosted within the state operational (Oracle) environment.
13. Incorporate the ability to display alerts, including the following:
 - a. Benefit expiration
 - b. Next WIC appointment
 - c. Broadcast message up to 160 characters
14. Provides user the ability to activate a function in the app that identifies the user geographic location and the location of all WIC retailers and clinics within a zoom in or out distance of thirty miles. Touch the screen and produces the address of the facility and its associated telephone contact number. Hit the number and phone will permit dialing directly.
15. Provides external information for the participant to include: WIC income guidelines; WIC contact information (clinic and state); WIC prescreen tool for qualification; How WIC works information; clinic geographic location, address and number; retailer geographic location, address and number.

C-1.2.6.4. Retailer Customer Service

The Provider shall provide customer service for WIC retailers using WIC State Office-provided equipment through a toll free telephone number and internet web access as follows:

1. The Provider shall provide Retailer Customer Service 24 hours per day, 7 days per week, the purpose of which is to provide support to retailers via a toll-free, "1-800" number that is designated by the WIC State Office and a retailer services website.
2. The Provider shall locate all customer service call center locations relevant to services within the United States and supported with individuals possessing the ability to clearly communicate in the designated languages. The WIC State Office shall notify the Provider of any complaints regarding communications on these calls. The Provider shall address stated concerns and take steps to correct any inability to clearly communicate with WIC participant callers.
3. Services shall be provided in English, Spanish and Haitian Creole.

The retailer customer service help desk shall be:

1. Toll-free and without charge or fee to the retailers

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2. Used exclusively for retailer support

The Provider shall provide telephonic retailer customer service that meets or exceeds the following service requirements:

1. Performance standards regarding number of rings prior to answer and average time on hold shall be consistent with Performance Standards identified in Exhibit E
2. The Provider shall provide Customer Service activity data in form and frequency approved by the WIC State Office
 - a. Number of calls received
 - b. Duration after which they were answered
 - c. Number of abandoned calls
 - d. Topics addressed
3. TDD/TTY/VRS/VRI capability shall be available to callers with hearing disabilities
4. Help desk access and support for callers using non-touchtone phones or experiencing difficulty with web site access

The Provider shall provide via Retailer Customer Service, the following services for WIC EBT-only retailers:

1. Support and problem resolution on WIC EBT-only POS equipment. Telephone maintenance will require trouble shooting to detect/diagnose the equipment issue that must be resolved. The Provider shall have one (1) business day to resolve equipment trouble shooting to arrive at a workable solution and functioning equipment. Beyond that business day, the Provider will express deliver equipment required as a replacement for malfunction equipment.
2. The Provider will make provisions for WIC authorized retailer equipment that fails and must be resolved during the Provider's normal non-business hours. Response will be required to a help request call within one (1) hour and a solution identified within 24 hours. If a solution is not found, the Provider shall provide a replacement unit to the WIC authorized retailer by express delivery and support its installation and operational configuration within four (4) hours of receipt at the WIC authorized retailer location.

The Provider shall support through the Retailer Website the following:

1. Settlement information and reconciliation procedures
2. Support of system adjustments and resolution of out-of-balance conditions
3. General information regarding WIC EBT policies and procedures

C-1.2.6.5. WIC State Office Staff Customer Assistance

The Provider shall provide WIC State Office staff with assistance via a toll free number and e-mail or internet access for technical assistance and system problem reporting. Technical assistance for WIC State Office staff shall be available 24 hours per day, 7 days per week. Services to be provided shall include, but are not limited to:

1. Accept reports of system outages
2. Technical and troubleshooting Administrative System issues
3. Special account maintenance functions assistance
4. Assistance with security issues.

C-1.2.7. Training

C-1.2.7.1. Retailer Training

The Provider shall provide training and training material to new retailers participating in the WIC EBT program that will be using WIC State Office provided equipment. All retailer training material shall be presented to the WIC State Office and subject to WIC State Office approval prior to implementation. Training material shall include information on the WIC prescription, issuance, the approved product list (APL) and its functionality, and the overall redemption process to include reference to the appropriate TPP and banking institution(s). USDA-FNS Federal Regulations and FNS WIC Requirements requires that retail store employees be trained in system operations prior to production use. The Provider shall provide training to the retailers prior to allowing production transactions to occur at the WIC EBT-only POS terminal in order to comply with USDA-FNS requirements. Training material should include:

1. WIC State Office Approved Equipment Manual and Quick Reference Guide
2. Merchant Help Desk toll-free number
3. Use of IVR

C-1.2.7.2. WIC State Office Staff Training

The Provider shall provide the training materials for WIC State Office staff, mutually agreed by the parties. All training materials are subject to the review and approval of the WIC State Office, prior to their use. Any updates and revisions of the training materials shall be provided at least twenty (20) calendar days prior to any modification the Provider makes to the functionality of the WIC EBT system.

Training materials shall include "hands on" practical training and demonstration of all WIC EBT functions supported. The training shall be delivered in a classroom or field setting or web-based method as the WIC State Office elects.

WIC State Office system training shall include, but not be limited to, all of the functionality supported by the WIC EBT Administrative System, all transaction analysis procedures, transaction voids and history research, the use and functionality of the data warehouse, use and functionality of WIC State Office provided retailer equipment, and the use of all reporting data.

C-1.2.8. WIC EBT Account Set-up and Prescription Authorization

The Provider must receive and process account set-up and prescription authorization transactions from FL-WISE. The Provider shall complete account set-up and prescription authorization transactions immediately upon receipt of the request from the WIC State Office or the WIC MIS.

C-1.2.8.1. Account Set-Up

The Provider must receive and process account set-up and demographic change transactions transmitted by the transactions from FL-WISE immediately upon receiving the request from the WIC State Office or the WIC MIS. The provider shall Geocode all addresses sent for accounts, retailers, and clinics and make latitude/longitude information available within the database for retrieval and analytic access.

C-1.2.8.2. Prescription Authorization

The Provider shall receive and process all prescription authorization transactions transmitted by the FL-WISE system. The Provider shall process prescription (food package) authorizations and post the authorized prescription amounts to the appropriate WIC EBT accounts based on the State unique identification number; food categories/subcategories and quantities; and availability date immediately upon receiving the request from the WIC State Office or the WIC MIS. The number of prescription authorizations shall not be limited by the Provider.

C-1.2.8.3. Prescription Availability

The FL-WISE system shall be permitted to post monthly prescriptions to be accessible to the respective cardholders at least three (3) days in advance of the prescription delivery month through its interface between the WIC MIS and Provider's EBT processor system without additional charge to the WIC State Office.

C-1.2.8.4. Prescription Expiration

Prescriptions shall include begin and end dates. The Provider shall ensure that prescriptions may not be used for redemptions except between the beginning and end dates. After the end date has been reached, the Provider shall remove the unused prescriptions after a configurable period of time agreed upon with the WIC State Office. The Provider shall ensure all unused prescription items are expunged from the participant account. The Provider shall produce a summary report or query showing the before and after results of expungement and that the task has been completed. The report shall be provided to the WIC State Office monthly. The Provider shall resolve issues the WIC State Office identifies in the report within ten (10) business days.

C-1.2.9. Transaction Processing

C-1.2.9.1. Cardholder Initiated Transactions

The Provider shall be responsible for the authorization of cardholder initiated WIC transactions. The Provider shall have the capability to receive and process cardholder transactions from POS devices. The Provider shall ensure that cardholders access their WIC prescriptions only at POS terminals in authorized food retailer locations. The Provider process for transaction authorization will require:

1. Accepting transactions coming from an authorized transaction acquirer
2. Authorizing or denying transactions
3. Sending response messages back to the transaction acquirer authorizing or rejecting cardholder transactions

4. Logging the authorized/denied transactions for subsequent settlement and reconciliation processing, transaction reporting, and for viewing through transaction history enabling the State user to trace all transaction history using the HGTV and similar references on each transaction record.

C-1.2.9.2. Transaction Checks and Processes

The WIC EBT system will go through a series of checks and processes to determine whether a transaction being initiated by a cardholder should be approved. These checks shall include determining whether:

1. The card number (PAN) is verified and the card is active
2. The number of consecutive failed PIN entry attempts has not been exceeded
3. The PIN is verified as being entered correctly
4. The account is active
5. The WIC EBT account holds a sufficient food item balance in order to satisfy the transaction request.
6. If any one of the above conditions is not met, the Provider shall deny the transaction. The system must return a message to the retailer/ Provider indicating the reason for denial (e.g., invalid PAN, invalid PIN, NS food balance; improper item).

C-1.2.9.3. Merchant Validation (WIC Retailer Number)

For all WIC transactions, the Provider shall validate the transactions originating at a WIC authorized retail location. The Provider shall obtain an up-to-date database of authorization numbers for all WIC authorized retailers from the FL-WISE system.

FL-WISE system sends a daily file to the Provider that includes updates of new, updated or de-authorized retailers to be used to validate retailers as WIC authorized as part of transaction processing. The Provider shall verify the retailer identification number and associated X9 number are that of a WIC authorized retailer prior to completing its processing of a transaction. The Provider shall immediately notify the WIC State Office of any errors in WIC retailer information and X9 processing. The Provider shall assist the WIC State Office in correcting any system errors associated with this process to ensure authorized retailer payments are properly routed.

C-1.2.9.4. POS Transaction Sets

The Provider shall accept WIC EBT transactions from POS devices for WIC prescriptions. At a minimum, the following WIC transaction types shall be processed:

1. WIC Purchase
2. Balance Inquiry
3. Voids or Cancellations
4. Reversals

C-1.2.9.5. Voids or Cancellations

The Provider shall have the capability to allow voided or cancelled transactions in accordance with the following process:

A transaction may be voided/cancelled by a retailer at a POS device. The void/cancellation message will include the trace number, the exact dollar amount, and other identifying information from the original transaction. The Provider shall accurately process the void or cancellation transaction and have the effect of the void/cancelled transaction immediately and appropriately reflected in the cardholder's WIC EBT account. That effect shall be returning the balance to the WIC EBT account of voided items and deducting payment for the voided transaction from the retailer payment account. The provider shall ensure that voided transactions appropriately credit all coupon and NTE impacts in returning financial values to prevent a common TPP mismatch that occurs when voiding a transaction at full value without considering the NTE or coupon amount.

The WIC State Office shall also have the capability to void a transaction at any time to address issues that have occurred during the completion of a retailer's transaction. The Provider shall provide the WIC State Office through the EBT Administrative Terminal the functionality necessary to enable the WIC State Office to directly input a void transaction into the Provider's EBT processing system immediately, and structured/processed to have immediate effect to all associated EBT processing entities and record files to adjust a completed purchase transaction using a void/reversal transaction or other adjustment method upon input of the required information into the Provider's system. The provider shall provide a void comment that must be completed by the user in order to complete the void. This comment area will memorialize the authorization for the void, name and date.

The Provider's system shall accurately process the void/reversal or adjustment transaction and have the results reflected immediately and appropriately in the cardholder's account. The Provider will facilitate the financial and balance procedures to ensure that the retailer payment is reduced, appropriate benefit balances restored and transactions properly and immediately reconciled within the Provider's system. The Provider will individually report the results of each void/reversal or adjustment and any variance in the transaction to the WIC State Office in daily settlements to reconcile all payment and benefit accounts. If the approach uses a void/reversal transaction as a method of adjustment, the message will include the HGTN and trace number, the exact dollar amount, and other identifying information from the original transaction as defined within the WIC EBT ISO message specifications.

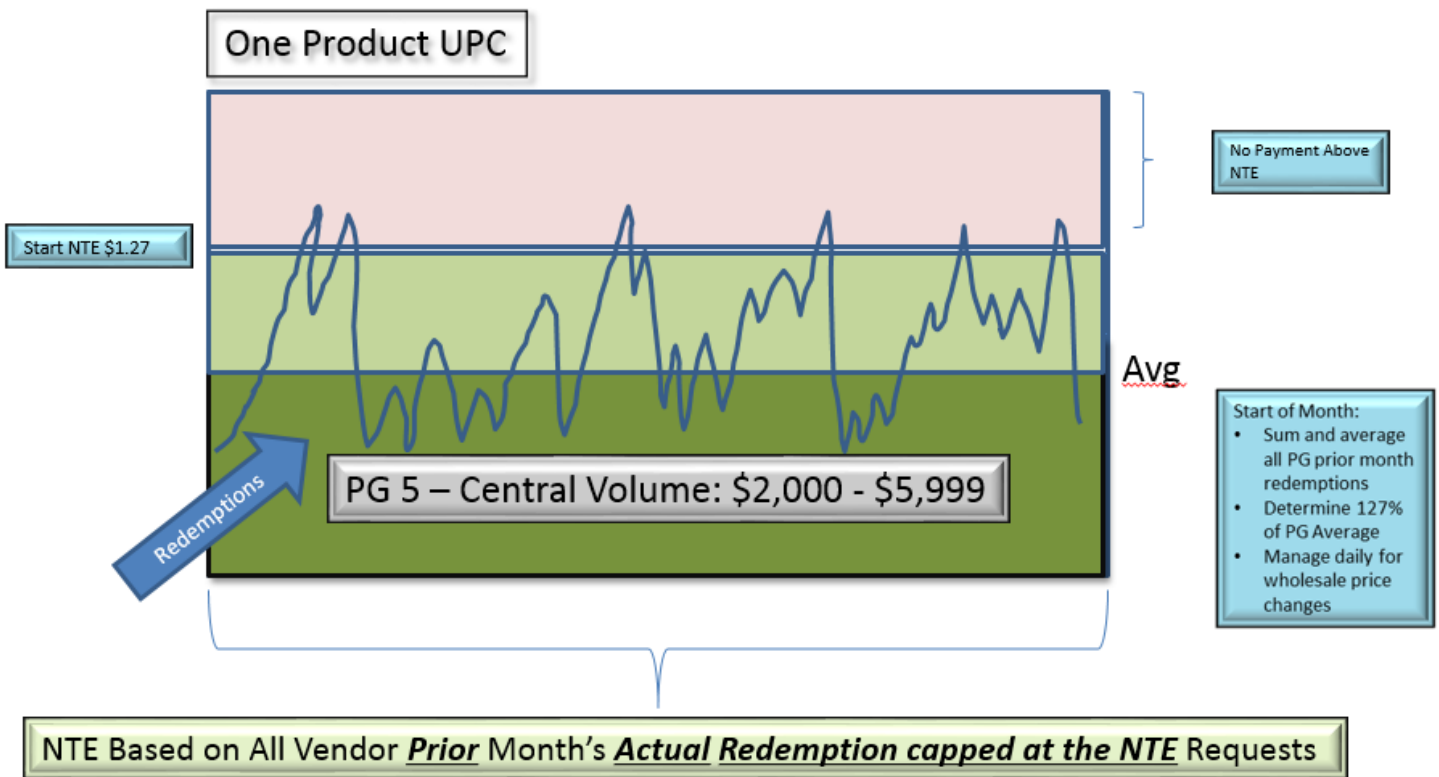
C-1.2.9.6. Reversals

The Provider shall also be capable of processing a reversal of a POS transaction if for some reason the completion of the transaction cannot take place at the originating POS device (e.g., communication failure with the device and/or a device malfunction, or a late response from the Provider). The entity (specifically the TPP, authorized acquirer, or the POS device) within the response chain where the transaction error is recognized will generate a reversal message back to the Provider. As defined within the WIC EBT ISO message specifications, the reversal message will include the trace number, the exact dollar amount, and other identifying information from the original transaction. The Provider shall have the capability to accurately process the reversal transaction and have the results reflected immediately and appropriately in the cardholder's account.

C-1.2.9.7. Not-To-Exceed (NTE) Amounts

During a purchase transaction, if a product price is less than or equal to the NTE, then the WIC EBT system shall pay for the item at the product price. If the product price is greater than the NTE, then the WIC EBT system shall pay for the item at the NTE price. The WIC EBT system shall provide standard reports to the WIC State Office that identifies the impact of any NTE applied to an individual transaction similar to the diagram below. NTEs will be calculated by FL-WISE and transmitted to the Provider in the daily UPC/PLU/NTE batch file.

The Provider shall accurately load all NTEs in the WIC State Office specified format upon the next available end of day process. The Provider shall report to the WIC State Office the successful completion of that upload, complete with a total number of all records upon successful update processing. This notification may be accomplished using a dashboard that clearly shows the expected task (i.e. upload of NTE). Next to each event the appropriate annotation of success or failure, number of records effected and the date of success or failure.

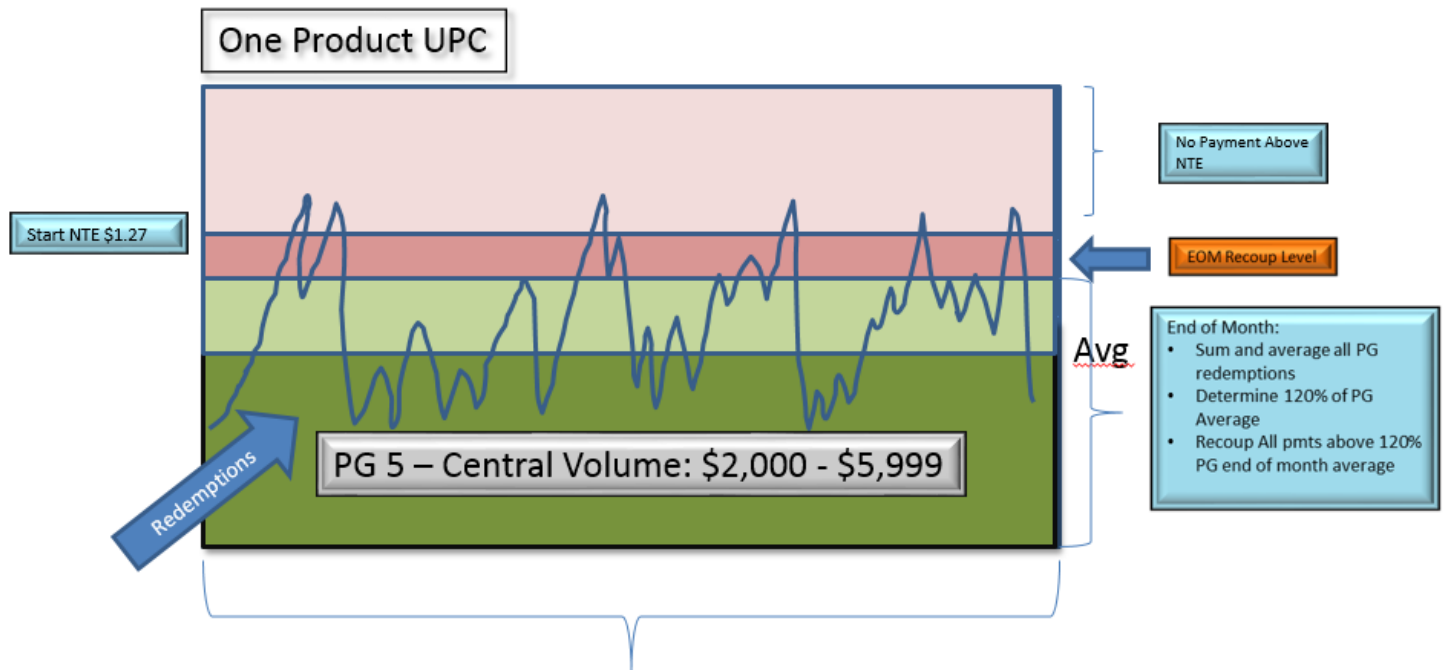


C-1.2.9.8. Recoupment Amounts

At the end of each month, the WIC State Office identifies the market competitive price by computing the average price paid for each UPC for each peer group. Then that amount is compared to each vendor redemption processed during that month. The Provider's system shall recognize the total value of recoupment and apply it to any amount paid above the computed market average is recovered by UPC in the first several days of the following month. This shall result in no payment paid for an approved redemption until the full value of the outstanding recoupment account amount has been resolved (except for CAT 19-CVB or CAT 97-FMNP, to which Recoupment does not apply).

The recoupment amount is provided to the EBT Provider through an interface from FL-WISE to the Provider's system in a lump sum by vendor number. The provider confirms successful upload of the recoupment amount. This notification may be accomplished using a dashboard that clearly shows the expected task (i.e. March 2018 Recoupment). Next to each event the appropriate annotation of success or failure, number of records effected and the date of success or failure. This may also be registered by individual vendor number with a decreasing balance as recoupment is executed. That lump sum is then reduced (e.g., resolved), by individual vendor redemption that occurs during the first several days of the following month, until the full recoupment amount for that specific vendor is recovered. In this fashion, recoupment requires about two (2) days to complete for all vendors. Alternatively, the Provider will also enable at the WIC State Office direction, the ability to apply the full amount of a vendor's or Vendor Corporation's recoupment in a lump sum to a vendor TPP account for immediate resolution of the outstanding recoupment balance. The WIC State Office provides standard reports to vendors informing them of the total recoupment and the UPCs that were redeemed above the peer group average. This permits the vendor to focus on specific product pricing with suppliers and wholesalers when necessary. In addition to the ability of submitting a debit ACH request, the Provider will establish processes in which the WIC State Office may directly provide a credit to the vendor. Such credit action shall appear on the following business day's invoice along with all debits.

The impact of an applied recoupment to the individual transactions, in the State's analysis is shown below. The recoupment is applied to the first redemptions submitted during the recoupment month until the full balance is recovered.



Recoup – At End of Month, Against Vendor’s Full Month of *Redemption* Request

C-1.2.9.9. Store and Forward

Store and forward transactions shall not be permitted until further technical analysis and support technology becomes available. Store and forward transactions will be allowed only after the appropriate procedures are placed in writing and agreed to, consistent with FNS standards, by both parties.

C-1.2.9.10. Key Entered Pan

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

The Provider shall adopt other security measures to prevent cardholder and retailer abuse/misuse of the key-entry feature. The Provider shall ensure that the PAN printed on the transaction receipt is truncated on Provider issued POS devices. The Provider shall be able to selectively disable or deny the capability of a Provider issued POS device from completing key-entered transactions. The Provider shall track, and report to the WIC State Office monthly by the fifth of the following month, key-entered transactions by card number and by the WIC vendor number. The Provider shall respond to reports of malfunctioning or defective equipment at retailer sites, including both Provider issued POS devices and retailer owned devices. The Provider shall provide the WIC State Office a data file report of all vendor numbers monthly that have processed key-entered transactions in a suitable format to permit further analysis.

C-1.2.9.11. Account Adjustments

The Provider shall have in place a process such that a retailer, TPP, the Provider, or the WIC state agency can initiate an adjustment to resolve errors and out-of-balance issues related to the Provider’s system problems. The Provider will ensure that such requests are first presented to the WIC state agency for approval. The WIC state agency shall be enabled to complete the appropriate transaction void on behalf of a cardholder complaint. The Provider, upon WIC state agency request or approval can also initiate an adjustment to resolve a transaction error. In either case, the adjustment will reference an original settled transaction, which is partially or completely erroneous. The Provider shall have the capability to process the adjustment and have this reflected in the cardholder’s account. Adjustments shall be processed in accordance with Federal regulations regarding the recording, tracking and processing of these types of adjustments.

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Adjustments made by the Provider must be in accordance with "Retailer-Initiated Adjustments" requirements in the FNS WIC EBT Operating Rules.

Transaction voids, adjustments, and variance corrections shall be incorporated in and clearly reflected as part of the daily settlement to the WIC state agency complete with an explanation of the source and impact of these actions upon the outstanding balance the State owes to settle for the prior day's transactions. All such transactions shall be researched and reported within five (5) business days of the time the amount or actions is identified and action initiated within the system. The Provider will participate in working sessions with the WIC state agency, as may be necessary, to resolve such actions or research their source and corrective action.

The Provider shall also provide the capability to process payment amount adjustments for individual retailer accounts. The capability shall include an appropriate comment area that must be completed in order to process the adjustment. This area shall include adjustment authority, reason and date and where appropriate any work ticket number supporting the request for future research and audit.

C-1.2.9.12. Processing Speed Requirements

The Provider shall comply with all relevant processing speed requirements as stated in WIC Federal Requirements and as required by FNS for WIC transaction processing.

C-1.2.9.13. WIC EBT System Availability

The Provider's WIC EBT system, including the system's central computer, any network or intermediate processing facilities under the control of the Provider (either service Provider or subcontractor to the Provider), shall be available 99.9% of scheduled uptime, 24 hours per day, 7 days per week including during a disaster. Scheduled uptime shall mean the time the database is available and accessible for transaction processing, and shall exclude scheduled downtime for routine maintenance.

The Provider shall attach particular importance to providing the WIC State Office advance notification of scheduled system downtime. This notification shall be at least twenty (20) calendar days prior to scheduled system downtime and must be provided in writing (paper or e-mail will be accepted). The Provider shall notify the WIC State Office in advance of scheduled downtime for routine maintenance, which shall occur during off-peak transaction periods. The Provider shall provide the WIC State Office with any scheduled downtime outside of the time required for routine maintenance, and obtain the WIC State Office's approval for such downtime.

The Provider shall provide notification to the WIC State Office based on the mutually agreed process defined within Communication Plan in the event of unscheduled downtime, to include the reason(s) for the unscheduled downtime, the course of action to be taken to resolve the issue(s) causing the downtime, and an estimate as to when the system will again be available (for Performance Measures see **Exhibit E**).

C-1.2.9.14. USDA-FNS Standards for Transaction Processing Accuracy

As defined in the Federal regulations, the Provider's WIC EBT System Central Computer shall permit no more than two (2) inaccurate WIC EBT transactions for every 10,000 EBT transactions processed (for Performance Measures see **Exhibit E**). The transactions to be included in measuring system accuracy shall include:

1. All WIC transactions occurring at POS terminals and processed through the host computer
2. Credits to WIC EBT accounts

C-1.2.10. Transaction History

The Provider shall provide a web based, accessible query/report using the account transaction history that allow users to search for all types of transactions that occur: balance inquires, purchase requests, void requests, benefit expungement, change pin, change password, etc. In addition to balance inquiries and similar information, the Provider shall provide the WIC State Office the ability to query its EBT redemption system for data showing the manually key entered transactions processed at each retailer site. The on screen depiction of the report shall show the host generated trace number (HGTN), system trace and audit number (STAN), Host date and time, system providing the transaction, Household number, EBT card number, vender number and name, type request and action code. This page must enable the opening of each individual HGTN record to show the individual UPC products and record information that comprise the transaction detail including requested amount, NTE adjustment, Recoupment Amount, Approved Amount, Requested Quantity, Approved Quantity, Exchange Size, Units Deducted and Action.

The Transaction History must include the following: the transaction type, account type, HGTN, system trace and audit number retrieval reference number, Host date/time, local date/time, transmission date/time, reversal status, settlement status, matching status, settlement

date, reconciliation date/time, household number, card number, vendor number/name, card acceptor code, card acceptor terminal, function code, record of manual void (or real-time adjustment) comments entered by the user.

The report shall reflect the products in the transaction, the requested amount, the NTE adjustment, recoupment, approved payment, quantity requested, approved quantity, exchange size, units deducted and action. Transaction records on the report shall be totaled. The transaction record shall also show the transaction remaining balance with the earliest expiration date. It will list the category, subcategory and quantity of product remaining on the account after the transaction occurs. From this screen, a manual void (or real-time adjustment) will be permitted and record the new HGTN assigned to the void and referenced to the original purchase request.

C-1.2.10.1. Retail History

The Provider shall provide a retail history web based variable query. It must provide the HGTN; system trace audit number; date/time range; date/time begin; date/time end (of query parameters); household number; EBT card number; type account; vendor MIS number; vendor x9 number; transaction types; settlement date; drop down that will also include if a transaction has NTE, only effected by NTE, has recoupment; is recoupment only; action code for transaction.

C-1.2.11. WIC EBT System Data Extraction

The WIC State Office will be provided access to the FL-WISE -EBT interface files and secondary file through an SFTP process. The Provider shall refer to the FL-WISE EBT ICD included in Appendix XXX for the specifications of the interface.

The Provider will provide the WIC State Office a separate file containing a complete representation of each EBT purchase or void transaction attached to and supporting the daily settlement invoice. This file along with the written summary invoice is the Provider's representation of the amount the WIC State Office is asked to pay the Provider to settle the prior day's redemption activity. This is a formal document that reflects the Provider's claim for payment and must be accurate and match the written invoice. The record will show "Transaction Detail for mm/dd/yyyy settlement". The record will contain the following data elements: transaction type; transaction type ID; EBT card number, EBA, host transaction date/time; system trace audit number; host generated trace number; x9 merchant number; generating entity transaction date and time; merchant name; merchant number; FL-WISE house hold number; settlement date; action code; account type description; amount paid debit or credit (shown with "(\$\$)"); amount requested; amount discount; amount surcharge; total NTE adjustment price; and recoupment total amount. As new or updated FNS Universal Interfaces are adopted, the Provider will schedule and incorporate the new interface in its delivery to WIC. Additional information called for in the data extraction file defined above will continue to be provided as a separate file daily unless the new Universal Interface provides the same information.

The recoupment process transaction history detail for each retailer, which foots to the daily Recoupment Summary from **Section C-1.2.20.1.5 - Recoupment Reporting**, is part of the daily data file exchange (documented as the Report Recoupment Status in the ICD dated 07/27/2017, which has been included as Florida eWIC to MIS ICD as Incorporated by Reference at <http://www.dcf.state.fl.us/admin/contracts/ebt-2018/>). The information will be provided by the Provider through a file containing the recoupment activity detail until such time as that activity information is included in the Universal Interface Specifications.

C-1.2.12. Universal Product Code Data Acquisition and Maintenance

The WIC State Office requires the implementation of Universal Product Code (UPC) acquisition and maintenance technology in conjunction with the Provider's EBT services to support and streamline UPC management, acquisition and updates. This will significantly reduce the WIC State Office's manual collection efforts and ensure a better selection of supplemental food products available for program participants. This technology will improve accuracy and the speed at which the program acquires UPC information on products that may be eligible for WIC approval.

The technology should be provided via application programming interface (API) from a provider that provides market UPC, product information, image, nutrition panel, UPC, product content and a further break down of product content into discrete food product ingredients and characteristics (e.g. content of product, vitamin, calcium content, etc.). A provider must provide in-line routine updates on current data on new and current products in each discrete state market accumulated through physical market survey or similar analysis. This data must be formatted and delivered as market information change occurs to ensure the program is able identify WIC eligible products for presentation to nutrition staff for evaluation and approval.

In meeting this requirement, the provider must provide in its system data science technology that crates a high order attributes record for food products. The high order attribute arrays product information into a spectrum of more complete detail on product content. The system technology analyzes and provides ingredients, nutrients with specific custom attributes such as ingredient definitions, micro and

macronutrient content, sustainability practices and specialty diet eligibility. The nutrient data is required to improve the transparency in product label data.

This technology must go further than conventional package data that captures what is physically present on the product packaging, such as marketing claims, brand name, nutrition facts panel and ingredient listing. Additionally, it must provide supply chain data. Supply chain data contains product attributes of package weight, height, depth and shipping and logistics information. High order attributes provide context such as ingredient definitions, properties of ingredients, and specific diet programs for which a food qualifies. High order attribute data provides enhanced and more detailed version of conventional attributes, specifically designed to meet the need for important product nutrition information to evaluate food products for acceptability as a WIC eligible product for redemption.

The proposed provider's API must permit the acquisition of UPC data as described above and be capable of modification and enhancement as additional information elements are identified. The WIC State Office will reciprocate with the provider by providing Florida UPC market data in return.

C-1.2.13. Investigate Possible Program Abuse

The WIC State Office is required to identify and investigate possible program abuse involving the sale of WIC products posted on various venues on the internet. Examples include Facebook, Craigslist, Whats Up, and many similar forums. The WIC State Office currently investigates these postings one-at-a-time with some success. The Office requires a way to draw down a full day's postings that may be the offer of WIC items for unauthorized sale.

The present process accesses the various internet venues and searches for WIC related products. The Provider shall accomplish two (2) functions. First, establish access to these venues for volume extract of data postings relevant to the WIC program. Such Automated Programming Interface (API) approaches are shown on some venues; however, the specific ability to draw out the data on the product, poster and other salient data requires special authorization or permission. This is normally only granted to a trusted source. A Provider with adequate commercial credentials must obtain these special authorizations. The Provider will facilitate the delivery of the volume extract to the WIC State Office on a daily basis for analysis. Capabilities will be improved throughout the contract period.

Second, the provider will collaborate with the WIC State Office to develop an automated intelligence (AI) approach to the analysis of the volume data. The AI approach incorporates data extract, learning and applying that learning on subsequent extracts to become progressively more accurate in identification of potential program abuse.

C-1.2.14. State Interface (Universal Interface Update)

The Provider shall provide a data interface that is compliant with the FL-WISE EBT Interface (documented in the ICD dated 07/27/2017, which has been included as Florida eWIC to MIS ICD as Incorporated by Reference at <http://www.dcf.state.fl.us/admin/contracts/ebt-2018/>.

During the first year of the Contract, the Provider shall coordinate with the WIC MIS Provider and orchestrate all requirements to complete the update of the Universal Interface between the Provider EBT system and the WIC MIS FL-WISE consistent with FNS requirements. This task shall be part of the basic requirement and not assessed against regulatory or non-regulatory programming hours described herein. All unit, user acceptance, regression and load testing shall be addressed.

The Provider shall produce the appropriate test scripts and submit them to the WIC State Office for evaluation and approval. Adjustments, additions or changes shall be accommodated in the final testing scenarios. A final section of the regression and integrated testing shall include load testing that accommodates the Provider's system and the WIC MIS linked in a testing environment and stressed to agreed task levels. System performance and response shall be evaluated and must meet minimum user standards for acceptability.

The WIC State Office, Provider and WIC MIS contractor shall jointly participate in the upgrade, testing and implementation of this additional universal interface.

For the Universal Interface Update, the Provider shall create a project plan with estimated hours by specialty or skill level, for project completion based on the level of expertise required. The plan shall include estimated time for system testing, unit acceptance and regression and load testing at the appropriate stages. Those program changes that have impact or influence on or by the WIC MIS, FL-WISE, shall also be tested thoroughly to ensure compatibility with the appropriate universal interface messaging and program interaction.

The project plan shall be submitted to the WIC State Office for evaluation. A similar plan will be created with the WIC MIS. The WIC State Office must correlate and approve the estimated hours and deliverables prior to work commencing. Once the project plan is approved and agreed, the Provider will be responsible to deliver the completed project within the estimated hours. Adjustments may be

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completed in the project plan when it is adequately demonstrated that additional unforeseen tasks are required to complete the work assigned. The Provider will provide a project update to the WIC State Office at least weekly with the progress and estimated first date of promotion into the testing environment.

The WIC State Office shall participate in all user acceptance and regression testing. It will provide designated personnel up to two (2) individuals to support these testing events. The Provider shall provide all necessary test scripts for both UAT and also for regression testing.

Regression testing and testing scripts will require frequent modification as functionality analysis demonstrates specific events that require focused attention. The Provider will update regression testing scripts when new events, capabilities or processes as necessary throughout the upgrade. The Provider shall provide current scripts to the WIC State Office when requested. The WIC State Office may provide additional events for UAT and regression tests as may be appropriate. In those instances, these events will be incorporated into the Provider's script for use in upgrade testing and analysis.

C-1.2.15. WIC EBT Account Structure and Prescription Delivery Model

The Provider's account structure shall support the WIC program.

The Provider shall design the WIC EBT account to ensure that:

1. Account and prescription balances are accurately maintained
2. Prescriptions accessed by cardholders are drawn from the appropriate account(s)
3. Prescription accounts are not overdrawn

The Provider shall be liable for any losses resulting from errors or omissions. These liabilities will include, but are not limited to:

1. Allowing access to program prescriptions prior to the availability date
2. Losses from incorrect or erroneous posting of debits and credits to cardholder's accounts
3. Losses from funds drawn from an account after the Provider was notified that the card was lost or stolen.
4. Losses from transactions performed on inactive or cancelled cards
5. Damages or losses suffered by a Federal or State agency due to negligence on the part of the Provider
6. Loss of prescriptions caused by fraud or abuse by the Provider or its representatives or subcontractors
7. Prescriptions paid out in excess of authorized cardholder prescription amounts
8. WIC EBT host transaction processing errors

C-1.2.16. WIC EBT and FL-WISE System Interaction

In addition to and to emphasize the requirements of the FNS universal interface and the needs of the WIC State Office FL-WISE connectivity and interdependence, the following is provided to explain key elements of that interaction.

C-1.2.16.1. Food Item Maintenance

Approved food items will be maintained in FL-WISE and/or an Access database and remitted to the WIC EBT system through file transmissions. This includes the Approved Product List (APL), a list of food categories and sub-categories used by the WIC State Office, the list of Universal Product Codes (UPC) and Price Look-Up (PLU) codes for food items, and the Not To Exceed (NTE) price for each UPC.

C-1.2.16.2. Category/Subcategory Maintenance

Categories/subcategories are used in prescription issuance and assigned to UPCs/PLUs for use in prescription redemption. The WIC EBT system shall allow authorized users to update (add/modify/delete) the categories/subcategories file transfer.

The WIC EBT system should allow users to set, activate, and de-activate dates for specific categories/subcategories within the table. The WIC EBT system shall provide the ability to view and search the categories/subcategories database.

C-1.2.16.3. UPC/PLU/NTE

UPCs/PLUs identify the WIC approved food items and are used as part of the WIC prescription redemption process. The WIC EBT system shall allow authorized users to update (add/modify/delete) the UPCs/PLUs through a file upload from FL-WISE and/or an Access database.

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The WIC EBT system should allow users to set, activate, and de-activate dates for specific UPCs/PLUs within the table. The WIC EBT system shall provide the ability to view and search the UPC/PLU database.

The WIC EBT system will receive the NTE, by peer group, at the UPC level from FL-WISE and/or an Access database. The WIC EBT system shall provide authorized users with viewing and download access to current and historical NTE prices.

C-1.2.16.4. Recoupment Requests

The WIC EBT system will receive the recoupment amounts for the designated vendor accounts. Upon the provider's receipt, the recoupment amount specified shall be satisfied through processing reduction based upon the amount requested for each individual redemption activity (exclusive of CAT 19 item sales) and reflected as a reduction in payment on each of the redemptions to the grocer until the full redemption amount is resolved. This is an important functionality for interaction between WIC and the grocer. Alternatively, at WIC State Office direction, the full amount may be assigned to a TPP account for full recoupment.

C-1.2.16.5. WIC Retailer Access to APL

The WIC EBT system shall allow WIC retailers and TPPs to automate the download of the APL or to request the APL on-demand. The WIC EBT system shall provide authorized users with viewing access to the APL (current and previous) source data.

The WIC EBT system should have the ability for retailers and TPPs to view APL files created by the system by date. The APL file must conform to the ANSI X9.93-2014 Part 2: Files specifications, or most recent version. The APL provided to WIC retailers shall not contain NTE pricing information.

C-1.2.16.6. Provider and FL-WISE ON-demand Reconciliation

Periodically, the Provider or state system will "go down" while the other system remains active. In those instances, where the Provider's system is inoperable, the FL-WISE system is active and attempts to process and post food issuance. During the time the Provider's system is unresponsive, an over-issuance to the participant account can occur, either in FL-WISE or in the Provider's system. An immediate reconciliation in balances is essential to prevent participants from leaving a clinic with FL-WISE balances on their card that are not properly updated/recorded in the Provider's system or leaving with balances in the Provider's system and not recorded in FL-WISE accurately.

The Provider must provide an on-demand reconciliation capability that will be called into use immediately after a system outage or interruption. The on-demand reconciliation shall identify all issuances in FL-WISE that occurred immediately before, and throughout the system outage. The reconciliation will identify those accounts update in one system (either FL-WISE or the Provider's system) but not in the other. The balances must be reconciled. This is accomplished by identifying the most current balance data, matching that balance and date in the other system and updating records to accurately reflect the correct remaining balance. The Provider will be required to deliver a copy of the Daily Benefit Activity File within 15 minutes of the WIC State Agency request.

The Provider's process and procedures shall include the active participation of the WIC State Office, FL-WISE and Provider's system operators. Those balances that are questionable or appear to be out of line will be listed and delivered in an electronic format to the state agency for immediate attention and action.

The Provider will complete a second electronic report after the on-demand reconciliation has been completed. This final reconciliation report will provide the family ID and benefit balances before and after reconciliation. It will show which system was updated and with what quantity of benefits. The state agency will use this electronic update to validate and confirm that all reconciliations are processed correctly. Those accounts with errors will be corrected through normal in-line account maintenance procedures.

C-1.2.17. Data Warehouse

The Provider shall provide a data warehouse and appropriate manual that provides detailed instructions to users on how to use the data warehouse. The manual shall provide instructions on how to assist users experiencing problems remotely in real time and a troubleshooting guide.

C-1.2.17.1. Ad-hoc Reporting Capability

The Provider shall provide the State with robust ad-hoc reporting capability. This ad-hoc reporting capability must be easy to use and provide access to financial and non-financial transaction history data via the data warehouse. The Provider shall provide parameter driven access to permit, at a minimum but not limited to, data inquiry, sorting and extraction. Due to changing and evolving business

needs, the report formats and data requirements of the State and the Federal program agencies are subject to change. The Provider shall support State or FNS changes in reporting requirements at no cost to the State.

The data visualization includes selection for vendor, nutrition, quality assurance and fiscal data. It must be available on a real time basis using application programming interface (API) and views for immediate access between system platforms. The high priority data includes:

1. Participant: demographics and GEOCODE; nutrition history; risk; education; food prescription
2. Food: package; components; availability; food prism with subcomponent composition of foods in food packages
3. Facility and GEOCODE: clinic; retailer locations and ad hoc relevant address sites
4. GEOCODE mapping; successful sites; sales for a designated area; customers and revenues; demographics and competition in relevant number of vendors in specific areas.

The ad hoc capability is intended to develop user driven tools through practical experience and feedback from experts in their use. The objective is to capture user knowledge of the complete WIC service environment, combine with intuitive tools and build individual tool kits with inquiry and other data extractions saved by user for recall and reuse by up to 100 simultaneous users accessing the process via a web portal or similar internet access technique.

The reporting may initial be constructed as shown below. However, the provider will provide continued evolutionary support of improvements and introduction of artificial intelligence aspects to such searches. The initial options for selection will include at least:

1. Field selection
2. Operation: like, between, before or after
3. Criterion to include a number or name or date
4. Grouping options such as text field, number, date
5. Sorting options of available fields including high to low or alphabetic

The objective of these ad hoc queries is to use the native skills, abilities and professional knowledge of users in evaluating WIC performance and impact on participant populations. For example, the users wish to identify the location of nutritional risk and conditions; participant and treatment references; GEOCODE and location; high concentrations and proximity to other centers/conditions. Key food or food items are assessed in various key functions. The prism structure of data identifies underlying nutritional components of food ingredients prescribed to various locations in the state. Users should have the ability to match high value to highest need and evaluate cost and sequential delivery.

The user will select participant information to evaluate concentration in WIC service areas. Users will evaluate issuance, assessing validity of issuance against the level of need. Timing and quantity of selected items prescribed and redeemed by family unit. The user will require the ability to conduct data excursions wherein the user identifies alternative food packages that could have been prescribed against the stated participant population assessing whether there were better package choices that could have been delivered. The user may further wish to evaluate redemptions, timing of redemptions, value of those redemptions and their quantity. The redemption activity within regions comparing participant issuance to redemptions; values and quantities left on the card and a regional available minus redeemed quantity.

This data should be extracted using drop down or other modifiable criteria within the user's control. The output should be with appropriate column and table headings. Graphical charting of results and trend line creations are necessary to visualize the resulting output to encapsulate the data result and its impact graphically against stated selection criterion.

C-1.2.17.2. Desk top Analytic Service Support

The Provider shall provide user access and full operational control of a web based analytic tool such as Tableau or similar program. This service shall be made available to a minimum of 150 users via https connectivity. The program must support the creation of individual system dashboards, updateable in real time with ongoing redemption and issuance activity throughout day-to-day operations. It must also enable users to create and publish record data viewable on screen and in print media.

The Provider shall coordinate with the WIC State Office to permit update of the data warehouse served with the analytic tool. Update will include participant data, GEOLOC data on participants, grocers and clinic locations. The update may be accomplished either via API or web service call to permit the exchange of data with the Provider. Such data when incorporated in the data warehouse, also maintains access to all historical updates.

The Provider will provide technical training and support for the use and maintenance of the analytics based program(s), to include on-going user training, support and trouble shooting in the creation of program products.

The Provider will provide one (1) Business Consultant/Analyst/programmer to facilitate data acquisition, interface construction, data exchange and updates and upgrades required of the Provider's system and its interface with the State. The individual should have analysis and development experience with the following programming languages: ASP.NET, VB.NET, C#.NET, ADO.NET, web forms and other .NET application programming interface (API) libraries, HTML, CSS, CICS, IBM rational tool suite, using visual studio and team foundation suite. Knowledge of visual studio 2015. Experience with DB2 and, MS SQL 2008R2 and SSRS and analysis and Oracle R2. The individual will be embedded in the WIC State Office working on WIC EBT interoperability, program abuse and fraud detection systems.

C-1.2.18. Local Agency WIC Equipment and Maintenance Requirement

The table below represents the current estimate of equipment required to support local agency activities. The Provider will support the current in-place equipment and/or enable the replacement of equipment with similar equipment with required functionality. Such replacement shall be executed upon the date of request for arrival at the local agency in no more than two (2) business days from the date of the service request.

The Provider shall be required to provide maintenance support for the number of equipment units fielded for WIC. The below number is for planning purposes only as unit requirements will change over time. The Provider shall accept equipment orders from the WIC State Office and ship requested equipment directly to the designated local agency specified in the State's instruction.

Florida WIC EBT Equipment

Local WIC Agency	Mag-Tek Mini-Wedge Swipe Magnetic Card Readers	XAC xPED 8006 L1 PIN Pads
01 Alachua	28	38
03 BAY	21	18
05 BREVARD	14	17
06 BROWARD	102	112
08 CHARLOTTE	10	12
09 CITRUS	9	8
10 CLAY	20	22
11 COLLIER	20	19
13 DADE	177	105
14 DESOTO	8	10
16 DUVAL	57	34
17 ESCAMBIA	20	24
18 FLAGLER	5	7
20 GADSDEN	5	7
27 HERNANDO	20	16
28 HIGHLANDS	6	8
29 HILLSBOROUGH	47	51
31 INDIAN RIVER	7	10
32 JACKSON	14	19
35 LAKE	18	17
36 LEE	32	38
37 LEON	29	35
41 MANATEE	20	22

Local WIC Agency	Mag-Tek Mini-Wedge Swipe Magnetic Card Readers	XAC xPED 8006 L1 PIN Pads
42 MARION	17	19
43 MARTIN	7	9
44 MONROE	3	6
45 NASSAU	12	11
46 OKALOOSA	11	13
47 OKEECHOBEE	3	5
48 ORANGE	60	40
49 OSCEOLA	20	23
50 PALM BEACH	26	33
51 PASCO	16	20
52 PINELLAS	35	40
53 POLK	46	48
54 PUTNAM	9	11
55 SAINT JOHNS	7	7
56 SAINT LUCIE	9	11
57 SANTA ROSA	8	8
58 SARASOTA	7	9
59 SEMINOLE	12	14
64 VOLUSIA	18	22
STATE OFFICE	3	2
TOTALS	1018	1000

C-1.2.19. Retailer Management

The Provider shall be responsible to assist the WIC State Office to manage retailer participation in the State of Florida WIC program. The Provider's primary roles and responsibilities include:

1. Providing every WIC authorized retailer with the opportunity to participate in the WIC program.
2. Maximizing the use of the existing commercial point-of-sale (POS) terminals.
3. Installing, maintaining and otherwise supporting the WIC State Office-provided single function stand-beside POS equipment as necessary in accordance with FNS and WIC State Office WIC policy and procedure.
4. Assist WIC authorized retailers possessing a WIC provided VX520 to upgrade their POS to the improved POS provided under this Contract for selected WIC authorized retailers. Provide assistance to WIC authorized retailers that require technical assistance upgrading from a stand-beside to an integrated system.
5. The Provider shall use retailer and TPP agreements approved by the WIC State Office. Such agreements are to be made available to the WIC State Office for approval at least 14 days in advance of being used.
6. Process transactions from retailers authorized for WIC and/or the Farmers Market Nutrition Program (FMNP). For Farmers' Markets and/or FMNP, the following should be noted:
 - a. FMNP benefits are issued to category 97, subcategory 000.
 - b. Two generic FMNP UPC/PLUs (similar to the use of PLU 4469 in category 19) are used within category 97 for the redemption of FNMP benefits; one PLU is used to identify regular produce and the other PLU is used to identify organic produce.
7. Support direct connection to the processor for Farmers Market app users to reduce processor costs.

8. Provide within its processing system the ability to limit the type of transaction the selected vendor type may process. The vendor type selected within the processor's system by the WIC State Office shall include the following capabilities:
 - a. Corporation – redeem all products on the WIC approved product list (APL), but not FMNP products
 - b. Farmers Market (CVB Only) - redeem only category 19 items on the APL, but not FMNP products
 - c. Farmers Market (CVB and FMNP) - redeem only category 19 items on the APL and items in category 97 for the Farmers Market Nutrition Program
 - d. Farmers Market (FMNP Only) - redeem only items in category 97 for the Farmers Market Nutrition Program, but not CVB balances
 - e. Franchisee – redeem all products on the WIC APL, but not FMNP products
 - f. Independent Grocer - redeem all products on the WIC APL, but not FMNP products
 - g. LLC - redeem all products on the WIC APL, but not FMNP products
 - h. Partnership - redeem all products on the WIC APL, but not FMNP products
 - i. Sole Proprietor - redeem all products on the WIC APL, but not FMNP products

C-1.2.19.1. WIC Vendor Certifications

The Provider shall be responsible for the management and maintenance of certifications for all WIC retailer systems in the State. The Provider shall participate in the evaluation of retailer system updates and advise the WIC State Office and assist in determining if there is a need for a new system certification consistent with FNS requirements. Such certifications may require the Provider's presence at these certifications at the appropriate certification sites along with the responsible retailer, processors, TPPs and other parties as needed to complete the needed certification.

The Provider shall remain current on retailer systems and their certification status and provide a data file quarterly to the WIC State Office with the name of each retailer's integrated cash register or stand-beside system and the date of each system's FNS certification. The format of the data file shall be provided by the WIC State Office. The Provider shall evaluate the software update status for a retailer as a routine part of any trouble call or system evaluation and report needed updates to the WIC State Office.

The Provider shall be responsible for organizing, scheduling and completing the needed certifications for all Florida WIC retailers and notify the WIC State Office in advance to permit the state office to determine if its own representative should also attend. The Provider shall provide schedule updates and timing of all such system certifications to the WIC State Office, and a report of each completed certification.

C-1.2.19.2. POS Deployment Requirements

The Provider shall ensure, in accordance with federal and FNS requirements, newly authorized retailers have access to the WIC EBT system within 14 days after the WIC State Office announces the store's authorization and the Provider has received the retailer's signed agreement. A retailer shall not be authorized until properly authenticated with the FL-WISE system.

The Provider shall ensure that immediately upon receipt of the WIC State Office authorization notice, a retailer contract shall be sent to the approved retailer for those retailers selecting to use WIC State Office-provided WIC only equipment. However, whenever a retailer chooses to employ a TPP to drive its terminals or elects to drive its own terminals, access to the system shall be accomplished within a 30-day period or a mutually agreed upon time, to enable the Provider to complete any required functional certification.

The Provider shall ensure that transactions are processed in accordance with federal regulations and FNS WIC policy and procedure. The Provider shall provide the WIC State Office with up to 300 updated WIC POS stand-beside devices (with scanner) at no cost beyond that stated in the cost per case month (CPCM) and will replace, upgrade and maintain all hardware or app functionality for the term of the Contract. The Provider shall upgrade equipment, or app functionality at no cost, as material new technology becomes available and agreed to by both parties.

The Provider shall deploy POS terminals to retailers, as required by the WIC State Office in compliance with federal regulations and, FNS and WIC State Office policy. After the WIC State Office specified equipage for each retailer has been identified by the WIC State Office, the Provider may, if desired, provide additional POS equipment to retailers that wish to obtain additional equipment from the Provider.

The Provider may charge the retailer for providing and supporting this additional equipment authorized above that quantity identified by WIC State Office for each specific retailer.

This agreement may only be executed when authorized by the WIC State Office. Nonetheless, any such agreement covering such an arrangement for POS equipment above that authorized by the WIC State Office shall be solely between the Provider and the retailer; the WIC State Office will not be party to any such agreements.

The Provider will provide necessary training materials and support to retailers as the updated equipment is introduced into the vendor site. The Provider will maintain help desk services for all retailers to support processing requirements and resolve vendor problems.

The Provider shall provide an updated WIC POS hardware/software and demonstrate the following capabilities prior to completion of the acquisition.

C-1.2.19.2.1. POS Deployment Requirements

The Provider will supply an upgraded POS device that will replace all existing VX520s under the current EBT services contract for those designated retailers authorized by the WIC State Office to use eWIC stand-beside POS devices. There are approximately 200 stand-beside POS devices in the field as of the March 2018. All replacements shall occur prior to conversion of WIC EBT operations to the Provider. The Provider will develop an implementation schedule consistent with its conversion operation under this new contract and present it to the WIC State Office for approval. Under that schedule and plan, the Provider will coordinate the withdrawal of the VX520 with the previous provider and ensure that there is no EBT redemption service interruption at the WIC authorized grocer location during the installation of the new updated WIC POS hardware.

C-1.2.19.2.2. WIC POS System Requirements

The WIC State Office-provided equipment shall have enhanced capabilities beyond what is currently deployed in the VX520. The equipment should provide retailers with improved capability to manage their operations, to include functions such as financial reporting/reconciliation and inventory tracking. The equipment shall have the capability to support multiple tender types; however, the WIC State Office will only provide WIC-only (single function) equipment at no cost to an authorized retailer as specified under Federal Regulation. If a retailer selects to use the equipment with additional tender types (multi-function), they may lease the equipment directly from the Provider and will be responsible for those costs associated with the equipment.

The following are the specifications for the updated WIC POS hardware. The system must:

1. Be capable of processing all vendor transactions and interact with servicing TPPs or connect directly to the Providers' redemption processing service.
2. Be capable of processing WIC redemptions using a scanner or through manual entry of transaction data.

The system enhancement must be capable of producing reports and transaction summaries for the vendor on site.

The application shall allow the state to access vendor WIC UPC item sales and inventory data by approved retailers. This may be accomplished through a web based or similar application to provide real-time accessibility. Some basic requirements and characteristics of the WIC POS solution are given below.

1. The equipment used should be commercially available and non-proprietary.
2. The cashier terminals at the store should have the look and feel of a normal POS – and the cashier screen should be like a normal computer, table model computer or tablet depending on the store preference. It should be intuitive and easy to use for cashiers. Its functionality and connectivity must conform to the requirements stated in **Section C-1.2.19.3**.
3. System should be configured to permit remote training of users, maintenance and support.
4. The POS screen should display the benefits available on the Customer Card as well as a separate display of the CVV Cash Balance. As purchases are made, the balances should update and if balances exceed what is available on the card, errors/warnings should indicate this to the cashier.
5. The APL data should be automatically downloaded to every terminal each day without any intervention by the store.
6. The requested amount and the paid amount for each transaction should be available for reconciliation and indications to the retailer that their prices are high.
7. The system should be upgradable to support additional tenders (SNAP EBT, Credit Cards / Debit Cards, Cash) as an option for which the individual retailer will pay. The Provider shall establish appropriate procedures to permit such upgrades. The status of these units will be specifically identified in the quarterly system certification report to the WIC State Office and indicate its current capability to process WIC only or added tenders.
8. The system should also be easily upgradable to a full-services POS solution if the store so desires.

C-1.2.19.2.3. WIC POS Equipment Support

The Provider shall maintain a record of the location of equipment provided at the State WIC cost to grocery locations. It shall maintain a record of location of all PIN pads and magnetic stripe card reader devices. The Provider shall provide telephone maintenance support for the equipment.

Telephone maintenance will require trouble shooting to detect/diagnose the equipment issue that must be resolved. The Provider shall have one (1) business day to resolve equipment trouble shooting to arrive at a workable solution and functioning equipment. Beyond that business day, the Provider shall express deliver equipment required as a replacement for malfunction equipment. If a modular design is employed, the Provider may choose to replace only the failing module rather than the entire unit. The Provider will make special provision for WIC authorized retailer equipment that fails and must be resolved during the Provider's normal non-business hours. Response will be required to a help request call within one (1) hour and a solution identified within 24 hours. If a solution is not found, the Provider shall provide a replacement unit (or module as diagnosed) to the WIC authorized retailer by express delivery and support its installation and operational configuration within four (4) hours of receipt at the WIC authorized retailer location.

C-1.2.19.3. Retailer Mobile Apps

The Provider shall make available retailer mobile apps for both Android and iOS (Apple) devices for WIC authorized retailers. The WIC State Office is seeking a solution that will remain in operation even if a different Provider is selected in a future procurement. As such, the WIC State Office under the terms of this acquisition shall possess all rights to the mobile app software delivered under the service contract. The Provider shall deliver both source and compiled code for the software, along with all applicable system and user documentation that will allow another processor to update, maintain and enhance the software and its functionality.

The following general requirements are to be observed. The Provider shall make available two (2) different mobile apps for retailer use (General Merchant App and a Farmers Market App). These apps shall be used for full service retailers or for farmer's market service. The apps should be downloadable from appropriate sites available to users at no cost. The Provider shall provide the WIC State Office downloads at no cost and will replace, upgrade and maintain all app functions for the term of the Contract. The Provider shall upgrade the app, at no cost, as material new technology becomes available and agreed to by both parties.

C-1.2.19.3.1. Transaction Set

The following transactions shall be supported by the apps:

1. Purchase
2. Balance Inquiry
3. Voids or Cancellations
4. Reversals

These applications will each provide the retailer access to the participant's current WIC benefit balances to facilitate transaction processing between and within the WIC EBT system. Access to the specific category of benefit balances is controlled at the EBT Provider system as described within the WIC system requirements (e.g. exclusive display of FMNP balance in the farmer's app only).

C-1.2.19.3.2. The General Merchant App

This app must be functional on an iPhone or Android device. It must provide WIC EBT transaction functionality for all WIC authorized products. A technology must be employed that enables the app to reference the Florida APL for validation of each transaction processed. The app functionality must replicate that required for a retailer to make WIC EBT redemption processing in a mobile environment. This app should be downloadable from appropriate sites available to users at no cost. The Provider shall provide the WIC State Office downloads at no cost and will replace, upgrade and maintain all app functions for the term of the Contract. The Provider shall upgrade the app, at no cost, as material new technology becomes available and agreed to by both parties.

The app must:

1. Enable benefit balance inquiry with either a swipe of the EBT card or entry of the EBT account number. The participant must be able to enter their PIN independent of the retailer. The PIN will not be stored in the app and is only used to access the EBT account.
2. Enable processing of WIC EBT transactions consistent with FNS standard requirements with the EBT Provider using a mobile phone app as the POS.
3. Be able to download and store the APL for transaction processing.

CF Standard

4. Provide the ability to email the results of the transaction to an email address of the participant's choosing.

C-1.2.19.3.3. The Farmer's Market App

The Provider shall make available a mobile app for both Android and iOS (Apple) devices for Florida Farmer's Markets. The following general requirements are to be observed. This app's exclusive function is to permit the user to transact sale of FMNP and WIC fruit and vegetable benefits in dollar denomination issued by FL-WISE and all transactions are reported back to FL-WISE through the Provider's system.

This must be a low cost app limited to dollar denominated transactions for use exclusively at farmers' markets. It must be constructed to enable direct connection to the Provider to eliminate added processing costs and charges. It must be intuitive in its use thereby reducing need for extended training or processing errors. Simple is far better in this application for cost and use. Therefore, the more expensive app and expansive processing offered by full-service providers is not an inappropriate solution based on cost and functionality. The state will not pay for nor will accept any other functionality for the farmers' market app than a balance inquiry; cash transaction referenced to a PLU or UPC; transaction void; and email receipt consistent with FNS standards.

No other WIC benefit information (e.g., milk, eggs, cereal etc.) is to be accessed using the Farmer's Market app. This restriction on the kind and type transaction is controlled by the EBT Provider as described herein. The app must be functional on either iPhone or Android devices. It may not be presented to the user on any another piece of equipment or hardware. This app should be downloadable from appropriate sites available to users at no cost. The Provider shall provide the WIC State Office downloads at no cost and will replace, upgrade and maintain all app functions for the term of the Contract. The Provider shall upgrade the app, at no cost, as material new technology becomes available and agreed to by both parties.

The app must:

1. Enable benefit balance inquiry with either a swipe of the EBT card or entry of the EBT account number. The participant must be able to enter their PIN independent of the retailer. The PIN will not be stored in the app and is only used to access the EBT account. Only the benefit balance in dollars for fruit and vegetable benefit and/or the FMNP will be displayed.
2. Enable processing of WIC EBT transactions enabling the entry of the dollar value of sale and reduction of the benefit balance in the EBT Provider system. The function must operate as a mobile phone app.
3. Provide the ability to email the results of the transaction to an email address of the participant's choosing.
4. Be able to direct connect to the Provider to eliminate any additional processing costs and charges to farmers' market participating retailers other than cellular service.

C-1.2.19.4. Third Party Processors (TPP)

The Provider shall support retailers that deploy their own terminals. The Provider shall provide the WIC State Office, retailers, and third party terminal drivers with copies of interface specifications. The Provider shall not unduly withhold approval of participation for retailers and TPPs. The Provider shall utilize TPP agreements as authorized by the WIC State Office.

The Provider shall certify and ensure that TPPs connected to the WIC EBT system comply with USDA-FNS regulations and other WIC State Office requirements. TPP requirements include, but are not limited to:

1. Terminal IDs – Giving each terminal a unique ID and including those terminal IDs as part of their transaction messages
2. Transactions – Supporting the entire transaction set included in the USDA-FNS regulations. The Provider shall be able to process all of these transactions
3. Serving only WIC State Office authorized retailers – Only routing WIC transactions authorized by the WIC State Office

C-1.2.20. WIC Recoupment Services and WIC EBT System Data Extraction

WIC Recoupment Services and WIC Data Extraction described below shall occur between the Provider and the WIC State Office. WIC Recoupment Services and WIC EBT System Data Extraction address WIC program funding, program abuse, fraud prevention, and maintains competitive peer group and Above 50% vendor competitive pricing. The WIC data extraction provides approximately \$110 million that is used to fund program requirements monthly. The WIC recoupment process produces over \$1 million in recoveries annually ensuring fair, equitable and competitive payments to WIC vendors, including above 50% vendors, and the WIC Program monthly.

Recoupment enables the WIC State Agency to meet the requirements of 7 CFR 246.12(g)(4), competitive pricing; 7 CFR 246.12(g)(4)(i)(D), ensuring a perfectly compliant, monthly T-Test (test to validate that 50% stores food cost does not exceed allowable

amount); 7 CFR 246.12(g)(4)(iii), preventing price "creep" or subsequent to authorization increase prices to levels that would make the vendor ineligible for authorization; and 7 CFR 246.12(g)(7) manage impact on and encourage small business.

WIC requires explicit data sets as described in this ITN to maintain program redemption analysis and recoveries critical to on-going program operations. The WIC EBT system data extraction provides nearly one-third of the program funds directly serving participants. Consequently, the availability and accuracy of the required data sets is critical to sustaining program funding as well as day-to-day operation for nearly \$120 million.

Currently, the WIC State Office performs recoupment calculations using all redemption activity for the prior month at the start of each subsequent month. The calculations determine the Maximum Allowable Reimbursement Level (MARL) for each product by peer group. The MARL is then compared (by UPC) to each retailer redemption for the prior month. Any redemptions in excess of the MARL for that specific peer group are accumulated and become the total recoupment amount for that retailer.

The WIC State Office submits a Recoupment Request file to the Provider in the first few days of the month following the recoupment month, although the WIC State Office may submit a Recoupment Request file anytime throughout the month. The Provider shall enable processing at any time during the month for recoupment file transfers. The Provider is required to upload the recoupment request file balances in the EBT processor system and then apply the total recoupment amount to each individual vendor redemption during the first few days of the month following the recoupment month. This is done as the vendor submits their redemption requests. The vendor receives no payment for these new redemptions until the recoupment has been satisfied. Payment reduction is executed by reducing the NTE on items (except Cash Value Benefit) submitted in retailer purchase transactions. The transactions process as normal with no disruption to in-lane activities or TPP settlement processes. The Provider shall also provide the capability to submit the full amount of recoupment to the vendor's TPP for immediate reduction as a lump sum. The Provider shall provide the ability for the State to submit a single amount to recoup/debit or credit the vendor. The WIC State Office shall select and notify the Provider as to which one of the two options described above shall apply to each vendor according to the vendor preference and requirements.

C-1.2.20.1. Recoupment Request File Processing

The following are the requirements for Recoupment Services:

1. Florida WIC will transmit to the Provider in a secure manner a file in an XML file format following the general rules set forth in the FL-WISE-EBT interface specification (documented in the ICD dated 07/17/2017, which has been included as Florida eWIC to MIS ICD as Incorporated by Reference at <http://www.dcf.state.fl.us/admin/contracts/ebt-2018/>. This file represents the amounts from each merchant that the Provider will recoup per the rules outlined below.
2. The recoupment Request file will be rejected if any records are in error. Recoupments will start processing when the recoupment request file is successfully loaded. The State will be notified according to standard procedures if a file is rejected.
3. A file will be returned to Florida WIC in the agreed upon format within 24 hours containing the status of processing of the recoupment request file.
4. The following processing rules will be applied to the Recoupment process:
 - a. Recoupment will not be applied to Cash Value Benefit (CVB) or Farmers Market Nutrition Program (FMNP) items.
 - b. Recoupment will be applied after any regular not-to-exceed (NTE) adjustments have been applied.
 - c. The total recoupment on a transaction may not exceed the total settled less any discounts.
 - d. The actual amount paid after all calculations are reflected in the correct manner in the X9.93 message format to accurately calculate and effect settlement amounts.
5. The WIC State Office is responsible for all communications and support needed by retailers during operation of the recoupment process.
6. The Provider is not responsible for any impact that implementation of the recoupment process may have nationally on integrated retailers or on any TPP service providers.

C-1.2.20.1.1. Reversals

1. Reversals of a transaction with recoupment will only credit the net amount of the original transaction after recoupments are applied.
2. Any recoupment amount on the original transaction must be restored to the total amount of pending recoupment for the vendor.

C-1.2.20.1.2. Recoupment Amounts Rolled Forward

If the vendor does not have enough activity in the month of recoupment to fully recover the recoupment amount, then any remaining recoupment amount will be added to the amount to be recouped in the following month. If the vendor has a remaining balance due and another recoupment record is sent, the new recoupment amount should be added to any remaining balance.

C-1.2.20.1.3. Web User Interface

The Retail History Details page within the Provider's system will include a column that displays the Recovery Amount applied to each item within the purchase.

The Retail History Search page within the Provider's system will include an option that will also allow a user to filter to only those transactions that include an adjustment due to recoupment.

C-1.2.20.1.4. Recoupment Activity File

1. A daily file containing recoupment activity by vendor will be returned to Florida WIC. The Recoupment Activity file will summarize recoupment activity based on calendar day.
2. The Recoupment Activity file will contain:
 - a. The beginning position of recoupments at the beginning of the day
 - b. The summary of dollar activity by Activity Type
 - c. The ending position of recoupments at the end of the day.
3. The change in recoupment position will be balanced against the audit trail daily to prove the net change in activity matches activity in the audit trail.
4. Recoupment Activity file format will use an XML file format following the general rules set forth in Section 2 – Batch File Interfaces section of the FL EBT to MIS ICD document.
5. The Recoupment Activity file will include records for each active vendor and deactivated vendors with a nonzero position at the beginning and/or end of the day.
6. An automatic alert will be triggered to operations staff if an out of balance condition is detected and the Provider will work to quickly resolve an out of balance condition.
7. The Provider shall establish a methodology by which the WIC State Office will be able to directly access redemption and recoupment data base files in a read only fashion at any time for necessary analysis and assessments.

C-1.2.20.1.5. Recoupment Reporting

1. The Provider will provide a report (Recoupment – Detail and Summary) that mirrors the data in the Recoupment Activity file with a net total at the end of the report.
2. An on-line web based report will be created that takes a range of dates and vendor ID (up to and including all vendors) as input and produces a listing of detailed transaction activity for that vendor where recoupment has been applied. The report will contain a detailed list of all items in each transaction with the details of the amount of recoupment applied to the item.

C-1.2.21. Settlement and Reconciliation

The Provider shall operate on a 24-hour processing cycle. The Provider shall designate a standard daily cutoff time for WIC EBT transaction processing in order to close out the current processing day and commence the next processing day. The 24-hour period between the cutoff time on Day 1 and Day 2 constitutes the WIC EBT transaction day. The specified cutoff time must allow the Provider sufficient time to originate Automated Clearing House (ACH) payments for next day settlement. The WIC EBT cutoff time shall coincide as closely as possible with the cutoff time of the prevailing WIC EBT transaction switch and/or regional POS networks as appropriate to minimize the need for carry over or suspense accounting.

C-1.2.21.1. Reconciliation Process Overview

The Provider shall maintain ledger accounts at the program and WIC State Office level. Subsequent to the daily settlement cutoff, the WIC EBT system must be balanced and reconciled. The Provider shall compute the end-of-day (EOD) food item or balance for each prescription program. An audit trail shall exist so that reconciliation can be performed at the individual WIC EBT account level up through the program and WIC State Office levels. For each level, the end of day net position will be equal to:

- Opening food item balance + credits - debits = End of day food item balance

On a daily basis, the Provider shall ensure that the WIC EBT system as a whole is in balance internally and that balances are consistent between the WIC EBT system and the state's WIC MIS. The balancing functions performed by the Provider shall ensure that the change in the net position in the sum of cardholder accounts equals the change in the net position of program accounts at a summary level. The Provider shall also ensure that the change in the net position in the sum of the program accounts is equal to the change in the net position (obligations outstanding) for the funding agencies. The Provider shall have written procedures for maintaining audit trails throughout the reconciliation and settlement processes.

C-1.2.21.2. WIC Pre-Payment Payment Validation and Reconciliation Requirements

The Provider shall meet FNS and the WIC State Office reconciliation requirements for grant funded programs. The Provider shall apply these WIC State Office reconciliation procedures to all EBT benefit/prescription programs. At a minimum, the Provider shall have written procedures for reconciling:

1. Cardholder account daily beginning balance and net draws versus the ending balance.
2. Cardholder net redemptions versus retailer/acquirer settlement values.
3. Total funds entering, exiting, and remaining in the system each day.
4. Total net change in system-wide obligations outstanding to the sum of the net change in obligations outstanding for the WIC prescription.
5. Total net change in system-wide obligations outstanding to the sum of the net change in obligations outstanding for Florida WIC.
6. The net settlement value of all transactions to the sum of the net settlement values for the WIC prescription.
7. The net settlement value of all transactions to the sum of the net settlement value for the WIC State Office.

C-1.2.21.3. Reconciliation Web Based Reporting

The Provider shall provide reports showing:

1. The daily draw down. Provide a selection for the settlement month, year and settlement date, gateway total, ACH internal total, ACH external total and grand total.
2. The gateway history showing the Provider's activity over the last two (2) days to reconcile payments. Provide the settlement date, settlement amount, variance and a running variance.
3. The ACH History for external payments providing the institution name, institution number, ACH Type, effective date, settlement date and amount paid.
4. Recoupment data showing the processing date and vendor number or range of vendor numbers or groups of vendor numbers. If left blank, will provide all vendor data. Format is merchant name; MIS merchant number; X9 merchant number; total assessed; total recovered; total outstanding.
5. The unmatched auto-reconciliation transactions. Include the ability to inquire by HGTM; system trace audit number or transmission date/time begin and end; EBT card number; vendor number; institution; selectable transaction type (one or multiple) showing purchase request; purchase reversal; purchase void; transaction status providing a drop down menu for unmatched, partial purchase match; partial reversal match; total match for purchases; partial match.
6. The unreconciled auto-recon transactions that provide HGTM; system trace audit number; household number; card number; vendor MIS number; vendor x9 number; forwarding institution; transaction type that is in a selection for purchase request; purchase reversal; purchase void; allow settlement date; cut-off date. The report format is: action; HGTM; STAN; Host time; local time; card number; vendor; forwarding institution; settlement date and amount (positive or negative); type action; approved.
7. Case month billing. Provide the ability to extract the cost per case month supporting record showing every family possessing positive benefits balances on their EBT card. Lists household number, description of benefits, begin date, end date, benefit month, benefit year. Must be exportable, downloadable in format sufficient to serve as supporting record for CPCM billing verification.
8. Product in APL. Permit selection by Universal Product Codes (UPC) / Price Look-Up (PLU), description, category and subcategory or production of entire APL in exportable format with all UPC/PLUs. Format is UPC/PLU, description, category (number and description), subcategory (number and description); exchange size; NTE exception; NTE override; active date; de-active date; status. Permit download of APL in digital or print format.

C-1.2.21.4. 1099 Statements

The Provider shall provide the capability to track and process 1099 Statements for Providers paid through the EBT/EFT services contract. The provider shall confirm the release of the 1099 statements to the WIC State Office.

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Due to revisions to the Internal Revenue Service (IRS) tax code, the Provider will be required to create and distribute IRS-1099 forms to EBT-only retailers and TPPs that perform more than 200 transactions totaling \$20,000 or more during any calendar year. The requirements are found in the IRS Regulations at 26 CFR §§ 1, 3, and 301.

C-1.2.21.5. Daily Settlement

The Provider shall be responsible for the daily settlement of funds to retailers; either directly or through financial intermediaries such as TPPs.

The Provider shall have a settlement recording system or process that parallels that of the WIC State Office to facilitate efficient and consistent record research and settlement error correction. The WIC State Office will provide the settlement recording system and the provider shall be responsible to maintain that system consistent with current settlement tracking and management. The WIC State Office and Provider settlement system records of all adjustments shall be reconciled monthly (within five (5) business days of the end of the previous processing month) to ensure all records are appropriately annotated and prepared for periodic state fiscal audit.

C-1.2.21.5.1. Settlement Through State Treasury

The WIC State Office is required to process its payments through the State Treasury. The Provider must ensure settlement records are delivered to the WIC State Office no later than 8:00 am of each State business day (weekend and holiday settlement records to be individually produced, by date of transaction, on the next subsequent State business day). The WIC State Office is required to reconcile the invoice and validate it for payment no later than 10:30 am on the same day as the invoice is provided. Properly validated invoices presented timely to the treasury are normally paid by 2:00 pm the same day. The Provider's failure to meet the 8:00 am submission with a complete and accurate daily invoice may result in the Provider not receiving payment until the invoice is correct and payment is made the next available business day. The Provider's failure to provide corrected information on variances in payment by the fifth business day will result in no further payment of invoices until the error is corrected. The Provider must continue to provide full EBT service throughout this period. The Provider shall provide the WIC State Office a reconciliation report daily of transactions for validation as part of its settlement invoice claim to the WIC State Office (see **Section C-1.2.11**, WIC EBT System Data Extraction).

C-1.2.21.5.2. Settlement Reports

The Provider shall ensure that settlement reports, such as the Clearing Statement used for the daily draw down, are received by the WIC State Office daily consistent with the requirements of **Subsection C-1.2.22.5.1**, arriving no later than 8:00 am of each State business day at the WIC State Office.

The Provider shall be responsible for providing detailed and accurate reports that allow the WIC State Office to reconcile prescription postings to the WIC EBT system, settlement of prescriptions utilized by cardholders, and the outstanding liability remaining on the WIC EBT system at the end of the processing day.

C-1.2.21.6. Settlement Invoice

Daily the Provider shall submit an EBT settlement invoice reflecting the prior day's redemption and program correction activity as described herein. Daily settlement and reconciliation is essential to maintaining record accuracy and fiscal accountability for all WIC EBT payments, and voids. Variances in EBT processing at the retailer, TPP, State, or contract Provider levels periodically occur. These variances are generally identified in the balances presented for payment.

Variances must be resolved within five (5) business days. Provider's failure to resolve redemption and payment variances will result in non-payment of the settlement on the sixth business day. The Provider will be required to continue providing WIC EBT redemption services until all variances are resolved to the WIC State Office's satisfaction and all WIC participant account records are properly reconciled.

C-1.2.21.6.1. Settlement Variance

If the EBT Gateway and EBT settlement and FL-WISE balances do not agree, a variance exists. The Provider is required to explain and reconcile these variances in a record document to the WIC State Office as soon as possible but no later than five (5) working days of their appearance within the system. Failure to do so will result in non-payment of the sixth business day's settlement and subsequent settlements until the variance(s) is/are resolved to the WIC State Office's satisfaction and all WIC participant account records are properly reconciled. The Provider must continue to provide full EBT service throughout this period.

C-1.2.21.6.2. Settlement Timing

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The Provider is responsible to submit the daily settlement invoice to Florida WIC and supporting transaction records daily. The settlement must be received at 8:00 am ET daily on state workdays for the individual prior day's transactions and on the next available state work day for holiday and weekend transactions. Each invoice will be for the invoiced day. Multiple daily invoices shall be provided for weekend and holiday periods as individual daily settlement records. The data required on the invoice(s) shall permit the validation of the invoice amount. These are the processes necessary to confirm that the invoice value (or adjusted value) to WIC finance for authentication and submission for final payment. The internal WIC deadline for submission for final payment to WIC finance is no later than 10:30 am ET each business day. In order to meet that mandatory submission time, the Provider must deliver the settlement documents at 8:00 am ET each business day.

C-1.2.21.6.3. Failure to Submit Invoice Timely

The Provider's failure to submit the settlement invoice by the required time will result in non-payment of the invoice until the following business day and submission of a correctly completed invoice. The Provider's failure to properly record, document, and resolve variances, voids and system processing errors will result in the WIC State Office not paying any unexplained or unreconciled portion of that day's invoice. That amount shall remain unpaid to the Provider until the Provider resolves the error and corrects its record. Any variance, void or system error amount shall be resolved and accurately documented within five (5) business days. The Provider's failure to resolve an error in any amount by the fifth business day shall result in the state withholding all future payments until the error is resolved to the satisfaction of the WIC State Office. During that time, the Provider is required to continue providing EBT processing services consistent with the requirements of this Contract in all respects.

C-1.2.21.6.4. Format of Settlement Invoice

The Provider's daily invoice, to include the supporting transaction records, must be completed by the Provider and their accounting function. Assemble the record amounts and extract the supporting transaction information to accompany and validate the invoice. The most important part of the invoice is the transaction detail record.

The Provider must submit with its invoice a detailed listing of each EBT transaction processed as proof of redemption processing to authenticate payment. The Provider shall create these records in support of the daily Provider settlement invoice.

The transaction detail report provides a record of each EBT transaction as a complete EBT redemption record. It includes the following data elements: transaction type, transaction ID, EBT card number, EBA, host transaction date and time, system trace audit number, host generated trace number (HGTN), x9 merchant number, generating entity transaction date and time, merchant name, merchant vendor number, MIS household number, settlement date, action code, account type description, amount paid, amount requested, amount discount, amount surcharge, total NTE adjustment price, and amount recoupment total. A sample of the output contains sensitive data and is therefore only available upon request during implementation.

C-1.2.21.6.5. Transaction Detail Records

The transaction detail record is a complete confirmation of each individual EBT transaction supporting payment. These transactions have met and passed edits in the retailer's redemption system, in the TPP payment system, in the Gateway payment processing system, and in the Provider's EBT processing system. When the transaction detail record matches the FL-WISE Daily Settlement Total for Daily Settlement these transactions have also met and passed all FL-WISE edits including EBT card account and number, individual UPC redemption records and vendor record validation. This specific detail of each transaction shows that the WIC program did receive WIC authorized food items from WIC authorized retailers and that WIC participants have authorized that purchase through the use of their WIC EBT card which requires a personal identification number (PIN) in order to activate and process these transactions.

C-1.2.21.6.6. Sample Settlement Invoice

The Provider shall create and submit a daily settlement invoice. All invoice and supporting records shall be submitted via email to the WIC State Office for action. Any errors detected shall be identified and must be resolved before the invoice will be considered accepted and final. The invoice shall be submitted for each business day on the following state business day and for weekends and holidays upon the next state business day. Each submission shall be signed by the Provider. The Provider's transmission using email shall be accepted as authentication or signature for the invoice. An example is provided. The Provider is required to provide their settlement invoice stating the amount required for payment. The Provider shall attach the listing of all EBT transaction details (as described in **Subsection C-1.2.22.6.5** above) with the total value of the day's settlement shown at the end of the listing. The invoice and detail listing represent the Provider's certification of payment required to the WIC State Office. The Provider shall create the EBT transaction detail list and submit it outside of the EBT data system. The WIC State Office shall not be required to execute or create its own invoice or invoice data. In order to be considered, the invoice must match the settlement transaction detail balance listing in every regard.

Florida Department of Health Division of Community Health Promotion Bureau of WIC Program Services 4052 Bald Cypress Way, Bin #A16 Tallahassee, FL 32399-1726	
Statement Date [date here]	Settlement Date [date here] Daily Invoice for WIC Settlement EIN 39-1506286 Processor Name Processor Address Processor City, State ABA # 071000288 Account # 001 22 6223
Transactions Settling on [date here]	
Gateway Amount	\$
Manual Adjustment Amount	\$
Total Settlement Amount	\$
WIC Direct Matched Retailer Transactions	\$
Manual Adjustment Amount	\$
Equals Settlement Amount above	\$

The daily settlement invoice has six (6) categories that are completed to outline the status of the payment invoice and support the payment for the daily redemptions. These sections are explained as follows.

1. Gateway Amount. The gateway amount is the value of payments cleared between the Gateway and the TPP. This shows the status of settlement between the Gateway, TPPs and retailers.
2. Manual Adjustment Amount. Any adjustment required to conform the settlement amount to the payment requirement as described more fully in this instruction.
3. Total Settlement Amount. This is the amount of the settlement based upon the gateway amount and any adjustment required.
4. Provider's system Matched Retailer Transactions. This is the amount of WIC EBT transactions that the Provider has matched and provided to the State.
5. Manual Adjustment Amount. Any adjustment required to conform the settlement amount to the payment required as described more fully in this section.
6. Equals Settlement Amount above. This is the amount of the settlement based upon the Provider's system Matched Retailer transaction amount and any adjustment required.

C-1.2.21.6.7. Settlement Payment Action

The following summarizes the WIC state agency payment action based upon the results shown on the settlement invoice:

1. Gateway Amount does match Provider's system Matched Retailer Transactions and the transaction detail. The Gateway invoice amount does match the Daily Settlement Totals for Settlement in FL-WISE. This is a perfect settlement and requires no adjustments or changes. The business rule is: Florida will pay the above described invoice when in completely matches the transaction recorded in FL-WISE.
2. Gateway Amount does not match Provider's system Matched Retailer Transactions. The Gateway Amount represents the financial settlement between the Gateway, TPPs and grocers. Periodically, there are mismatches within that exchange of that data between these entities. This only shows the progress the Gateway has made in completing its closeout of data with the TPPs and grocers.

3. When a manual void (or real-time adjustment) is processed, it will be deducted from the Gateway Amount and the total settlement amount remaining on the invoice must match the Provider's system Matched Retailer Transactions. This is because a previous transaction dollar value has been voided. This results in a credit back to the State for the amount of the voided transaction and return of the benefits voided in that transaction.
4. If after applying the manual void (or real-time adjustment) amount the total Settlement Amount DOES NOT equal the Provider's system Matched Retailer Transactions, the Gateway will complete additional research to determine the source of the imbalance.
5. The Provider's system Matched Retailer Transactions reflect all WIC EBT redemption transactions that have passed edits at each stage of the redemption process. The redemption passed all in-store edits, it passed all TPP edits, it passed all Gateway edits, it passed all of the Provider edits and when matched with FL-WISE, it also passed all FL-WISE edits. We will pay the lower of the gateway amount or the retailer transactions.

The business rules are:

1. If Provider's system Matched Retailer Transactions and the transaction detail match the FL-WISE Daily Settlement Totals for Settlement – the invoice is validated and payment is issued based upon the agreement of these three values.
2. Provider's system Matched Retailer Transactions do not match the Transaction Detail. If this occurs, there is an internal error in the Gateway invoice. The invoice should be returned for correction. The Provider's system Matched Retailer Transaction must match the transaction detail record. The business rule is: Florida is unable to certify a Gateway invoice until it is internally consistent. The Provider's system Matched Retailer Transactions must match the Transaction detail. Without that match, the invoice is not verifiable and incomplete. Return the record to the Gateway for correction.
3. Provider's system Matched Retailer Transaction amount and the Transaction detail amount agree but FL-WISE Daily Settlement Totals for Settlement shows a HIGHER value. This indicates that the Gateway has not presented all the transactions for payment. Return the invoice to the Gateway with the information from FL-WISE and request research to identify and include the transactions in the transaction detail and invoice to equal FL-WISE. If the Gateway is unable to provide the transaction detail that equals FL-WISE – Florida will only pay the amount represented by the Gateway amount. The Gateway amount is the only amount of redemptions that have been settled with the retailers and the only amount Florida is able to validly pay. The business rule is: Florida will only pay the Gateway amount.
4. Provider's system Matched Retailer Transaction amount and the Transaction Detail Amount Agree but FL-WISE Daily Settlement Totals for Settlement shows a LOWER value. This indicates that the Gateway has presented more transactions for payment than have been accepted by FL- WISE. Return the invoice to the Gateway and contact the FL- WISE contractor to research the error and determine whether the Gateway must reduce its transaction detail summary amount or if FL- WISE failed to complete processing all transactions. Nonetheless, Florida will only pay for the transactions that have been processed by the Provider and have also been successfully processed in FL- WISE. While the Gateway has presented transactions from retailers, those transactions have not successfully passed all FL- WISE edits (or been input to the system) and until these transactions successfully pass the FL- WISE edits, they cannot be considered validated. The business rule is: Florida will only pay the amount represented by the transaction detail file (which must also agree with the Provider's system Matched Retailer Transaction amount on the invoice) up to the amount that is shown in the FL- WISE Daily Settlement Totals for Settlement report.
5. Provider's system Matched Retailer Transaction amount and the Transaction Detail Amount agree but FL- WISE Daily Settlement Totals for Settlement shows a LOWER value – due to FL- WISE delay in update. If the FL- WISE MIS data system update has not completed and won't be completed in time for settlement deadline (10:30AM each business day), payment will be made if the Provider's system Matched Retailer Transaction amount agrees with the Transaction Detail Amount. The State WIC office will later confirm that the associated transactions, once FL-WISE completes processing, have passed all FL-WISE edits. If there are reconciliations required in order to bring the provider and state into agreement on settlement, the provider will cooperate with the State WIC Office is completing those adjustments once validated. The EBT Provider is responsible to provide the settlement data. It is validated independently with transaction data provided with the invoice. The State WIC Office is unable to withhold payment in this instance; however, the provider will cooperate in reconciliation once FL-WISE completes its processing. Payment may be made and then reconciled with the FL- WISE Daily Settlement Totals upon update.

C-1.2.21.6.8. Settlement Credit Adjustment

The ACH processed vendor recoupment adjustments are processed as a credit (reduction in amount owed on the invoice) to the state. Both the Gateway Amount and Provider's system Matched Retailer Transactions and FL- WISE amounts will be reduced by vendor

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recoupment processed. This amount is recorded and a record of the adjustment is retained in the settlement record supporting the credit adjustment. Payment is made to the EBT Provider and accepted.

C-1.2.21.6.9. Settlement Debit Adjustment

The EBT Provider periodically receives evidence of a transaction that has not reconciled within their system. The EBT Provider provides evidence of the transaction and information on the sale. A debit adjustment is necessary to account for the retailer's sale. This amount is recorded and a record of the adjustment is retained in the settlement record supporting the credit adjustment. Payment is made to the EBT Provider and accepted. In this instance we will never have a transaction that shows the purchase so the Provider's system and FL-WISE totals will be reduced for the agreed upon amount and then should match the Gateway amount once the adjustments are recorded.

C-1.2.21.6.10. Retailer/TPP Settlement

The Provider shall effect settlement to retailers, TPPs through the existing commercial banking ACH infrastructure. The Provider shall have an originating and receiving relationship with the ACH, either directly or through one of its subcontractors. For transaction processing and settlement purposes, the Provider shall also be a member of the appropriate regional network(s) and be capable of settling POS transactions.

For retailers, third parties, or other acquirers that are directly connected to the Provider's system, the Provider shall originate an ACH credit for the total balance due for WIC EBT prescriptions provided during the just closed WIC EBT processing day. The prescription Provider credits shall be entered into the ACH for settlement on the next banking day.

The Provider shall settle credits due retailers who are connected to the Provider through a transaction switch or TPP.

C-1.2.21.6.11. WIC State Office Responsibilities

The WIC State Office shall ensure that prescriptions authorized are posted to the Provider's WIC EBT System or otherwise accounted for in the WIC State Office FL-WISE system.

C-1.2.22. Program Support and Professional Services Program Management

For instances of tasks under either the regulatory or non-regulatory services, the Provider shall create a project plan with estimated hours by specialty or skill level, for project completion based on the level of expertise required. The plan shall include estimated time for system testing, unit acceptance and regression testing at the appropriate stages. Those program changes that have impact or influence on or by the WIC MIS, FL-WISE, shall also be tested thoroughly to ensure compatibility with the appropriate universal interface messaging and program interaction.

The project plan shall be submitted to the WIC State Office for evaluation. The WIC State Office must approve the estimated hours and deliverables prior to work commencing. Once the project plan is approved and agreed, the Provider will be responsible to deliver the completed project within the estimated hours. Adjustments may be completed in the project plan when it is adequately demonstrated that additional unforeseen tasks are required to complete the work assigned. The Provider will provide a project update to the WIC State Office at least weekly with the progress and estimated first date of promotion into the testing environment.

The WIC State Office shall participate in all user acceptance and regression testing. It will provide designated personnel up to two (2) individuals to support these testing events. The Provider shall provide all necessary test scripts for both UAT and also for regression testing.

Evolution of regression testing and testing scripts. The Provider will continue to monitor system performance and update regression testing scripts when new events, capabilities or processes demand further confirmation testing. The Provider shall maintain a library of regression and UAT testing scripts and provide current scripts to the WIC State Office when requested. The WIC State Office may provide additional events for UAT and regression tests as may be appropriate. In those instances, these events will be incorporated into the Provider's script inventory for use in subsequent testing and analysis.

C-1.2.22.1. Requirement to Modify Procedures/Processes

The Provider shall cooperate and facilitate any process or procedural changes that are used in day-to-day EBT functionality. These changes may be required as a result of the following:

1. Any features and or functionality needed to properly operate a compliant program or operational solution which was overlooked, forgotten, or otherwise not included in the general scope of work within the ITN will be resolved consistent with WIC State Office requirements without additional fees to the WIC State Office.

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2. When policy, rules or regulatory changes are made by FNS, Provider shall make any and all required changes to the procedures and system interaction without additional fees to the WIC State Office.
3. When policy, rules or regulatory changes are made by Florida legislation and the changes do not become noncompliant with FNS rules, Provider shall make any and all required changes to the procedures and system without additional fees to the WIC State Office.

The procedures selected shall be mutually devised and agreed upon. In those instances, where system updates are also dictated, the applicable software development schedule provide necessary hours for such updates or conversions. The WIC State Office shall not unreasonably withhold its approval of a jointly developed resolution to processing requirements that meet FNS and program needs.

C-1.2.22.2. Annual Consulting Hours

Each Annual Development Period the Provider shall provide the Department 1,000 expert consulting hours ("Annual Consulting Hours") for SNAP and fraud related matters, as directed by the Department, in order to support the Department in their process improvements and/or cost savings initiatives during the Annual Development Period.

C-1.2.22.3. Annual Professional Services Hours

Provider shall provide regulatory compliance professional services requiring up to 1,450 hours of Professional Services at no cost to the WIC State Office annually during the term of the Contract. Service above that level of 1,450 hours expended annually shall be processed as an approved change order and contract amendment as necessary and billed appropriately. These Professional Services shall be provided under the following circumstances:

1. Any features and or functionality needed to properly operate a compliant eWIC solution which was overlooked, forgotten, or otherwise not included in the general scope of work within the ITN will be delivered without additional fees to the Department.
2. When policy, rules or regulatory changes are made by FNS, Provider shall make any and all required changes to the eWIC system without additional fees to the Department.
3. When policy, rules or regulatory changes are made by Florida legislation and the changes do not become noncompliant with FNS rules, Provider shall make any and all required changes to the eWIC system without additional fees to the Department.

Additionally, Provider shall provide an additional 500 hours annually (above that for regulatory compliance) of Professional Services that are outside the CPCM services detailed in the ITN, at no additional cost to the WIC State Office during the term of the Contract.

The 1,950 annual hours shall be calculated from **TBD** through **TBD** ("Annual Development Period"), beginning **TBD**. Utilization of the Annual Development Hours shall be subject to written approval by the Department prior to use of any of the 1,950 hours.

At the end of a given Annual Development Period, any unused Annual Development Hours will be rolled over to the following Annual Development Period without limit. All unused hours expire upon termination of the Contract and the Department shall not receive any credits for unused or expired hours.

During the course of the contract, the Department may require additional services incidental to the contract, but not falling within the tasks or deliverables described therein which require professional fees beyond those described above. Respondents must present hourly rates for all labor categories involved in the delivery of services and other support. Professional services hourly rates are fixed and not subject to change for the duration of the contract. The fees below will apply when the services needed do not fall under the circumstances listed above for Program Support and the 1,950 hours for Professional Services, which are provided annually at no cost to the Department, have been exhausted.

C-1.2.22.4. Preliminary Estimates

Upon receipt from the Department of a set of business functional requirements related to a change that will require use of Annual Development Hours, the Provider shall submit to the Department a preliminary estimate.

C-1.2.22.4.1. The Preliminary Estimate will be non-binding and will provide the Department with a relative project size and cost assessment which will allow the Department to better assess its needs and prioritize its efforts.

C-1.2.22.4.2. The Provider may assess up to five (5) hours of time against the Annual Development Hours for the provision of each Preliminary Estimate it delivers to the Department at the Department's request.

C-1.2.22.4.3. The Preliminary Estimate shall include (i) an estimate of hours needed to provide a detailed estimate, (ii) a total project development effort estimate, and (iii) an estimate of ongoing operating costs the change will cause the Department to incur if implemented, if applicable.

C-1.2.22.4.4. The detailed estimate in the approved final design will be binding.

C.1.3 SNAP/Cash and WIC Transition and Testing Requirements

C-1.3.1. Transition

C-1.3.1.1. Transition and Conversion Plan

The Provider shall provide transition and conversion services at no cost to the State. The Provider shall submit the final Transition and Conversion Plan no more than twenty-one (21) calendar days after the Contract Award date. The Transition and Conversion Plan shall be subject to review and approval by the Department and the WIC State Office. The Department and the WIC State Office will review and comment on the plan and return with comments to the Provider. The Provider shall address any deficiencies in the Transition and Conversion Plan within ten (10) business days following the receipt of the comments from the Department.

C-1.3.1.2. Initiation Meeting

The Provider shall convene an initiation meeting at a location designated by the Department. The meeting shall be scheduled within one (1) week of contract execution, to occur within three (3) weeks of contract execution or at the discretion of the Department. The Provider's Project Manager and other key EBT Provider staff, as deemed necessary by the Department's Project Manager shall attend the meeting in person.

The Provider shall review the project plan, schedule and deliverables and will establish the project communications structure. In addition, the meeting shall include a discussion of the required deliverables, submission of those deliverables and confirmation of acceptance criteria. The agenda shall include a discussion of the content and structure of recurring status calls and status reports including establishing status reporting schedule. Within five (5) business days of the initial meeting the Provider shall deliver a technical memorandum documenting all agreements, understandings and contingencies arising from the project initiation meeting.

Upon agreement between the Department and the Provider, requirements validation sessions may also begin during the Provider's time on site for the initiation meeting.

C-1.3.1.3. Requirements Validation Sessions

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

C-1.3.1.4. System Configuration

Following the approval of the system requirements and design specifications by the Department, the Provider shall modify and/or configure its EBT system to conform to the approved system design.

C-1.3.1.5. Continuity of Services

Upon finalization of the Contract, the new Provider shall work with the Department and any other organizations designated by the Department to ensure an orderly transition of services and responsibilities under the previous contract and to ensure the continuity of those services required by the Department. The new Provider shall be expected to work in a businesslike manner with the Department's existing Provider for the purpose of effecting a smooth and timely transition of services.

In the event of a delay in the completion schedule for any deliverable under this Contract caused by a Department or by the Department's existing Provider, and if the new Provider has provided advance notice indicating that the Department or the Department's existing Provider has caused a delay, the new Provider shall be entitled to a reasonable extension of the completion dates for that particular deliverable.

The new Provider shall not proceed to the operational phase of the EBT contract until the conversion has been approved by the Department and FNS in writing.

For purposes of this section, the new Provider under the new contract (this Contract) may be the incumbent provider or a new entity depending on the outcome of this ITN.

C-1.3.1.6. SNAP/Cash Retailer Conversion

As part of the conversion effort, the new Provider must establish agreements with all retailers using Department-provided EBT-only equipment, TPPs, and direct connected retailers. The agreements must be approved by the Department and FNS. It is critical that CF Standard

cardholders not be impacted negatively in their ability to access their benefits due to the conversion to the new EBT system and during the conversion of EBT-only POS equipment.

C-1.3.1.7. WIC Retailer Conversion

As part of the conversion effort, the new Provider must establish agreements with all retailers using WIC State Office-provided WIC only equipment, TPPs, and direct connected retailers. The agreements must be approved by the WIC State Office and FNS. It is critical that cardholders not be impacted negatively in their ability to access their benefits due to the conversion to the new EBT system and during the conversion of WIC State Office-provided WIC only equipment. The replacement process will be established to ensure that the WIC authorized retailer has an operational EBT redemption system in operation on each business day. No replaced equipment may be disconnected and removed until the new replacement equipment is installed and certified as operational through a level 3 certification process. The Provider shall ensure that new and replacement terminals are provided in such a fashion as to ensure the retailer is capable of installing the equipment. In instances where this is not possible, the Provider shall support an onsite installation with an installer knowledgeable in the implementation and connection of the equipment. In those appropriate instances where it is possible the equipment may be sent by mail with appropriate training materials. The new Provider's retailer help desk must provide installation and training assistance via phone, if requested by the retailer. As an option, the WIC State Office may request or authorize in-person installation and training.

C-1.3.1.8. Database Conversion

Database conversion (conversion from incumbent Provider's database to the new Provider's database) shall take place overnight on a weekend. In preparing for the Department's database conversion, the new Provider shall analyze monthly transaction volumes and select a mutually agreed upon date and time when the least number of retailers, providers, and cardholders would be impacted. The entire conversion for the Department shall be completed in 12 hours or less. During conversion, no transactions shall be conducted. At both two (2) months prior to conversion and at one (1) week prior to conversion, the new Provider shall notify all authorized retailers of the scheduled outage.

The new EBT Contractor shall:

1. Perform thorough testing of the conversion process, including performing test transactions against the converted database in the Test System. Testing shall also validate that PINs have been converted successfully.
2. Accept a minimum of seven (7) full FNS audit years of transaction history to be converted from the existing Provider.
3. Have checkpoints and reconciliation procedures built into the conversion process to ensure that no benefits or records are dropped.
4. Have a contingency fallback plan in case the conversion cannot be completed in a timely manner due to issues with the conversion.

The new Provider shall be required to work with the Department and the existing Provider to clean up the database prior to conversion, if necessary. A minimum of two (2) trial runs of the data conversion shall occur prior to the actual database conversion.

C-1.3.1.9. EBT Card Conversion

The new Provider shall retain use of the existing EBT cards in circulation, and remaining card stock during and after conversion. The new Provider shall provide subsequent card stock as necessary for new card issuance and replacements. The new Provider shall ensure that sufficient card stock is available before EBT conversion.

The Provider shall also make available EBT cards for all Quality Assurance (QA) testing account activity that the State WIC Agency requires.

C-1.3.1.10. Establish Interfaces to Department and WIC State Office Systems

Recognizing that the establishment of an interface(s) between the new Provider and the FLORIDA/OSST for SNAP/Cash, FL-WISE for WIC, and other State systems as applicable, may have a significant impact on the State's IT resources, the Provider shall work with the Department to establish definitive roles, responsibilities and schedules toward the establishment of the interfaces. For WIC, the Provider shall follow the FL-WISE-EBT interface specification (documented in the ICD dated 07/27/2017, which has been included as Florida eWIC to MIS ICD as Incorporated by Reference at <http://www.dcf.state.fl.us/admin/contracts/ebt-2018/>). The Provider shall be required to provide direct connections between the Provider's primary and back-up systems and the State's primary and back-up systems.

Timelines, milestones, roles and responsibilities, and level of work effort to be expected by the State's IT staff shall be clearly defined within the Transition and Conversion Plan.

C-1.3.1.11. Staff Training

Within one (1) month of contract execution, the Department will require a training session on what to expect during transition and conversion. The training session shall include, but not be limited to, database cleanup, data mapping, conducting dry-run tests, monitoring the conversion, and anticipated impacts to local agency staff, retailers and clients during the transition. The training session may be provided via webinar; the presentation used for training shall be provided to the Department in soft copy.

C-1.3.2. System Testing Requirements

The Provider shall provide system life cycle testing services for the duration of the Contract. The life cycle system test approach requires that the EBT system, including any changes made to the EBT system during the term of the Contract, shall be properly tested prior to being introduced into the production environment. The Provider shall be required to meet the Department and FNS system testing requirements, including the User Acceptance Testing (UAT) requirements, specified in the FNS Handbook 901 and/or the most recent solicitation or applicable testing guidance issued by FNS.

The Department will conduct comprehensive system testing with the Provider. System testing shall be performed on all components and functional areas of the Provider's EBT system and interfaces. Any deficiencies identified during system testing must be corrected and re-tested. Both the Department and FNS must formally accept and approve the EBT system before the system is introduced into production and the operations phase can begin.

The test scripts shall be developed by the Provider with input from the Department and shall be reviewed by FNS and approved by the Department. The test scripts should cover all facets of the system's operations and test all of the system processing options and environmental conditions (e.g., POS hardware and communications failure and entry of erroneous data). The scripts shall detail step-by-step instructions on the actual test and system functions to be demonstrated. Test scripts shall describe the desired system outcomes and test results. The Provider and the Department shall jointly develop test data.

The Provider shall conduct required system tests and demonstrations with participation by designated State and/or FNS contractors. The testing requirements and schedule include:

System Test Requirement	Schedule of Test Activities
Connectivity Testing	2 weeks prior to start of Interface Testing
Interface Testing	Start 1 months prior to the functional demonstration
Functional Demonstration	4 weeks prior to the start of UAT
UAT Test Scripts	4 weeks prior to the start of UAT
UAT	Start UAT 6 weeks prior to Conversion
Performance Testing	In conjunction with UAT
IVR Testing	In conjunction with UAT
Cardholder and Retailer Portals	In conjunction with UAT
Cardholder and Retailer Mobile Apps	In conjunction with UAT
Test Reports	Within one week of completing tests
Revised System Design Documents	Within one month of completing UAT
Contingency Testing	Conducted annually

C-1.3.2.1. Connectivity Testing

Connectivity testing shall be conducted between the Department and the Provider's EBT systems. This includes testing of all interfaces between the Provider's primary and back-up systems and the Department's primary and back-up systems. The Provider shall be required to provide all necessary hardware and software to ensure connectivity.

C-1.3.2.2. Interface Testing

Interface testing is conducted to ensure that all online transactions and files sent between the Department and Provider's systems are properly received, accepted, and are accurately processed. Interface testing shall demonstrate rejection of duplicate files or records and correction of transmission errors.

C-1.3.2.3. User Acceptance Test

The UAT provides Department representatives the opportunity to test the EBT system functionality and ensure compliance with the system design requirements. This test shall consist minimally of functional requirements, security, recovery, system controls, and "what if" testing. In addition, as part of the system acceptance testing the Provider must demonstrate the methods and processes for performing daily reconciliation between the Department and the Provider interface and processing activities, including benefit authorization and financial settlement. During the formal test script portion of the acceptance test, testers will follow detailed test scripts developed by the Provider with input from the Department.

The ad hoc or "what if" portion of the acceptance test provides the Department representatives and/or designated technical assistance contractors with the opportunity to include various transaction sets, to include transactions not included in the test scripts and to challenge the system's operations and design. The UAT shall be conducted at location identified by the Department.

In the UAT Plan, the Provider shall describe the hardware, software and connectivity that is needed for the UAT (e.g., PCs and/or laptops, printers).

C-1.3.2.3.1. Testing WIC Provider Recoupment Process

During the WIC UAT, the Provider and WIC State Office will demonstrate the Provider's recoupment process with a limited number of Florida retailers (multiple vendor types) and their TPPs in a test environment. The goal of the testing is to verify the retailer systems will properly handle the recoupment transactions. The Provider will also verify recoupment processing will work for stand beside terminals the Provider provides. The Provider will correct any system deficiencies identified at no cost to WIC State Office in order to meet recoupment requirements stated in this ITN, allowing either individual transaction recoupment or submission of recoupment balance for single recovery at WIC State Office direction.

This testing will be on an incremental and limited transaction basis with the chosen and mutually agreed upon suite of retailers. The result of the testing may reveal additional minor modifications to the Provider's system to support the recoupment process that the Provider will make.

The Provider will accommodate changes identified from this testing within the limitations of the systems and the transaction processing standards governing the EBT industry.

C-1.3.2.4. Performance (Stress) Test

The purpose of this test is to ensure that there is sufficient capacity within the EBT system to handle the expected transaction volume. The Provider shall use results from the stress test to formulate a system capacity model to determine the appropriate hardware and software requirements and configuration so that the EBT system can accommodate the anticipated transaction volumes.

For the transition, the Provider may, as an option, choose to use the most recent available production data in order to develop a system capacity model for modeling the anticipated transaction volumes.

Provider shall provide connectivity to a robust Quality Assurance environment of sufficient capacity to simulate the volume and activity experienced in high demand activities. Such connectivity shall be in addition to and simultaneous with the connectivity to the operational production environment.

C-1.3.2.5. IVR Testing

The IVR system shall be tested to ensure the system properly accepts, processes, and transfers both retailer and client calls per the system requirements and within the specifications defined in the ITN.

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C-1.3.2.6. Contingency Testing

Contingency planning and testing ensures that essential (mission-critical) EBT operations shall continue if normal operations are disrupted at either the Provider's or the Department's primary site. The Department has a back-up site, and requires that the Provider establish a "hot back-up" site, with full computer systems and complete or near-complete backups of user data, for continued operations in case of failure at the primary operations site. The Provider shall specify the amount of time (length of outage) expected for the transition from the primary to the back-up system. The Provider shall also specify the amount of time (length of outage) expected to move operations back to the primary system from the back-up. The Department also requires an escalation process that includes notification of the Department's EBT management. Post-incident recovery procedures and responsibilities should also be required to facilitate the rapid restoration of normal operations at the primary site or, if necessary, at an alternate facility, following destruction, major damage or other significant interruptions of the primary site. During the operations phase, contingency testing shall be conducted annually to ensure that back-up operation plans are adequate.

C-1.3.3. End of Contract Transition

At the end of the contract term, the Provider shall be required to support an orderly transition to a new Provider if a new Provider is awarded the contract. At a minimum, the Provider shall:

1. Work with the Department and any other organization(s) designated by the Department to facilitate an orderly transition of services at the end of its contract term.
2. Work in a professional manner with the Department's new Provider to execute a smooth and timely transition at the end of its contract term.
3. Coordinate with the new Provider on migration of customer service functions on the night of database conversion. This may require both to develop special IVR messages approved by the Department for use during database conversion.
4. Provide the Department the right to serve as a mediator between the old and new Provider, subcontractors, retailers, and TPPs.
5. The Department's decision in such situations will be final.
6. Provide back-up plans and dates in case of database conversion failure.
7. At the end of the contract resulting from this ITN, the Provider shall transfer the client and retailer toll-free numbers to the new EBT Contractor.
8. Provide a minimum of seven full audit years of transaction history to be transferred to the new Provider.

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C-2. ADMINISTRATIVE TASKS

C-2.1. Staffing

C-2.1.1. Staffing Levels

1. Provider Representative. The Provider Representative identified in the CF Standard Integrated Contract 2016 **Section 1.2.3.** shall be the sole point of contact for the State's contract manager for all issues related to the Contract. The sole point of contact and administration of the program responsibilities include, but are not limited to, submission of accurate and timely deliverables and reports, submission of accurate and timely invoices, management of the project to ensure that all the specified tasks and activities are thoroughly and timely completed, assignment and supervision of staff, participation in all conference calls and on-site and off-site meetings with the contract manager. The Provider Representative shall have sufficient authority to make decisions for the Provider and to ensure State required activities are completed and issues resolved to the satisfaction of the State. The Provider shall use the Provider Representative as the sole point of contact with the Department's contract manager and the Provider Representative shall remain available to the EBT/EFT Services Director and WIC State Office for assistance during all normal business hours.
2. Dedicated Business Analyst: Provider shall provide a fulltime Business Analyst to work on the Florida SNAP/Cash EBT Project for the duration of the Contract. This position should be located at the Provider's facility.
3. Dedicated Fraud Staff: Provider shall provide three (3) Dedicated Resources for EBT Fraud Services to perform data analysis, provide reports, and act as the point of contact for the Department for fraud services support. The dedicated fraud staff shall be located at the Provider's facility.
4. WIC Dedicated Business Analyst/Programmer: Provider shall provide one (1) Business Analyst/programmer to facilitate data acquisition, interface construction, data exchange and updates and upgrades required of the provider's system and its interface with the State. The individual will be embedded in the WIC State Office working on WIC EBT interoperability, program abuse and fraud detection systems.
5. WIC Dedicated Personnel: Provider shall provide the WIC State Office with three (3) WIC customer support resources to be located within the Florida WIC office at no additional cost. The provider shall retain the incumbents currently in these positions and designate one of the three individuals on-site as the team lead for purposes of local personnel coordination and other support. These personnel may be replaced through attrition or for cause or as required by the WIC State Office. The WIC State Office must approve any replacements per **Section C-2.2.** The employment contract between the Provider and the dedicated personnel shall not contain a "non-compete" clause. In addition to providing WIC call center support, these three (3) staff members shall provide the following services to the Department: 1) UPC collection support; 2) Administrative tasks for WIC; 3) Support the MIS vendor; 4) Support policy rewrites; 5) Manage vendor surveys; and 6) Other services as needed.
6. Primary and Backup Staff Required to Ensure Adequate Coverage - The Provider shall have available adequate primary and backup staff available during performance under this contract. The Provider shall at all times ensure it can complete the services and deliver the deliverables on or before the date(s) agreed to when the work assignment was made.

C-2.1.2. Provider Representative

The Provider shall maintain a Project/Relationship Manager to be assigned fulltime to the State of Florida for the term of the Contract. The assignment of the Project Manager will begin on the effective date of the Contract and will continue, uninterrupted throughout the duration of the Contract. The Project Manager is required to be available 24 hours per day, 7 days per week to correspond to the availability of the Department's EBT/EFT Services Director and to the EBT Director for the WIC State Office.

C-2.1.2.1. Minimum Qualifications for Provider Representative

The minimum qualifications for the Provider's assigned Project Representative are as follows:

1. Five (5) years of project management experience; three (3) of the past five (5) years as the project manager for the development, implementation and/or operation of an EBT or other financial system of comparable size and complexity as that defined within this contract; Employed for the past three (3) years by the Provider, preferably as the project manager for an EBT or other financial systems project(s) of similar size and complexity as that of the Florida EBT Project;
2. Past management experience of proposed FL EBT/EFT key personnel, including subcontractors, with individuals having worked together as a unit in the past or currently for the effective and successful delivery of quality EBT/EFT services;

3. Successful management of the delivery of EBT/EFT services for a customer(s) with a similar scope of services as contemplated by this contract; and
4. Successful management of the delivery of EBT/EFT services for a customer with similar volumes of accounts and transactions.

C-2.1.3. EBT Project Business Analyst:

The Provider shall maintain a Project Business Analyst to be assigned fulltime to the Department for the life of the EBT contract. The Business Analyst shall have the experience and expertise to support and implement system enhancements for the Florida EBT project as requested by the Department.

C-2.1.3.1. Minimum Qualifications

The minimum qualifications for the Provider's assigned EBT Project Business Analyst are as follows:

1. Five years of project management experience; three of the past five years as the Business Analyst for the development, implementation and/or operation of an EBT or other financial system of comparable size and complexity as that defined within this contract;
2. Employed for the past three years by the Provider, preferably as a business analyst for an EBT or other financial systems project(s) of similar size and complexity as that of the Florida EBT Project;
3. Successful management of the delivery of EBT/EFT services for a customer(s) with a similar scope of services as contemplated by this Contract; and
4. Successful management of the delivery of EBT/EFT services for a customer with similar volumes of accounts and transactions.

C-2.1.4. eWIC Business Analyst/Programmer:

The Provider shall maintain a Business Analyst/Programmer to be assigned fulltime to the State WIC Agency for the life of the EBT contract. The Business Analyst/Programmer shall have the experience and expertise to support system queries and data analysis against the eWIC System as requested by the State WIC Agency.

C-2.1.4.1. Minimum Qualifications

The minimum qualifications for the Provider's assigned Business Analyst/Programmer are as follows:

1. Five years of project management experience; three of the past five years as the Business Analyst for the development, implementation and/or operation of an EBT or other financial system of comparable size and complexity as that defined within this contract;
2. Employed for the past three years by the Provider, preferably as a business analyst for an EBT or other financial systems project(s) of similar size and complexity as that of the Florida EBT Project;
3. Successful management of the delivery of EBT services for a customer(s) with a similar scope of services as contemplated by this Contract; and
4. Successful management of the delivery of EBT services for a customer with similar volumes of accounts and transactions.

C-2.1.5. Key Personnel:

The Provider must designate highly qualified and experienced key personnel to Florida EBT/EFT services. Key personnel are those persons, including Provider and subcontractor personnel, considered integral to converting successfully from the existing system and services to the Provider's system and services, maintaining quality EBT/EFT services delivery, and timely completing all key project milestones and deliverables throughout the term of the Contract. The Provider must identify by name and position title all key personnel proposed for those positions identified in the organizational chart required in **Section C.2.1.6**. The Provider must provide assurances that the numbers of qualified and experienced key personnel, on-site and off-site, are sufficient to ensure timely completion of milestones and deliverables and overall project success.

C-2.1.5.1. Key Personnel Minimum Qualifications

The minimum qualifications for the Provider's key personnel identified in its project organization chart are as follows:

1. Three (3) years-experience in performing the assigned tasks and providing the types and level of services required in this Contract, preferably as an employee or as a subcontractor or other authorized representative of the Provider;
2. Current or past experience working with other proposed FL EBT key personnel as a unit for the effective and successful delivery of quality EBT/EFT services;

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3. Demonstrated success, either current or past, in performing the tasks assigned or in providing the services to a customer with a similar scope of services; and
4. Successful performance of assigned tasks or in the delivery of EBT/EFT services to a customer with similar volumes of accounts and transactions.

C-2.1.6. EBT Organizational Chart:

The Provider shall publish and maintain for the life of the Contract an organizational chart depicting its proposed staffing plan, identifying Provider and subcontractor personnel whose assignment is key to the provision of EBT services. At a minimum, the organizational chart must identify the following:

1. EBT Project/Relationship manager, EBT Project Business Analyst, key personnel, technical staff and support managers/staff by name and Provider/subcontractor organization.
2. Proposed level of effort (%) and whether tasks will be performed primarily on-site or off-site.
3. The lines of authority and communication, to include Provider and any subcontractors.
4. Identification of personnel providing executive oversight, including during problem escalation.

C-2.2. Staffing Changes

C-2.2.1. Upon change or vacancy in any of the full time equivalent staff positions described in **Section C-2.1.1. Staffing Levels**, the Provider shall notify the contract manager, in writing, within five (5) calendar days of the change or vacancy.

C-2.2.2. Any change in the Provider Representative identified in the CF Standard Integrated Contract 2016 Contract, **Section 1.2.3**, shall be notified immediately, in writing, to the contract manager.

C-2.2.3. Including subcontract staff and consultants, the Provider shall staff the project with key personnel identified in the Provider's reply, which are considered by the Department to be essential to this Contract.

C-2.2.4. Prior to diverting any of the proposed individuals from the Contract, the Provider shall provide written notification to the Department's contract manager of the proposed substitution. Parties will agree to a documented plan of action for the proposed change. Written justification shall include documentation of the circumstances requiring change and a list of the proposed substitutions in sufficient detail to permit evaluation of the impact on the Contract.

C-2.2.5. The Department, at its option, may agree to accept personnel of equal or superior qualifications in the event that circumstances necessitate the replacement of previously assigned personnel. Any such substitution shall be made only after consultation with the contract manager.

C-2.2.6. The Provider shall replace any employee on the Contract whose continued presence would be detrimental to the success of the Contract, as determined by the Department, with an employee of equal or superior qualifications. Parties will agree to a documented plan of action for the proposed change. Written justification shall include documentation of the circumstances requiring change and a list of the proposed substitutions in sufficient detail to permit evaluation of the impact on the Contract.

C-2.2.7. The Provider may make substitution of staff only upon prior written notice to the Department's Contract Manager. Only comparable skilled staff is to be used in the performance of this Contract. In the event the Provider desires to substitute any staff approved to work on this Contract, either permanently or temporarily, the Provider shall submit a resume including references, for each substitution of staff proposed. The Department shall determine based on the information submitted whether the proposed staff meets or exceeds the requirements for the position.

C-2.2.8. For any staff terminations or departures that occur during the term of this Contract, the Provider shall provide written notification of the vacancy. The Department's Contract Manager may request the Provider to submit a resume of proposed equivalent skilled replacement the Provider staff. If the Department's Contract Manager determines that the proposed replacement staff meets the professional specifications required for services under this Contract, an employment begin date will be determined by mutual agreement between the Department's Contract Manager and the Provider.

C-2.3. Professional Qualifications

C-2.3.1. The minimum qualifications of staff described herein shall be established in the Provider's position description narratives, which will be incorporated by reference, and will be maintained in the Department's contract file. The Provider is required to employ staff meeting the described position description requirements to perform the tasks set out in the resulting Contract.

C-2.3.2. The Provider shall provide staff subject to **Section C-2.1.1.** thereof and must reflect experience with technologies and project(s) of similar size and complexity utilizing the software products as described in this Contract and must reflect the abilities for the proposed task assignments.

C-2.3.3. In the event the Department determines that the Provider's staffing levels do not conform to those presented in their reply, it shall advise the Provider in writing and the Provider shall have a maximum of fifteen (15) calendar days from the date of receipt of the Department's written notification to remedy the identified staffing deficiencies.

C-2.3.4. The Provider's staff shall pass a Level 2 background screening (see **Section 4.14.** Employment Screening of the Standard Contract). The Provider shall sign an affidavit each state fiscal year for the term of the Contract stating that all applicable required staff has been screened or the Provider is awaiting the results of screening.

C-2.4. Subcontracting

This contract allows the Provider to subcontract for the provision of all services under this contract, subject to the provisions of **Section 4.3** of the CF Standard Integrated Contract 2016. Written requests by the Provider to subcontract for the provision of services under this Contract shall be routed through the Contract Manager for Department approval.

C-2.4.1. The request to subcontract shall be reviewed and if approved, approval shall be in writing by the Contract Manager prior to procurement of the subcontract. Payment to the Provider shall not be authorized until Contract Manager approval is obtained.

C-2.4.2. A copy of each executed subcontract shall be provided to the Contract Manager within thirty (30) calendar days of the execution date of the subcontract. Payment to the Provider shall not be authorized until Contract Manager is in receipt of each executed subcontract.

C-2.4.3. The contract manager shall review any request to amend any subcontract prior to the execution of the amendment and if approved, approval shall be in writing.

C-2.4.4. A copy of each subcontract amendment shall be provided to the Contract Manager within thirty (30) calendar days of the execution date of the subcontract amendment.

C-2.4.5. The Department's agreement to allow these services to be subcontracted does not in any way alter the Provider's responsibility to the Department for all work performed under this contract.

C-2.4.6. Requirement to Replace Detrimental Subcontractor.

The Provider shall replace on the project, any Provider subcontractor whose continued presence would be detrimental to the success of this Contract, as determined by the parties, with a Provider subcontractor of equal or superior qualifications. If the parties exercise this right, the Provider must remove Provider staff from the work site associated with this contract within fifteen (15) working days after notice by the Department's Contract Manager.

C-2.5. Records and Documentation

The Provider shall maintain the following records and documentation:

C-2.5.1. All source documents or supporting documentation used to determine compliance with performance measures and deliverables.

C-2.5.2. Support to the Deaf or Hard-of-Hearing Single-Point-of-Contact designation.

C-2.5.3. Effective Communication Online training, and signed Attestation of Understanding, in accordance with CF Standard Integrated Contract 2016, **Section 9.3.8.**

C-2.5.4. For each staff paid in whole or in part with these contract funds:

1. Copies of employment screening results for each staff who meets the requirements to be screened for employment;
2. Annual original signed and dated Security Agreement Form CF-114; and
3. Annual certificates of Security Awareness training.

C-2.5.5. Results of background screening.

C-2.6. Reports (programmatic and to support payment)

The Provider shall collect data and complete the reports required by this Contract. Specific Reports are further described in **Exhibit D.**

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C.3. STANDARD CONTRACT REQUIREMENTS: Provider will perform all acts required by **Sections 4, 5, 7, 8 and 9** of the CF Standard Integrated Contract 2016.

EXHIBIT D – DELIVERABLES

D-1. DELIVERABLES AND DOCUMENTATION

The Provider shall provide project deliverables and documentation to the Department. The Provider and the Department shall agree on the format and contents to be included in each deliverable prior to the Provider's submission of the first draft of any document. The Provider shall update and maintain project deliverables and documentation for the duration of the contract to reflect changes in system design, services, and operations.

Deliverables will be submitted to the Contract Manager and either the ESS EBT Project Manager or DOH WIC Project Manager, depending on the deliverable, and approved by the Department before the work is accepted or the Provider is paid for that portion of the work, if applicable. The deliverables are developed solely for the Department in connection with performance of the services and must meet the specifications required by the Department and FNS. The Provider shall warrant that the services provided shall be performed diligently in a skillful and professional, workmanlike manner and the services and deliverables shall comply with any specifications and standards provided by the Department at the time a work assignment is made. The Department may make inspections to determine that the services are properly performed and test the interim work products. Such inspections and tests may be held at any reasonable time and the Provider shall give assistance in carrying out such inspections and tests.

The primary focus of the Department's review will be to determine compliance with the contract and to review the content of the deliverable(s) for compliance with the Department's requirements and the terms of this contract. All Deliverables shall be provided to the Contract Manager and Project Manager.

Report Acceptance. The Department reserves the right to reject reports as incomplete, inadequate, or unacceptable according to any parameters set forth in the contract. Receipt of reports by the Department does not construe to mean or imply acceptance of reports. The Provider shall have a right to cure any rejection made by the Department within a mutually agreed upon time period. Additionally, the Department, at its option, may allow additional time within which the Provider may remedy the objections noted by the Department or the Department may, after having given the Provider a reasonable opportunity to complete, make adequate or acceptable, and declare the contract to be in default.

D-1.1. Project Deliverables and Documentation

The Provider shall provide project deliverables and documentation to the Department for review and approval. The Provider shall update and maintain project deliverables and documentation for the duration of the contract to reflect changes in system design or operations. A description of deliverables/documentation along with due dates is provided below.

All documentation and deliverables are subject to State and Federal review and approval, if required. In general, and unless otherwise specified, Department comments will be provided to the Provider within two (2) weeks of the receipt of the draft, provided however, that failure to provide such comments shall not waive or modify any standards for approval and no draft or final documentation or deliverable will be deemed approved in the absence of express written approval by the Department. Within one (1) week of receipt of State and Federal comments (if applicable), and after incorporating the comments, final copies of the documentation shall be delivered to the Department. Such documentation shall include, but is not limited to, all written materials described within this document including status reports, design documents, system manuals, project plans, test plans, test reports and training materials.

One (1) printed draft and an electronic copy for each deliverable (see table below) will be submitted to the Contract Manager and the Project Manager for review and approval. All electronic versions will be stored on a secure server accessible via web interface.

The Provider shall provide the Department an assessment following any conversion that may occur with any aspect of the system and services. The assessment will include lessons learned, positive and negative impacts, how it impacted schedule and budget and resource analysis.

D-1.2. Due dates for the specified deliverables and documentation as provided below:

Deliverable or Documentation	Due Date
Status Reports	Weekly prior to system conversion; bi-weekly after system conversion.

Deliverable or Documentation	Due Date
Project Plan	Draft due within fifteen days of contract execution. Final due within 45 days following contract execution.
Communication Plan	Final due no later than one month after contract execution; as agreed upon by both parties
Transition and Conversion Plan	Draft due within twenty-one days of contract execution. Final due within ten business days following receipt of Department comments.
Functional Design Document	Final due no later than three months after contract execution.
Detailed Design Document	Final due no later than four months after contract execution.
Systems Operations and Interface Procedures Manual	Final due no later than eight months after contract execution.
System Life Cycle Test Plan	Final due no later than five months after contract execution.
User Acceptance Test Plan and Test Scripts	Final due no later than six months after contract execution.
Test Reports	Within two weeks of completing the system test.
Business Continuation and Contingency Plan	Final due no later than six months after contract execution and annually thereafter.
System Security Plan	Final due no later than six months after contract execution.
Training Plans and Materials	Final due no later than six months after contract execution.
Reports & Data Warehouse Manuals	Final due one month prior to system conversion; or if no conversion is required final due no later than six months after contract execution.
Retailer Management Plan	Final due four months prior to system conversion; or if no conversion is required final due no later than nine months after contract execution.
Settlement and Reconciliation Manual	Final due one month prior to system conversion; or if no conversion is required final due no later than nine months after contract execution.
Administrative System Manual	Final due two months prior to system conversion; or if no conversion is required final due no later than nine months after contract execution.
Change Management Plan	Final due no later than nine months after contract execution
Conversion Assessment Report	Final due one month following the system conversion

D-1.3. Status Reports

Status reports shall be provided weekly during Transition or Conversion Periods, as applicable, and shall provide a comprehensive list of all project activities, current status, and address issue identification and resolution. Status reports for ongoing operational service activities shall be provided on a bi-weekly basis once the Operational Phase commences. Status reports shall be provided in hard copy and/or electronically as specified by the State. Status reports shall provide a description of all project activities, including, but not limited to:

1. Tasks accomplished;
2. Deliverables submitted;
3. Revised Project Work Plan;
4. Progress on Enhancement/Change Requests. For all active change requests, the Status Report shall identify tasks completed during the reporting period, tasks remaining and the estimated date of completion;
5. Outstanding tasks/deliverables;
6. Outstanding problems, issues and changes, including:
 - a. The status of the problems, issues and change requests and report progress on resolution;
 - b. If applicable, the State employee initiating the change request;
 - c. The party responsible for resolving the problem or initiating the change;
 - d. Prioritized problems, issues and changes according to their immediate urgency in cooperation with the State; and
 - e. Recommended solutions to problems and issues.

7. Task/deliverables due from the State; and
8. Next steps.

During conversion, the following task updates shall be included:

1. Conversion activities and tasks;
2. Progress in Farmer's Market and any EBT only POS deployment including retailer name and location, terminal ID and retailer's FNS number;
3. Planned EBT-only POS deployment activity for the next reporting period;
4. State, client and retailer training plans and activities;
5. EBT card replacement and issuance plans and activities.

In addition to status reports, the Provider's Project Director and key personnel may be requested to attend and participate in status meetings and/or teleconferences with the State and key stakeholders upon request. The Provider must maintain an open line of communication with the Department for the duration of the contract.

D-1.4. Project Work Plan

The Department envisions the Provider's EBT system and services transition as consisting of six sequential but overlapping phases including design, development, testing, conversion, implementation, and operations. Due to the range of factors impacting the project timeline and anticipated overlap in some phases, the Department does not intend to prescribe any set period of time for each of the respective phases. The Provider shall provide an Executive Level Work Plan to the Department incorporating the Preliminary Project Work Plan submitted with its response to the ITN. The work plan shall include the project schedule, defining the anticipated timelines and estimated completion dates for the project deliverables within each phase.

The Provider shall assume that the conversion, if required, from the current EBT service provider must be completed no later than **TBD**, or before the contract with the current EBT service provider terminates (or sooner, if deemed necessary by the Department). The completed conversion will require the Department to have performed thorough testing of the interaction with the State MIS and provided a formal acceptance of the interface.

The Project Work Plan is a dynamic document that shall be updated continually during the course of the project to reflect milestones and critical junctures that have been met, as well as project slippage. Prior to system conversion, an updated Project Work Plan shall be submitted with the weekly status reports. Following system conversion, an updated Project Work Plan shall be maintained to reflect all Department-initiated and Provider-initiated system design, development, testing, and implementation efforts.

The Project Work Plan shall include, at a minimum:

1. A schedule of all tasks, activities, and deliverables by project phase.
2. Identification of all critical path and dependency tasks.
3. Delineation of the responsibilities of the Provider, the State and Federal agencies.
4. Anticipated timelines and estimated completion dates for the project deliverables within each phase.
5. A conversion completion time frame following contract execution as required by the Department.

D-1.5. Communication Plan

The Provider shall provide a Communication Plan as agreed upon by both parties.

D-1.5.1. Transition and Conversion Plan

Should a conversion be required, the Provider shall transition the client and retailer databases from the current Provider's EBT system to the new EBT system. The Provider shall prepare a Transition and Conversion Plan that complies with the FNS EBT Transition Guide, Version 2.0, June 6, 2005 or the most recent version issued by FNS. At a minimum, the Transition and Conversion Plan shall cover each of the following activities in detail:

1. Designation of team members, roles and responsibilities;
2. Transition of transaction acquirers and retailers including the retailer database;
3. Transition of the cardholder database to include account aging information with expungement and escheatment dates, where appropriate, and transfer of the Department or the State WIC Office's transaction history;
4. Creation of a data warehouse through acceptance and conversion of a five-year transaction history from the current provider;

5. Implementation of interfaces with State and FNS systems;
6. Transition of any EBT-only retailer equipment;
7. Transition for the EBT switch or gateway;
8. Transition of card production and distribution center(s);
9. Continuation of the CSRs ability to complete card status functions reported to Customer Service during the conversion downtime;
10. Acquisition and transfer (if feasible) of the toll-free Customer Service telephone number used by clients;
11. Acquisition and transfer (if feasible) of the toll-free Customer Service telephone number used by retailers;
12. Replacement of EBT cards, as required;
13. Conversion settlement and reconciliation processes and activities from the current EBT provider's system;
14. Coordination with FNS, the Department, and the FRB (Federal Reserve Bank) in transferring State ASAP (Automated Standard for Application Payments) system account balances for SNAP to the Provider;
15. Administrative Terminal application connectivity; and
16. Data conversion dry runs.

The Transition and Conversion Plan shall address the processes to be used for transition, how the processes shall be tested, and contingency plans for problems and issues that may occur during transition. The Transition and Conversion Plan also must address the verification and validation of the transition process, in particular the validation of the clients' account balances and cardholder PINs that are converted to the new system. The project schedule and the beginning and ending dates must be agreed upon between the Department and the Provider. The Transition and Conversion Plan must be approved by both the Department and FNS. The Provider should expect that Department approval would require no less than 10 full workdays. The FNS conversion plan approval will require an additional 60 calendar days after submission to FNS. Planning documents and schedules must be completed in sufficient time to accommodate the Department and FNS approval step while meeting anticipated task dates.

D-1.6. System Design Documents and Manuals

The Provider shall update and maintain the system design documents and manuals for the duration of the contract. The approved design documents and manuals shall be updated as requested by the Department to reflect changes in system design or operations.

D-1.6.1. Functional Design Document

The Functional Design Document shall, at a minimum, provide an overview of the system design and system requirements, including the operating environment, procedures and workflow of the EBT system.

D-1.6.2. Detailed Design Document

The Detailed Design Document shall describe the total system configuration including system hardware, functionality, file layouts, message and file flows, automated response unit (ARU) scripts, data elements, system interfaces, reporting, settlement and reconciliation functions, recoupment, and the system security plan.

D-1.6.3. Systems Operations and Interface Procedures Manuals

The Systems Operations/Interface Procedures Manual shall provide:

1. Batch files and the times of transmission;
2. Administrative terminal configuration;
3. Problem resolution and escalation procedures; and
4. Batch maintenance record formats.

The Provider shall provide documentation for Problem Resolution and Escalation Procedures for system operations and the interface(s). This documentation shall include:

1. The process by which the Department will report system and operational problems to the Provider and the process by which problems will be resolved and the resolution reported back to the Department.
2. The Provider's priority scheme for identifying the relevant severity of the problem and the expected timeframes for resolution based upon the designated severity.
3. At a minimum, the Provider shall respond to critical problems immediately. Time frames for other priority levels will be agreed upon between the Provider and the Department.

D-1.7. System Test Documentation

The Provider shall provide system life cycle testing services for the duration of the contract. The life cycle system test approach requires that the EBT system, including any changes made to the EBT system during the contract period, be properly tested prior to being introduced into the production environment. The Provider shall perform regression testing on all changes made to coding and programs during acceptance testing and ongoing through the Operations Phase. The Provider must ensure that changes are tested end-to-end and for impact on other system components, applications, and functionality. The Provider shall provide the following test documents:

D-1.7.1. System Life Cycle Test Plan

The Provider shall provide a System Life Cycle Test Plan. The plan shall include, at a minimum, the tests identified below in System Testing Requirements. The System Life Cycle Test Plan shall address the extent of system and integration testing that is to occur to ensure that all system components properly interface and operate as designed.

D-1.7.2. Acceptance Test Plan and Scripts

The Provider shall develop a user acceptance test plan and scripts that cover all the system test requirements identified below in System Testing Requirements. For each test the plan shall, at a minimum, outline the test purpose, methodology, environment, and approval rating system. The test scripts shall insure that all system functionality is tested.

D-1.7.3. Test Reports, including error resolution

The Provider shall document test results in system test reports. The reports shall include any corrective measures or plans to remedy system errors or deficiencies identified during the tests. Corrective measures to remedy system errors identified during testing must be completed and re-tested prior to system conversion and on an ongoing basis for system changes and enhancements initiated by the Department or the Provider.

D-1.8. System Testing Requirements

As indicated above, the Provider shall provide system life cycle testing services for the duration of the contract. The life cycle system test approach requires that the EBT system, including any changes made to the EBT system, Department or Provider initiated, during the contract period, shall be properly tested and approved by the Department prior to being introduced into the production environment. The Provider shall be required to meet the FNS system testing requirements, including the User Acceptance Testing (UAT) requirements, specified in the FNS Electronic Benefits Transfer (EBT) Request for Proposal (RFP) Guidance, Version 2.0, December 19, 2007 or the most testing guidance issued by FNS.

The Department will conduct comprehensive testing of the Provider's EBT systems and required services. System testing shall be performed on all components and functional areas of the EBT systems and interfaces. Any deficiencies identified during system testing must be corrected and re-tested. Both the Department and FNS must formally accept and approve the EBT system before the system is introduced into production and the operations phase can begin.

The test scripts shall be developed by the Provider with input from the Department and shall be reviewed by FNS and approved by the Department. The Department reserves the right to develop and use its own test scripts in addition to those developed in cooperation with the Provider. The scripts shall detail step-by-step instructions on the actual test and system functions to be demonstrated. Test scripts shall describe the desired system outcomes and test results. The Provider and the Department shall jointly develop test data. The Providers shall conduct required system tests and demonstrations with participation by support contractors that the Department and/or FNS may designate.

The testing requirements and schedule include:

System Test Requirement	Schedule of Test Activities
Connectivity Testing	2 weeks prior to Interface Testing
Interface Testing	2 months prior to the Functional Demonstration
Functional Demonstration	6 weeks prior to the UAT
UAT Test Scripts	4 weeks prior to the UAT
UAT	2 months prior to Conversion
Performance Testing	In conjunction with UAT
ARU Testing	In conjunction with UAT

Test Reports	Within two weeks of completing tests
Revised System Design Documents	Within one month of completing UAT
Contingency Testing	Conducted annually

D-1.8.1. Connectivity Testing

Connectivity testing shall be conducted between the State systems and Provider's EBT systems, as applicable. This includes testing of all interfaces between the primary and back-up systems and the State primary and back-up systems. The Provider shall provide all necessary hardware and software to ensure connectivity. The Provider shall ensure that all entities that access the EBT Administrative System that are not within the State, e.g., Federal staff, can access the EBT system and receive report files.

D-1.8.2. Interface Testing

Interface testing shall be conducted to ensure that all files sent between the State and Provider systems are properly received, accepted, and accurately processed. Interface testing shall demonstrate rejection of duplicate files or records and correction of transmission errors, and test all error code conditions.

D-1.8.3. Functional Demonstration

A functional demonstration shall be conducted for system functionality and services specified by the Department. The functional demonstration shall provide Department and FNS representatives the opportunity to review and observe planned EBT system operations. The Provider shall prepare a report of the demonstration results including any system modifications identified. The Functional Demonstration will be conducted to ensure the design is proceeding according to the expectations of the Department.

D-1.8.4. User Acceptance Test (UAT)

The UAT provides both the Department and FNS the opportunity to test the EBT system functionality and ensure compliance with the system design requirements. This test shall minimally consist of functional requirements, security, recovery, system controls, and "what if" testing. In addition, as part of the user acceptance testing, the Provider must demonstrate the methods and processes for performing daily reconciliation between the State and EBT interface and processing activities including financial settlement. During the formal test script portion of the acceptance test, testing representatives will follow detailed test scripts developed by the Provider with input from the Department. The test scripts must cover all facets of the system's operations and test all of the system processing options and environmental conditions (e.g., EBT-only POS hardware, communications failure and entry of erroneous data).

The ad hoc or "what if" portion of the UAT provides the Department and FNS and/or designated technical assistance contractors with the opportunity to include various transaction sets, ACH testing and sequences that have not been included in the test scripts, and to challenge the system's operations and design. The UAT shall be conducted at either a Department or Provider location upon mutual agreement between the Department and the Provider. The test environment, to the extent possible, should begin with a clear database. While the preference is for in-state testing, if out-of-state travel by State staff is required, the Provider shall assume responsibility for all travel costs for up to six (6) State staff members.

D-1.8.5. Performance (Stress) Testing

The purpose of this testing is to ensure that there is sufficient capacity within the EBT system to handle the expected transaction volume. The Provider shall use results from the stress tests to formulate a system capacity model to determine the appropriate hardware and software requirements and configuration so that the EBT system can accommodate the anticipated transaction volumes. The Provider may, as an option, choose to use the most recent available production data to develop a system capacity model for modeling the anticipated transaction volumes. If the Provider is anticipating use of this option, the Provider shall describe in detail how the modeling will be performed, a comparison of the modeling approach proposed with the use of live production data, and how the results of the modeling exercise will be documented and reported to the Department.

D-1.8.6. ARU/IVR Testing

The ARU/IVR system shall be tested to ensure the system properly accepts, processes, and transfers both retailer and client calls per the system requirements and functions specified by this contract.

D-1.8.7. Contingency Testing

CF Standard

Contingency planning and testing shall be conducted to ensure that essential (mission-critical) EBT operations will continue if normal operations are disrupted at either the Provider's or the State's primary site. The State has a back-up site and requires that the Provider establish a hot back-up site, with full computer systems and complete or near-complete backups of user data, for continued operations in case of failure at the primary operations site. The Provider shall specify the amount of time (length of outage) expected for the transition from the primary to the back-up system. The Provider shall also specify the amount of time (length of outage) expected to move operations back to the primary system from the back-up. The Provider shall provide an escalation process that includes notification of Department EBT key personnel. Post-incident recovery procedures and responsibilities should also be provided by the Provider to facilitate the rapid restoration of normal operations at the primary site or, if necessary, at an alternate facility, following destruction, major damage or other significant interruptions of the primary site. During the operations phase, contingency testing must be conducted annually.

D-1.9. Business Continuation and Contingency Plan

The Provider shall detail the steps to be taken to manage and recover from instances of system outages, telecommunications failures, software or hardware failures and/or natural or human-caused disasters. For each potential interruption type, the Provider's plan shall include the following at a minimum:

1. Detailed steps to be taken to manage and recover from the interruption;
2. Provisions to ensure that benefits continue to be accessible to cardholder in instances of system outages, telecommunications failures, and/or natural or human-caused disasters;
3. The resources committed (i.e., people, systems, networks, and operation sites) for each type of service interruption;
4. Detailed escalation procedures; and
5. Whether the contingency plan has been tested under real or simulated conditions.

D-1.10. Security Plans

The Provider shall develop and maintain comprehensive up to date system security plans. The System Security Plan must be approved by the Department and USDA-FNS.

D-1.10.1. System Security Plan

The Provider's security plan shall describe the administrative, physical, technical and systems controls to be implemented for the EBT system and how the Provider addresses deficiencies or security breaches if they are identified during the course of the contract. The security plan should reflect the guidance with applicable FNS and/or FFIEC or the highest standard of Security Manuals. The Provider's security plan shall include ongoing certification and examination of the Provider's operations and control system.

System security shall include but is not limited to the following minimum requirements:

1. Provide the ability to execute secure, authenticated, two-way transactions;
2. Prohibit unauthorized access to EBT data unless such access is expressly approved by the Department;
3. Maintain and ensure data integrity, confidentiality, and privacy;
4. Ensure transaction validation and security;
5. Address issues such as misuse or fraud, including resolution options;
6. Ensure implementation and maintenance of security guidelines, protocols, and procedures;
7. Provide an audit trail for identifying network security breaches and attempted breaches applicable to services provided in this contract;
8. Report to the Department upon discovery any breach or compromise of security applicable to the services provided by this contract;
9. Accommodate scheduled and unscheduled audits of the security system by Department and Federal personnel or their designees;
10. Ensure full cooperation with government agencies in the event of security breaches;
11. Define roles and responsibilities for the Provider's security personnel and the Department's security personnel regarding administrative system user access and data warehouse user access;
12. Provide a security management guide for Department EBT security personnel; and
13. Address Data Security requirements pursuant to the Standard Contract, Section 28.

The Department agrees to the conditions stipulated in USDA Policy memorandum 3140-001. The memorandum can be found at <https://www.ocio.usda.gov/document/departmental-regulation-3140-001>.

D-1.11. Training Plans and Materials

The Provider shall develop a Training Plan and training materials that address the training requirements of Department and local staff, EBT-only retailers, and cardholders. The Provider shall conduct training sessions for Department and local staff and retailers on an as needed basis or when requested by the Department. Training materials shall be updated throughout the contract as needed to reflect changes in the EBT system or in services. The Provider has the sole responsibility for retailer training including the production and distribution of retailer training materials. The Provider will not be responsible for direct cardholder training but will provide client and Department training materials as specified. All training materials must be approved by the Department prior to use.

D-1.12. Reports Manual

The Provider shall provide a manual that provides comprehensive and detailed information about the Department's EBT Reports. The Provider shall update and maintain the Reports Manual for the duration of the contract to reflect changes in functionality or reporting requirements. Reports Manual updates shall be completed within 30 days after implementation of each new report or report change. The Reports Manual shall include:

1. Report production schedules.
2. Report descriptions including a definition of the data elements and the report formats.
3. A description of the Provider's data warehouse functionality including ad hoc reporting.

D-1.13. Data Warehouse Manual

The Provider shall provide a manual that provides detailed instructions to users on how to use the data warehouse. The manual shall provide instructions on how to assist users experiencing problems remotely in real time and a troubleshooting guide.

D-1.14. Retailer Management Plan

The Provider shall provide a retail management plan that includes the following at a minimum:

1. Retailer conversion, if required
2. Retailer and Acquirer/TPP agreements (conform to FNS Operating Rules): The Provider shall provide the final versions of the draft agreements provided in their response to the ITN for review and approval by the Department and FNS following contract execution in accordance with the approved Transition and Conversion Plan.
3. Acquirer/TPP Certification Standards compliant with QUEST® Operating Rules and ISO 8583 and 9510 and process and WIC FNS Requirements
4. POS equipment deployment and training
5. Retailer support services

D-1.15. Settlement and Reconciliation Manual

The Provider shall provide separate Settlement/Reconciliation Manuals for SNAP/Cash and WIC that provide the procedures required to perform a daily reconciliation of the Provider's eWIC and SNAP/Cash EBT systems as defined within 7 CFR §274.4, WIC Federal Requirements and the USDA-FNS EBT Reconciliation Guidance. The manuals shall identify the specific Administrative System's screens and/or the settlement and reconciliation reports, including formats and data elements required for daily settlement and reconciliation.

D-1.16. Administrative System Manual

The Provider shall provide an Administrative System Manual that provides detailed instructions for users on how to use the EBT Administrative system, functions supported, screen and field definitions, security management, and navigation.

D-1.17. Change Management Plan

The Provider shall provide a Change Management Plan that details the Provider's approach to addressing design issues, remedial changes, Department-initiated change requests, conformance to State and Federal laws/regulations, QUEST® Operating Rules and FNS WIC requirements as well as self-initiated changes. The Change Management Plan must define roles and responsibilities and assure that no changes to the EBT system will be undertaken without the Department's prior knowledge and approval.

D-2. SNAP/CASH EBT REPORTS

D-2.1 Report Distribution

The Provider shall distribute appropriate daily, weekly and monthly reports and electronic files to the Department and to USDA-FNS (when required). The distribution of the reports must be on-line through the Administrative System portal or established file transfer protocols unless otherwise specified.

The Department requires that the on-line reports application be "user friendly". The Provider shall propose functionality such as "point and click", Graphic User Interface (GUI), or direct report access through parameter entry to facilitate access and ease of use. In addition, the Provider shall comply with the following on-line report requirements:

- Reports must be formatted to print on a single page; data lines and text must not wrap to next line;
- Reports must be easily converted or imported into Excel, SQL, or Tableau for analysis;
- Administrative System operational support reports must be sorted by county/service site;
- Settlement and reconciliation reports must be consolidated at the State Level by program;
- The last 365 days of reports must be available on-line (for on-line accessible reports);
- Historical report data for past 7 years must be easily retrieved, within 48 hours of request by the Department;
- The reports module must be set-up chronologically so that most recent reports are accessible first upon entry into the module;
- Reports produced nightly must be available no later than 7:00 a.m. ET the following morning.
- Reports produced monthly must be available by 7:00 a.m. ET no later than the 5th calendar day of the subsequent month.

D-2.2 Comprehensive Report Listing:

<p>Frequency:</p> <p>D = Daily</p> <p>M = Monthly</p> <p>R = On Request</p>

<p>Format:</p> <p>R = On-line Reports Module</p> <p>F = Electronic File</p> <p>O = Other (e.g., CSV, Excel file)</p>
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<p>Category:</p> <p>Admin. = Administration</p> <p>Fin. = Financial Mgmt</p> <p>Inv. = Investigation</p> <p>Mgmt. = Management</p> <p>Oper. = Operations</p> <p>Perf. = Performance</p> <p>Sec. = Security</p>

Report Name File Name	Description	Freq.	Format	Category
Administrative Reports				
Account Repayment	List of all account repayment transactions performed by User ID.	D/M	R	A
Address Change	Detail list of address changes made from, the Administrative System, and the cardholder website.	D	F and R	A
Adjustment	Provides detailed information on account adjustments including, but not limited to: account number, program type, transaction date/time, transaction type, transaction amount, retailer FNS number, state unique ID, User ID.	D	R	A
Benefit Recovery Pre-Expungement	File provides detail data on benefits that have aged 90 days or more with no cardholder initiated debit or manual authorization hold transaction.	M	F	A

Report Name File Name	Description	Freq.	Format	Category
Card Issuance Detail	Provides a detailed list of all cards issued.	M	R	A
Card Issuance Summary	Provides a summary of the number of cards issued by account type (cash only, food assistance only, and cash/food assistance) with new issuance and replacement card issuance totals.	M	R	A
Card Production	Daily totals of regular cards and expedited cards produced for the day.	D	R	A
Claim Activity	Daily list of claims opened, closed, claim duration, reason for claim, and status, etc.	D	R	A
Daily Account Usage	Provides statistical information about cardholders' use of the Provider's cardholder website including, but not limited to: date, sessions, total users, number of first time users, average number of sessions per user, and average session length for each day of the month with monthly averages.	M	R	A
Device Type Usage	Report of ATM and POS activity by transaction type in hourly, daily and weekly time increments.	M	R	A
Direct Deposit Audit	Provides a monthly record of detail actions with summaries by user.	M	R	A
Direct Deposit Inactive accounts	Listing of direct deposit accounts that have not received a deposit in the past 90 days.	M	R	A
Expungement Report File(s)	Daily detail report files of benefit expungements. Separate file required for FAET benefits. Includes state unique ID, benefit authorization number, benefit type, amount of benefit, amount expunged, benefit category of assistance.	D	F	A
Retailer Food Assistance Activity	Lists the number and dollar amount of food assistance purchases and reversals by FNS number in state and out of state for the Florida BIN. Data reported includes FNS number, retailer name, city, state, account and amount of purchases and reversals.	M	R	A
Manual Authorization	Lists all active, expired, released, or new hold manual authorizations for the day, and includes authorization date, retailer FNS, retailer name, voucher number, approval number, transaction amount, and how received grouped by and subtotal by voucher status.	D	R	A
Manual Transactions	Lists all manual authorization transaction activity by county for the month, and includes the number of transactions, total dollar amount, and average dollar value by each retailer. Includes the total and average dollar amounts for each county as well as grand totals.	M	R	A
Monthly ACH/Direct Deposit	Provides monthly ACH/Direct Deposit transactions by benefit type including, but not limited to the case number, name, and amount for each ACH/Direct deposit.	M	R	A
Unmatched Pending Benefits	Lists the pending benefits that do not have a state unique ID account match on the EBT system and are unable to be deposited into an account.	D	R	A
Repayment	Provides details data about daily and monthly benefit repayment activity including but not limited to: User ID performing the transaction, state unique ID, cardholder name and social security number, current card number, repayment amount, repayment date/time, and benefit type.	D/M	R	A
Restricted Locations for Cash Use Transactions Report	Monthly report of cash transactions performed at liquor stores, adult entertainment venues, and gambling	M	F	A

Report Name File Name	Description	Freq.	Format	Category
	establishments. (MCC codes) ATM terminal ID – parameter driven by key word list			
Store and Forward Activity	Lists all transactions where the retailer used store and forward instead of a manual voucher process during a processor outage. Includes store-and-forward transactions in both approved and denied categories. In the case of partial amount authorizations, both requested amount and completed amount shall be shown.	M	R	A.
SUNCAP	SUNCAP account holders are identified by a three-digit service site code of "888". This is cumulative report that provides an unduplicated count of all SUNCAP account holders that have accessed their benefits during the report period (October 1 st through September 30 th) each year.	M	R	A
Transaction Profile	Provides a summary of the number, dollar amount, and an average dollar amount of ATM and POS transactions for cash and food assistance.	M	R	A
Financial Management Reports				
Account Management Agent Calculation	Provides aggregate detail data for the data elements used to determine AMA Authorizations calculations.	D	R	F
ACH Transaction Summary	List of ACH daily activity including, but not limited to: credits, debits, adjustments, and net total for the day.	D	R	F
Benefit Draw Down Totals	Report of daily/monthly account reconciliation totals for each program and benefit type including the amount of deposits, debits, credits, non-settling transactions with net amounts of each program and benefit type and sub/grand totals.	D/M	R	F
Benefit Purge Detail	Monthly list all benefits purged from the system including, but not limited to: state unique ID, authorization number, benefit availability date, benefit type, and with sub/grand totals.	M	R	F, A
Benefit Purge Summary	Summary list of all monthly benefits purged by benefit type, amount, and count with grand totals.	M	R	F
Benefit Update Totals (Cash & FAP)	Provides the daily posted, pending, and rejected debit and credit totals for cash and the food assistance accounts.	D	R	F
Billing Monthly	List the benefit relationships by type, and provides count data needed to reconcile to the monthly invoice.	M	R	F
Deposit Calculation	Aggregate list of elements and data involved in the calculation of daily deposits to cardholders	D	R	F
Deposit Report Cash	Summary of cash deposit details including the current month, future month, and total daily counts and amounts.	M	R	F
Deposit Report Food Assistance	Summary of food assistance deposit details including the current month, future month, and total daily counts and amounts.	M	R	F
Food Assistance Program Employment and Training Billing	Provides the benefit relationships, type, and count information needed to reconcile to the monthly invoice for the Food Assistance Program Employment and Training program benefits.	M	R	F
FNS Adjustment	Lists debit and credit adjustments by FNS number, which were included in the daily STARS Total report.	D	R	F
Monthly Cash Benefit Update Totals	Provides the monthly posted, pending, and rejected debit and credit totals for cash benefits.	M	R	F

Report Name File Name	Description	Freq.	Format	Category
Monthly Food Assistance Update Totals	Provides the monthly posted, pending, and rejected debit and credit totals for food assistance benefits.	M	R	F
Other Cash Billing	Lists the benefit relationships, type, and count of other non-ESS cash benefits; e.g. FAET.	M	R	F
Pending Benefits Reconciliation	Lists all benefits and amounts that have not yet been made available to the cardholder by benefit type and availability date.	D	R	F
Settlement Summary Report-State Issuer Totals	Details the daily funds reconciliation by profile type (Food Assistance, Cash, and Fraud). Includes the settlement date, count, and amount for the following: Deposits, debits, manual authorizations (held, cleared, and expired), adjustments, fees and surcharges (cash only), expungements, customer debit and credit adjustments. It provides a daily balance of pending (transactions unpaid to the retailer, but issued to the cardholder closing account balance), total ACH paid, net ACH adjustments, and total amount sent to USDA-FNS for letter of credit reconciliation.	D	R	F
Settlement Summary Report-Switch Log Totals	Provides a daily summary of transaction activity through the EBT gateway and includes account and amount of debits, credits, and service charges for both settled and unsettled transactions. Subtotals are provided for debits, credits, settled fees, unsettled fees, yesterday's unsettled fees, as well as grand total of fees.	D	R	F
Store Tracking and Redemption System Total	Provides required FNS reporting for food assistance activity. The settling food assistance transactions are summarized by county and statewide totals.	D	R or O	F
State Issuer Balancing Totals	The State Issuer Balancing Report shows all settlement totals for the day for all account activity cash, food assistance, and food assistance investigative accounts.	D	R	F
State Issuer Totals – Cash	Provides monthly issuer totals for the cash program. Includes the prior balance purchases, void purchase, credits, void credits, deposits, customer debit and credit adjustments, expungements, transaction fees, surcharges, current account balance, and total paid.	M	R	F
State Issuer Totals – Food Assistance	Provides the monthly issuer totals for the food assistance program. Includes the prior balance purchases, void purchase, credits, void credits, deposits, customer debit and credit adjustments, expungements, transaction fees, surcharges, current account balance, and total paid.	M	R	F
State Issuance Totals – Food Assistance Investigative Accounts	Provides the monthly issuer totals for food assistance investigative accounts. Includes the prior balance purchases, void purchase, credits, void credits, deposits, customer debit and credit adjustments, expungements, transaction fees, surcharges, current account balance, and total paid.	M	R	F
Switch Log Totals	Provides a detailed account of the debit and credit counts and total amounts for the day to complete the daily settlement and reconciliation.	D	R	F
Investigation Reports				

Report Name File Name	Description	Freq.	Format	Category
180 Day Out of State Transactions Report	Report of EBT cardholders that performed 100% of their debit purchase transactions out of state for the past 180 days.	M	R	I
Keyed vs Swipe Transactions	Report listing retailers with high percentages of EBT transactions key-entered instead of card swiped. High percentage is defined as: retailer completing over 100 transactions in a given month and 50 % or more are key entered.	M	R or O	I
Daily Activity Files	Electronic report of all financial account activity that occurs in the EBT system. This file is sent to PAF and DCF for data mining purposes.	D	F	I
Suspended Account Report	Provides a listing of all subaccounts in suspended status.	M	R	I
Management Reports				
Administrative Actions Detail	Detail list of all non-financial Administrative system update transactions by user including, but not limited to account suspension, account re-activation, PIN freeze, Pin release, address changes, security code changes, with totals by user ID.	D/ M	R	M
Administrative Actions Summary	Summary report of all non-financial administrative update transactions by user performed on the Administrative System by user ID and transaction type.	D/M	R	M
Administrative Update Transactions Detail	Detail list of all financial administrative update transactions including, but not limited to: adjustments, disaster benefit adds, repayments, manual authorization expire, with state unique ID for each.	D/M	R	M
Administrative Update Transaction Summary	Summary report of all financial administrative update transactions performed on the Administrative System by user ID and transaction type.	D/M	R	M
Monthly Report Card and Operations Status	Monthly operational reports on performance metrics and status of EBT Operational activities, such as staffing, issue resolution, and change requests	M	O	M
Operational Status Report for Fraud Detection and Prevention	Provides information for PBI use including the following: a. Count of Referrals provided to State to include summary totals by Referral type and a detail list of Referrals that were provided. b. Date(s) new or changed Fraud Functionality was requested, date request was accepted by Provider and date the functionality was implemented. c. System availability, including scheduled and non-scheduled down time for Fraud functionality. d. Major activities of the Dedicated Resources. e. Number of alerts produced in the month. f. Total amount of VALUE based on dollar amount recognized by the alert.	M	O	M

Report Name File Name	Description	Freq.	Format	Category
Retailer Status Report	Listing of all retailers and current status including: region, FNS #, location ID, name, address, phone number, alternate phone number, county, EBT only or integrated status, TPP name, monthly average redemptions, FNS retailer type code	M	R	M
Quarterly Strategic Plan	The Provider shall provide a Quarterly Strategic plan which discusses approaches and strategies for exploring and implementing cutting edge EBT/EFT technologies as agreed upon by both parties.			
Operations Reports				
Expiring Card Report	Monthly report listing of all cards that will be expiring at the end of the subsequent month; including case number, card number, name, address, last debit transaction, last benefit deposit, account balance.	M	F	O
Temporary Cash Assistance 30 Day Out of State Report	Provides a listing of all TCA clients that have performed 100% of their cash debit transactions out of state in the prior month.	M	F	O
Performance Reports				
14 Day Install Compliance Report	List of newly installed EBT only POS machines by retailer and the number of days from receipt of contract until installed for contractual performance monitoring.	M	R or O	P
Account Management Agent Accuracy	Data elements included but not limited to: month, day of the month, actual vs SLA, daily average, monthly average, performance standard, etc.	M	R	P
Average Daily Response Time	Provides report of average EBT-only POS response times for each day of the month for all transaction types.	M	R	P
Call Type	A summary of the various types of calls received by Customer Service Representatives (CSR's) from cardholders by reason such as PIN assistance, card issuance, balance inquiry, program information, report fraud, etc.	M	R or O	P
Call Volume	Provides the IVR call volume with specific data for each day of the month, as well as monthly totals.	M	R or O	P
Call Volume by Caller Type	Provides the number of calls for each type of IVR application by date - merchant, PIN, recipient, etc. with, subtotals and grand totals.	M	R or O	P
Claims Processing Compliance Report	Provides list of claims (adjustments) closed for the month with data for the type of claim, open and close dates, and duration in days for contractual compliance monitoring.	M	R	P
Customer Service Performance Levels - CSR	Provides statistical information about the Provider's "Customer Service" performance based on contractual standards for CSR handled calls.	M	R or O	P
Customer Service Performance Levels - IVR	Provides statistical information about the Provider's "Customer Service" performance based on contractual standards for IVR handled calls.	M	R or O	P
Daily Retailer Settlement Compliance	Report on 100% compliance settlement with retailers. Data elements include but not limited to: month, day of the month, percentage goal, actual %, daily average, monthly average.	M	R	P

Report Name File Name	Description	Freq.	Format	Category
EBT Call Volume	Identifies the number of calls for each type of IVR application by date, subtotals and grand totals.	M	R or O	P
EBT-only Replacement or Repair	Provides daily compliance data for POS replacement and repair according to contractual standards.	M	R or O	P
Gateway Switch Availability and Settlement	Provides monthly availability and accuracy information about the EBT gateway transaction switch (if used by the Provider) for contractual performance monitoring.	M	R or O	P.
Host Availability	Provides monthly data on host system central computer availability, scheduled and non-scheduled downtime for contractual performance monitoring.	M	R	P
Online Transaction Response Times	Provides a summary of POS transaction response times from the host for compliance monitoring with the federal regulations for the Food Assistance Program. Details are provided in increments of seconds for contractual performance monitoring.	M	R	P
Store Tracking and Redemption System Accuracy	Provides monthly summary data for tracking and accuracy of daily STARS files to USDA-FNS for contractual performance monitoring. All retailer types must be displayed on this report.	M	R or O	P
Web Administrative System Response Time	Report of average administrative system response time for update and inquiry transactions for the month for contractual performance monitoring. Actual vs SLA response times must be shown.	M	R or O	P
Security Reports				
Access Privileges Report	List of authorized users and their level of access (security profile).	R	O	S
Administrative Inquiry Transactions Detail	Detail list of all administrative system inquiry transactions including, all non-financial transactions by user ID.	D/M	R	S
Administrative Inquiry Transaction Summary	Summary report of all administrative system inquiry transactions by user performed on the Administrative System by user ID and transaction type.	D/M	R	S
Daily Log On / Off Report	Detail of authorized users log on and log off activity	R	R	S

D-2.3 Disaster Services Reporting

The Department requires the ability to report authorization, issuance, expungement, drawdown, and other information for disaster benefits separately. Disaster benefits are assigned a unique program benefit type code for tracking and reporting. System reporting and reconciliation functions must separately track and identify these benefits. Benefit type codes are found in EBT Interface File Layouts and Processes as Incorporated by Reference at <http://www.dcf.state.fl.us/admin/contracts/ebt-2018/>. Regular system reporting must occur according to production schedules. The Department may require an increase in the frequency of production of certain reports due to the disaster.

A table listing the disaster reports currently used is below. These reports are produced in the event of a disaster and are invoked by the Department as needed. Reports invoked into production may vary depending on the specific disasters services implemented. The reports shall be provided via e-mail or the on-line reports module. NOTE: DDD = Daily During Disaster.

Disaster Services Reports			
Report File Name	Description	Sort Sequence	Frequency
Accounts with Benefits deposited early from lifting Staggered Issuance	An electronic file of all accounts with benefits posted as a result of the lifting of staggered issuance sent to the FLORIDA system.	<u>Case number</u>	On request
County Benefit Usage Redemption Report	Provides data about cardholder usage of regular benefits for the disaster month. This is usually the first report needed and is critical to obtaining the Federal Disaster Assistance Waiver	Primary – Benefit Month Secondary – County/Service Site Code	On request
Food Assistance Amounts Over \$1999.99	Lists Food Assistance Deposits in excess of \$1999.99	State Unique ID	DDD
County Disaster Benefit Usage	Provides the initial amount of the Disaster FAP benefits issued, the balance remaining, the amount used, and the percentage used	County/Service Site Code	DDD
Disaster Card Activity Report	Provides a count of deposit and/or debit activity for initial issue disaster cards (only one card counted, no replacement cards counted)	Not applicable	DDD
Disaster Retailer Report	Lists active retailers identified as processing SNAP transactions on report date to analyze impact to retailers in the disaster area. This will include a percentage of retailers available in each county.	Primary – County Secondary – Date	Daily During Disaster leading up to the launch of D-SNAP
Pending Benefits by Site (Summary)	Provides summary report of the total benefit amounts in the pending benefits file at the time the report is produced	County/Service Site	Daily during disaster leading up to the launch of D-SNAP
Pending Benefits by Site (Detail)	Provides detail report of the individual benefits in the pending benefits file at the time the report is produced	County/Service Site	Daily during disaster leading up to the launch of D-SNAP
Disaster Benefit Expungement Report	Provides summary level information on remaining counts and amounts of disaster benefits prior to and after the Disaster Expungement process is executed	Deposit Date	Run prior to and after disaster expungement process
Disaster Card Status 11	Lists all disaster cards that have been statused as “returned as undeliverable”	State Unique ID	Daily if the State operates mail issuance D-SNAP
No Transaction Report (Summary)	Provides summary of all disaster cardholders that have not performed a debit transaction on their disaster benefits		DDD

Disaster Services Reports			
Report File Name	Description	Sort Sequence	Frequency
No Transaction Report (Detail)	Provides detail information on disaster cardholders that have not performed a debit transaction on their disaster benefits	State Unique ID	DDD
Card Mailing Validation Report	Provides reconciliation of disaster cards requested and produced		DDD if mail issuance
Undelivered Card Report	Lists cards that have been returned as undeliverable and have not been replaced nor had any benefits used.		DDD if mail issuance

D-2.4 Assistance for the Deaf or Hard of Hearing Reports

Report Name	Description	Format	Frequency
Support to the Deaf or Hard of Hearing Single-Point-of-Contact	Single-Point-of-Contact list for the provider and each subcontractor to include: 1. Coordinator Name 2. Agency 3. Telephone Phone Number 4. Electronic mail address	1 electronic	Due on or prior to contract begin date and within 5 business days of any change in any of the specified contents
Support to the Deaf or Hard of Hearing – Auxiliary Aid Service Record Monthly Summary Report	On-line at: http://www.myflfamilies.com/general-information/dcf-training	1 electronic	By the 5th business day of each month for the previous month

D-2.5 Federal Reporting

The Provider is required to support the data requirements of the Federal government, specifically USDA-FNS, for the Food Assistance Program. The three data files described below shall be provided to the Federal government on a regular periodic basis as defined by USDA-FNS. Federal AMA File Layouts as Incorporated by Reference at <http://www.dcf.state.fl.us/admin/contracts/ebt-2018/>, Federal STARS System File Format as Incorporated by Reference at <http://www.dcf.state.fl.us/admin/contracts/ebt-2018/> and Federal ALERT Submission File Specification as Incorporated by Reference at <http://www.dcf.state.fl.us/admin/contracts/ebt-2018/> provides the formats and data elements for each of these required files. The Provider shall accommodate and comply with any changes to these files and/or file formats. Should discrepancies be discovered related to any of these files, the Provider shall be responsive to requests from the Department or USDA-FNS and shall assist in prompt research and resolution of the discrepancies.

D-2.5.1. AMA File

On a daily basis, the Provider shall provide data necessary to support increases and decreases to the State's Automated Standard Application for Payments (ASAP) account balance at the Federal Reserve Bank (FRB). The FRB serves as the Account Management Agent (AMA) for the USDA-FNS FAP EBT benefit account. The AMA interfaces with the United States Department of Treasury's ASAP system and establishes ASAP account funding limits for the State FAP EBT activity. Consequently, the Provider shall interface with the AMA and provide the necessary data.

D-2.5.2. (STARS) Food Assistance Redemption Reporting

The Provider shall provide detailed daily FAP redemption data by retailer identification number to the State Tracking of Authorized Retailers System (STARS), the USDA-FNS FAP redemption database, through the FNS Benefit Redemption System Branch (BRSB). The data elements, file format and other requirements for this file are specified by USDA-FNS.

D-2.5.3. ALERT File

The Provider shall provide transaction data, beginning at implementation, of retailer transaction history on a daily basis to USDA-FNS through the Anti-Fraud Locator of EBT Retailer Transactions (ALERT) file. The data element requirements and file layout for the ALERT file are specified by USDA-FNS.

D-3. WIC EBT REPORTS

The Provider shall provide State and/or Federal oversight agencies access to report data through a secure web portal. Said data shall be in a mutually agreed upon form in accordance with applicable FNS standards. The Provider shall provide report of WIC data and where appropriate, summarized at the State and local (county) office level. The Provider shall maintain an archive of report data.

The Provider shall provide the Department a daily history of all transactions impacting prescription authorizations for reconciliation, audit, and investigative purposes. The Provider shall supplement anti-fraud information in the data warehouse by providing a standard data set of anti-fraud information, as required by the Department.

The Parties shall complete the reporting requirements during the requirements phase of the project. (For Performance Measures see **Exhibit E**).

D-3.1. Daily Reconciliation Web Based Reporting

The Provider shall provide reports showing:

1. The daily draw down. Provide a selection for the settlement month, year and settlement date, gateway total, ACH internal total, ACH external total and grand total.
2. The gateway history showing the Provider's activity over the last two days to reconcile payments. Provide the settlement date, settlement amount, variance and a running variance.
3. The ACH History for external payments providing the institution name, institution number, ACH Type, effective date, settlement date and amount paid.
4. Recoupment data showing the processing date and vendor number or range of vendor numbers or groups of vendor numbers. If left blank, will provide all vendor data. Format is merchant name; MIS merchant number; X9 merchant number; total assessed; total recovered; total outstanding.
5. The unmatched auto-reconciliation transactions. Include the ability to inquire by HGTM; system trace audit number or transmission date/time begin and end; EBT card number; vendor number; institution; selectable transaction type (one or multiple) showing purchase request; purchase reversal; purchase void; transaction status providing a drop down menu for unmatched, partial purchase match; partial reversal match; total match for purchases; partial match.
6. The unreconciled auto-recon transactions that provide HGTM; system trace audit number; household number; card number; vendor MIS number; vendor x9 number; forwarding institution; transaction type that is in a selection for purchase request; purchase reversal; purchase void; allow settlement date; cut-off date. The report format is: action; HGTM; STAN; Host time; local time; card number; vendor; forwarding institution; settlement date and amount (positive or negative); type action; approved.
7. Case month billing. Provide the ability to extract the cost per case month supporting record showing every family possessing positive benefits balances on their EBT card. Lists household number, description of benefits, begin date, end date, benefit month, benefit year. Must be exportable, downloadable in format sufficient to serve as supporting record for CPCM billing verification.
8. Product in APL. Permit selection by UPC/PLU, description, category and subcategory or production of entire APL in exportable format with all UPC/PLUs. Format is UPC/PLU, description, category (number and description), subcategory (number and description); exchange size; NTE exception; NTE override; active date; de-active date; status. Permit download of APL in digital or print format.

D-3.2. Financial Reporting Data

The Provider shall provide access to reporting data related to the following WIC EBT system activity:

1. Reconciliation Data – Detail and Summary
2. Settlement Data—Detail and Summary
3. Authorization Data—Detail and Summary
4. Recoupment – Detail and Summary
5. Retailer Management Data
6. Exception Data
7. Systems Security
8. WIC EBT Administration and Operations

D-3.3. Customer Service Statistical Data

The Provider shall provide statistical data for both the cardholder and retailer customer service. Statistics for the IVR, web sites, and CSRs shall be included. The Provider shall provide the following:

1. Cardholder Customer Service Statistics - The Provider shall maintain daily statistics on demographics, metrics and performance. The Provider shall aggregate statistics on a monthly basis.
2. Monthly Retailer Customer Service Statistics - The Provider shall maintain daily statistics on demographics, metrics, and performance. The Provider shall aggregate statistics on a monthly basis.

D-3.4. Daily Reporting Data

D-3.4.1. WIC Benefit Redemptions

The Provider shall provide a detailed record of all benefit redemption activity on a daily basis from the WIC EBT System (documented as the Report WIC Benefit Redemptions in the ICD dated 07/27/2017, which has been included as Florida eWIC to MIS ICD as Incorporated by Reference at <http://www.dcf.state.fl.us/admin/contracts/ebt-2018/>. The data shall provide detail on every transaction that impacts a WIC EBT account balance that takes place on the WIC EBT System. The data shall reflect the amount of the transaction (i.e., account action), type of transaction, date and time of transaction, and who originated the transaction (batch or on-line).

D-3.4.2. WIC Benefit Changes

The Provider shall provide a detailed record of WIC Benefit Change activity (documented as the Report WIC Benefit Changes in the ICD dated 07/27/2017, which has been included as Florida eWIC to MIS ICD as Incorporated by Reference at <http://www.dcf.state.fl.us/admin/contracts/ebt-2018/> on a daily basis from the WIC EBT system for each WIC MIS initiated Add or Update Benefits transaction (issuances, updates and voids) that was accepted and approved by the WIC EBT system during the prior 24-hour period. The WIC MIS uses this information to match against its record of successful Add or Update Benefits transactions initiated by the WIC MIS during the same period.

D-3.4.3. Daily Settlement Data

The Provider shall provide a daily settlement data report to the WIC State Office. This data shall provide at a summary level the total funds that are being settled for the processing day by program type (i.e., WIC), which require funding. This data shall balance with the totals from the terminal activity data.

D-3.4.4. Outstanding Liability Data

The Provider shall provide outstanding liability data for unused prescriptions by food category, subcategory, and quantity residing on the WIC EBT system at the end of the processing day. The ending balance for the current processing day shall be reconciled by taking into account the beginning balance for the processing day (which is the ending balance from the previous day) and adding or subtracting as appropriate the account activity.

D-3.4.5. Exception Data

The Provider shall provide, on a daily basis daily exception data for all files. Exception data shall identify of all records received but not processed by the Provider. Each record shall display a corresponding reason code indicating the cause of the rejection.

D-3.4.6. EBT-Only Statistical Data

The Provider shall provide, on a daily basis, data detailing and summarizing the number and type of transactions performed from each EBT-only terminal provided to WIC retailers.

D-3.4.7. EBT Administrative System Data

The Provider shall provide, on a daily basis, data detailing all actions taken by each User ID on the WIC EBT Administrative System.

D-3.4.8. Daily Audit and Statistical Data

The Provider shall provide daily audit and statistical data showing total redemptions processed, total family EBT accounts expunged, number of added records for new EBT accounts, new or updated NTE records and number of active WIC retailer records with transactions for that specific date.

D-3.5. Monthly Reporting Data

The Provider shall, on a monthly basis, provide:

1. Statistical data indicating the number and percentage of cardholder transactions denied and the reason for the denials (i.e., non-sufficient funds, invalid PIN, etc.).
2. Data to demonstrate compliance with Performance Standards defined by the parties' contractual agreement.
3. Data detailing each authorized Administrative System user with the ability to access the WIC EBT data, including the level of access afforded the user.

D-3.6. Web Based Reporting

The Provider shall provide the Department with online reporting which is available through a Reports Library and the Provider Reports Web Viewer, both of which are accessed through the Provider's web administrative system.

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EXHIBIT E – MINIMUM PERFORMANCE MEASURES

E-1. MINIMUM PERFORMANCE MEASURES / PERFORMANCE SPECIFICATIONS

E-1.1. Financial Consequences for Performance Deficiencies

To ensure that the EBT Services Provider provides uninterrupted services to clients and meets the performance measures set forth in USDA FNS regulations and the requirements of Florida Statutes, the Department has established a set of EBT system and service performance measures in this contract. It is the intent of the Department to apply financial consequences when the EBT Services Provider fails to perform the minimum level of service required by the contract. It is also the intent of the Department to apply additional financial consequences for other contract performance deficiencies, including but not limited to, withholding payments until deficiencies are cured through a specific payment “hold-back” protocol. In addition, liquidated damages will be assessed to recoup State losses incurred due to EBT Contractor non-conformance with performance measures. It is the intent of the Department to require corrective action plans for noncompliance, nonperformance, or unacceptable performance under this contract and to impose financial penalties for the Provider’s failure to take corrective action pursuant to **Section 6.1.** of the CF Standard Integrated Contract 2016.

The financial consequences described in this contract may be waived or partially waived by the Department, in its sole judgment, for good cause shown. No waiver of full performance by either party shall be construed, or operate, as a waiver of any subsequent default or breach of any terms or conditions of this contract. No waiver of financial damages by the Department shall be construed, or operate, as a waiver of any subsequent default or breach of any terms or conditions of this contract. The payment of compensation to the Provider shall not be deemed a waiver of any right or the acceptance of defective performance.

E-1.1.1. Liquidated Damages for Performance Deficiencies

Time is of the essence. A delay in the timely completion of services under this contract could seriously affect the operation of the Department and negatively impact the public. Because these services are continuously being performed in support of services to issue program benefits to eligible recipients in Florida, no one specific item or instance can be determined in advance to be the direct cause of such effect on the public and the operation of the Department; therefore, the liquidated damages described herein are the nearest measure of damages that can be fixed at this time and shall be applied by the Department against the Provider’s next invoice as damages for the Provider’s failure to timely meet the performance measures of this contract.

The parties agree that the remedy of law for the Provider’s failure to perform in accordance with the requirements of this contract would be inadequate, and that it would be impracticable and extremely difficult to determine the actual damages to the State as a result thereof. It is therefore agreed that in the event the Provider fails to fully and accurately meet the required minimum performance measures, the liquidated damages specified in herein shall be paid by the Provider and may be applied by the Department to payments otherwise due to the Provider in lieu of actual damages upon the occurrence of the designated events. The financial consequences provided herein, shall be cumulative and assessed upon each separate occurrence. Such financial consequences described shall not limit or restrict the Department’s application of any other financial consequences available in the Standard Contract. Unless otherwise stated, the financial consequences described herein, are applicable only for the failure to perform to the associated performance expectation, and the Department reserves all rights to claim and pursue actual damages for Provider’s failure to perform in accordance with the requirements of this contract not specified in this Exhibit. Financial consequences paid under this provision may not be paid from contract funds, may not be charged as a contract expense and may not reduce funds available for delivery of services under this contract.

E-1.2. Hold-Back Financial Consequences for Performance Deficiencies

Performance deficiencies in any of the performance measures listed below shall be subject to remedy through hold-back provisions set forth in **Exhibit F1 – Additional Financial Consequences.** The Department will notify the EBT Contractor of any deficiency in meeting one or more of the defined performance measures. It may be necessary for the Provider to correct a deficiency immediately through a remedial change. Remedial change processes are described in **C.1.1.20.3.1.**

The Department may invoke hold-back financial consequences per the schedule set forth below in **Exhibit F1 – Additional Financial Consequences.**

E-2. Corrective Action Plans for Performance Deficiencies

It is the intent of the Department to require corrective action plans for noncompliance, nonperformance, or unacceptable performance under this contract and to impose financial penalties for the Provider's failure to take corrective action pursuant to **Section 6.1.** of the CF Standard Integrated Contract 2016.

The Department may request the Provider submit corrective action plans to address performance deficiencies identified under this contract. The Provider will develop corrective action plans as required by the Department and will submit the corrective action plans by a date determined by the Department. Corrective Action Plans developed by the Provider must include the steps the Provider will take and the related schedule for correcting the performance deficiency. Corrective action plans must also include measurable parameters that will be used to track the success or failure of the corrective action plan. The Department's Contract Manager will review the corrective action plan and let the Provider know if the corrective action plan is accepted or needs additional information. When the Contract Manager accepts the corrective action plan the Provider should begin implementing the plan. The Department will notify the Provider when it is satisfied that the problem has been corrected. If the Department determines that the deficiency has not been corrected according to the schedule specified in the corrective action plan, the Department may impose financial penalties pursuant to **Section 6.1.** of the CF Standard Integrated Contract 2016. The Department may continue to invoke financial consequences for the performance deficiency during the timeframe for receipt of and completion of the corrective action plan activities.

E-2.1. Performance Evaluation Methodology

The Performance Measures shall be measured according to the methodology described within this Exhibit.

E-2.2. Performance Measures Statement

By execution of this contract the Provider hereby acknowledges and agrees that its performance under the contract must meet the standards set forth above and will be bound by the conditions set forth in this contract. If the Provider fails to meet these standards, the Department, at its exclusive option, may allow a reasonable period, not to exceed 6 months, for the Provider to correct performance deficiencies. If performance deficiencies are not resolved to the satisfaction of the Department within the prescribed time, and if no extenuating circumstances can be documented by the Provider to the Department's satisfaction, the Department must terminate the contract. The Department has the sole authority to determine whether there are extenuating or mitigating circumstances.

E-2.3. Provider Financial Liabilities

The Provider shall bear financial responsibility for any errors in the areas indicated below:

E-2.3.1. Liability for Benefit Authorization Errors

The Provider shall bear all liability with regard to authorization of Department administered programs into a cardholder account as described in OMB Circular A-87, 45 CFR §200, 45 CFR §74, and 7 CFR §276.

E-2.3.2. Liability for Losses

The Provider shall bear all liability for any losses resulting from any acts, errors or omissions including fraud and abuse on the part of the Provider or its representatives or subcontractors. This does not limit scope of indemnity under **Section 4.4.** of the CF Standard Integrated Contract 2016. These liabilities shall include, but are not limited to:

E-2.3.2.1. Any duplicate or erroneous postings to a cardholder account

E-2.3.2.2. Any losses from funds drawn from an account after the cardholder notified the Provider that the card had been lost, stolen or not received

E-2.3.2.3. Any losses from funds drawn from an account after failure to establish positive cardholder identification according to the requirements

E-2.3.2.4. Any damages or losses suffered by a Federal or State Agency due to negligence or fraud on the part of the Provider

E-2.3.2.5. Any loss of benefits/prescriptions to any recipient of services caused by negligence, fraud or abuse by the Provider or its representatives or subcontractors

E-2.3.3. Liability for Federal Funds Drawn

The Provider shall bear financial responsibility for any Federal funds drawn for FAP and WIC transactions in excess of State-authorized issuance amounts.

E-3. SNAP/CASH PERFORMANCE MEASURES

E-3.1. Transition Period Performance Measures

The Provider shall comply with the Transition Phase performance measures provided below.

Transition/Implementation Phase Performance Measures

#	Performance Measure	Performance Deficiency	Financial Consequences	Evaluation Methodology
1	<u>EBT-Only Retailer Conversion</u> 95% of the EBT-only POS equipment must be transitioned/implemented to the Provider's EBT system one week prior to the database conversion.	Failure to transition/implement 95% of the EBT-only retailer POS equipment one week prior to database conversion.	As outlined in Section E-1.2. of this contract.	14 day Install Compliance Report used during retailer conversion.
2	<u>Transition/Implementation and Conversion Timeframes</u> Once established and approved, the Provider shall complete transition and conversion activities within the agreed upon time frames.	Failure to meet transition/implementation and conversion time frames.	As outlined in Section E-1.2. of this contract.	Project Plan updates
3	<u>Database Conversion</u> Once the database conversion timeframes are established and approved, the Provider shall complete database conversion and transition/implementation activities within agreed upon timeframes.	Failure to meet database conversion, transition or implementation timeframes.	As outlined in Section E-1.2. of this contract.	Project Plan updates
4	<u>Project Status Meetings and Reports Prior to Conversion</u> Beginning with award of the contract through actual completion of database conversion, the Provider's Project Director and other key personnel shall meet weekly or more often if needed, with the Department's EBT Director and EBT section key personnel. Weekly status reports shall be provided one (1) day prior to the Status Meeting.	Failure to be available for weekly meetings and provide weekly status reports timely.	As outlined in Section E-1.2. of this contract.	Status Meeting Attendance Record and the time of delivery of status reports
5	<u>Delivery of Transition/Implementation Reports and Documentation</u> Provider shall provide all reports and documentation no later than Close of Business on the due date described within this contract.	Failure to deliver reports to the Department within the required timeframes.	As outlined in Section E-1.2. of this contract.	Project Schedule
6	<u>EBT System Conversion</u> Successful conversion for EBT services before 10/1/19.	Failure of the EBT System to be fully functional on 10/1/19 as measured on a calendar day basis.	The Provider shall pay the Department \$25,000 per calendar day for liquidated damages if the Provider is responsible for a delay that is under the control of the Provider.	EBT System functionality on 10/1/19 as determined by the Department

#	Performance Measure	Performance Deficiency	Financial Consequences	Evaluation Methodology
7	<u>EBT System Conversion Downtime</u> The EBT system shall not experience downtime (inability to process transactions) greater than 15 hours in any 24 hours of the conversion/cutover period.	Inability to process transactions	The Provider shall pay the Department \$5,000 per hour in excess of 15 hours for liquidated damages.	Host Availability Report

E-3.2. Operations Phase Performance Measures

The EBT Services Provider shall ensure that the EBT system and services comply with the FNS performance and technical standards as specified in CFR § 274.8(b) and the State's requirements in this contract. The following tables define FNS and Department performance operating standards for the delivery of EBT services and the performance deficiencies that may trigger the invocation of hold-back or other remedies. The Provider shall comply with the Operation Phase performance measures provided below.

Operation Phase Performance Measures

#	Performance Measure	Performance Deficiency	Financial Consequences	Evaluation Methodology
1	<u>EBT System Availability</u> The EBT System (central computer host system) shall be available 99.9% of the time (excluding scheduled maintenance); including the continuation of transaction processing and disbursement of benefits and in the event of adverse situations related to systems and telecommunications failures and in disasters. The EBT System is not considered "down" if it continues to automatically process benefit, whether electronically or via the ARU.	Failure of the EBT System to be available 99.9% of the scheduled uptime measured on a monthly basis. For this measure satisfactory availability means no more than thirty (30) consecutive minutes or forty-five (45) cumulative minutes of down time during a calendar month, regardless of the final monthly percentage.	In the event the Provider's EBT System is unavailable due to unscheduled downtime for more than thirty (30) consecutive minutes or forty-five (45) cumulative minutes during a calendar month, the Provider shall pay the Department \$1,000 per minute in excess of the tolerance.	Host Availability Report
2	<u>EBT System Modifications</u> The EBT System shall not be unilaterally modified without providing prior notification to the Department.	Modification to the system without prior notification to the Department, which adversely affects State operations or its customers.	The Provider shall pay the Department \$5,000 per occurrence for liquidated damages.	Project Status Reports and required meetings
3	<u>Acceptance of Data or File Transmissions</u> The EBT Contractor's system shall be available to accept account set-up or benefit authorization files or data transmissions 24 hours per day; seven days per week. The EBT System shall be made available within 60 minutes of being notified by the Department that their system was not available to accept a file or data transmission.	Failure of the EBT System to be available to accept account set-up or benefit authorization files or data transmissions 24 hours per day, 7 days per week.	The Provider shall pay the Department \$5,000 per hour after the first 60 minutes for liquidated damages.	File processing monitoring by technical and EBT Department staff

#	Performance Measure	Performance Deficiency	Financial Consequences	Evaluation Methodology
4	<u>Settlement and ACH Processes</u> The timeframe for ACH settlement window shall be met 98% of the time measured on a monthly basis. AMA Entries shall be made with 100% accuracy. STARS daily redemption totals shall be provided to the Benefit Redemption System Branch (BRSB) at least weekly with 100% accuracy. ALERT data shall be submitted to USDA-FNS with 100% accuracy. This performance standard shall only apply when the provider is the sole party that caused the accuracy error.	<u>Settlement and ACH Processes</u> The timeframe for ACH settlement window shall be met 98% of the time. AMA Entries shall be made with 100% accuracy. STARS daily redemption totals shall be provided to the Benefit Redemption System Branch (BRSB) at least weekly with 100% accuracy. ALERT data shall be submitted to USDA-FNS with 100% accuracy. This performance standard shall only apply when the provider is the sole party that caused the accuracy error.	As outlined in Section E-1.2. of this contract.	Settlement Performance Measures Report and AMA, STARS & ALERT Redemption Reporting Accuracy.
5	<u>Benefit Availability</u> Daily benefits received by 11:59 pm ET shall be in each cardholder's account by 6:00 am ET the following morning.	Failure to have benefits available by the Department's specified benefit availability time 100% of the time.	The Provider shall pay the Department \$100 per hour per incident (individual benefit unavailable), for liquidated damages with a maximum of \$100,000 per month.	EBT staff to check daily file processing screen/report on the EBT Administrative System
6	<u>EBT Switching Services</u> The Debit Switch service shall be available 99.8% in any calendar month after deducting for scheduled downtime or downtime resulting from the failure of communication lines or telecommunications equipment out of the control of the Provider.	Failure to provide Debit Switch Availability 99.8% of the time in any calendar month.	As outlined in Section E-1.2. of this contract.	Gateway Switch Availability and Settlement Report
7	<u>Transaction Response Time</u> Cardholder EBT-only POS transactions shall be completed in 15 seconds for retailers using analog telecom lines. Processing response time shall be measured at the POS terminal from the time the "enter" or "send" key is pressed to the receipt and display of authorization or disapproval information.	Failure to complete 98% of cardholder EBT only POS transactions, from an analog line, within 15 seconds, measured on a monthly basis.	As outlined in Section E-1.2. of this contract.	Online Transaction Response Time Report
8	<u>Inaccurate Transactions</u> There shall be no more than two (2) inaccurate transactions per every 10,000.	Failure to maintain an accuracy standard of no more than two (2) errors per every 10,000, measured on a monthly basis.	As outlined in Section E-1.2. of this contract.	If an inaccurate transaction should occur, they are identified in the daily reconciliation process

#	Performance Measure	Performance Deficiency	Financial Consequences	Evaluation Methodology
9	<u>Cardholder</u> Customer Service Help Desk: ARU/IVR 85% of all calls to the Cardholder Customer Service shall be answered within four (4) rings (4 rings are defined as 25 seconds)	Failure to answer 85% of calls to the Cardholder Customer Service within four (4) rings measured on a monthly basis.	During the first month the Provider fails to answer 85% of all calls to the IVR within 4 rings, the Department shall deduct 5% from the total invoice amount as liquidated damages. For each consecutive month of noncompliance after the first month, the Department shall deduct an additional 5% per month from the invoice amount for each month the deficiency continues up to 20% per month.	Customer Services Levels Report(s)
10	<u>Cardholder</u> Customer Service Help Desk: CSR 97% of all calls to Cardholder Customer Service representatives (CSR) shall be answered by a CSR within two (2) minutes. This measure must include calls unanswered due to abandonment after two (2) minutes.	Failure of a CSR to answer 97% of all calls to a Cardholder CSR within two (2) minutes, measured on a monthly basis.	During the first month the Provider fails to answer 97% of all calls to a CSR within two (2) minutes, the Department shall deduct 5% from the total invoice amount as liquidated damages. For each consecutive month of noncompliance after the first month, the Department shall deduct an additional 5% per month from the invoice amount for each month the deficiency continues up to 20% per month.	Customer Services Levels Report(s)
11	<u>Retailer</u> Customer Service Help Desks: ARU/IVR 85% of all calls to the Retailer Customer Service shall be answered within four (4) rings (4 rings are defined as 25 seconds)	Failure to answer 85% of calls to either the Retailer Customer Service within four (4) rings measured on a monthly basis.	During the first month the Provider fails to answer 85% of all calls to the IVR within 4 rings, the Department shall deduct 5% from the total invoice amount as liquidated damages. For each consecutive month of noncompliance after the first month, the Department shall deduct an additional 5% per month from the invoice amount for each month the deficiency continues up to 20% per month.	Customer Services Levels Report(s)
12	<u>Retailer</u> Customer Service Help Desks: CSR 97% of all calls to Retailer CSRs shall be answered by a CSR within two (2) minutes. This measure must include calls unanswered due to abandonment after two (2) minutes.	Failure of a CSR to answer 97% of all calls to a Retailer CSR within two (2) minutes, measured on a monthly basis.	During the first month the Provider fails to answer 97% of all calls to a CSR within two (2) minutes, the Department shall deduct 5% from the total invoice amount as liquidated damages. For each consecutive month of noncompliance after the first month, the Department shall deduct an additional 5% per month from the invoice amount for each month the deficiency continues up to 20% per month.	Customer Services Levels Report(s)

#	Performance Measure	Performance Deficiency	Financial Consequences	Evaluation Methodology
13	<p><u>Host Response Time for Administrative Terminal Transactions</u></p> <p>Host response time for Administrative System transactions shall not exceed two (2) seconds 99% of the time, except for scheduled maintenance.</p>	<p>Failure to respond to Administrative System transactions within two (2) seconds 99% of the time, measured on a monthly basis, except for scheduled maintenance.</p>	<p>As outlined in Section E-1.2. of this contract.</p>	<p>Administrative System Response Time Report</p>
14	<p><u>Equipment Installation for EBT-only Retailers</u></p> <p>95% of WIC and SNAP/Cash POS terminals shall be installed and operational within 14 days of the Provider receiving the retailer's contract, exclusive of retailer initiated delays.</p>	<p>Failure to install 95% of POS terminals within 14 days of the Provider receiving the contract from the retailer measured on a monthly basis.</p>	<p>As outlined in Section E-1.2. of this contract.</p>	<p>14 Day Install Compliance Report</p>
15	<p><u>Card Issuance</u></p> <p>Card issuance requests received by the Provider by 3:00 p.m., cards shall be postmarked the same business day. Card issuance requests received after 3:00 p.m. shall be postmarked the next business day.</p>	<p>Failure to postmark cards within the contractual timeframes 98% of the time, as measured on a monthly basis.</p>	<p>During the first month the Provider fails to maintain a monthly average for mailing regular or expedited card requests of 98% timely, the Department shall deduct 5% from the total invoice amount as liquidated damages. For each consecutive month of noncompliance after the first month, the Department shall deduct an additional 5% per month from the invoice amount for each month the deficiency continues up to 20% per month.</p>	<p>Card Production Reports</p>
16	<p><u>Card Specifications</u></p> <p>The EBT Services Provider shall provide the Department with an annual attestation indicating that all cards provided to the State during the preceding year, including disaster card inventories, meet the card specifications required in this contract.</p> <p>In addition, on an annual basis, the Provider shall have cards randomly selected by the Department from the State's card inventory tested by an independent lab and shall provide the results of the test to the Department. In particular, the test results should indicate the coercivity level and oversted rating of each tested card.</p>	<p>Failure to provide annual attestation. Failure to meet card specifications required in this contract.</p> <p>Failure to conduct annual test of randomly selected cards within 90 days of the contract anniversary date. Failure to provide independent test results within 90 days of the contract anniversary date.</p>	<p>As outlined in Section E-1.2. of this contract.</p>	<p>Annual attestation provided on the agreed upon date</p> <p>Annual test completed within 90 days of the contract anniversary date. Independent test results provided within 90 days of the contract anniversary date</p>

#	Performance Measure	Performance Deficiency	Financial Consequences	Evaluation Methodology
17	<p><u>Reporting Data Availability</u></p> <p>The Provider shall meet all reporting data availability requirements.</p> <p>Daily reports are due by 6 a.m. on the morning following the report day.</p> <p>Monthly reports are due by the 5th day of each month unless other time frames are agreed.</p> <ol style="list-style-type: none"> 1. Critical Reports: Those reports categorized as Administration, Financial Management, and Management 2. Other Reports: Those reports categorized as Administration, Operations, Performance, and Security 	<p>Failure to make available reporting data to the Department within the required timeframes.</p>	<p>The Provider shall pay the Department \$2,000 per day as liquidated damages for Critical Reports that are not provided by the due date and time.</p> <p>There are no specific liquidated damages associated with a failure to deliver Other Reports by the due date and time, however subject to hold back remedies pursuant to this contract.</p>	<p>EBT staff to check for report availability each morning</p>
18	<p><u>Monthly Operational Report on Performance Metrics (aka Monthly Report Card)</u></p> <p>The Provider shall provide an accurate and complete report with any supporting documentation by the Close of Business on the 15th of each month. This report documents the Provider's performance and must be delivered and approved by the Department prior to payment on the associated invoice.</p>	<p>Failure to make available a complete and accurate report with supporting documentation to the Department within the required timeframes. Corrections and/or additional supporting documentation may be required at the Department's discretion and must be provided prior to payment on the associated invoice.</p>	<p>Failure to provide a timely, complete and accurate report will result in the associated invoice being held until the deficiency is corrected and approved by the Department.</p>	<p>Confirmation of a timely, complete and accurate report by the Department</p>
19	<p><u>Equipment Repair for EBT-only Retailers</u></p> <p>The Provider must repair or replace EBT-only POS equipment and supplies within 48 hours of request.</p>	<p>Failure to replace or repair POS equipment or supplies 98% of the time for the calendar month.</p>	<p>As outlined in Section E-1.2. of this contract.</p>	<p>EBT-only Replacement, Repair Report</p>
20	<p><u>Cardholder Account Adjustments for system auditable errors</u></p> <p>The Provider must investigate, and complete cardholder initiated SNAP adjustment claims within 15 calendar days from the date the cardholder reports the error.</p> <p>The Provider must investigate, and complete cardholder initiated CASH adjustment claims for system auditable errors within 28 calendar days from the date the cardholder reports the error.</p>	<p>Failure to investigate and complete an adjustment for system auditable errors within the specified time frames.</p>	<p>As outlined in Section E-1.2. of this contract.</p>	<p>Adjustments Report as provided by the Provider with the Monthly Operational Report on Performance Metrics (aka Monthly Report Card) and the Claims Adjustment Report.</p>

#	Performance Measure	Performance Deficiency	Financial Consequences	Evaluation Methodology
21	<p><u>Retailer/Acquirer Initiated Adjustments</u></p> <p>SNAP and CASH adjustment claims initiated by the retailer/acquirer for system auditable errors must be investigated and completed within 15 calendar days from the date the Retailer/Acquirer reports the error to the Provider, or within 21 calendar days if the first and/or last 3 days include a holiday and/or weekend, unless insufficient funds. If there are insufficient funds, the Provider shall be allowed up to 63 calendar days to complete the claim.</p>	<p>Failure to investigate and complete an adjustment for system auditable errors within the specified time frames.</p>	<p>As outlined in Section E-1.2. of this contract.</p>	<p>Adjustments Report as provided by the Provider with the Monthly Operational Report on Performance Metrics (aka Monthly Report Card) and the Claims Adjustment Report.</p>
22	<p><u>Response to Enhancement/Change Requests</u></p> <p>The Provider shall respond to Enhancement/Change requests with the estimated hours and time frame to complete the Enhancement and/or Change Request within two weeks of receiving the request. All change requests shall have an approved start and completion date.</p> <p>In consultation with the Department, the Provider shall designate Enhancement/Change Requests as low, medium or high priority. Low priority changes shall be initiated within 180 calendar days of written approval by the Department. Medium priority changes shall be initiated by the Provider within 60 calendar days of written approval by the Department and high priority changes shall be initiated by the Provider within 30 calendar days of written approval by the Department.</p> <p>Progress on open change requests must be included in the regularly scheduled Status Reports.</p>	<p>Failure to provide a response to any Enhancement and/or Change request within the specified timeframe.</p> <p>Failure to initiate a low priority request within 180 calendar days of written approval by the Department.</p> <p>Failure to initiate a medium priority request within 60 calendar days of written approval by the Department.</p> <p>Failure to initiate a high priority request within 30 calendar days of written approval by the Department.</p> <p>Failure to complete any change request by the approved completion date.</p> <p>Failure to report progress in Status Reports.</p>	<p>As outlined in Section E-1.2. of this contract.</p>	<p>Status Reports, Enhancement/Change requests and response(s) documentation</p>

#	Performance Measure	Performance Deficiency	Financial Consequences	Evaluation Methodology
23	<p><u>Response to Department and or Provider Reported Defects</u></p> <p>The EBT Contractor shall respond to and resolve reported defects/system issues in a timely manner based upon defect priority.</p> <p>4. Critical priority defects (defects impacting state operations with no work around) shall have a response within two (2) hours of being reported, and shall resolve the issue within 24 hours of being reported.</p> <p>5. Medium priority defects (impacting operations but a work around exists) shall have an initial response within four (4) hours, and shall resolve the issue within five (5) business days.</p> <p>6. Low priority defects (defects not impacting operations) shall have an initial response within five (5) business days and be resolved within one (1) month of being reported.</p> <p>Status of all reported defects shall be included in the required status reports until resolved.</p>	<p>Failing to resolve defects in a timely manner, as specified by defect priority.</p> <p>Not including the reporting of defects in the required Status Report(s).</p>	<p>The Provider shall pay the Department \$5,000 per day as liquidated damages for failure to resolve critical priority defects within 24 hours of being reported.</p> <p>The Provider shall pay the Department \$2,500 per day as liquidated damages for failure to resolve medium priority defects within five (5) business days.</p> <p>There are no specific liquidated damages associated with the failure to resolve low priority defects within the time specified; however subject to hold back remedies pursuant to this contract.</p>	Status Reports and required meetings

E-3.3. Fraud Detection, Prevention, and Support Performance Measures

#	Performance Measure	Performance Deficiency	Financial Consequences	Evaluation Methodology
1	PBI Operational Status Report	Failure to provide an accurate and complete Operational Status Report to the PBI by the agreed upon due date	As outlined in Section E-1.2. of this contract.	Receipt by the PBI of an Operational Status Report containing the information required by the Contract.
2	Deployment of Fraud Solution – all required components	Failure to initially deploy the agreed upon Fraud Solution in the State by the specified due date.	As outlined in Section E-1.2. of this contract.	The Department has confirmed that deployment of Fraud Solution completed in accordance with the implementation schedule.
3	Fraud Solution Availability	Failure of Fraud Solution to be actively available 99% of the time. This does not include scheduled maintenance time.	As outlined in Section E-1.2. of this contract.	Review by the Department of the PBI Operational Status Report to determine if the required threshold was met.

#	Performance Measure	Performance Deficiency	Financial Consequences	Evaluation Methodology
4	Fraud Solution Training(s)	Failure to provide the Fraud Solution training to the Department trainer by the agreed upon due date	As outlined in Section E-1.2. of this contract.	Department confirmation that Fraud Solution Training was completed.
5	Fraud Solution User Guide(s)	Failure to provide the Fraud Solution User Guide to the Department by the specified due date	As outlined in Section E-1.2. of this contract.	Department confirmation that the Fraud Solution User Guide was delivered as scheduled.
6	Agreed upon reports provided by Fraud Dedicated Resources	Failure to provide the report to the Department by the specified due date.	As outlined in Section E-1.2. of this contract.	Receipt by the Department of reports containing the information required by the Contract.

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E-4. WIC PERFORMANCE MEASURES

The WIC Performance Measures shall be measured according to the methodology described within this Exhibit.

E-4.1. WIC Transition Period Performance Measures

The Provider shall comply with the Transition Phase performance measures provided below.

Transition/Implementation Phase Performance Measures

#	Performance Measure	Performance Deficiency	Financial Consequences	Evaluation Methodology
1	<u>EBT-Only Retailer Conversion</u> 95% of the EBT-only POS equipment must be transitioned/implemented to the Provider's EBT system one week prior to the database conversion.	Failure to transition/implement 95% of the EBT-only retailer POS equipment one week prior to database conversion.	\$1,000 per terminal not transitioned prior to one week prior to database conversion.	Install Compliance Report used during retailer conversion.
2	<u>Transition/Implementation and Conversion Timeframes</u> Once established and approved, the Provider shall complete transition and conversion activities within the agreed upon time frames.	Failure to meet transition/implementation and conversion time frames.	\$1,000 per week per activity not completed per the approved schedule.	Project Plan updates
3	<u>Database Conversion</u> Once the database conversion timeframes are established and approved, the Provider shall complete database conversion and transition/implementation activities within agreed upon timeframes.	Failure to meet database conversion, transition or implementation timeframes.	\$5,000 per week per activity not completed per the approved schedule.	Project Plan updates
4	<u>Project Status Meetings and Reports Prior to Conversion</u> Beginning with award of the contract through actual completion of database conversion, the Provider's Project Director and other key personnel shall meet weekly or more often if needed, with the Department's EBT Director and EBT section key personnel. Weekly status reports shall be provided.	Failure to be available for weekly meetings and provide weekly status reports timely.	\$1,000 per week per activity not completed per the approved schedule.	Status Meeting Attendance Record
5	<u>Conversion Timeframe</u> The EBT system shall not experience downtime (inability to process transactions) greater than 12 hours in any 24 hours of the conversion/ cutover period.	Inability to process transactions	The Provider shall pay the Department \$5,000 per hour in excess of 12 hours for liquidated damages, not to exceed \$25,000.	Host Availability Report
6	<u>Transition/Implementation Reports</u> Delivery of Transition/Implementation Reports and Documentation the Provider shall provide all reports and documentation no later than COB on the due date described within this contract.	Failure to deliver reports to the Department within the required timeframes.	The Provider shall pay the Department \$1,000 per day beginning with the second instance.	Project Schedule

#	Performance Measure	Performance Deficiency	Financial Consequences	Evaluation Methodology
7	<u>Provider Conversion</u> Provider will convert all authorized WIC retailer facilities possessing a stand-beside unit provided under the prior contract to the updated stand-beside unit described within this ITN	Failure to convert all retailers prior to full system conversion	Provider shall pay the Department \$1,000 per day for each retailer not properly converted	Project Schedule
8	<u>Provider Identification</u> Provider will ensure that all appropriate WIC identification methodologies (i.e. X9 records) are accurately updated within the payment processing system	Failure to confirm and adjust all appropriate WIC payment identifications	Provider shall pay the Department \$1,000 per day for each retailer not properly converted	Project Schedule and confirmation of payment in WIC EBT processing settlements
9	<u>Provider Provided Retailer Report</u> Provider shall provide weekly report on the status of retailer conversions to include all identification records within the payment system; agreements required with the retailer and all third party providers	Failure to provide weekly report or have provided a report that has omissions or errors in status	Provider shall pay the Department \$500 for each retailer not properly reported and \$500 per day for failure to provide a report of retailers converted	Project Schedule and confirmation of payment in WIC EBT processing settlements
10	Confirmation of accurate redemption transaction processing from the WIC retailer location to the correct WIC retailer payment account. Payment must go to the correct WIC retailer account and the transactions sent to the Department must have the correct WIC retailer identification	Failure to ensure that each WIC retailer location is properly coded to enable payment processing to occur to the correct WIC retailer payment account and the transactions sent to the Department do not reflect the correct retailer.	Provider shall pay the Department \$500 per day for each retailer not properly reported (payment and/or transaction sent to Department).	WIC EBT reporting system and payment confirmation with WIC retailers.
11	Provide retailers requiring stand-beside POS devices with updated POS devices that are FNS approved and passed level 2 certification.	Failure to obtain successful FNS approval and level 2 certification of stand-beside units prior to database conversion	Provider shall pay the department \$2,500 per day as of the conversion date until all retailers requiring stand-beside devices have the new stand-beside POS devices.	Project Schedule, confirmation from FNS, and equipment rollout schedule

E-4.2. Operations Phase Performance Measures

The Provider shall comply with the Operation Phase performance measures provided below.

Operation Phase Performance Measures

#	Performance Measure	Performance Deficiency	Financial Consequences	Evaluation Methodology
1	<p><u>EBT System Availability</u></p> <p>The EBT System shall be available 99.9% of the time (excluding scheduled maintenance). The EBT System is not considered "down" if it continues to automatically process benefit and prescription authorizations. This performance standard shall only apply when the Provider is the sole party that caused the down time experienced by the Department.</p>	<p>Failure of the EBT System to be available 99.9% of the scheduled uptime measured on a monthly basis.</p>	<p>In the event the Provider's central computer host system is unavailable due to unscheduled downtime for more than thirty (30) consecutive minutes or forty-five (45) cumulative minutes during a calendar month, the Provider shall pay the Department \$1,000 per minute in excess of the tolerance, not to exceed \$25,000 per calendar day or \$100,000 per calendar month.</p>	<p>Host Availability Report</p>
2	<p><u>Settlement and ACH Processes</u></p> <p>The timeframe for ACH settlement window shall be met 95% of the time.</p>	<p>The timeframe for ACH settlement window shall be met 95% of the time.</p>	<p>As outlined in Section E-1.2. of this contract.</p>	<p>Settlement Performance Measures Report</p>
3	<p><u>Daily WIC Settlement</u></p> <p>Daily settlement invoice and support documents must be presented to the WIC State Office by 8AM each work day. Those days (week-end or holiday) will be accumulated and presented on the first work day available after the settlement is required.</p>	<p>Failure to deliver a complete invoice to the WIC State Office with required attachment of all transactions and complete explanation of all variances, errors, voids or adjustments at 8AM. No invoice will be accepted for that day's payment after 10AM. Incomplete or late invoice records will not be paid upon the day of presentment and will be returned for correction and presentment the next business day within the required hours in order to be processed and paid. Invoices will only be processed by the Department if there are no errors and all explanations are accurate.</p>	<p>The WIC State Office will pay only those accurately validated WIC EBT invoice amounts that have been accurately reported, explained and settled. The WIC State Office will withhold payment on any unexplained variation and will pay the lower amount on the invoice. The unexplained amount must be corrected or explained. Failure to resolve account errors, adjustments, corrections and similar inaccuracies within 5 business days will result in the WIC State Office withholding full payment on all subsequent invoices and the Provider must continue to provide full EBT service throughout this period, in addition to the below remedies. In addition to the above, failure to resolve account errors, adjustments, corrections and similar inaccuracies will result in the Provider paying the department \$500 per day up to \$1,500 per incident with a maximum of \$10,000 per month.</p>	<p>EBT staff to confirm WIC invoice for accuracy daily upon receipt. Those invoices received after 10AM or that are incomplete will not be paid the day submitted and will not be paid until resolved and submitted at the required time.</p>

#	Performance Measure	Performance Deficiency	Financial Consequences	Evaluation Methodology
4	<p><u>WIC State Office Entered Manual Adjustments</u></p> <p>Process must provide WIC State Office the ability to process and submit manual transaction adjustments in a real-time online basis.</p>	<p>Failure of Provider's system to immediately return benefits to a participant EBT card upon completion of manual adjustment (transaction void). Failure of Provider processing the manual adjustments (transaction void) and ensuring appropriate balances are updated and funds have been quickly corrected based upon the adjustment action.</p>	<p>The Provider shall pay the Department \$100 for any adjustment or error correction that does not immediately return benefits to a participant EBT card and withdraw funds from the merchant upon the State's processing of a manual adjustment (transaction void). The provider shall also pay the Department \$100 for any adjustment or error correction on the daily settlement invoice not completed within one day of processing and recording the same on the next available settlement document up to \$500 per incident (per individual), with a maximum of \$5,000 per month.</p>	<p>Validation on the next day's settlement voucher and records.</p>
5	<p><u>Expired Benefit Expungement</u></p> <p>The Provider shall resolve issues the WIC State Office identifies in the Prescription Expiration report (see Sec C-1.1.28.7) within ten business days.</p>	<p>Failure to correct identified errors and produce new report to the WIC State Office showing correction effected within 10 business days.</p>	<p>During the month the Provider expunges records and produces standard report showing the result but fails to correct identified errors. Department shall deduct \$500 from the effected month's service invoice.</p>	<p>Accurate corrective action and updated report showing correction complete.</p>
6	<p><u>Daily Settlement</u></p> <p>The Provider shall have a settlement recording system or process that parallels that of the WIC State Office to facilitate efficient and consistent record research and settlement error correction. The WIC State Office will provide the settlement recording system and the provider shall be responsible to maintain that system consistent with current settlement tracking and management. The WIC State Office and Provider settlement system records of all adjustments shall be reconciled monthly to ensure all records are appropriately annotated and prepared for periodic state fiscal audit.</p>	<p>Failure to successfully reconcile settlement recording system with WIC State Office records at least monthly on a scheduled basis.</p>	<p>During the month the Provider records details of all settlement variances and adjustments. This system of record must be reconciled and match the WIC State Office version of the same system and be prepared for state fiscal audit. Provider fails to complete reconciliation and establish a complete match with the state system the Department shall deduct \$500 for each day the systems remain out of reconciliation to commence on the fifth work day after the end of the previous month.</p>	<p>Comparison of the system files reveals different data in each file and no corresponding correction to the data.</p>

#	Performance Measure	Performance Deficiency	Financial Consequences	Evaluation Methodology
7	<p><u>Requirement to Modify Procedures/Processes</u></p> <p>The Provider shall cooperate and facilitate any process or procedural changes that are used in day-to-day EBT functionality.</p>	<p>During normal operations, either the WIC State Office and/or the Provider foresee the need for improved processes or changes in procedures to enhance efficiencies or meet expressed or enhanced requirements of the program and accountability of funds or program redemption processes.</p>	<p>The Provider is asked to participate in the development of a mutually agreeable solution to improved process. The provider fails to effectively implement the selected process and that failure results in measurable costs or increased effort of the WIC network participants or WIC State Office. The Department shall deduct \$500 for each month when the process is not adopted and enacted to meet stated goals.</p>	<p>Evaluation of current and proposed process to determine the measure of effort/loss/cost to the program or WIC State Office.</p>
8	<p><u>EBT Switching Services</u></p> <p>The Debit Switch service shall be available 99.8% in any calendar month after deducting for scheduled downtime or downtime resulting from the failure of communication lines or telecommunications equipment out of the control of the Provider.</p>	<p>Failure to provide Debit Switch Availability 99.8% of the time in any calendar month.</p>	<p>During the calendar month in which the Provider's Debit Switch is unavailable for transaction processing due to unscheduled downtime for more than sixty (60) consecutive minutes, the Department shall deduct \$200 per minute for minutes in excess of the tolerance, not to exceed \$2,000 per calendar day or \$10,000 per calendar month.</p>	<p>Gateway Switch Availability and Settlement Report</p>
9	<p><u>Inaccurate Transactions</u></p> <p>There shall be no more than two (2) inaccurate transactions per every 10,000.</p>	<p>Failure to maintain an accuracy standard of no more than two (2) errors per every 10,000, measured on a monthly basis.</p>	<p>As outlined in Section E-1.2. of this contract.</p>	<p>If an inaccurate transaction should occur, they are identified in the daily reconciliation process</p>
10	<p><u>Cardholder and Retailer Customer Service Help Desks</u></p> <p>1. 85% of all calls shall be answered within four (4) rings (4 rings are defined as 25 seconds.)</p> <p>2. 97% of all calls to Customer Service representatives (CSR) shall be answered within two (2) minutes. This measure must include calls unanswered due to abandonment after two (2) minutes.</p>	<p>1. Failure to answer 85% of calls within four (4) rings measured over a 3-month period.</p> <p>2. Failure to answer 97% of all calls to CSR within two (2) minutes, measured over a 3-month period.</p>	<p>As outlined in Section E-1.2. of this contract.</p>	<p>Customer Services Levels Report(s)</p>
11	<p><u>Host Response Time for Administrative Terminal Transactions</u></p> <p>Host response time for Administrative System transactions shall not exceed two (2) seconds 98% of the time.</p>	<p>Failure to respond to Administrative System transactions within two (2) seconds 98% of the time, measured on a monthly basis.</p>	<p>As outlined in Section E-1.2. of this contract.</p>	<p>Administrative System Response Time Report</p>

#	Performance Measure	Performance Deficiency	Financial Consequences	Evaluation Methodology
12	<u>Equipment Installation for EBT-only Retailers</u> 95% of WIC stand-beside POS terminals shall be installed and operational within 14 days of the Provider receiving the retailer's contract, exclusive of retailer initiated delays.	Failure to install 95% of POS terminals within 14 days of the Provider receiving the contract from the retailer, measured over a 3-month period.	As outlined in Section E-1.2. of this contract.	14 Day Install Compliance Report
13	<u>Reporting Data Availability</u> The Provider shall meet all reporting data availability requirements. Daily reports are due by 7 a.m. on the morning following the report day. Monthly reports are due by the 5th day of each month unless other time frames are negotiated.	Failure to make available reporting data to the Department within the required timeframes.	As outlined in Section E-1.2. of this contract.	EBT staff to check for report availability each morning
14	<u>Equipment Repair for EBT-only Retailers</u> The Provider must repair or replace EBT-only POS equipment and supplies within 48 hours (two business days) of request. Provide repair or replace EBT-only POS equipment identified as failed no later than 24 hours after notice when notified and repair action must be accomplished at some point after normal business hours.	Failure to replace or repair POS equipment or supplies 98% of the time for the calendar month.	As outlined in Section E-1.2. of this contract.	EBT-only Replacement, Repair Report
15	<u>Cardholder Account Adjustments</u> Provider must investigate and complete cardholder initiated adjustment claims within 5 calendar days from the date the cardholder reports the error. Retailer/Acquirer initiated adjustment claims must be investigated and completed within 5 calendar days from the date of the error. Provider shall provide 5 calendar days advance notice to the Department prior to posting an adverse (debit) adjustment to a cardholder account.	1. Failure to debit or credit cardholder(s)' accounts within the specified time frames. 2. Failure to investigate and complete an adjustment within 5 calendar days from the date of the error. 3. Failure to provide 5 calendar days' notice to the Department before posting an adverse adjustment to a cardholder account.	During the first calendar month in which Provider fails to maintain a monthly average for timely completion of system error adjustments 98% of the time the Department shall deduct 1% from the total per case per month amount which otherwise would have been paid to Provider. For each consecutive calendar month of noncompliance, the Department shall deduct an additional one percent (1%) per month from the total per case per month amount for each month the deficiency continues up to four percent (4%).	
16	<u>Delivery of Operational Reports and Documentation</u> The Provider shall provide all reports and documentation no later than COB on the due date described within this contract.	Failure to make available reporting data to the Department within the required timeframes.	As outlined in Section E-1.2. of this contract.	See Reporting Data Availability

#	Performance Measure	Performance Deficiency	Financial Consequences	Evaluation Methodology
17	<u>Accurate Retailer Settlement</u> Confirmation of accurate redemption transaction processing from the WIC retailer location to the correct WIC retailer payment account. Payment must go to the correct WIC retailer account and the transactions sent to the WIC State Office must have the correct WIC retailer identification	Failure to correct each WIC retailer location found in error and corrected to properly coded information to enable payment processing to occur to the correct WIC retailer payment account and the transactions sent to the WIC State Office properly reflecting the correct retailer.	Provider shall pay the Department \$500 per day for each retailer not properly reported (payment and/or transaction sent to WIC State Office).	WIC EBT reporting system and payment confirmation with WIC retailers.
18	<u>Available Test Environment</u> Provider shall make available a Quality Assurance (QA) testing environment connectivity and appropriate QA test accounts in addition to simultaneous connectivity to WIC EBT operational environment. The testing environment shall be sufficiently robust to simulate the highest range of WIC EBT activity for a given time period to accurately and successfully load test all proposed Provider and WIC State Office Management Information System (MIS) software releases	Failure to provide additional QA testing environment and connectivity and test accounts in addition to connectivity to WIC EBT operational environment.	The Provider shall pay the Department \$1,000 per day for each day QA is required and not provided	WIC EBT reporting and testing system
19	<u>Verification of External System Interfaces</u> Provider shall participate in and validate the success processing of all associated software upgrades for the Provider's eWIC System and/or the State WIC MIS and all interfaces associated with both systems, load testing and configuration upgrades	Failure to participate in and validate the correct processing of external system interfaces.	As outlined in Section E-1.2. of this contract.	WIC EBT system testing and release schedule
20	<u>Certification of Retailer Systems</u> Provider shall coordinate and perform certification of retailer store systems to correctly process eWIC transactions for both new and modified store systems.	Failure to obtain certification of store systems prior to implementation of new and/or modified store system into a production environment where eWIC transactions are being processed.	There are no specific liquidated damages associated with this measure; subject to hold back remedies pursuant to this contract.	Retailer report of Store System Certifications

EXHIBIT F - METHOD OF PAYMENT

F-1. PAYMENT CLAUSE

The Department will pay the Provider for SNAP/Cash services rendered after the SNAP/Cash Transition Period and for WIC services rendered after the WIC Transition Period as provided in the charts below and in the fee schedule that is described in **Section F-5**. The Provider will provide conversion and implementation of EBT/EFT WIC and SNAP/Cash services at no cost to the Department.

The core services CPCM paid for SNAP/Cash EBT services shall be based on the total active SNAP/Cash caseload, which shall be reported on the invoice. For invoicing purposes, an active case is defined as an EBT sub account that incurred a debit purchase or withdrawal transaction during the billing month. The Department will pay the Provider on a CPCM basis for services provided for active EBT accounts during the billing month. The total number of active SNAP/cash EBT accounts will determine the pricing tier for the CPCM fee. The CPCM price for the tier will apply to all SNAP/Cash EBT accounts being billed for the respective calendar month. Billing tiers shall represent cases with food assistance only, cash only, and food assistance and cash combined cases.

The core services cost per case month (CPCM) paid for WIC EBT services shall be based on the total active WIC caseload which shall be reported on the invoice. A case shall be defined as a single family beneficiary unit receiving benefits. For invoicing purposes, an active case is defined as a case which contains a benefit authorization available to the cardholder at the end of the billing month. The account benefit end date shall be used to determine which invoice month the case is billed. A case that has a benefit authorization that crosses over the calendar month will only be billed in the month that contains the benefit end date. On the billing report, the sum of cases shall be grouped by Regular and Compliance WIC EBT accounts. The total number of active WIC cases will determine the pricing tier for the CPCM fee. The CPCM price for the tier will apply to all WIC cases being billed for the respective calendar month.

The Provider shall apply the pricing in the contract for the five (5) year.

The tables in **Section F-5 – Cost Sheet Form** provide the unit cost structures.

This contract is funded from the General Appropriation Act Line # 364.

This is a fixed price (unit cost) contract. The Department will pay the Provider for the delivery of service units provided in accordance with the terms and conditions of this contract for a total dollar amount not to exceed the following:

1. \$ TBD for state fiscal year 2019-2020;
2. \$ TBD for state fiscal year 2020-2021;
3. \$ TBD for state fiscal year 2021-2022;
4. \$ TBD for state fiscal year 2022-2023; and
5. \$ TBD for state fiscal year 2023-2024 for a total contract amount not to exceed \$ TBD, subject to the availability of funds.

The Department will pay for the service units at the unit prices listed in **Section F5 – Cost Sheet Form** and at the limits listed below:

a. State Fiscal Year 2019-2020:

#	Service Units	Deliverable Due Date	Unit Price	Maximum # of Units (Monthly)	Total
1.	Food Assistance – Only EBT	Monthly	TBD	TBD	TBD
2.	Cash-Only EBT	Monthly	TBD	TBD	TBD
3.	Combined Food Assistance EBT and Cash EBT	Monthly	TBD	TBD	TBD
4.	WIC CPCM	Monthly	TBD	TBD	TBD
5.	Department Subsidized Cash-only Transactions	Monthly	TBD	TBD	TBD
6.	D-SNAP CPCM (Reserve)	Annual	TBD	TBD	TBD

Total State Fiscal Year 2019-2020:	<i>TBD</i>
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b. State Fiscal Year 2020-2021:

#	Service Units	Deliverable Due Date	Unit Price	Maximum # of Units (Monthly)	Total
1.	Food Assistance – Only EBT	Monthly	<i>TBD</i>	<i>TBD</i>	<i>TBD</i>
2.	Cash-Only EBT	Monthly	<i>TBD</i>	<i>TBD</i>	<i>TBD</i>
3.	Combined Food Assistance EBT and Cash EBT	Monthly	<i>TBD</i>	<i>TBD</i>	<i>TBD</i>
4.	WIC CPCM	Monthly	<i>TBD</i>	<i>TBD</i>	<i>TBD</i>
5.	Department Subsidized Cash-only Transactions	Monthly	<i>TBD</i>	<i>TBD</i>	<i>TBD</i>
6.	D-SNAP CPCM (Reserve)	Annual	<i>TBD</i>	<i>TBD</i>	<i>TBD</i>
Total State Fiscal Year 2020-2021:					<i>TBD</i>

c. State Fiscal Year 2021-2022:

#	Service Units	Deliverable Due Date	Unit Price	Maximum # of Units (Monthly)	Total
1.	Food Assistance – Only EBT	Monthly	<i>TBD</i>	<i>TBD</i>	<i>TBD</i>
2.	Cash-Only EBT	Monthly	<i>TBD</i>	<i>TBD</i>	<i>TBD</i>
3.	Combined Food Assistance EBT and Cash EBT	Monthly	<i>TBD</i>	<i>TBD</i>	<i>TBD</i>
4.	WIC CPCM	Monthly	<i>TBD</i>	<i>TBD</i>	<i>TBD</i>
5.	Department Subsidized Cash-only Transactions	Monthly	<i>TBD</i>	<i>TBD</i>	<i>TBD</i>
6.	D-SNAP CPCM (Reserve)	Annual	<i>TBD</i>	<i>TBD</i>	<i>TBD</i>
Total State Fiscal Year 2021-2022:					<i>TBD</i>

d. State Fiscal Year 2022-2023:

#	Service Units	Deliverable Due Date	Unit Price	Maximum # of Units (Monthly)	Total
1.	Food Assistance – Only EBT	Monthly	<i>TBD</i>	<i>TBD</i>	<i>TBD</i>
2.	Cash-Only EBT	Monthly	<i>TBD</i>	<i>TBD</i>	<i>TBD</i>
3.	Combined Food Assistance EBT and Cash EBT	Monthly	<i>TBD</i>	<i>TBD</i>	<i>TBD</i>
4.	WIC CPCM	Monthly	<i>TBD</i>	<i>TBD</i>	<i>TBD</i>
5.	Department Subsidized Cash-only Transactions	Monthly	<i>TBD</i>	<i>TBD</i>	<i>TBD</i>
6.	D-SNAP CPCM (Reserve)	Annual	<i>TBD</i>	<i>TBD</i>	<i>TBD</i>
Total State Fiscal Year 2022-2023:					<i>TBD</i>

e. State Fiscal Year 2023-2024:

#	Service Units	Deliverable Due Date	Unit Price	Maximum # of Units (Monthly)	Total
1.	Food Assistance – Only EBT	Monthly	TBD	TBD	TBD
2.	Cash-Only EBT	Monthly	TBD	TBD	TBD
3.	Combined Food Assistance EBT and Cash EBT	Monthly	TBD	TBD	TBD
4.	WIC CPCM	Monthly	TBD	TBD	TBD
5.	Department Subsidized Cash-only Transactions	Monthly	TBD	TBD	TBD
6.	D-SNAP CPCM (Reserve)	Annual	TBD	TBD	TBD
Total State Fiscal Year 2023-2024:					TBD

The Department will assess funding needs related to projected case counts annually. Should the case count projections appear to exceed the contractual dollar amount, the Department will make diligent effort to allocate additional funds for the specific service unit.

This contract is funded by and subject to annual legislative appropriations.

F-1.1. Disaster Food Assistance Program Services Contract Reserve

The contract includes a reserve for increases in caseload due to the result of a catastrophic event. The expenditure of this reserve, or additional monies as needed for increases in caseload due to a catastrophic event, shall be authorized in writing by the Department. In the event of a disaster that meets the criteria to implement the D-SNAP Program the State may request additional disaster funding from the Legislature. The parties agree that a contract amount reduction amendment to remove any unused reserve will be decided by the Department.

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F-2. MYFLORIDA MARKET PLACE TRANSACTION FEE

The State of Florida, through the Department of Management Services, has instituted MyFloridaMarketPlace, a Statewide eProcurement system. Pursuant to subsection 287.057(23), Florida Statutes (2002), all payments shall be assessed a Transaction Fee of one percent (1.0%), which the Provider shall pay to the Department.

For payments within the State accounting system (FLAIR or its successor), the Transaction Fee shall, when possible, be automatically deducted from payments to the Provider. If automatic deduction is not possible, the Provider shall pay the Transaction Fee pursuant to Rule 60A-1.031(2), Florida Administrative Code. By submission of these reports and corresponding payments, the Provider certifies their correctness. All such reports and payments shall be subject to audit by the Department or its designee.

The Provider shall receive a credit of any Transaction Fee paid by the Provider for the purchase of any item(s) if such item(s) are returned to the Provider through no fault, act, or omission of the Provider. Notwithstanding the foregoing, a Transaction Fee is non-refundable when an item is rejected or returned, or declined, due to the Provider's failure to perform or comply with specifications or requirements of the agreement.

Failure to comply with these requirements shall constitute grounds for declaring the Provider in default and recovering procurement costs from the Provider in addition to all outstanding fees. **PROVIDERS DELINQUENT IN PAYING TRANSACTION FEES MAY BE EXCLUDED FROM CONDUCTING FUTURE BUSINESS WITH THE STATE.**

F-3. PROVISIONS FOR TRAVEL, EXPENSES, POSTAGE, ETC.

Travel expenses are not reimbursable under this contract. All travel, postage, equipment, software, and any other expenses incurred by the Provider to provide the services pursuant to this Contract are the responsibility of the Provider and will not be reimbursed by the Department.

F-4. INVOICE REQUIREMENTS

The Provider shall prepare and submit an invoice (SNAP/Cash and WIC) for services within 15 business days after the last day of each calendar month of service unless the Contract Manager is notified in advance of problems with the invoice(s). The Provider's invoice shall be accompanied by detailed documentation that supports each line item identified in the Provider's invoice. Two (2) originals of each invoice and two (2) copies of all supporting documentation shall be required to be provided to the Department for approval. Approval of an invoice for payment is a separate action than the Department's approval of the delivery of deliverables and services. Separate invoices shall be prepared for SNAP/Cash and WIC services.

The actual content and format the Provider invoice will be subject to approval of the Department.

[NOTE: Reference to the 'applicable CPCM' is the CPCM fee adjusted for service option(s) elected by the Department at the time of contract execution.]

Each invoice shall include the contract number, the dates on which services were rendered and the monthly operational reports on performance metrics. All invoices for fees or other compensation for services shall be submitted in detail sufficient for a proper pre-audit and post-audit thereof.

F-4.1. Invoice Approval

The Department's Contract Manager or his or her designee shall review and, if appropriate, approve the SNAP/Cash EBT/EFT Services invoice prior to payment being made.

F-4.1.1. At a Minimum, the Monthly Invoice for EBT/EFT Services Rendered During a Previous Month Must Contain:

1. Report period (month/year)
2. Previous amount due/payments received
3. Core Services CPCM (Cost per Case per Month) Costs
4. Number of Active EBT Primary Accounts by category
5. Applicable CPCM for Active EBT Primary Accounts by category, inclusive of CPCM adjustments
6. Total Core Services CPCM amount due by category
7. Total Core Services CPCM amount due, representing the total amounts due for all service categories
8. Total of CPCM amounts due

F-4.1.2. Fee Per Service Invoice Shall Include:

CF Standard

1. Number of service units by type
2. Authorized fee for service
3. Number of pass-through service units by type
4. Actual pass-through fee per services
5. Total of service fees

F-4.1.3. Professional Service (Basis: Amendment/Change Request for Enhancing Changes, As Applicable) Invoice Shall Include:

1. Professional Service – Amendment Number or change request number
2. Authorized service description and service rate
3. Total Professional Service amount due
4. Final Department approval and acceptance of change implemented.

F-4.1.4. Payments for Up to Two (2) State Subsidized Cash-Only Withdrawals Invoices Shall Include:

1. Number of State Subsidized Cash-only Withdrawals subject to payment
2. Authorized payment amount
3. Invoice total
4. Number of successful cardholder initiated cash-only withdrawal transactions resulting in recipient-paid fee debits to EBT cash accounts
5. Total amount of Recipient-paid Fees debited from EBT cash accounts

F-4.2. WIC EBT Services Invoice

F-4.2.1. At a Minimum, the Monthly Invoice for WIC EBT Services Rendered During a Previous Month shall contain:

1. Report period (month/year)
2. Previous amount due/payments received
3. Core Services CPCM (Cost per Case per Month) Costs
4. Number of Active EBT Primary Accounts
5. Applicable CPCM for Active EBT Primary Accounts
6. Total of CPCM amounts due

F-4.2.2. Hardware Leased Per Service Period shall include:

1. Number of devices leased by type
2. Cost per unit
3. Total cost by device type
4. Total cost of leased equipment

F-4.2.3. Professional Service (Basis: Amendment/Change Request, As Applicable) Invoice shall include:

1. Professional Service – Amendment Number or change request number
2. Authorized service description and service rate
3. Total Professional Service amount due
4. Final WIC State Office approval and acceptance of change implemented.

F-5. COST SHEET FORM

F-5.1. SNAP/Cash Pricing

F-5.1.1. Core CPCM Pricing

Pricing				
Active EBT Primary Accounts During Service Month	Food Assistance-Only EBT	Cash-Only EBT	Combined Food Assistance EBT & Cash EBT	
1 – 1000,000	\$ TBD	\$ TBD	\$ TBD	\$ TBD
1,000,001 – 1,250,000	\$ TBD	\$ TBD	\$ TBD	\$ TBD
1,250,001 – 1,500,000	\$ TBD	\$ TBD	\$ TBD	\$ TBD
1,500,001 – 1,750,000	\$ TBD	\$ TBD	\$ TBD	\$ TBD
1,750,001 – 2,000,000	\$ TBD	\$ TBD	\$ TBD	\$ TBD
2,000,001 – 2,250,000	\$ TBD	\$ TBD	\$ TBD	\$ TBD
2,250,001 – 2,500,000	\$ TBD	\$ TBD	\$ TBD	\$ TBD
2,500,001 – 2,750,000	\$ TBD	\$ TBD	\$ TBD	\$ TBD
2,750,001 – 3,000,000	\$ TBD	\$ TBD	\$ TBD	\$ TBD
3,000,001 and above	\$ TBD	\$ TBD	\$ TBD	\$ TBD

F-5.1.2. ACH Origination Pricing

Costs for ACH originations (Direct Deposit) for cash benefits inclusive of resolving and reporting failed ACH transactions.

Description	Cost per ACH Origination over 1,000
ACH Origination Services	\$ TBD

F-5.1.3. Professional Services Fees

During the course of the contract the Department may require additional services incidental to the contract, but not falling within the tasks or deliverables described therein which require professional fees beyond those described in **Section F-1**. Respondents must present hourly rates for all labor categories involved in the delivery of services and other support. Professional services hourly rates are fixed and not subject to change for the duration of the contract. The fees below will apply when the services needed do not fall under the circumstances listed within **Section F-1**. and the 3,000 hours, which are provided annually at no cost to the Department, have been exhausted.

Respondent Role Title	Job Title	Proposed Rate
Technical Lead	Technical Lead	\$ TBD

Functional Lead	Functional Lead	<i>\$ TBD</i>
Data Base Administrator	Data Base Administrator	<i>\$ TBD</i>
Network Administrator	Network Administrator	<i>\$ TBD</i>
Business Consultant/Analyst	Business Consultant/Analyst	<i>\$ TBD</i>
Training Specialist	Training Specialist	<i>\$ TBD</i>
Programmer	Programmer	<i>\$ TBD</i>
Blended Position	Blended Position	<i>\$ TBD</i>

F-5.1.4. Cardholder Paid Transaction Fees

Cash benefit cardholders shall be provided up to two cash-only withdrawals per month per active EBT (cash) account at no charge to the cardholder. For each additional cash-only withdrawal, the Department will allow the Provider to assess a nominal transaction fee that will be debited from the cardholder's cash account. The maximum fee that can be charged to a cardholder's EBT cash account beyond the first two (2) cash-only withdrawals is capped at \$.85 per transaction.

Service	Pricing
Cash-only Withdrawals at POS or ATM (x > 2/month)	<i>\$ TBD</i> / cash-only withdrawal

F-5.1.5. Department Subsidized Cash-only Transactions

The Department will pay the Provider for up to two cash-only withdrawals per month per active EBT cash account. The maximum fee that will be paid per actual cash-only withdrawal is capped at \$.25 per transaction.

Service	Pricing
Cash-only Withdrawals at POS or ATM (x > 2/month)	<i>\$ \$ TBD</i> /cash-only withdrawal

F-5.1.6. SNAP EBT only POS Equipment

EBT Per Unit Hardware Prices	
Description	Price Per Unit
EBT POS Terminal with Integrated PIN Pad (Over 200 units)	
Monthly lease prices, including maintenance and supplies, per EBT POS terminal with integrated PIN pad, printer	<i>\$ TBD</i>
EBT POS Terminal with Hand Held PIN Pad (Over 200 units)	
Monthly lease price, including maintenance and supplies, per EBT-only POS terminal with hand-held PIN pad, printer	<i>\$ TBD</i>
Wireless EBT POS Terminal with Integrated PIN Pad and cellular service (Over 50 units)	
Monthly lease price, including cellular service, maintenance and supplies, per EBT-only POS terminal with integrated PIN pad, printer	<i>\$ TBD</i>

F-5.2. WIC EBT Services

F-5.2.1. WIC EBT CPCM Pricing

CPCM PRICING FOR CORE WIC EBT SERVICES	
Active WIC EBT Cases for the Billing Month	Price
Less than 225,000	\$ TBD
225,001 to 250,000	\$ TBD
251,001 to 275,000	\$ TBD
275,001 to 300,000	\$ TBD
300,001 to 325,000	\$ TBD
325,001 to 350,000	\$ TBD
351,001 to 375,000	\$ TBD
375,001 to 400,000	\$ TBD
Above 400,000	\$ TBD

F-5.2.2. WIC Per Unit Hardware Price

WIC Per Unit Hardware Prices	
Description	Price Per Unit
WIC Stand-beside POS Terminal for Stand-Beside Terminals Above 300	
Monthly lease prices, including maintenance and supplies, per WIC POS terminal with PIN pad, printer and scanner	\$ TBD

F-5.2.3. WIC Professional Services

Respondent Role Title	Job Title	Proposed Rate
Technical Lead	Technical Lead	\$ TBD
Functional Lead	Functional Lead	\$ TBD
Data Base Administrator	Data Base Administrator	\$ TBD
Network Administrator	Network Administrator	\$ TBD
Business Consultant/Analyst	Business Consultant/Analyst	\$ TBD
Training Specialist	Training Specialist	\$ TBD
Programmer	Programmer	\$ TBD
Blended Rate	Blended Rate	\$ TBD

EXHIBIT F1 –ADDITIONAL FINANCIAL CONSEQUENCES

The following financial consequences apply in addition to the Financial Consequences provided in Section 6.1 of this Contract

F1-1. FINANCIAL REMEDIES FOR PERFORMANCE DEFICIENCIES

Time is of the essence. A delay in the timely completion of services under this contract could seriously affect the operation of the Department and the public. Because these services are continuously being performed in support services to issue program benefits/prescriptions to eligible recipients in Florida, no one specific item or instance can be determined in advance to be the direct cause of such effect on the public and the operation of the Department; therefore, the Liquidated Damages described in **Exhibit E** are the nearest measure of damages that can be fixed at this time and shall be applied by the Provider against their next invoice as damages for the Provider failure to timely meet **Exhibit E**, Performance Measures of this contract.

In the event the Provider fails to fully and accurately perform any of the task activities required, the Department shall deduct the amounts specified in **Exhibit E** and calculated from the Provider's request for payment (invoice). The parties agree that the remedy of law for Contractor's failure to perform in accordance with the requirements of this contract would be inadequate, and that it would be impracticable and extremely difficult to determine the actual damages to the Department as a result thereof. It is therefore agreed that the liquidated damages specified in **Exhibit E** shall be applied by the Department to payments otherwise due to the Contractor in lieu of actual damages upon the occurrence of the designated events. Failure to reflect such deductions in a request for payment shall constitute grounds for the Department to reject the request for payment. The remedies described shall not limit or restrict the Department's application of any other remedies available in contract, **Section E-1.2**.

In addition to any other remedy, the Department will withhold the following percentages from invoice payments pending correction of a deficiency in performance.

1. First month – in the first month in which a deficiency is identified, the State may hold-back payment of twenty-five percent (25%) of the total payment owed to the Provider by the State for that month's invoice.
2. Second consecutive month – the State may hold-back payment of fifty percent (50%) of total payments owed to the Provider by the State.
3. Third and additional consecutive months – the State may hold-back payment of one hundred percent (100%) of total payments owed to the Provider by the State.

Payments will be held back as provided above until the Provider objectively demonstrates to the Department that it has fully corrected all deficiencies and will thereafter fully comply with the performance measures. Upon such objective demonstration, the Department shall promptly pay the Provider all outstanding payment amounts held back.

The monetary remedies described above in this subsection may be waived or partially waived by the Department, in its sole judgment, for good cause shown.

No waiver of full performance by either party shall be construed, or operate, as a waiver of any subsequent default or breach of any terms or conditions of this contract. No waiver of financial damages by the Department shall be construed, or operate, as a waiver of any subsequent default or breach of any terms or conditions of this contract. The payment of compensation to the Provider shall not be deemed a waiver of any right or the acceptance of defective performance.

F1-2. Specific Financial Consequences are further described in Exhibit E.

ATTACHMENT 1

The administration of resources awarded by the Department of Children & Families to the provider may be subject to audits as described in this attachment.

MONITORING

In addition to reviews of audits conducted in accordance with 2 Code of Federal Regulations (CFR) §§ 200.500- 200.521 and § 215.97, F.S., as revised, the Department may monitor or conduct oversight reviews to evaluate compliance with contract, management and programmatic requirements. Such monitoring or other oversight procedures may include, but not be limited to, on-site visits by Department staff, agreed-upon procedures engagements as described in 2 CFR § 200.425 or other procedures. By entering into this agreement, the recipient agrees to comply and cooperate with any monitoring procedures deemed appropriate by the Department. In the event the Department determines that a limited scope audit of the recipient is appropriate, the recipient agrees to comply with any additional instructions provided by the Department regarding such audit. The recipient further agrees to comply and cooperate with any inspections, reviews, investigations, or audits deemed necessary by the Department's inspector general, the state's Chief Financial Officer or the Auditor General.

AUDITS

PART I: FEDERAL REQUIREMENTS

This part is applicable if the recipient is a State or local government or a non-profit organization as defined in 2 CFR §§ 200.500-200.521.

In the event the recipient expends \$500,000 (*\$750,000 for fiscal years beginning on or after December 26, 2014*) or more in Federal awards during its fiscal year, the recipient must have a single or program-specific audit conducted in accordance with the provisions of 2 CFR §§ 200.500-200.521. The recipient agrees to provide a copy of the single audit to the Department's Single Audit Unit and its contract manager. In the event the recipient expends less than \$500,000 (*\$750,000 for fiscal years beginning on or after December 26, 2014*) in Federal awards during its fiscal year, the recipient agrees to provide certification to the Department's Single Audit Unit and its contract manager that a single audit was not required. In determining the Federal awards expended during its fiscal year, the recipient shall consider all sources of Federal awards, including Federal resources received from the Department of Children & Families, Federal government (direct), other state agencies, and other non-state entities. The determination of amounts of Federal awards expended should be in accordance with guidelines established by 2 CFR §§ 200.500-200.521. An audit of the recipient conducted by the Auditor General in accordance with the provisions of 2 CFR Part 200 §§ 200.500-200.521 will meet the requirements of this part. In connection with the above audit requirements, the recipient shall fulfill the requirements relative to auditee responsibilities as provided in 2 CFR § 200.508.

The schedule of expenditures should disclose the expenditures by contract number for each contract with the Department in effect during the audit period. The financial statements should disclose whether or not the matching requirement was met for each applicable contract. All questioned costs and liabilities due the Department shall be fully disclosed in the audit report package with reference to the specific contract number.

PART II: STATE REQUIREMENTS

This part is applicable if the recipient is a nonstate entity as defined by Section 215.97(2), Florida Statutes.

In the event the recipient expends \$500,000 or more in state financial assistance during its fiscal year, the recipient must have a State single or project-specific audit conducted in accordance with Section 215.97, Florida Statutes; applicable rules of the Department of Financial Services; and Chapters 10.550 (local governmental entities) or 10.650 (nonprofit and for-profit organizations), Rules of the Auditor General. The recipient agrees to provide a copy of the single audit to the Department's Single Audit Unit and its contract manager. In the event the recipient expends less than \$500,000 in State financial assistance during its fiscal year, the recipient agrees to provide certification to the Department's Single Audit Unit and its contract manager that a single audit was not required. In determining the state financial assistance expended during its fiscal year, the recipient shall consider all sources of state financial assistance, including state financial assistance received from the Department of Children & Families, other state agencies, and other nonstate entities. State financial assistance does not include Federal direct or pass-through awards and resources received by a nonstate entity for Federal program matching requirements.

In connection with the audit requirements addressed in the preceding paragraph, the recipient shall ensure that the audit complies with the requirements of Section 215.97(8), Florida Statutes. This includes submission of a financial reporting package as defined by Section 215.97(2), Florida Statutes, and Chapters 10.550 or 10.650, Rules of the Auditor General.

The schedule of expenditures should disclose the expenditures by contract number for each contract with the Department in effect during the audit period. The financial statements should disclose whether or not the matching requirement was met for each applicable contract. All questioned costs and liabilities due the Department shall be fully disclosed in the audit report package with reference to the specific contract number.

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PART III: REPORT SUBMISSION

Any reports, management letters, or other information required to be submitted to the Department pursuant to this agreement shall be submitted within 180 days after the end of the provider's fiscal year or within 30 (federal) or 45 (State) days of the recipient's receipt of the audit report, whichever occurs first, directly to each of the following unless otherwise required by Florida Statutes:

- A. Contract manager for this contract (1 copy)
- B. Department of Children & Families (1 electronic copy and management letter, if issued)

Office of the Inspector General
Single Audit Unit
Building 5, Room 237
1317 Winewood Boulevard
Tallahassee, FL 32399-0700
Email address: single.audit@myflfamilies.com

- C. Reporting packages for audits conducted in accordance with 2 CFR Part 200 §§ 200.500-200.521, and required by Part I of this agreement shall be submitted, when required by § 200.512 (d) by or on behalf of the recipient directly to the Federal Audit Clearinghouse using the Federal Audit Clearinghouse's Internet Data Entry System at:

<http://harvester.census.gov/fac/collect/ddeindex.html>

and other Federal agencies and pass-through entities in accordance with 2 CFR § 200.512.

- D. Copies of reporting packages required by Part II of this agreement shall be submitted by or on behalf of the recipient directly to the following address:

Auditor General
Local Government Audits/342
Claude Pepper Building, Room 401
111 West Madison Street
Tallahassee, Florida 32399-1450
Email address: flaudgen_localgovt@aud.state.fl.us

Providers, when submitting audit report packages to the Department for audits done in accordance with 2 CFR §§ 200.500-200.521, or Chapters 10.550 (local governmental entities) or 10.650 (nonprofit or for-profit organizations), Rules of the Auditor General, should include, when available, correspondence from the auditor indicating the date the audit report package was delivered to them. When such correspondence is not available, the date that the audit report package was delivered by the auditor to the provider must be indicated in correspondence submitted to the Department in accordance with Chapter 10.558(3) or Chapter 10.657(2), Rules of the Auditor General.

PART IV: RECORD RETENTION

The recipient shall retain sufficient records demonstrating its compliance with the terms of this agreement for a period of six years from the date the audit report is issued and shall allow the Department or its designee, Chief Financial Officer or Auditor General access to such records upon request. The recipient shall ensure that audit working papers are made available to the Department or its designee, Chief Financial Officer or Auditor General upon request for a period of three years from the date the audit report is issued, unless extended in writing by the Department.

ATTACHMENT 2

CERTIFICATION REGARDING LOBBYING

CERTIFICATION FOR CONTRACTS, GRANTS, LOANS AND COOPERATIVE AGREEMENTS

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

(1) No federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or an employee of any agency, a member of congress, an officer or employee of congress, or an employee of a member of congress in connection with the awarding of any federal contract, the making of any federal grant, the making of any federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any federal contract, grant, loan, or cooperative agreement.

(2) If any funds other than federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a member of congress, an officer or employee of congress, or an employee of a member of congress in connection with this federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.

(3) The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

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

Signature: _____

Date: _____

Application or Contract ID Number: _____

Name of Authorized Individual Application or Contractor: _____

Address of Organization: _____
