

21-0125 

**AMENDMENT TO ADD YR 4 - FY2021 FUNDS TO THE
 ONLINE ELECTRONIC BENEFITS TRANSFER PROCESSING SERVICES
 AGREEMENT
 BETWEEN THE
 GUAM DEPARTMENT OF PUBLIC HEALTH AND SOCIAL SERVICES
 BUREAU OF NUTRITION SERVICES
 SPECIAL SUPPLEMENTAL NUTRITION PROGRAM FOR
 WOMEN, INFANTS AND CHILDREN
 AND
 CUSTOM DATA PROCESSING, INC.
 Arizona HANDS Consortium, Arizona Department of Public Health
 RFP No. ADHS 15-00004632
 100% Federally Funded By: USDA FNS WIC**

This Amendment to Add YR 4 - FY2021 to the Online Electronic Benefits Transfer Processing Services Agreement (hereinafter called Amendment) is entered into between the Guam Department of Public Health and Social Services, Bureau of Nutrition Services, Special Supplemental Nutrition Program for Women, Infants and Children which is inclusive of the Guam WIC Farmer's Market Nutrition Program, an agency of the Government of Guam (hereinafter called the DPHSS/WIC, Guam WIC, Guam and Consortium member) whose office address is 15-6100 Mariner Avenue, Barrigada, Guam 96913-1601 and Custom Data Processing, Inc. (hereinafter called CDP, or the Contractor) whose address is 13305 12th Avenue North, Minnesota 55447.

Whereas, the Online Electronic Benefits Transfer Processing Services Agreement (hereinafter called the Agreement) has a term from March 8, 2018, the Effective Date of the Agreement, through February 28, 2021, with YR 1- FY 2018, YR 2- FY 2019, YR 3 - FY 2020 and YR 4 - FY 2021 anticipated total aggregate funding set forth in Exhibit 1; but, with only the funds for YR 1- FY 2018 (from March 28, 2018 through September 30, 2018) being agreed to by the parties; and

Whereas, the Agreement in Section VII permits multiple certification of funds in any Fiscal Year, and DPHSS/WIC certified the total amount not to exceed funds for YR 1 - FY 2018 of \$127,737.12 in two parts, \$44,0107.00 as part of the Agreement, and the remaining amount of \$83,630.12 through a Certification of Funds document, at a later date in FY 2018; and

Whereas, the parties in keeping with federal funding available for YR 2- FY 2019 (from October 1, 2018 through September 30, 2019) are further agreeing through this Amendment to additionally add funds for Y2- FY 2019 (from October 1, 2018 through September 30, 2019) to their Agreement.

Whereas, the parties in keeping with federal funding available for YR 3- FY 2020 (from October 1, 2019 through September 30, 2020) are further agreeing through this Amendment to additionally

**Amendment to Add YR-4 FY2021 Funds to The
Online Electronic Benefits Transfer Processing Services Agreement
Between Guam DPHSS/WIC and Custom Data Processing, Inc**

add funds for Y3- FY 2020 (from October 1, 2019 through September 30, 2020) to their Agreement.

Whereas, the parties continue in keeping with federal funding available for YR 4- FY 2021 (from October 1, 2020 through February 28, 2021) further agree through this Amendment to additionally add funds for YR4- FY 2021 (from October 1, 2020 through February 28, 2021) to their Agreement.

NOW THEREFORE WITNESSETH, DPHSS/WIC and Contractor, in consideration of mutual covenants additionally agree as follows:

1. The parties agree that the 2nd paragraph of Section VII Compensation- Invoicing (on pages 68-69 of the Agreement) is replaced in its entirety with the following:

"DPHSS/WIC has identified anticipated funds through February 28, 2021 in Exhibit 1; however (1) USDA FNS WIC Federal Funds are subject to Federal Fiscal Year Appropriations and federal grant award terms and conditions and (2) the government of Guam funds are subject to the Guam Legislature's Fiscal Year Appropriation; and therefore, only YR-1 Fiscal Year 2018 funds, YR-2 Fiscal Year 2019, YR-3 Fiscal Year 2020 and YR-4 Fiscal Year 2021 (October 1, 2020 through February 28, 2021) are agreed to by the parties as part of this Agreement. The total payment for YR-4 Fiscal Year 2021 under this Agreement, based on anticipated case load, and flat rate differential shall not exceed the amount of Thirty-Seven Thousand, Five Hundred Dollars (\$37,500.00) and is subject to appropriation, allocation and availability. In keeping with Exhibit 1, the parties anticipate YR 4- Fiscal Year 2021 funding of this Agreement, inclusive of the Thirty-Seven, Thousand Five Hundred Dollars (\$37,500.00) to be in the not to exceed amount of One Hundred Four Thousand, Five Hundred Sixteen Dollars (\$104,516.00) through February 28, 2021, subject to appropriation, allocation and availability of funds. Multiple certification of funds may be made within a Fiscal Year. DPHSS/WIC may use standalone Certification of Funds documents within a Fiscal Year."

2. All other terms and conditions of the Agreement remain the same.

Further the parties sayeth naught.

SIGNATURE PAGE FOLLOWS

21-0125

Amendment to Add VR-4 FY2021 Funds to The Online Electronic Benefits Transfer Processing Services Agreement Between Guam DPHSS/WIC and Custom Data Processing, Inc.

IN WITNESS WHEREOF, the parties have executed this Amendment on the dates indicated by their respective names.

CONTRACTOR:
Custom Data Processing, Inc.
By Its: Chief Financial Officer

[Signature]
KELLY PRADDE

Date: 1-19-21

FOR THE GOVERNMENT:
Department of Health and Social Services
By Its: Director

[Signature]
ARTHUR U. SAN AGUSTIN, MHR

Date: JAN. 29, 2021

CERTIFIED FUNDS AVAILABLE:

[Signature]
TOMMY C. TAGAGUE
Administrative Services Officer
Certifying Officer, DPHSS

Date: 1.24.21

NOT REQUIRED
[Signature]
CLAUDIA S. ACFALLE
Chief Procurement Officer
General Services Agency

SUBJECT TO AVAILABILITY OF FUNDS:

ACCOUNT NO.: 5101E211712PA101/230

AMOUNT: \$37,500.00

(Period to cover October 1, 2020 to February 28, 2021. Additional funds shall be infused as grant award are received)

VENDOR NO.: C0012211

DOCUMENT NO.: 02E-1100-054

APPROVED:

[Signature]
LESTER L. CARLSON, Jr.
Director, Bureau of Budget and Management Research

Date: FEB 15 2021

APPROVED AS TO LEGALITY AND FORM:

[Signature]
LEVINTAITANO CAMACHO
Attorney General of Guam
Office of the Attorney General

Date: 2/12/21

DPHSS 21-0125

APPROVED:

[Signature]
LOURDES A. LEON GUERRERO
Governor of Guam

Date: 2/09/2021

**DEPARTMENT OF ADMINISTRATION
DIVISION OF ACCOUNTS**
Registration Date 02/07/2021
Registration No. C18060413
Vendor No. C0012211
Registered By: [Signature]

RECEIVED

FEB 11 2021
21.6.17.0023
Bureau of Budget and Management Research

RECEIVED
OFFICE OF THE ATTORNEY GENERAL
SOLICITORS DIVISION

21-0125 *[Signature]*

**Amendment to Add YR-1 FY2021 Funds to The
Online Electronic Benefits Transfer Processing Services Agreement
Between Guam DPHSS/WIC and Custom Data Processing, Inc**

IN WITNESS WHEREOF, the parties have executed this Amendment on the dates indicated by their respective names.

CONTRACTOR:
Custom Data Processing, Inc.
By Its: Chief Financial Officer

[Signature]
KELLY PRADLE

Date: 1-19-21

FOR THE GOVERNMENT:
Department of Health and Social Services
By Its: Director

[Signature]
ARTUR U. SAN AGUSTIN, MHR

Date: JAN. 29, 2021

CERTIFIED FUNDS AVAILABLE:

[Signature]
TOMMY C. TANTAGUE
Administrative Services Officer
Certifying Officer, DPHSS

Date: 1.24.21

NOT REQUIRED
CLAUDIA S. ACFALLE
Chief Procurement Officer
General Services Agency

SUBJECT TO AVAILABILITY OF FUNDS:

ACCOUNT NO.: 5101E211712PA101/230
AMOUNT: \$37,500.00

(Period to cover October 1, 2020 to February 28, 2021. Additional funds shall be infused as grant award are received)

VENDOR NO.: C0012211
DOCUMENT NO.: CA-1700-054

APPROVED:

[Signature]
LESTER L. CARLSON, Jr.
Director, Bureau of Budget and
Management Research

Date: _____

**APPROVED AS TO LEGALITY AND
FORM:**

[Signature]
LEVIN TAITANO CAMACHO
Attorney General of Guam
Office of the Attorney General

Date: 2/23/21
DPHSS 21-0125

APPROVED:

[Signature]
LOURDES A. LEON GUERRERO
Governor of Guam

Date: 2/21/2021

RECEIVED
OFFICE OF THE ATTORNEY GENERAL
SOLICITORS DIVISION

RECEIVED
OFFICE OF THE ATTORNEY GENERAL
SOLICITORS DIVISION
[Signature]

CERTIFICATION OF FUNDS

Contract Title: Online Electronic Benefits Transfer Processing Services Agreement between Guam Department of Public Health and Social Services/Bureau of Nutrition Services/Special Supplemental Nutrition Program for Women, Infants and Children and Custom Data Processing, Inc.

Contractor/Vendor Title:
Authorized Representative
Name and Title

Government of Guam Authorized
Representative
Name, Title and Department

Kelly Prails
KELLY PRAILS
Chief Financial Officer
Custom Data Processing, Inc.
Date: 4-14-20

Linda Unpingco Denorcey
LINDA UNPINGCO DENORCEY, MPH
Director, Department of Public Health and
Social Services
Date: 5/7/2020

Certification of Funds Available

Approved:

Tommy C. Taitague
TOMMY C. TAITAGUE, ASO
Certifying Officer
Date: MAY 07 2020

Lester L. Carlson, Jr.
LESTER L. CARLSON, Jr.
Director, Bureau of Budget and
Management Research
Date: MAY 13 2020
**CLEARED PER
BBMR'S REVIEW**

Account No.: 5101E201712PA101/230
Document No.: 020-1700-039
Vendor No.: C0012211
Amount: \$80,368.40 (Previously certified
\$21,850.00 and \$101E201712PA110220 and
\$42,368.40 and \$101E201712PA101220. Total
amount certified to date will be \$128,586.40)
Note: Additional funds shall be released
in accordance with the approved budget.

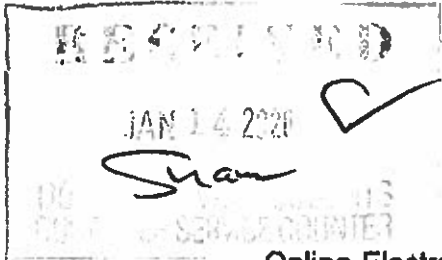
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JL
MAY 09 2020
Bureau of Budget and
Management Research

Certification Period: 10/01/19 through 09/30/20

DEPARTMENT OF ADMINISTRATION
DIVISION OF ACCOUNTS
Registration Date 05/10/20
Registration No. C18060412
Vendor No. C0012211
Registered By: [Signature]

RECEIVED
[Signature]
MAY 10 2020
DUA DIVISION OF ACCOUNTS
CUSTOMER SERVICE COUNTER

C18060412



CERTIFICATION OF FUNDS

Contract Online Electronic Benefits Transfer Processing Services Agreement
Title: between Guam Department of Public Health and Social Services/Bureau of Nutrition Services/Special Supplemental Nutrition Program for Women, Infants and Children and Custom Data Processing, Inc.

Contractor/Vendor Title:
Authorized Representative
Name and Title

Government of Guam Authorized
Representative
Name, Title and Department

Kelly Pralle
KELLY PRALLE
Chief Financial Officer
Custom Data Processing, Inc.

Linda Unpingco Dbnorcey MPH
LINDA UNPINGCO DBNORCEY MPH
Director, Department of Public Health and Social Services

Date: 12/16/19

Date: 12/27/19

Certification of Funds Available

Approved:

**CLEARED PER
BBMR'S REVIEW**

Tommy C. Taitague
TOMMY C. TAITAGUE, ASO
Certifying Officer

Lester L. Carlson, Jr.
LESTER L. CARLSON, Jr.
Director, Bureau of Budget and Management Research

Date: DEC 26 2019

Date: JAN 10 2020

Account No.: 5101E201712PA101/230 - 42,350 -
5101E201712PA112/230 - 22,650

Document No.: C20-1700-020

Vendor No.: C0012211

Amount: \$65,000.00 (\$22,650.00 eod
5101E201712PA112/230 and \$42,350.00 eod
5101E201712PA101/230. Total contract amount
to date will be \$65,000.00) Note: Additional
funds shall be infused incrementally as grant
awards are received)

Certification Period: 10/01/19 through 09/30/20

RECEIVED
JAN 08 2020

Bureau of Budget and Management Research

DEPARTMENT OF ADMINISTRATION
DIVISION OF ACCOUNTS (10/2/19)
Registration Date 01/10/2020
Registration No. C180600412
Vendor No. C0012211
Registered By: [Signature]

9/11

CERTIFICATION OF FUNDS

Contract Title: Amendment to Add YR-2 FY2019 Funds to the Online Electronic Benefits Transfer Processing Services Agreement between Guam Department of Public Health and Social Services/Bureau of Nutrition Services/Special Supplemental Nutrition Program for Women, Infants and Children and Custom Data Processing, Inc.

Contractor/Vendor Title:
Authorized Representative
Name and Title

Government of Guam Authorized
Representative
Name, Title and Department

Kelly Pralle
KELLY PRALLE
Chief Financial Officer
Custom Data Processing, Inc.

Linda Unpingco Denorcey
LINDA UNPINGCO DENORCEY, MPH
Director, Department of Public Health and Social Services

Date: 4/11/19

Date: 5/7/19

Certification of Funds Available

Approved: *202/16/19*

Tommy C. Taitague
TOMMY C. TAITAGUE, ASO
Certifying Officer

Lester L. Carlson, Jr.
LESTER L. CARLSON, Jr.
Assistant Director, Bureau of Budget and Management Research

Date: 5/6/19

Date: MAY 17 2019

Account No.: 5101E191712PA101/230

Document No.: C19-1760-062

Vendor No.: C0012211

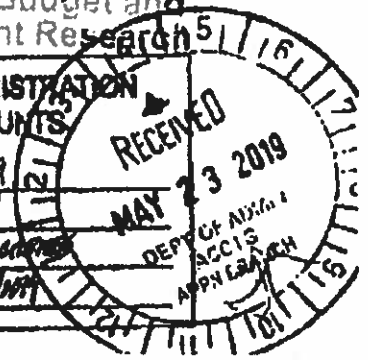
Amount: **\$40,000.00** (Previously certified amount \$25,000.00 acct 5101E191712PA112/230 and \$35,000.00 acct 5101E191712PA101/230. Total contract amount to date will be \$100,000.00).
Note: Additional funds shall be infused incrementally as grant awards are received.

Certification Period: 10/01/18 through 09/30/19

RECEIVED
MAY 09 2019

Bureau of Budget and Management Research

DEPARTMENT OF ADMINISTRATION
DIVISION OF ACCOUNTS
Registration Date: 05/17/2019
Registration No.: C19/00411
Vendor No.: C0012211 OFF NUTR
Registered By: R 15/24/19



CERTIFICATION OF FUNDS

Contract Title: Amendment to Add YR-2 FY2019 Funds to the Online Electronic Benefits Transfer Processing Services Agreement between Guam Department of Public Health and Social Services/Bureau of Nutrition Services/Special Supplemental Nutrition Program for Women, Infants and Children and Custom Data Processing, Inc.

Contractor/Vendor Title:
Authorized Representative
Name and Title

Government of Guam Authorized Representative
Name, Title and Department

Kelly Pralle
KELLY PRALLE
Chief Financial Officer
Custom Data Processing, Inc.

Linda Unpingco Denorcey
LINDA UNPINGCO DENORCEY/MPH
Director, Department of Public Health and Social Services

Date: 4/11/19

Date: 5/7/19

Certification of Funds Available

Approved: *wo 6/10/19*

Tommy C. Taitague
TOMMY C. TAITAGUE, ASO
Certifying Officer

Lester L. Carlson, Jr.
LESTER L. CARLSON, Jr.
Acting Director, Bureau of Budget and Management Research

Date: 5/6/19

Date: MAY 17 2019

Account No.: 5101E191712PA101/230
Document No.: C19-1700-062
Vendor No.: C0012211
Amount: \$40,000.00 (Previously certified amount \$25,000.00 acct 5101E191712PA112/230 and \$35,000.00 acct 5101E191712PA101/230 Total contract amount to date will be \$100,000.00) Note: Additional funds shall be infused incrementally as grant awards are received.
Certification Period: 10/01/18 through 09/30/19

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MAY 19 2019
Bureau of Management Research

DEPARTMENT OF ADMINISTRATION
DIVISION OF ACCOUNTS
MAY 17 2019
REGISTRATION DATA
REGISTRATION NO. C0012211
VENDOR NO. C0012211
REGISTERED BY: D. [Signature]

CERTIFICATION OF FUNDS

Contract Title: Amendment to Add YR-2 FY2019 Funds to the Online Electronic Benefits Transfer Processing Services Agreement between Guam Department of Public Health and Social Services/Bureau of Nutrition Services/Special Supplemental Nutrition Program for Women, Infants and Children and Custom Data Processing, Inc.

Contractor/Vendor Title:
Authorized Representative
Name and Title

Government of Guam Authorized
Representative
Name, Title and Department

Kelly Pralle
KELLY PRALLE
Chief Financial Officer
Custom Data Processing, Inc.

Linda Unpingco Denorcey MPH
LINDA UNPINGCO DENORCEY, MPH
Director, Department of Public Health and Social Services

Date: 4/11/19

Date: 5/7/19

Certification of Funds Available

Approved: *10/6/19*

Tommy C. Taitague
TOMMY C. TAITAGUE, ASO
Certifying Officer

Lester L. Carlson, Jr.
LESTER L. CARLSON, Jr.
Acting Director, Bureau of Budget and Management Research

Date: 5/6/19

Date: MAY 17 2019

Account No.: 5101E191712PA101/230
Document No.: 019-1700-062
Vendor No.: C0012211
Amount: \$40,000.00 (Previously certified amount \$25,000.00 acct 5101E191712PA112/230 and \$35,000.00 acct 5101E191712PA101/230. Total contract amount to date will be \$100,000.00)
Note: Additional funds shall be infused incrementally as grant awards are received.
Certification Period: 10/01/18 through 09/30/19

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MAY 17 2019
Bureau of Budget and Management Research



DEPARTMENT OF FINANCE
 DIVISION OF ACCOUNTS
 Registration Date 02/20/2019
 Registration No. C180600411
 Vendor No. C0012211 Amaris Insurance
 Registered by: P. Oshiro

Attachment-A
 BBMR Form CFF

CERTIFICATION OF FUNDS

Contract Title: Amendment to Add YR-2 FY2019 Funds to the Online Electronic Benefits Transfer Processing Services Agreement between Guam Department of Public Health and Social Services/Bureau of Nutrition Services/Special Supplemental Nutrition Program for Women, Infants and Children and Custom Data Processing, Inc.

Contractor/Vendor Title:
 Authorized Representative
 Name and Title

Government of Guam Authorized Representative
 Name, Title and Department

Kelly Pralle
 KELLY PRALLE
 Chief Financial Officer
 Custom Data Processing, Inc.

Linda Unpingcodenorcey MPH
 LINDA UNPINGCODENORCEY MPH
 Acting Director, Department of Public Health and Social Services

Date: 2/21/19

Date: 3/11/19

Certification of Funds Available

Approved:

Tommy C. Taptague
 TOMMY C. TAPTAGUE, ASO
 Certifying Officer

Lester L. Carlson, Jr.
 LESTER L. CARLSON, Jr.
 Acting Director, Bureau of Budget and Management Research

Date: MAR 11 2019

Date: MAR 20 2019

Account No.: 5101E191712PA101/230
 Document No.: C19-1700-047
 Vendor No.: C0012211
 Amount: \$35,000.00 (Previously certified amount \$25,000.00 account 5101E191712PA112/230 Total contract amount to date will be \$80,000.00) Note: Additional funds shall be infused incrementally as grant awards are received.
 Certification Period: 10/01/18 through 09/30/19

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 MAR 13 2019

Bureau of Budget and Management Research
 Division of Accounts

MAR 21 2019
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Customer Service

C180600411

18-0712

**AMENDMENT TO ADD YR 2- FY2019 FUNDS TO THE
ONLINE ELECTRONIC BENEFITS TRANSFER PROCESSING SERVICES
AGREEMENT
BETWEEN THE**

**GUAM DEPARTMENT OF PUBLIC HEALTH AND SOCIAL SERVICES
BUREAU OF NUTRITION SERVICES
SPECIAL SUPPLEMENTAL NUTRITION PROGRAM FOR
WOMEN, INFANTS AND CHILDREN
AND
CUSTOM DATA PROCESSING, INC.**

**Arizona HANDS Consortium, Arizona Department of Public Health
RFP No. ADHS 15-00004632
100% Federally Funded By: USDA FNS WIC**

This Amendment to Add YR 2- FY2019 to the Online Electronic Benefits Transfer Processing Services Agreement (hereinafter called Amendment) is entered into between the Guam Department of Public Health and Social Services, Bureau of Nutrition Services, Special Supplemental Nutrition Program for Women, Infants and Children which is inclusive of the Guam WIC Farmer's Market Nutrition Program, an agency of the Government of Guam (hereinafter called the DPHSS/WIC, Guam WIC, Guam and Consortium member) whose office address is 15-6100 Mariner Avenue, Barrigada, Guam 96913-1601 and Custom Data Processing, Inc. (hereinafter called CDP, or the Contractor) whose address is 13305 12th Avenue North, Minnesota 55447.

Whereas, the Online Electronic Benefits Transfer Processing Services Agreement (hereinafter called the Agreement) has a term from March 8, 2018, the Effective Date of the Agreement, through February 28, 2021, with YR 1- FY 2018, YR 2- FY 2019, YR 3 - FY 2020 and YR 4 - FY 2021 anticipated total aggregate funding set forth in Exhibit 1; but, with only the funds for YR 1- FY 2018 (from March 28, 2018 through September 30, 2018) being agreed to by the parties; and

Whereas, the Agreement in Section VII permits multiple certification of funds in any Fiscal Year, and DPHSS/WIC certified the total amount not to exceed funds for YR 1 - FY 2018 of \$127,737.12 in two parts, \$44,0107.00 as part of the Agreement, and the remaining amount of \$83,630.12 through a Certification of Funds document, at a later date in FY 2018; and

Whereas, the parties in keeping with federal funding available for YR 2- FY 2019 (from October 1, 2018 through September 30, 2019) are further agreeing through this Amendment to additionally add funds for Y2- FY 2019 (from October 1, 2018 through September 30, 2019) to their Agreement.

NOW THEREFORE: WITNESSETH, DPHSS/WIC and Contractor, in consideration of mutual

Department of Administration
Division of Accounts

FEB 08 2019
[Signature]

Customer Service

C180600411

[Signature]
FEB 14 2019

1. The parties agree that the 2nd paragraph of Section VII Compensation- Invoicing (on pages 68-69 of the Agreement) is replaced in its entirety with the following:

"DPHSS/WIC has identified anticipated funds through February 28, 2021 in Exhibit 1; however (1) USDA FNS WIC Federal Funds are subject to Federal Fiscal Year Appropriations and federal grant award terms and conditions and (2) the government of Guam funds are subject to the Guam Legislature's Fiscal Year Appropriation; and therefore, only YR-1 Fiscal Year 2018 funds and YR-2 Fiscal Year 2019 (October 1, 2018 through September 30, 2019) are agreed to by the parties as part of this Agreement. The total payment for YR-2 Fiscal Year 2019 under this Agreement, based on anticipated case load, and flat rate differential shall not exceed the amount of Twenty-Five Thousand Dollars (\$25,000.00) and is subject to appropriation, allocation and availability. In keeping with Exhibit 1, the parties anticipate YR 2- Fiscal Year 2019 funding of this Agreement, inclusive of the Twenty-Five Thousand Dollars (\$25,000.00) to be in the not to exceed amount of Two Hundred Six Thousand, One Hundred Eight and Forty Cents (\$206,108.40) through September 30, 2019, subject to appropriation, allocation and availability of funds. Multiple certification of funds may be made within a Fiscal Year. DPHSS/WIC may use standalone Certification of Funds documents within a Fiscal Year, but a formal amendment executed in the same manner as this Agreement is required to add any further funds for YR-3 Fiscal Year 2020 and YR-4 Fiscal Year 2021."

2. All other terms and conditions of the Agreement remain the same.

Further the parties sayeth naught.

SIGNATURE PAGE FOLLOWS

18-0712

Amendment to Add FY-2019 Funds to The Online Electronic Benefits Transfer Processing Services Agreement Between Guam DPH/SSWIC and Custom Data Processing, Inc

IN WITNESS WHEREOF, the parties have executed this Amendment on the dates indicated by their respective names.

CONTRACTOR:
Custom Data Processing, Inc.
By Its: Chief Financial Officer

[Signature]
KELLY PRABLE

Date: 12/13/18

FOR THE GOVERNMENT:
Department of Health and Social Services
By Its: Acting Director

[Signature]
JAMES W. GILLAN

Date: 12.13.18

CERTIFIED FUNDS AVAILABLE:

[Signature]
TOMMY C. TAITAGUE
Administrative Services Officer
Certifying Officer, DPH/ISS

Date: DEC 13 2018

NOT REQUIRED
CLAUDIA S. ACFALLE
Chief Procurement Officer
General Services Agency

SUBJECT TO AVAILABILITY OF FUNDS:

ACCOUNT NO.: 5101E191712PA112/230
AMOUNT: \$25,000.00 (Period to cover October 1, 2018 to September 30, 2019)
VENDOR NO.: C0012211
DOCUMENT NO.: 19-1700-6210

APPROVED: **CLEARED PER
SENR'S REVIEW**
[Signature]

LESTER L. CARLSON, Jr.
Deputy Director, Bureau of Budget and
Management Research

Date: DEC 18 2018

APPROVED AS TO LEGALITY AND FORM:

[Signature]
ELIZABETH BARRETT-ANDERSON
Attorney General of Guam
Office of the Attorney General

Date: 12/31/18

DPHSS 18-0712

APPROVED:

[Signature]
LOURDES A. LEON GUERRERO
GOVERNOR OF GUAM

Date: 2/5/2019

APPROVED:

[Signature]
LINDA UNPINGO DEBORCEY, MPH
Acting Director
Department of Public Health and
Social Services

[Handwritten note]
1/23/19

DEPARTMENT OF ADMINISTRATION
DIVISION OF ACCOUNTS
Registration Date: 02/05/2019
Registration No.: C0012211
Vendor No.: C0012211
Registered By: [Signature]

RECEIVED
12-20-18
OFFICE OF THE ATTORNEY GENERAL
SOLUTIONS DIVISION

[Handwritten signature]
DEC 14 2018

Sum R.
JUL 02 2018

Customer Service

CERTIFICATION OF FUNDS

Contract Title: Online Electronic Benefits Transfer Processing Services Agreement between Guam Department of Public Health and Social Services/Bureau of Nutrition Services/Special Supplemental Nutrition Program for Women, Infants and Children and Custom Data Processing, Inc.

Contractor/Vendor Title:
Authorized Representative
Name and Title

Government of Guam Authorized Representative
Name, Title and Department

Kelly Pralle

KELLY PRALLE
Chief Financial Officer
Custom Data Processing, Inc.

Date: 6/11/18

Leo G. Casil

LEO G. CASIL
Acting Director, Department of Public Health and Social Services

Date: 6/21/18

Certification of Funds Available

Approved:

Tommy C. Taitague

TOMMY C. TAITAGUE, ASO
Certifying Officer

Date: JUN 21 2018

ff/m/w

**CLEARED PER
BBMR'S REVIEW**

LESTER L. CARLSON, Jr.
Acting Director, Bureau of Budget and Management Research

Date: JUN 28 2018

Account No.: 5101E191712PA101/230

Document No.: C18-1700-048

Vendor No.: C0012211

Amount: \$83,830.12 (Previously certified amount \$44,927.00. Total contract amount will be \$127,757.12)
Note: Additional funds shall be returned immediately as award funds are received

Certification Period: 10/01/17 through 09/30/18

Lester L. Carlson, Jr.
JUN 28 2018

Bureau of Budget and Management Research

DEPARTMENT OF ADMINISTRATION DIVISION OF ACCOUNTS	
Registration Date	<u>06/28/18</u>
Registration No.	<u>C180048</u>
Vendor No.	<u>C0012211</u>
Registered By:	<u>L. Carlson</u>

**ONLINE ELECTRONIC BENEFITS TRANSFER PROCESSING SERVICES
AGREEMENT**

BETWEEN THE

GUAM DEPARTMENT OF PUBLIC HEALTH AND SOCIAL SERVICES

BUREAU OF NUTRITION SERVICES

SPECIAL SUPPLEMENTAL NUTRITION PROGRAM FOR

WOMEN, INFANTS AND CHILDREN

AND

CUSTOM DATA PROCESSING, INC.

Arizona HANDS Consortium, Arizona Department of Public Health

RFP No. ADHS 15-00004632

100% Federally Funded By: USDA FNS WIC

THIS AGREEMENT is entered into by and between the Guam Department of Public Health and Social Services (DPHSS), Bureau of Nutrition Services, Special Supplemental Nutrition Program for Women, Infants and Children which is inclusive of the Farmer's Market Nutrition Program, (DPHSS/WIC, Guam WIC, Guam and Consortium member), whose office address is 15-6100 Mariner Avenue, Barrigada, Guam 96913-1601 and Custom Data Processing, Inc. (CDP, or the Contractor), an Illinois corporation, whose address is 1408 South Joliet Road, Romeoville, Illinois 60446.

WHEREAS, Guam is an unincorporated territory of the United States and a sovereign entity by act of the United States Congress, The Organic Act of Guam (Act of Aug. 1, 1950, as amended, 48 U.S.C. 1421, et. seq.; and whose laws and regulations are available online at the Supreme Court of Guam Compiler of Laws website: <http://www.guamcourts.org/Compiler/laws/index.html>.

WHEREAS, DPHSS/WIC provides nutritious supplemental foods, referrals to health and social services, and nutrition and breastfeeding education for low-income pregnant, breastfeeding and non-breastfeeding postpartum women, as well as infants and children up to age five (5) on Guam as part of the United States Department of Agriculture (USDA), Food and Nutrition Services (FNS) Special Supplemental Nutrition Program for Women, Infants, and Children (WIC) as set forth in 7 CFR Part 246.

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**Bureau of Buyer and
Management Research**

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WHEREAS, DPHSS/WIC participants/authorized representatives generally received three types of negotiable food instruments (conditional drafts) throughout the year for specific kinds and amounts of nutritious foods, (one of negotiable food instruments is part of the FMNP and is not being contracted for at the current time) and provide them to DPHSS/WIC program authorized vendors (i.e. retail and military commissaries, which meet certain criteria and who have signed a vendor agreement agreeing to follow all DPHSS/WIC program rules and regulations)

WHEREAS, DPHSS/WIC administers its programs in part through the Arizona Department of Health Services (ADHS) MIS solution and database, that reside at the ADHS Bureau of Nutrition and Physical Activity (BNPA) hosting facility located in Phoenix, Arizona, supported and maintained system as part of a FNS WIC multi-state consortium, the Arizona Health And Nutrition Delivery System (HANDS) consortium comprised of the state of Arizona, American Samoa, Commonwealth of the Northern Mariana Islands, Guam and the Navajo Nation WIC Programs (jointly referred to as the HANDS Consortium).

WHEREAS, the HANDS Consortium through ADHS BNPA are jointly seeking to comply with online services mandated by the "Healthy Hunger Kids Act of 2010 to implement FNS compliant WIC Electronic Based Transfer (EBT) systems by October of 2020, and to migrate from a paper-based food benefit delivery system to an EBT system that relies on electronic payment networks or the internet and card technologies to issue and redeem food benefits.

WHEREAS, the HANDS Consortium through ADHS BNS has provided adequate public announcement of the need for such services through a request for proposals, Arizona Department of Health Services (ADHS) Solicitation ADHS15-00004632 for Online EBT Implementation and Processing services, Guam Supplemental Nutrition Program for Women, Infants, and Children describing the type of services required and specifying the type of information and data required of the Contractor and the relative importance of particular qualifications.

WHEREAS, the HANDS Consortium members have mutual objectives and common goals, and by sharing in the HANDS Consortium" Request for Proposals For Online Electronic Benefits Transfer Processing Services; through the lead State of Arizona, Arizona RFP No. RFP ADHS15-00004632 (RFP or RFP ADHS15-00004632) procurement are able to achieve economies of scale in volumes of transactions through tier pricing and common system functionality, including but not limited to implementing online WIC EBT services utilizing magnetic stripe cards and online and offline database processes.

WHEREAS, the DPHSS/WIC is authorized to participate in jointer mutual use WSEA EBT alliance procurements under Guam procurement law, and the Director of DPHSS has determined that the HANDS Consortium EBT systems Arizona RFP No ADHS15-00004632 was conducted in a competitive manner in keeping with Title 5 Guam Code Annotated (GCA) Chapter 5 §5126.

WHEREAS, CDP submitted its proposal in response to the RFP and the HANDS Consortium through ADHS BNPA determined that the Contractor is the most qualified responsive and responsible offeror for the required services; and, the HANDS Consortium through ADHS BNPA conducted appropriate negotiations as to price and other terms with the Contractor; the HANDS Consortium through ADHS BNPA and made award to Contractor in RFP No. ADHS15-00004632.

WHEREAS, the award to Contractor in RFP No. ADHS15-00004632 also included the requirement that the Contractor enter into individual contracts with each of the HANDS Consortium members in keeping with all applicable federal, state and locals laws and regulations.

WHEREAS, in keeping with RFP No. ADHS15-00004632, the USDA FNS WIC compliant CDP's WIC EBT system and EBT services for the HANDS Consortium has an implementation period over-time, at no-cost, and billable EBT systems and EBT services to DPHSS/WIC, a HANDS Consortium member not occurring until there is a "Go Live" on Guam, as accepted by DPHSS/WIC and approved by USDA FNS, and CDP performing one month of billable EBT services for DPHSS/WIC. *The Guam Go Live is currently set for the last week in March of 2018.*

WHEREAS, this Agreement is 100% Federal funded and the Federal funds are received by DPHSS/WIC in keeping with the USDA FNS WIC program. DPHSS/WIC has a good faith belief as to anticipated Federal funding; and DPHSS/WIC has good faith belief as to the anticipated Cost/Pricing not to exceed amounts to be invoiced to DPHSS/WIC in this Agreement by CDP as set forth in Exhibit 1 to this Agreement; for the five (5) year term of this Agreement.

WHEREAS, DPHSS/WIC and the Guam Office of Technology, Chief Technology Officer, in keeping with Guam's Information Technology Act, 5 GCA Chapter 20 Article 2, have negotiated terms and conditions with the Contractor in keeping with RFP No. ADHS15-00004632 and applicable federal and Guam laws and regulations; and with USDA FNS WIC's prior approval have reached this Agreement.

NOW THEREFORE WITNESSETH, DPHSS/WIC and the Contractor, in consideration of mutual covenants hereinafter set forth agree as follows:

SECTION I. PURPOSE

The purpose of this Agreement is for the Contractors to operate and host an online WIC EBT system and provide ancillary WIC EBT services to HANDS Consortium member, DPHSS/WIC in keeping with RFP No. ADHS15-00004632 and applicable federal and Guam laws and regulations.

SECTION II. INCORPORATION AN ORDER OF PRECEDENCE

Arizona HANDS Consortium Request for Proposal No. ADHS15-00004632, Online EBT Implementation and Processing Services (RFP ADHS15-00004632, RFP) and all procurement documents, the Contractor Technical Proposal and Cost and Pricing are incorporated into this Agreement as if fully re-written herein, and are made a part of this Agreement. In the event of any conflict among these documents, the following order of precedence shall apply:

USDA FNS 7 CFR Part 246, FNS Handbook v.901 (most recent copy) and any other regulations, guidance and memorandums issued by USDA FNS WIC program

Any contract amendment(s) in reverse chronological order

This Agreement itself including:

Attachment A Cost Sheet for Guam

Attachment B Insurance Coverage

Exhibit 1 DPHSS/WIC's Anticipated Federal Funding and Cost/Pricing

Exhibit 2 Table of Deliverables

RFP Addendum(s) (in descending numerical order)

RFP No. ADHS15-00004632

Bid Award – February 22, 2016 by Tracey Thomas, Senior Procurement Specialist, Arizona Department of Health Services, Division of Planning and Operations, Office of Procurement

Best and Final Offer Documents (BAFO) (BAFO For, Negotiation Items, Pricing Tables, Pay Terms, Functional Response Spreadsheet, Proposed Work Plan)

SECTION III. SCOPE OF WORK (RFP, 3)

A. Introduction

RFP No. ADHS 15-00004632 Part Two (2) Scope of Work (Table of Contents, Technical Definitions, Scope of Work, Special Terms and Conditions and Exhibits are incorporated herein as if fully re-written and agreed to by DPHSS/WIC and the Contractor unless expressly agreed to otherwise in this Agreement. Inclusion of portions of RFP No. ADHS 15-00004632 Part Two herein for easy reference purposes does not exclude the applicability of other portions of RFP No. ADHS 15-00004632 Part Two.

In RFP No. ADHS 15-00004632 Part Two by means of introduction it was clarified that:

All services, hardware and software referred to within this Scope of Work (SOW) shall be applied to each of the five (5) Consortium members within the HANDS Consortium unless

otherwise noted. (Same set of requirements with the exception of WIC EBT card design, easily configurable items with the WIC EBT application, the Consortium members' settlement banks, services impacted by geographic location and where otherwise noted in the SOW).

The primary system documentation is developed during the implementation of the Arizona WIC EBT system.

The Contractor's documents developed for other Consortium members will focus on terms pertaining only to the specific Consortium member, for example:

An addendum to the approved Detailed System Design Document that identifies changes to configurable items made for a specific Consortium member.

An implementation schedule pertaining only to a specific Consortium member.

Participant and/or WIC vendor training specific to the Consortium member.

The contract period for each of the HANDS Consortium members will be effective through February 2021.

At a high level the SOW is organized in the following manner: General Requirements, Implementation Activities, Project Deliverables and Documentation, WIC EBT System Requirements, Hardware and Material Requirements, Contract Closeout Requirements and Optional Services.

Within the SOW should reference be made to WIC EBT system requirements, system performance measures, system file transfers, etc., it shall be taken to be applicable to each Consortium member's WIC EBT system, the interface between each Consortium member's MIS solution and its WIC EBT system, message based exchanges between each Consortium member's WIC EBT system and that Consortium member's WIC vendor systems or representative TTP system, etc.

Furthermore, as each Consortium member is its own entity, managing its own unique WIC Program, each Consortium member can be assumed to have its own unique set of data (e.g., universal product codes (UPCs), peer groups, not-to-exceed (NTE) amounts, WIC vendor, etc.). Data formats and elements, however will be identical across all Consortium members within the HANDS Consortium.

B. Scope of Work Technical Definitions (Table 1 from the RFP)

Term	Definition
ADHS	Arizona Department of Health Services.
Aging	With SNAP or restricted cash benefits, if an issuance does not have any withdrawals for 12 benefit aging periods, it becomes inactive and the remaining balance is "aged off" and expunged from the account. Benefits that have aged off cannot be restored to the client.
Approved Product List (APL)	The State Agency's list of WIC approved items. It is used for validation by the Point of Sale during the transaction process.
BNPA	Bureau of Nutrition and Physical Activity.
BRD	Business Requirement Document.
CDP	Custom Data Processing, Inc.
Clinic	The location that the participant receives food benefits, nutrition education, and health care referrals. It includes temporary and permanent locations.
Cash Value Benefit (CVB)	A fixed-dollar amount which is used by a participant to obtain WIC authorized fruits and vegetables.
Electronic Benefit Transfer (EBT)	An electronic system that allows State governments to provide financial and material benefits to authorized recipients via a plastic debit-type card.
Expungement	Aged benefits are removed from the account after a short period in which retailers may still submit requests for settlement.
National UPC Database (NUPC)	A national database that shall contain the WIC approved products for all State Agencies.
NTE	Not to exceed value.

Term	Definition
Price Lookup (PLU)	A four (4) or five (5) digit number that is often assigned to produce items. The PLU for most produce items are often uniform across all retailers.
Point of Sale (POS)	Refers to the capturing of data and customer payment information at a physical location when goods or services are bought and sold. The POS transaction is captured using a variety of devices which include computers, cash registers, optical and bar code scanners, magnetic card readers, or any combination of these devices.
Universal Product Code (UPC)	An eight (8) or twelve (12) digit unique number that is assigned to nearly every item found in grocery stores.
Web Portal	A website that WIC vendors utilize to manage their WIC EBT accounts.

Acronyms (Table 2 from the RFP)

Acronym	Definition
ACH	Automated Clearinghouse
ANSI	American National Institute of Standards
APL	Approved Product List
ARF	Auto-Reconciliation File
ARU	Automated Response Unit
BIN	Bank Identification Number
CAD	Computer Aided Dispatch
CDP	Custom Data Processing, Inc.
CFR	Code of Federal Regulations
CPCM	Cost per Case Month
DES	Digital Encryption Standard
DSS	Data Security Standards

Acronym	Definition
EBA	Electronic Benefit Account
EBT	Electronic Benefits Transfer
ECR	Electronic Cash Register
EFT	Electronic Funds Transfer
FNS	Food and Nutrition Services
HANDS	Health and Nutrition Delivery Service
HIPAA	Health Insurance Portability and Accountability Act
IECRS	Integrated Electronic Cash Register System
IIN	Issuer Identification Number
ID	Identification Number
ISO	International Standards Organization
JAD	Joint Application Design
MIS	Management Information System
NACHA	National Automated Clearinghouse Association
NAP	Nutrition Assistance Program
PA	Payment Application
PAN	Primary Account Number
PIN	Personal Identification Number
PLU	Product Look-up
POS	Point of Sale
PTS	PIN Transaction Standards
QA	Quality Assurance
RFP	Request for Proposals
SEBTC	Summer EBT for Children

Acronym	Definition
SFTP	Secure File Transfer Protocol
SNAP	Supplemental Nutrition Assistance Program
SOW	Statement of Work
SSL	Secure Socket Layer
TANF	Temporary Assistance for Needy Families
T&I	Technical and Implementation
TIG	Technical Implementation Guide
TPP	Third Party Processor
UAT	User Acceptance Test
UPC	Universal Product Code
USDA	United States Department of Agriculture
WIC	Special Supplemental Nutrition Program for Women, Infants and Children
WUI	Web User Interface, WIC Direct Web User Interface

C. General Requirements (RFP, 4)

1. Standards, Rules and Guidelines

The Contractor's WIC EBT system and WIC EBT services shall conform to the most recent versions of: (RFP, 4.1)

The American National Standards Institute (ANSI) X9.93 standards, including the ANS X9.93-1:2014. Financial transaction messages- Electronic Benefit Transfer (EBT)-Part 1. Messages from the time development is initiated and shall follow the technical implementation guidance of the standard as defined by USDA FNS. (RFP, 4.1.1)

ANSI X9.9302-2:2014 Financial transaction messages- Electronic Benefit Transfer (EBT)-Part 2: Files from the time development is initiated and shall follow the technical implementation guidance of the standard as defined by USDA FNS. (RFP, 4.1.2)

The USDA FNS Operating Rules for WIC EBT dated September 2014 or the most

recent version at the time development is initiated. The current version can be found at

<http://www.fns.usda.gov/wic/wic-ebt-operating-rules-technical-implementation-guide>. (RFP, 4.1.3)

The FNS WIC EBT Technical Implementation Guide (TIG) dated 9/30/2012 or the more recent version at the time development is initiated. The current version can be found at <http://www.fns.usda.gov/wic/wic-ebt-operating-rules-technical-implementation-guide>. (RFP, 4.1.4)

The WIC EBT system provider will provide an MIS-EBT interface that is in production and has been accepted for use in other states, and is compliant with the FNS WIC MIS-EBT Universal Interface 2014.

FNS Handbook 901: The Advance Planning Document Process: A State Systems Guide to America's Food Program Version 2.0 January 2017 or the most recent version at the time development is initiated.

The current WIC application for DPHSS/WIC program is HANDS. The DPHSS/WIC program's MIS Solution and database resides and will continue to reside at the ADHS BNPA hosting facility in Phoenix Arizona. The Contractor will comply with applicable Arizona statewide IT policies (<https://asset.az.gov/resources/psp>, including the most recent version of: (RFP, 4.1.6)

Statewide Policy 8130 System Security Acquisition and Development (RFP, 4.1.6.1)

Statewide Policy 8320 Access Controls (RFP, 4.1.6.2)

Statewide Policy 8330 System Security Audit (RFP, 4.1.6.3)

Statewide Policy 8350 System and Communication Protections (RFP, 4.1.6.4)

Guam Information Technology Requirements. The Chief Technology Officer of Guam accepts the Contractor's compliance with applicable Arizona statewide IT policies, the General Requirements, and industry standards as compliance with Guam's IT requirements with regard to DPHSS/WIC program's information technology that is hosted on the Contractor's WIC EBT system or interfaced with by the Contractor while residing on the ADHS BNPA hosting facility. The Contractor agrees to provide and maintain insurance as set forth in Attachment B. (See Contract No. ADHS16-125854 Amendment 1 – Network Security (Cyber) and Privacy Liability.

2. Regulations (RFP, 5)

The Contractor's WIC EBT system and the Contractor's services in implementing, operating and hosting an online EBT system and providing ancillary WIC EBT services as set forth in more detail in this agreement, RFP AHDS 15-0004632 and Contractor's Technical Proposal and the General Requirements listed in this agreement shall meet and comply with all applicable Federal, State, and Territorial Regulations, including WIC Regulations 7 CFR Part 246, and uphold the confidentiality of WIC participant and WIC vendor information to the extent required by WIC Regulations 7 CFR part 246. (RFP, 5.1)

a. Equal Opportunity (RFP, 5.2.1)

Executive Order 11246, entitled "Equal Employment Opportunity," as amended by Executive Order 11375, and as supplemented by the Department of Labor Regulations (41 CFR Part 60): The Executive Order prohibits federal contractors and federally-assisted construction contractors and subcontractors who do over \$10,000 in Government business in one year from discriminating in employment decisions on the basis of race, color, religion, sex, or national origin. The Executive Order also requires Government contractors to take affirmative action to ensure that equal opportunity is provided in all aspects of their employment.

b. The Clean Air Act, Section 306 (RFP, 5.2.2)

No Federal agency may enter into any contract with any person who is convicted of any offense under section 113(c) for the procurement of goods, materials, and services to perform such contract at any facility at which the violation which gave rise to such conviction occurred if such facility is owned, leased, or supervised by such person. The prohibition in the preceding sentence shall continue until the Administrator certifies that the condition giving rise to such a conviction has been corrected. For convictions arising under section 113(e)(2), the condition giving rise to the conviction also shall be considered to include any substantive violation of this Act associated with the violation of 113(c)(2). The Administrator may extend this prohibition to other facilities owned or operated by the convicted person.

The Administrator shall establish procedures to provide all Federal agencies with the notification necessary for the purposes of subsection (a).

In order to implement the purposes and policy of this Act to protect and enhance the quality of the Nation's air, the President shall, not more than 180 days after enactment of the Clean Air Amendments of 1970 cause to be issued an order (1) requiring each Federal agency authorized to enter into contracts and each Federal agency which is empowered to extend Federal assistance by way of grant, loan, or contract to effectuate the purpose and policy of this Act in such contracting or

assistance activities, and (2) setting forth procedures, sanctions, penalties, and such other provisions, as the President determines necessary to carry out such requirement.

The President may exempt any contract, loan, or grant from all or part of the provisions of this section where he determines such exemption is necessary in the paramount interest of the United States and he shall notify the Congress of such exemption.

The President shall annually report to the Congress on measures taken toward implementing the purpose and intent of this section, including but not limited to the progress and problems associated with implementation of this section. [42 U.S.C. 7606]

No certification by a contractor, and no contract clause, may be required in the case of a contract for the acquisition of commercial items in order to implement a prohibition or requirement of this section or a prohibition or requirement issued in the implementation of this section.

In paragraph (28.2.6), the term "commercial item" has the meaning given such term in section 4(12) of the Office of Federal Procurement Policy Act (41 U.S.C. 403(12)).

c. **The Clean Water Act (RFP, 5.2.3)**

No Federal agency may enter into any contract with any person who has been convicted of any offense under Section 309(c) of this Act for the procurement of goods, materials, and services if such contract is to be performed at any facility at which the violation which gave rise to such conviction occurred, and if such facility is owned, leased, or supervised by such person. The prohibition in preceding sentence shall continue until the Administrator certifies that the condition giving rise to such conviction has been corrected.

The Administrator shall establish procedures to provide all Federal agencies with the notification necessary for the purposes of subsection (a) of this section.

In order to implement the purposes and policy of this Act to protect and enhance the quality of the Nation's water, the President shall, not more than 180 days after the enactment of this Act, cause to be issued an order: requiring each Federal agency authorized to enter into contracts and each Federal agency which is empowered to extend Federal assistance by way of grant, loan, or contract to effectuate the purpose and policy of this Act in such contracting or assistance activities, and setting forth procedures, sanctions, penalties, and such other provisions, as the President determines necessary to carry out such requirement.

The President may exempt any contract, loan, or grant from all or part of the provisions of this section where he determines such exemption is necessary in the paramount interest of the United States and he shall notify the Congress of such exemption.

The President may exempt any contract, loan, or grant from all or part of the provisions of this section where he determines such exemption is necessary in the paramount interest of the United States and he shall notify the Congress of such exemption.

The President shall annually report to the Congress on measures taken in compliance with the purpose and intent of this section, including, but not limited to, the progress and problems associated with such compliance.

No certification by a contractor, and no contract clause, may be required in the case of a contract for the acquisition of commercial items in order to implement a prohibition or requirement of this section or a prohibition or requirement issued in the implementation of this section.

In paragraph (28.3.6), the term "commercial item" has the meaning given such term in section 4(12) of the Office of Federal Procurement Policy Act (41 U.S.C. 403(12)).

d. The Anti-Lobbying Act (RFP, 5.2.4)

This Act prohibits the recipients of federal contracts, grants, and loans from using appropriated funds for lobbying the Executive or Legislative Branches of the federal government in connection with a specific contract, grant, or loan. As required by Section 1352, Title 31 of the U.S. Code and implemented at 34 CFR Part 82 for persons entering into a grant or cooperative agreement over \$100,000, as defined at 34 CFR Part 82, Section 82.105 and 82.110, the applicant certifies that:

No federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress in connection with the making of any federal grant, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any federal grant or cooperative agreement;

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 grant or cooperative agreement, the undersigned shall complete and submit Standard Form - LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions;

The undersigned shall require that the language of this certification be included in the award documents for all sub-awards, all tiers (including sub-grants, contracts under grants and cooperative agreements, and subcontracts) and that all sub-recipients shall certify and disclose accordingly.

e. Americans with Disabilities Act (RFP, 5.2.5)

This Act (28 CFR Part 35, Title II, Subtitle A) prohibits discrimination on the basis of disability in all services, programs, and activities provided to the public by State and local governments, except public transportation services.

f. Drug Free Workplace Statement (RFP, 5.2.6)

The Federal government implemented the Drug Free Workplace Act of 1988 in an attempt to address the problems of drug abuse on the job. It is a fact that employees who use drugs have less productivity, a lower quality of work, and a higher absenteeism, and are more likely to misappropriate funds or services. From this perspective, the drug abuser may endanger other employees, the public at large, or themselves. Damage to property, whether owned by this entity or not, could result from drug abuse on the job. All these actions might undermine public confidence in the services this entity provides. Therefore, in order to remain a responsible source for government contracts the following guidelines have been adopted:

The unlawful manufacture, distribution, dispensation, possession or use of a controlled substance is prohibited in the work place.

Violators may be terminated or requested to seek counseling from an approved rehabilitation service.

Employees must notify their employer of any conviction of a criminal drug statute no later than five days after such conviction.

Although alcohol is not a controlled substance, it is nonetheless a drug. It is the policy of the WIC Program that abuse of this drug will also not be tolerated in the workplace.

Contractors of federal agencies are required to certify that they will provide drug-free workplaces for their employees.

g. Debarment, suspension, and other responsibility matters (RFP, 5.2.7)

As required by Executive Order 12549, Debarment and Suspension, and implemented at 34 CFR Part 85, for prospective participants in primary covered transactions, as defined at 34 CFR Part 85, Sections 85.105 and 85.110. The applicant certifies that it and its principals:

Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any federal department or agency;

Have not within a three-year period preceding this application been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (federal, state, or local) transaction or contract under a public transaction; violation of federal or state antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;

Are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (federal, state, or local) with commission of any of the offenses enumerated in paragraph (i)(b) of this certification; and

Have not within a three-year period preceding this application had one or more public transactions (federal, state, or local) terminated for cause or default.

Where the applicant is unable to certify to any of the statements in this certification, he or she shall attach an explanation to this application.

h. **Ownership**

The federal government reserves a royalty-free, non-exclusive, and irrevocable license to reproduce, publish, or otherwise use, and to authorize others to use, for federal government purposes, the copyright in any work developed under a grant, sub-grant or contract under a grant or sub-grant or any rights of copyright to which a contractor purchases ownership.

D. Security Requirements (RFP, 14.14)

The Contractor shall be responsible for the implementation and maintenance of a comprehensive security plan for the WIC EBT system and operations. This program shall include the administrative, physical, technical, and systems controls that shall be implemented to meet the state and federal security requirements of the WIC EBT system as defined in section 4 of the RFP. It is the expectation of the HANDS Consortium that the system of internal controls used to manage

risks to the WIC EBT system and operations shall be based on electronic funds transfer (EFT) industry standards.

The Contractor shall ensure that the EBT system security level is established and maintained as defined in the Contract, including all work done by subcontractors.

The Contractor shall receive and process information that is classified by the HANDS Consortium as Confidential. Confidential information is consistent with the Federal designation of sensitive but unclassified. The loss, misuse, unauthorized access to, or modification of confidential information could adversely affect the conduct of Federal programs, or the privacy to which individuals are entitled.

The Contractor shall provide security controls consistent with PA-DSS, PCI PTS, and with controls for high impact systems as described in NIST SP800-53.

1. Transaction Communications Security (RFP, 14.14.5)

The WIC EBT system shall provide controls (as defined in section 4) to ensure that EBT transaction communications are secure, including, at a minimum:

Files shall only be processed if they originate from HANDS, authorized WIC vendors, designated agents or TPPs;

Messages or files shall be validated for completeness, file and field formats and control and authentication measures;

The WIC EBT system, PIN selection devices and stand-beside POS solutions shall ensure that PINs are encrypted at the point of entry and never transmitted in the clear;

A cardholder's PIN shall not be selected or assigned by the WIC EBT system;

The WIC EBT PIN selection and terminal keys shall not be shared with other WIC State Agencies; and

The WIC EBT system shall support test keys to enable testing prior to WIC vendor, designated agent or TPP certification.

2. Information Security and Policy (RFP, 14.14.6)

Security is critical to the WIC EBT system since the system contains sensitive financial information and shall adhere to network connectivity, access, authentication, and authorization techniques as defined by State of Arizona IT security standards (<https://aset.az.gov/resources/psp>). In addition, the system shall adhere to federal security safeguards/countermeasures National Institute of Standards and Technology publication: [NIST 800-53 AC-6(10)].

The Contractor shall assure the WIC EBT system provides controls to protect confidential information against unauthorized access, use, modification and disclosure. At a minimum, Contractor shall abide by the following rules:

Access to the system and information is enabled only for authorized users as defined by user roles and profiles;

Shall not divulge data to any person except as necessary to conduct WIC EBT according to defined functions, or as required by law;

Ensure that sensitive information is accounted for and securely stored before, during and after processing;

Provide for internal controls through separation of duties and/or dual control of functions;

Maintain adequate system documentation, software applications and operating procedures, and a System Security Plan. Comprehensive change management practices for all IT operations are documented and consistently followed; and

Provide mechanisms within applications that enforce access controls against system tampering and/or unauthorized changes.

A breach or potential breach of the security or confidentiality of information received under this contract shall be reported by the Contractor to the ADHS BNPA IT Security Officer or designated staff within two (2) business days of discovery.

3. **Facilities Physical Security (RFP, 14.14.7)**

The Contractor shall use physical security to limit access to facilities used to process cards or data or house sensitive data. The Contractor shall abide by the following rules:

Data center facilities shall be secured twenty-four (24) hours a day, every day of the year;

Employee access to the data center facility shall be controlled by an electronic access system;

Employee access to departments within the data center shall be controlled by an electronic access system;

Guests, including vendors, shall sign in and shall be assigned a temporary guest badge for identification;

Guests, including vendor service personnel, shall be escorted at all times;

Tapes, disks, and other storage media shall be kept in a secure environment with access limited to authorized staff;

Cooperate with the HANDS Consortium, which shall, on a yearly basis, conduct a test of the names of current employees against the names of individuals authorized for the HANDS Consortium's WIC EBT systems access, and any changes in the roles and responsibilities of said individuals;

No storage media shall leave the data site without prior management authorization;

Programming personnel, including contractors, shall be restricted from sensitive storage media unless prior management approval is obtained and access shall be granted on a need to know basis;

Data beyond the PIN may be secured using message encryption from the card terminal to the TPP by bilateral agreement;

Sensitive output shall be shredded prior to disposal; and

The WIC EBT system primary and fail-over processing sites shall be equipped with fire detection and suppression systems.

4. **Card Stock Security (RFP, 14.14.8)**

The Contractor shall ensure the security of card stock in its possession and in the possession of subcontractors. Cards shipped by the Contractor shall be shipped using a method that can be tracked electronically by the HANDS Consortium.

5. **Security Incident Reporting (RFP, 14.14.9)**

The Contractor shall notify the WIC Program Project Manager, WIC IT Project Manager and the BNPA Bureau Chief of any instances of non-compliance with security measures, security breach or a suspected breach immediately. Notification shall include a description of the non-compliance and corrective action planned and/or taken.

Security testing is part of this project's UAT processes and procedures. The EBT system must pass security analyst and testing during UAT. This will validate that the system meets all security requirements prior to production release. Product acceptance by ADHS requires that the contractor to provide the following:

Security: Threat and Vulnerabilities Analyses Report - The Contractor shall perform an annual threat and vulnerabilities analyses as part of the system's UAT entrance criteria and provide the results to ADHS.

Security: Configuration and Maintenance Document - The Contractor shall provide a document describing secure configuration, installation, and operation of the system along with the effective use and maintenance of those security functions within one (1) month of UAT release.

Security: Controls and Vulnerabilities Report - The Contractor shall provide a document that describes the functional properties and information pertaining to the design and implementation of the system's security controls. This document will also detail known vulnerabilities regarding configuration and use of privileged functions within one (1) month of UAT release.

The ADHS MIS QA team will validate effective use and maintenance of the system's security functions. This includes functional properties along with design and implementation information of security controls with external system interfaces. During UAT, the team will execute test scripts associated with NIST security compliance to identify the impact of security policies against system functionality prior to production release. They will also insure the listed known vulnerabilities regarding configuration and use of privileged functions is complete. The MIS QA and WIC Infrastructure team will record all results and findings associated with the UAT review of the system security testing and evaluation within TFS Test Manager for tracking and begin immediate resolution.

Security: 3rd Party UAT Security Analysis - Once the system meets UAT exit criteria, the Arizona WIC program will conduct a third party security assessment to determine the system's production readiness. The Contractor shall review finding and submit their thoughts and resolution procedures to AHDS upon meeting UAT exit Criteria.

Security: Production Security Analysis and Report - The Contractor shall perform threat and vulnerabilities analyses post- production implementation and provide the results to ADHS for review and acceptance within 7 days after production release.

E. WIC Vendor Support (RFP, 11.9)

The Contractor shall provide a twenty-four (24) hour toll-free line to WIC vendors with stand-by POS terminals for training and to report terminal malfunctions. The Contractor shall also provide a separate toll-free number for WIC vendors to obtain information or support on transaction, settlement and reconciliation issues. (RFP, 11.9.2)

F. Authorized User Help Desk Support (RFP, 11.10)

The Contractor shall provide user help desk support during normal business hours for the WIC Agency excluding weekends, Federal and State holidays. Normal business hours shall be defined during WIC EBT system design.

G. Operation Deliverables: Monthly Invoice (RFP, 13.13.2)

At the end of each calendar month, the Contractor shall prepare an invoice for services rendered during the month and submit an invoice to DPHSS/WIC. The monthly invoices shall be received within two (2) weeks of the close of the month being billed. The invoice shall be accompanied by

supporting documentation that substantiates each individual line item on the invoice. Invoice charges shall be substantiated, including pass-through expenses to the Consortium member, in order for payment to be approved. Project rollout dates are Monday, March 26, 2018 through Wednesday, March 28, 2018. Invoicing shall begin upon completion of project rollout. Guam agrees to pay invoices within thirty (30) days of receipt. In the event Guam disputes a portion of the invoice, Guam agrees to pay the undisputed portion of the invoice within thirty (30) days of receipt and to provide Contractor a detailed statement of Guam's position on the disputed portion of the invoice within thirty (30) days of receipt.

At a minimum, the Contractor's invoice shall include the period of service covered by the invoice and shall itemize the following: total number of active households served for the DPHSS/WIC WIC Program segmented by program (applies if additional programs are added to the WIC Contract), the cost per case month (CPCM) applied to the total number of active accounts, total CPCM pricing for all accounts served; equipment by type, number of units and cost per unit, and total cost by type of equipment; any other fees or services, adjustments, applicable State and local taxes and total amount due.

An "active account" shall be defined as a single beneficiary household unit receiving benefits through a single EBT account that expires during the invoice period. Under no circumstance shall DPHSS/WIC be invoiced for two (2) months for a thirty (30) day (one (1) month's) period of benefit availability.

Under no circumstances shall DPHSS/WIC be invoiced for future months' benefits if they are voided prior to becoming available for redemption by the client. The Contractor may only invoice for a one (1) month period if benefits are available for redemption during that one (1) month period.

H. WIC EBT System Requirements (RFP, 14)

This section of the SOW specifies the technical and functional requirements to support the ongoing operations of a WIC EBT system that is in conformance with Federal regulations, national standards and specified HANDS Consortium performance standards. The system deployed to support WIC EBT services shall be an industry standard application.

1. Comprehensive Overview of the System Design (RFP, 14.1)

This section shall clearly describe the WIC EBT system configuration including all processing components, databases, interfaces, fail-over system and participating entities.

2. WIC EBT System Availability (RFP, 14.2)

The DPHSS/WIC EBT system shall have an uptime of 99.9% of the time on an hourly basis, twenty-four (24) hours per day, seven (7) days per week. Scheduled uptime shall mean the time the database is available and accessible for acceptance of message data, file

transfers and transaction processing and excludes schedule downtime for maintenance and shall be measured on a rolling 30-day basis.

3. **Fail-Over System (RFP, 14.2.1)**

The Contractor shall maintain a hot site with equivalent processing capability in a separate geographic location from its primary system. The Contractor shall establish secure, high performance connectivity between the WIC EBT fail-over system and the HANDS primary and backup (disaster recovery) systems. (RFP, 14.2.1.1)

The WIC EBT system shall fail over to the hot site within a time frame agreed upon between the Consortium members and the Contractor. The Contractor shall have provisions for twenty-four by seven (24x7) system monitoring and problem correction to mitigate the risk of prolonged downtime. (RFP, 14.2.1.2)

The Contractor shall provide annual testing of the fail-over system.

I. **Interface with HANDS (RFP, 14.3)**

1. **Connectivity with HANDS (RFP, 14.3.1)**

As the DPHSS/WIC WIC Program's MIS solution and database resides with ADHS BNPA, all connectivity and interfaces shall comply with the State of Arizona network infrastructure and information security requirements. For DPHSS/WIC, the Contractor shall establish secure, high performance Internet-based Secure Socket Layer (SSL) connectivity between the WIC EBT system and HANDS to accommodate available and reliable message based system interfaces.

2. **Data and File Exchange. (RFP, 14.3.2)**

The WIC EBT system shall accept and transmit data to and from HANDS in a message based interface or in batch system interface (batch files). The WIC EBT system shall be available twenty-four (24) hours per day seven (7) days per week for batch file data transfer with HANDS. The WIC EBT system shall be available during DPHSS/WIC business hours for message based data transfer with HANDS. The WIC EBT system shall conform to the WIC Online Message Structures, Messages and Transactions and Message Classes as defined by the WIC EBT Universal Interface.

3. **Back-up Data and File Exchange (RFP, 14.3.3)**

The Contractor shall be required to have a back-up procedure to transfer and accept batch files and records should the normal file and/or record transfer processes fail. The WIC EBT system shall be available to accept file and record transmissions within sixty (60) minutes of being notified by the HANDS Consortium or affected

Consortium member that the WIC EBT system is not available to accept a file or record transmission.

4. **Receive Batch Files (RFP, 14.3.4)**

The Contractor shall be required to have a back-up procedure to transfer and accept batch files and records should the normal file and/or record transfer processes fail. The WIC EBT system shall be available to accept file and record transmissions within sixty (60) minutes of being notified by the HANDS Consortium or affected Consortium member that the WIC EBT system is not available to accept a file or record transmission.

5. **Return Batch Files (RFP, 14.3.5)**

At the HANDS Consortium's discretion, the WIC EBT system shall transmit daily batch files to HANDS that include clinic and WIC vendor transactions. If the WIC EBT system transmits a batch file with no records, the batch file shall indicate that no action is to be taken by HANDS.

6. **Confirmation and Error Messages (RFP, 14.3.6)**

The WIC EBT system shall transmit a confirmation to HANDS that a batch file was received. The WIC EBT system shall transmit batch level errors to HANDS and shall transmit detail record errors to HANDS. The WIC EBT system shall accept confirmation or error messages from HANDS for batch files sent from the WIC EBT system to HANDS.

7. **Future Modifications to HANDS (RFP, 14.3.7)**

During the Contract Term, it may be necessary to make modifications to HANDS in order to conform to updates to the FNS MIS/EBT Universal Interface document. If HANDS is updated as a result of an update to the FNS MIS/EBT Universal Interface document, the Contractor shall accommodate changes to interface requirements resulting from modifications to HANDS subject to the agreed upon change management process..

J. **WIC Food Maintenance Requirements (RFP, 14.4)**

1. **Category/Subcategory Requirements (RFP, 14.4.1)**

Categories and Subcategories will be maintained within HANDS. The WIC EBT system shall accept the initial WIC Category Sub-Category file generated by HANDS as well as all subsequent files containing changes and/or additions to the HANDS WIC Category Sub-Category file from HANDS data. At a minimum, the

WIC EBT system shall abide by the following rules as indicated in the WIC Universal MIS/EBT interface document:

If the Category/Subcategory effective date is not present, then the WIC EBT system shall assume the current date as the effective date;

If the end date is not provided, then the WIC EBT system shall default the end date to zeroes; and

If Category/Subcategory deactivation dates are reached, any UPCs associated with the Category/Subcategory shall also be deactivated.

2. WIC UPC/PLU Data (RFP, 14.4.2)

The WIC EBT system shall accept UPC/PLU data from HANDS.

Each UPC/PLU shall have an associated Category/Subcategory. The UPC/PLU file shall be in the format and contain data as described in the WIC Direct to WIC MIS Interface Control Document provided by CDP. It is anticipated that the initial file transfer shall contain all UPC/PLU data and subsequent files shall contain changes or additions to UPC/PLU data. Changes to UPC/PLU data shall be accepted via message-based communication or through a daily batch file.

HANDS will calculate and transmit the associated NTE pricing by peer group with the UPC/PLU data and the WIC EBT system shall associate the NTE pricing by peer group with the UPC/PLU data.

3. Activation of UPC/PLU Data. (RFP, 14.4.2.5)

At a minimum, the WIC EBT system shall abide by the following rules:

Upon receipt of the UPC/PLU file from HANDS, the WIC EBT system shall validate whether the UPC/PLU data already exists in the WIC EBT system;

If the UPC/PLU data does not exist, the WIC EBT system shall add the UPC/PLU data; and

Upon validation, the WIC EBT system shall completely replace the existing data with the updated data.

4. Deactivation of UPC/PLU Data. (RFP, 14.4.2.6)

The WIC EBT system shall accept WIC UPC/PLU files containing deactivations of specific UPCs or PLUs on the designed end date.

5. Not-to-Exceed Amount (RFP, 14.4.2.8)

The not-to-exceed (NTE) amount shall be calculated by subcategory and/or UPC and by peer group for DPHSS/WIC. The NTE will be calculated by HANDS and transmitted to the WIC EBT system. The WIC EBT system shall accept the NTE data from HANDS.

NTE data shall not be transmitted with the APL to WIC vendors or TPPs. The WIC EBT system shall use the NTE when calculating the amount to be settled to the WIC vendor or TPP.

6. Approved Product List (APL) (RFP, 14.4.2.9)

The WIC EBT system shall generate an APL for DPHSS/WIC each day and provide user and WIC vendor access to the APL. The APL provided to WIC vendors shall include the current UPCs and/or PLUs, but shall not include the NTE for each UPC or Subcategory. The APL file shall conform to the ANSI X9.93 V4 type 2 specifications, or most recent version.

7. Availability of the APL (RFP, 14.4.2.9.1)

The WIC EBT system shall make the APL file available on a secure data retrieval site for download by WIC vendors and TPPs. The APL shall not contain the not-to-exceed (NTE) price data. The current version of the APL shall be made available at the same time each day, as agreed upon with the HANDS Consortium during system design sessions.

8. User Access to APL (RFP, 14.4.2.9.2)

The WIC EBT system shall provide DPHSS/WIC with user view of its APL source data (current and previous), including the ability to view APLs by specific dates. Users shall have the ability to search the APL by fields such as UPC, category number, etc. The Contractor shall detail where current and previous APLs will be located and what application will be needed to view the APLs.

K. WIC Vendor Data (RFP, 14.5)

The WIC EBT system shall provide capabilities for maintaining required WIC vendor data. The WIC EBT system shall maintain a batch based system interface to accept WIC vendor information from HANDS.

1. Update Vendor Data (RFP, 14.5.1)

The Contractor shall collect financial institution and account routing information from stand-beside WIC vendors and update its system. Prior to updating WIC vendor data, the WIC EBT system shall validate that the WIC vendor ID already exists.

The WIC EBT system shall maintain the confidentiality of WIC vendor financial institution information, account and TPP routing information.

2. WIC Vendor Status (RFP, 14.5.2)

The WIC EBT system shall accept in a batch file transfer from HANDS the status or status update of a WIC vendor. The WIC EBT system shall identify that the WIC vendor ID exists before accepting a status update. The WIC EBT system shall not accept transactions for processing from any WIC vendor which is flagged by HANDS as "on hold" or "deactivated" at the time and date of the transaction.

L. Account Set-up and Maintenance Requirements (RFP, 14.6)

The WIC EBT system shall set up and maintain an electronic household account for each WIC household.

1. Create Electronic Benefit Account (EBA) (RFP, 14.6.1)

The WIC EBT system shall receive account set-up messages from HANDS with household identifiers and associated household demographics. The WIC EBT system shall validate the uniqueness of the HANDS household ID, ensuring that no duplicate family IDs have been remitted from HANDS.

If all data is validated, the WIC EBT system shall establish an EBA and assign a unique EBA ID.

2. Account Type (RFP, 14.6.2)

At a minimum, the WIC EBT system shall accept the type of account (e.g., household, emergency disaster, training, compliance) and the HANDS household ID.

3. Account Structure (RFP, 14.6.2.1)

The WIC EBT system shall maintain an EBT account structure to ensure that: 1) benefit balances are accurately maintained; 2) benefits accessed by cardholders are drawn from the appropriate Category/Subcategory; and 3) benefit accounts are not overdrawn. The Contractor shall be liable for any benefits or funds drawn from an incorrect account or program, for overdrafts against EBT benefit accounts including allowing access to benefits prior to or after their availability date, and for EBT host transaction processing errors. DPHSS/WIC has the right to modify account structure requirements in response to changes in State or Federal program regulations, and such changes shall be follow the Contractor's change management process.

4. **Demographic Data (RFP, 14.6.2.2)**
The WIC EBT system shall accept household demographic data, including, at a minimum household address and head of household.
5. **Maintain EBA (RFP, 14.6.2.3)**
The WIC EBT system shall maintain the account for each WIC household. The WIC EBT system shall not make changes or updates to account information unless such updates are received from HANDS in a message-based transmission.
6. **Change to Household ID or Status. (RFP, 14.6.2.3.2)**
The WIC EBT system shall accept data from HANDS to change the HANDS household ID or change the household status. At a minimum, the WIC EBT system shall abide by the following rules:
The WIC EBT system shall validate that the original HANDS household ID exists;
If a new household ID is provided, then the WIC EBT system shall validate that the new HANDS household ID does not already exist;
If a new household ID is provided, then the WIC EBT system shall deactivate the old HANDS household ID and activate the new HANDS household ID;
If the household account status has changed, then the WIC EBT system shall change the account status; and
7. **Change to Household Demographic Data (RFP, 14.6.3.3)**
The WIC EBT system shall accept messages from HANDS to change the household demographic data. At a minimum, the WIC EBT system shall abide by the following rules:
The WIC EBT system shall validate that the HANDS household ID exists; and
The WIC EBT system shall update household demographic data.
8. **Access to EBA Data (RFP, 14.6.4)**
Upon request, the WIC EBT system shall provide to the HANDS system via message data EBA information using the HANDS household ID or card primary account number (PAN). The EBA data includes food benefit additions and deletions, but does not include WIC client eligibility or health information.

M. Benefit Issuance and Account Maintenance (RFP, 14.7)

1. Accept Benefit Issuance (RFP, 14.7.1)

The WIC EBT system shall receive message data of benefit issuance from HANDS. Benefit issuance from HANDS shall be aggregated at the household level and shall indicate the household account number, the Category/Subcategory, quantity, unit of measure (UOM) and benefit availability and expiration date(s). The WIC EBT account is therefore the record kept and maintained by the WIC EBT system for each Category/Subcategory that the household receives.

At a minimum, the WIC EBT system shall abide by the following rules:

The WIC EBT system shall validate that the HANDS household ID and the EBA exist and are active;

Based on configuration, the WIC EBT system may validate that the Benefit ID is unique;

The WIC EBT system shall validate that the benefit issuance records are correct in content and format, including a valid combination of Category/Subcategory codes;

The WIC EBT system shall allow benefit issuance for current and future months;

The WIC EBT system shall allow more than one issuance to a household for a single month;

The WIC EBT system shall validate that the benefit quantity (units available) for the Category code and Sub-Category code on a given date does not exceed 999.99, the maximum balance that may be returned in an X9.93 standards message;

The WIC EBT system shall verify issuance by Category/Subcategory and unit measure;

The WIC EBT system shall reject duplicate benefit issuance and remit a message to HANDS informing HANDS of the reject and the reason for the reject; and

The WIC EBT system shall provide return message data to HANDS, notifying the affected user of any detected issuance anomalies.

2. Accept Benefit Voids (RFP, 14.7.2)

The WIC EBT system shall receive message data of benefit voids from HANDS. The WIC EBT system shall abide by the following rules:

The WIC EBT system shall validate that the HANDS household ID and EBA exist and are active;

The WIC EBT system shall validate that the ending benefit date exactly matches the benefit information in the EBA for the Categories/Subcategories debited;

The WIC EBT system shall only void the benefit if there is sufficient balance to post the entire void; and

The WIC EBT system shall provide return message data to HANDS, notifying the affected user of any detected benefit void anomalies or successful completion of the request.

3. **Maintain Benefit Balance (RFP, 14.7.3)**

The WIC EBT system shall maintain the WIC benefit account structure, to include benefit beginning and end dates. The WIC EBT system shall store and manage benefits based on the availability dates received from HANDS. Availability time shall be 12:00 AM local time for DPHSS/WIC. At a minimum, the WIC EBT system shall abide by the following rules:

The WIC EBT system shall ensure benefits are made available on their availability date and time;

The WIC EBT system shall ensure that unused benefits are expired on their expiration date and time. Expiration time shall be 11:59 PM local time for DPHSS/WIC;

The WIC EBT system shall ensure benefit availability and expiration is based on local time for DPHSS/WIC; and

The WIC EBT system shall ensure benefits may not be redeemed before begin date and time or after end date and time.

4. **Maintain Benefit Account (RFP, 14.7.4)**

The WIC EBT system shall maintain the WIC EBA and account structure (meaning benefit activation and expiration dates and any additional programs added to the system). WIC benefit account balances shall be accurate and segregated by benefit Category/Subcategory. When a participant transaction is conducted, the WIC EBT system shall ensure the transaction credits or debits the appropriate Category/Subcategory in the EBA. The WIC EBT system shall validate that EBAs are not overdrawn; if a purchase(s) results in an overdrawn account, the Contractor shall notify the designated Consortium member staff of the overdraw.

Notification shall occur within one (1) business day of system recognition of an overdrawn EBA.

5. Reconcile Benefit Balance (RFP, 14.7.5)

The WIC EBT system shall reconcile each EBA and all WIC EBT data on a daily basis. For the EBA, the EBT system shall verify that the quantity of each Category/Sub-Category end of the processing day net position is equal to:

Opening balance + credits - debits = End of day balance

The WIC EBT system shall be balanced as a whole to ensure that changes in food benefit issuance in HANDS is represented in the EBT system at end of day.

6. Provide EBA Benefit Balance (RFP, 14.7.6)

Upon message-based request from HANDS, the WIC EBT system shall provide HANDS via message data the benefit balance information for a specific EBA.

The WIC EBT system shall validate that the HANDS household ID exists;

If benefit begin and end dates are not provided in the request, the WIC EBT system shall return only those records where the current date is between the begin and end dates of the benefit; and

The WIC EBT system shall remit message data to enable HANDS to print a list of the household's currently available and future months' benefits sorted by food category and subcategory.

7. Provide Benefit History (RFP, 14.7.7)

Upon message-based request from HANDS, the WIC EBT system shall provide via message data the benefit maintenance history for a specific EBA. Prior to providing the benefit history, the WIC EBT system shall validate that the household ID and the EBA exists. If a HANDS household ID is sent, then the WIC EBT system shall return the benefit maintenance history for the household. If a PAN is sent, then the WIC EBT system shall return the benefit maintenance history for the PAN.

N. Card Issuance and PIN Selection (RFP, 14.8)

1. Card Issuance (RFP, 14.8.1.1)

The WIC EBT system shall receive card issuance message data from HANDS. At a minimum, the record shall include the card number, card action (issue, deactivate), cardholder, associated HANDS household account and the unique ID

of the local WIC clinic issuing the card. The WIC EBT system shall associate the card to the appropriate EBA.

The WIC EBT system shall provide for the following:

The WIC EBT system shall validate that the HANDS household ID exists and is active;

The WIC EBT system shall validate that there is not already an active cardholder associated with the account; and

The WIC EBT system shall create a new cardholder record and associate the cardholder with the given card and the household EBA.

DPHSS/WIC will not be issuing proxy cards.

2. PIN Selection (RFP, 14.8.2)

The WIC EBT system shall accept PIN message data (real time and encrypted) from HANDS to select or change (update) a PIN.

The WIC EBT system shall validate that the card number is active and associated with a valid EBA;

The WIC EBT system shall validate that the encrypted PIN is valid;

If the encrypted PIN is valid, then the WIC EBT system shall translate the encrypted PIN into a new encrypted PIN that is suitable for internal database storage;

The PIN held in the WIC EBT system shall be effective upon successful processing of the PIN selection; and

The WIC EBT system shall store the encrypted PIN in the EBT database and link the PIN to the appropriate cardholder.

3. PIN Encryption (RFP, 14.8.3)

The WIC EBT system shall provide functionality for a cardholder to select or change (update) a PIN remotely by phone call to the WIC EBT client ARU. The WIC EBT system shall validate that the card number is active and associated with an active EBA and the WIC EBT system shall validate the identity of the person requesting the new PIN or PIN change by requesting the date of birth and zip code. The Contractor shall support the transfer of PINs associated with existing WIC EBT cards to the new WIC EBT Implementation and Processing Services Contractor at the conclusion of its Contract.

4. **PIN Lock/Unlock (RFP, 14.8.4)**

The WIC EBT system shall lock an EBA from access if a cardholder has exceeded a specified number of consecutive invalid PIN attempts during a calendar day period. The number of invalid PIN attempts shall be defined by DPHSS/WIC. The system shall allow a PIN to be unlocked on demand from HANDS. An EBA that has been locked for exceeding invalid PIN attempts shall automatically unlock at 11:59 PM local time on any day that an EBA has been locked for exceeding the allowed number of invalid PIN attempts.
5. **Update Cardholder Data (RFP, 14.8.5)**

The WIC EBT system shall receive WIC EDT updated cardholder demographic message data from HANDS and update the demographic data in the WIC EBT system. The WIC EBT system shall support a change of cardholder for the household account and accept the demographic data associated with the new cardholder.
6. **Update Card Status (RFP, 14.8.6)**

The WIC EBT system shall receive WIC EBT updated card message data from HANDS. At a minimum, the WIC EBT system shall abide by the following rules:

 - The WIC EBT system shall validate that the existing card is active and assigned;
 - The WIC EBT system shall change the card status to the new value after validating that the card status is currently active (e.g., has not previously had its status changed from active);
 - The WIC EBT system shall change the existing active card to deactivated; and
 - The WIC EBT system shall allow the cardholder's existing PIN to be assigned to a new card reissued to the client.
7. **Allow Cardholder to Update Card Status (RFP, 14.8.7)**

The WIC EBT system shall allow a cardholder to update a card's status through customer services. A cardholder may status his/her card as lost, stolen, or damaged. No cardholder may re-activate a deactivated card. After validating the identity of the individual requesting a card status change, the WIC EBT system shall abide by the rules stated in Section Update Card Status above.
8. **Maintain Card History (RFP, 14.8.9)**

The WIC EBT system shall maintain a history of cards assigned to households and cardholders.

9. **Daily Batch File of Card Status Changes (RFP, 14.8.9.1.1)**

If the Contractor mails replacement cards, then the WIC EBT system shall provide a daily batch file of card status changes as defined in the current WIC Universal MIS/EBT Interface document including card deactivations and card issuances with card numbers conducted on behalf of cardholders.

10. **Message Data for Card History (RFP, 14.8.9.1.2)**

The WIC EBT system shall provide message data in response to a request from HANDS for a history of all EBT cards that have been assigned to a household and shall remit card history message data to HANDS (e.g., card activation date, card status changes, cardholder changes, card deactivation date).

O. **WIC Vendor Transaction Processing (RFP, 14.9)**

1. **Real Time Processing (RFP, 14.9.1)**

The WIC EBT system shall provide real-time transaction processing of message data received from WIC vendors and/or TPPs. The Contractor shall have the capability to receive, process, and authorize cardholder transactions from WIC vendor POS devices in real time transactions. The Contractor shall ensure that cardholders may only access their WIC benefits at authorized WIC vendor locations.

2. **Processing Requirements (RFP, 14.9.2)**

WIC EBT Implementation and Processing Services Contractor EBT transaction processing requirements include:

Accepting transactions coming from an authorized transaction acquirer;

Authorizing or denying transactions;

Sending response messages back to the transaction acquirer authorizing or denying cardholder transactions;

Providing the data necessary to print a cardholder receipt with the account balance after the transaction (the card number shall be truncated on the receipt); and

Logging the authorized/denied transactions for subsequent settlement and reconciliation processing, transaction reporting, and for viewing through transaction history.

3. Performance and Technical Standards (RFP, 14.9.3)

In processing EBT transactions, it is the responsibility of the Contractor to ensure that the WIC EBT system meets performance and technical standards and regulations in the areas of:

- System processing speeds;
- Availability and reliability;
- Security;
- Ease-of-use;
- Minimum card requirements;
- Performance; and
- Minimum transaction set.

4. Connectivity (RFP, 14.9.4)

The WIC EBT system shall support online, commercial network and direct connect communication with vendor systems. The Contractor shall establish a direct or indirect telecommunications connection for the routing of transactions and retrieval from and delivery of files such as the APL to WIC vendors, their agents, or TPPs. A direct connection does not utilize a TPP to route transactions to and from the EBT system. An indirect connection utilizes third party processors to route transactions to and from the EBT system.

5. Processing Day (RFP, 14.9.5)

The WIC EBT system shall maintain a twenty-four (24) hour business day processing cycle. The Contractor shall designate a standard daily cut-off time at a time of day that shall allow the origination of automated clearing house (ACH) payments for next business day settlement. The standard daily cut-off time is established to provide WIC vendors with the assurance that transactions transmitted prior to the cut-off time shall be processed in sufficient time for next business day settlement.

6. Transaction Message (RFP, 14.9.6)

Transactions accepted by the WIC EBT system from the WIC vendor or its TPP shall be in the ANSI X9.93-2:2014 Financial Transaction Message - EBT - Part 1: Messages, 2014 for messages.

7. Transaction Message Data (RFP, 14.9.6.1)

The WIC EBT system shall accept the following minimum transaction set:

Benefit Inquiry;

WIC Purchase;

WIC Reversal (item by item), and

WIC Void.

8. Transaction Message Validation (RFP, 14.9.6.2)

The WIC EBT system shall conduct checks and processes to determine if a transaction is approved. At a minimum, these checks shall include determining whether:

The WIC EBT system shall ensure the transaction originates from an approved WIC vendor by validating the WIC vendor ID;

The WIC EBT system shall ensure that the transaction originates from a known stand-beside POS terminal by validating the terminal number;

The card number (PAN) is valid and the card is active;

The number of consecutive failed PIN attempts has not been exceeded;

The PIN is verified as being entered correctly;

The account is active;

The UPC or PLU is presented and verified for each purchased food item;

The food items are validated against the current list of WIC approved Categories and Subcategories and UPCs/PLUs; and

The WIC EBT system shall validate the products for appropriate availability dates in the EBA benefit record.

For void transactions, the WIC EBT system shall verify an existing benefit record and purchase transaction so that the void transaction can be properly posted.

If any one of the validation conditions is not met, the Contractor shall deny the transaction. If the transaction is denied, the system must return a message to the WIC vendor indicating the reason for denial (e.g., invalid PAN, invalid terminal, etc.). The Contractor shall provide a monthly summary report of denied transactions.

9. Transaction Processing Protocols (RFP, 14.9.7)

The WIC EBT system shall provide real-time processing of transactions as they are received from WIC vendors and TPPs. Real-time processing refers to an immediate response with the EBT system when the WIC vendor processes a WIC EBT transaction and will receive an immediate response if the transaction was approved or denied.

The transaction date and time shall be the date and time the purchase is approved by the WIC EBT system, adjusted to the local date and time at the WIC vendor location.

10. Minimum Transaction Processing Rules (RFP, 14.9.8)

Rules (RFP, 14.9.8.1)

At a minimum, when processing a transaction, the WIC EBT system shall abide by the following rules:

The purchase quantity redeemed from EBA benefits shall be obtained from the benefit quantity associated with the UPC's Category/Subcategory in the APL;

The WIC EBT system shall provide an approval or a denial for each product transaction;

The WIC EBT system shall provide an appropriate reason code for all rejected product transactions;

The WIC EBT system shall deduct benefits from Subcategories with values greater than "000" before deducting benefits from the Broadband Food Subcategories;

If a food item is allowed to use a Broadband Food Subcategory, allow the food item to be redeemed with the units remaining in the Broadband Food Subcategory once all units in the specified Food Subcategory have been decremented;

Allow the redemption of a single food item in part from a Food Subcategory and in part from the Broadband Food Subcategory; and

Process a maximum of fifty (50) WIC items in a single purchase.

To the extent possible, produce should be identified by its specific PLU. However, the WIC EBT system shall allow the CVB to be mapped to a single generic code (i.e., 4469 for fresh fruits and vegetables). (RFP, 14.9.8.2)

Declined Items (RFP, 14.9.8.3)

The WIC EBT system shall decline an item for a WIC purchase if:

It is not an authorized WIC UPC/PLU, Category/Subcategory;

It is not a WIC UPC/PLU, Category/Subcategory or size authorized in the WIC household account; or

Sufficient quantities of the Category/Subcategory are not available in the WIC household account.

The WIC EBT system shall provide a reason code for all rejected items.

P. Receipts (RFP, 14.9.9)

The WIC EBT system shall provide the data required for the WIC vendor to print receipts according to the requirements of Section 12.1 of the TIQ. This includes the opening and/or ending EBA benefit balance, and benefit balance end date, as applicable.

Q. Adjustment for NTE (RFP, 14.9.10)

When authorizing a transaction, the WIC EBT system shall compare the product price against the peer group NTE for the Sub-Category, or for the UPC, if the maximum allowable price is set at the UPC level for the product. If the product price is equal to or less than the NTE for the WIC vendor's peer group, the WIC EBT system shall approve the purchase of the product at the product price. If the product price is greater than the allowable price for the WIC vendor's peer group, the WIC EBT system shall approve the purchase of the product at the NTE price. The WIC EBT system shall provide a return message to the WIC vendor ECR system, POS, or the TPP that contains the amount paid for the product.

R. Auto Reconciliation File (RFP, 14.9.11)

The WIC EBT system shall generate auto-reconciliation files (ARFs) to support the reconciliation of transactions captured in WIC EBT transactions. The WIC EBT system shall create ARFs on a processing day basis and shall include transactions submitted since the last WIC ARF. The ARF shall be provided in the format and contain the data that is specified in the TIQ. The WIC EBT system shall make the ARF available on a secure data file retrieval site for download by the authorized WIC vendor.

S. Maintain Transaction History (RFP, 14.9.12)

At a minimum, the WIC EBT system shall maintain a minimum of three (3) years of data online for real time access by authorized system users. Records associated with the Contract shall be maintained for three (3) full fiscal years following the close of the Federal fiscal year (1 Oct to 30 Sep) during which the Contract terminates. Archived data shall be

maintained for an additional four (4) years and shall be recoverable within forty-eight (48) hours. The Contractor shall be prepared to transfer up to five (5) years of EBA, WIC vendor, APL, and transaction data, as well as current PIN and clinic data to the new/succeeding WIC EBT Implementation and Processing Services Contractor at the end of current Contractor's contracts with the Consortium members.

T. Exception Handling (RFP, 14.9.13)

1. Invalid Card Read -- Key Entered Transactions (RFP, 14.9.13.1)

The card number (PAN) may be key-entered at times when a card presented by a cardholder is damaged and/or the POS device is unable to read the magnetic stripe accurately. The Contractor shall accept and process EBT transactions where the PAN has been manually entered (key-entered) into the POS device.

2. Split Tender (RFP, 14.9.13.4)

The WIC EBT system shall support the capability for retail POS to perform split tender processing for a cash value benefit (CVB). To support split tender, the WIC EBT system shall allow the reversal or void of one (1) or more CVB food items and the CVB amount for the item(s) shall be restored to the WIC EBT account prior to the completion of the tender.

3. Compliance Buys (RFP, 14.9.13.7)

The WIC EBT system shall support the set-up of compliance accounts by accepting the account and card data from HANDS and account type as compliance. The WIC EBT system shall allow the issuance of compliance buy cards, allow benefits to be added and deleted to these cards and maintain an audit trail of all compliance activities. The WIC EBT Implementation and Processing Services Contractor shall not differentiate the look of compliance cards with participant cards or differentiate how they may be used at the POS.

U. Settlement and Reconciliation (RFP, 14.10)

1. Execute Settlement and Reconciliation (RFP, 14.10.1)

The Contractor shall be responsible for the execution of EBT settlement and reconciliation activities. EBT settlement and reconciliation shall be conducted in accordance with current federal regulation 7CFR 274.12 and future Federal regulations as updated throughout the Term of the Contract and the most recent version of the USDA FNS Operating Rules for WIC EBT dated September 2014 or most recent version.

2. 24 Hour Processing Cycle (RFP, 14.10.2)

The WIC EBT system shall operate on a twenty-four (24) hour processing cycle. At a designated cutoff time each day, the Contractor shall close out the current processing day and commence the next processing day. The specified cutoff time shall allow the Contractor sufficient time to originate ACH payments for next business day settlement.

3. **National ACH Membership (RFP, 14.10.3)**

To support the settlement function, the Contractor or its designated financial institution shall have an originating and receiving membership in the national ACH network. In order to promote the acceptance of EBT transactions, the Contractor shall be required to provide evidence of its own or its designated financial institution's ability to fulfill the settlement obligations specified in this Contract and shall comply with applicable USDA FNS Operating Rules for WIC EBT dated September 2014 or most recent version concerning an Issuer's ability to meet its settlement obligations. Evidence may be in the form of financial statements, bonds, guarantees or other assurances.

4. **Recommended Verification Procedures (RFP, 14.10.4)**

The Contractor shall recommend procedures and reports that shall enable the Consortium members their reconciliation and settlement verification process to be as smooth as possible.

5. **WIC Benefit Data Files (RFP, 14.10.5)**

The WIC EBT system shall verify that all message data benefit issuance/voids sent from HANDS are processed and posted to EBAs in the EBT database. The WIC EBT system shall verify issuance by Category, Sub-Category and UOM and verify issuance for both current and future months' benefits. The WIC EBT system shall provide return message data to HANDS, notifying the affected user of any detected anomalies in issuance reconciliation via alert and/or report.

The WIC EBT system shall transmit a daily file to HANDS that provides a detailed record of all benefit redemption activity. The information transmitted shall be based on the WIC EBT system processing day. The daily file shall include the following:

All WIC vendor transactions;

A full historical account (audit trail) of the transaction and the information (e.g., date, time, UPC/PLU, category, sub-category, unit of measure, item description, benefit begin date, benefit end date, vendor number, vendor terminal, vendor peer group, originating clinic ID) that was current and used at the time of the transaction;

Reversals or voids as two (2) separate transactions, the original transaction and the subsequent reversal or void;

Transactions with discounts and coupons as specified in the TIG; and

Transactions using multiple Benefit IDs or where redemption straddles the Subcategory code and broadband Category code; the WIC EBT system shall report full transaction details for each item redeemed.

6. Expired and Expunged Benefits (RFP, 14.10.6)

The WIC EBT system shall transmit a daily file to HANDS that provides a detailed record of all expunged benefits. The WIC EBT system shall expunge benefits after their expiration date. This period shall not be less than five (5) business days following the expiration date to allow for store and forward transactions to be settled. The information transmitted shall be based on the WIC EBT system processing day or a time frame specified by the Contractor.

7. Account Reconciliation (RFP, 14.10.7)

The WIC EBT system shall reconcile each EBA and all WIC EBT data on a daily basis. For the EBA, the EBT system shall verify that each Category/Sub-Category units from the previous end of the processing day is equal to the units at the beginning of the processing day plus the net sum of benefits credited and debited as contained in the transaction history detail for that processing day. For all WIC EBT data, the WIC EBT system shall verify that the quantity of each Category/Sub-Category end of the processing day net position is equal to the quantity at the beginning of the processing day plus the net sum of benefits credited and debited as contained in the transaction history detail for that processing day.

8. Settlement Reconciliation (RFP, 14.10.8)

The WIC EBT system shall reconcile the dollar value of the business day transactions against the funds settled to each WIC vendor, its designated agent and TPPs, as applicable. This shall be done by:

- Validating that the sum of the amounts paid to WIC vendors, designated agents and TPPs, as applicable, is equal to the total payments calculated as due to these entities; and
- Providing audit reports, automated and on-demand, demonstrating the sum of payment activities made to WIC vendors, its agencies and TPPs, as applicable, and in total. This includes credits, debits and any other settlement activities.

If any anomalies are detected the WIC EBT system shall provide an alert or a report to notify users of errors in the settlement process within twenty-four (24) hours of detecting the error. Settlement errors shall be corrected in accordance with timeframes set forth in the WIC EBT Operating Rules. The Contractor shall also provide DPHSS/WIC with the corrective action to be taken and the appropriate tools to correct errors in the settlement process.

9. Daily Settlement (RFP, 14.10.9)

The information generated during system cutoff and balance processing shall be used by the Contractor to generate the daily settlement files. The settlement process shall conform to the National Automated Clearinghouse Association (NACHA) Operating Rules and Guidelines wherever possible.

The WIC EBT system shall initiate settlement to WIC vendors, designated agents and TPPs. The Contractor shall own and reconcile a clearing account for daily settlement and shall create an ACH transaction to move funds from the WIC EBT settlement account to the appropriate WIC vendor, designated agent or TPP financial institution account. The WIC EBT system shall calculate the amount due to each WIC vendor, designated agent or TPP based on transactions approved to that entity within the settlement window and reimburse WIC vendors for the sale of approved food items purchased at either the requested food item price or the NTE price, whichever is lower. The WIC EBT system shall initiate settlement to direct connect WIC vendors or designated agents on the next business day. The WIC EBT system shall transmit ACH transactions to its bank on a daily basis to meet the performance standards for settlement. The Contractor shall attempt to pay unsettled funds first to the original payee and if unsuccessful, shall return funds to DPHSS/WIC. Contractor shall notify DPHSS/WIC of funds to be transferred that day for government authorization prior to executing settlement. DPHSS/WIC reserves the right to designate the window for notification, which shall be during normal business hours. Payments transmitted to the financial institutions of WIC vendors, their designated agents or their TPPs shall be reconciled to the settlement bank's report of payments submitted to the Federal Reserve for the HANDS Consortium. The WIC EBT system shall comply with FNS policy for unsettled funds (i.e., ACH reject).

10. Audits (RFP, 14.10.10)

The Contractor shall submit an annual audit report in accordance with Statement on Standards for Attestation Engagements (SSAE) No. 16, Reporting on Controls at a Service Organization. The Contractor shall submit the audit report to the Consortium member each year as the audit is completed.

11. 1099s (RFP, 14.10.11)

The WIC EBT system shall generate and remit 1099s to participating direct connect WIC vendors or their corporate authority, following the completion of each calendar year. The vendor agreements between the WIC vendor, the TPP and the Contractor shall delineate who receives the 1099. The Contractor shall mail WIC vendors their 1099 utilizing standard mail.

V. Web Portal (WIC Direct Web User Interface) Functions Requirements (RFP, 14.11)

The WIC EBT system shall allow the appropriate WIC Program staff, FNS Regional offices, FNS Compliance offices, State auditors, and other HANDS Consortium designed users to have role based user profiles, to have access to WIC EBT system administrative functions. The web portal (WUI) functionality shall be capable of running on DPHSS/WIC existing hardware including work station computers. Administrative access shall include multi-level access controls to ensure that only authorized individuals can process web portal transactions or access participant account information through EBT web portals.

To support web portal access, the Contractor shall provide a browser based web portal application utilizing TCP/IP as the communications protocol. The Contractor shall define browser requirements.

1. User Security Profiles (RFP, 14.11.3)

The WIC EBT system shall allow the definition of user profiles based on the user's job requirements (role based security). Each web portal user shall be assigned a specific user profile. The number of required user profiles shall be parameter driven and shall be specified by DPHSS/WIC.

The WIC EBT system shall allow the DPHSS/WIC WIC Program's authorized or identified user the capability to set up new users, change user passwords, and assign user profiles.

2. Access to System Functions (RFP, 14.11.3.4)

The WIC EBT system shall provide controls to limit and manage user access to specific application functionality and data to include PIN selection devices at clinics. At a minimum, the WIC EBT system shall abide by the following rules:

DPHSS/WIC EBT security administrator(s) shall be able to manage user access at multiple levels;

All users shall be established in the system with unique identification;

User passwords shall not be displayed on terminals or monitors;

The system and DPHSS/WIC data are not available to unauthorized users;

System Security: User Accounts and Sessions Requirements - The system will have automatic session timeouts and accounts are set to lockout based on three (3) unsuccessful login attempts. The automatic session timeouts or session lockout policy executes due to inactivity until the user reestablishes access. If the user does not reestablish access within the specified limit of time, the system drops the session. In addition, the system will limit consecutive invalid logon attempts by a user and automatically lock the account until released by an administrator. User account password resetting procedures require that the user call the Contractor's Help Desk. The system will automatically disable inactive accounts after 120 days of inactivity. Furthermore, the team will remove non-production application accounts, user IDs, and passwords before production release.

The WIC EBT system shall allow deactivation of users no longer authorized by the HANDS Consortium;

The WIC EBT system shall require a password reset every ninety (90) days.

DPHSS/WIC EBT security administrator(s) shall be notified of any user that is inactive for four (4) months (120 days) (configurable period of time)

3. **System Operations Performance Standards (RFP, 14.12.9)**

The Contractor shall, at a minimum, meet the performance standards specified in Table Performance Standards as defined in the USDA FNS Operating Rules for WIC EBT dated September 2014 or the most recent version at the time development is initiated, for the WIC EBT system and delivery of WIC EBT services.

Table 1: Operating Performance Standards (Table 6 from the RFP)

Operating Performance Standard	Performance Deficiency
Direct Connect Vendors: For direct connect vendors; the WIC EBT system shall process 99% of WIC transactions within twenty (20) seconds on a monthly basis from the point of sending the transaction from the WIC vendor.	Failure of the system to process a WIC transaction within twenty (20) seconds from the point of sending the transaction from the WIC vendor, 99% of the time on a monthly basis.
EBT Central Computer Uptime. The EBT Central Computer shall be up and available 99.9% of the scheduled uptime, twenty-four (24) hours per day, seven (7) days per week	Failure of EBT Central Computer to be up and available 99.9% of the scheduled uptime measured on a monthly basis.

Operating Performance Standard

Performance Deficiency

measured on a monthly basis, in accordance with processing specifications and requirements. Scheduled uptime shall mean the time the database is available and accessible for transaction processing and excludes scheduled downtime for routine maintenance. The EBT Central Computer consists of all system functions over which the Implementation and Processing Services Contractor/Subcontractor has direct control, either directly or through a Subcontractor relationship.

Transactions Response: The WIC EBT system shall initiate a response to an online transaction request within two (2) seconds from the time such request is received by the WIC EBT system, 98% of the time on a monthly basis. This does not include data transmission time between the WIC EBT system and a TPP. Scheduled downtime shall be excluded provided a minimum of two (2) weeks' notice is provided to all network participants prior to the scheduled outage.

System Uptime: The WIC EBT system shall have an uptime of 99.9% of the time, not including maintenance (scheduled downtime).

Acceptance of Data or File Transmissions. The EBT system shall have an uptime of 99.9%, not including maintenance (scheduled downtime).

System Response Times. The WIC EBT system shall process all message based system interface messages from HANDS within twenty (20) seconds from the point of sending

Failure of the system to initiate a response to a transaction request within two (2) seconds from the time such request is received by the WIC EBT system, 98% of the time on a monthly basis.

Failure of the system to have an uptime of 99.9% of the time not including maintenance (scheduled downtime).

Failure of the EBT system to have an uptime of 99.9%, not including maintenance (scheduled downtime).

Failure to process message based messages from HANDS within twenty (20) seconds from point of sending the message from HANDS, 99% of the time measured on a monthly basis.

Operating Performance Standard

Performance Deficiency

the message from HANDS, 99% of the time measured on a monthly basis.

System Response Times. The WIC EBT system shall initiate a response to a request to transmit or retrieve data within two (2) seconds from the time such request is received by the WIC EBT system, 99% of the time, on a monthly average basis. Scheduled downtime shall be excluded provided a minimum of two (2) weeks' notice is provided prior to the scheduled outage.

Failure to initiate a response to a request to transmit or retrieve data within two (2) seconds from time such request is received less than 99% of the time on a monthly average basis.

Scheduled Downtime. Scheduled downtime shall be scheduled during hours defined by the HANDS Consortium during system design.

Scheduled downtime occurring outside of defined hours on any given month.

Scheduled Downtime. Scheduled downtime shall not exceed two (2) hours per month unless other timeframes are agreed upon by the HANDS Consortium.

Scheduled downtime exceeding two hours in one month on any given month (unless agreed upon by the HANDS Consortium).

Settlement Timeframe. The timeframe for ACH settlement shall be met 100% of the time measured within a 30-day rolling window.

Failure to meet timeframe for ACH settlement window 100% of the time measured within a 30-day rolling window.

Settlement Discrepancies. The WIC Program shall be notified of settlement or reconciliation discrepancies within twelve (12) hours of discovery.

Failure to provide notice of discrepancy within twelve (12) hours of discovery.

Account Disputes. The EBT Implementation and Processing Services Contractor shall investigate and complete WIC Program or WIC vendor initiated disputes within ten (10) business days of the date the adjustment request is initiated.

Failure to investigate and complete an adjustment within ten (10) business days.

Operating Performance Standard

Performance Deficiency

Transaction Accuracy. No more than two (2) inaccurate transactions per every 50,000 EBT transactions processed by the WIC EBT system.

Failure to maintain an accuracy standard of no more than two (2) errors per every 50,000 EBT transactions.

Equipment Replacement for Stand-aside WIC Vendor Solutions. 100% of all stand-aside terminals ordered by Guam are shipped via expedited services within two business days of receipt of request. (Applies to equipment that is leased, purchased with an ongoing maintenance fee or under warranty.)

Failure to ship new or replacement POS equipment via expedited services ordered by Guam within two business days of receipt of request, measured within a 90-day rolling period.

Equipment Replacement for Personal Identification Number (PIN) Selection Terminals. Ship replacement PIN selection terminals within two business days of request for replacement. Measured on a monthly basis. (Applies to equipment that is leased, purchased with an ongoing maintenance fee or under warranty.)

Failure to ship a PIN selection terminal within two business days of a request for a replacement terminal 99% of the time measured on a monthly basis.

Four-Digit Year Compliance. Provide only four-digit year compliant equipment, software and deliverables.

Failure to provide four-digit year compliant equipment, software, deliverables, and/or other services.

Availability of Benefits: The WIC EBT system shall ensure benefits are available on their availability date and time (12:00 AM local) 100% of the time.

Failure of the system to ensure benefits are available on the availability date and time (12:00 AM local) 100% of the time.

Dispute Resolution: The Contractor shall resolve disputes between the Contractor and the WIC vendor within forty-five (45) days of the dispute being submitted by the WIC vendor.

Failure of the Contractor to resolve disputes between the Contractor and the WIC vendor within forty-five (45) days of the dispute being submitted by the WIC vendor.

ARU Answer Time: The WIC EBT ARU shall have an average answer time of less than

The ARU has an average answer time of greater than fifteen (15) seconds.

Operating Performance Standard	Performance Deficiency
fifteen (15) seconds, measured on a monthly basis.	
Abandoned Call Rate: The participant call center shall have an abandoned call rate of less than three percent (3%).	An abandoned call rate of greater than three percent (3%).
Busy Signal: The Contractor shall ensure that no calls to its user and help desks shall be met with a busy signal.	Failure of the Contractor to ensure that no calls to its user and help desks shall be met with a busy signal.
Customer Service Resolution: The Contractor shall have an 85% rate of resolution with the first customer service representative (CSR)	Failure of the Contractor to have an 85% rate of resolution with the first customer service representative (CSR).

W. WIC EBT SERVICES REQUIREMENTS (RFP 15, WIC EBT Service Requirements)

1. WIC Vendor Management Requirements (RFP, 15.1)

The Contractor shall be responsible for managing WIC vendor participation in the WIC EBT program. The Contractor shall provide all authorized WIC vendors with the opportunity to participate in WIC EBT. The Contractor shall follow the most recent guidelines and testing standards from USDA FNS in regard to WIC vendor and TPP system testing.

The Contractor's primary roles and responsibilities include:

Providing every WIC vendor with the opportunity to participate in the WIC EBT system;

Engage in a good faith effort to ensure that a sufficient number of authorized WIC vendors (i.e., a minimum of 95% of WIC vendors within the geographic area being implemented) have agreed to participate in WIC EBT to allow participants adequate access to WIC benefits;

Signing a WIC vendor EBT agreement with each stand-beside WIC vendor. The HANDS Consortium and FNS shall approve the EBT agreements prior to the EBT agreement being sent to stand-beside WIC vendors;

Providing on-site support to the HANDS Consortium members and FNS when they conduct WIC vendor system testing for tier two WIC EBT certification;

Disseminating information so that the participating WIC vendors understand their

responsibilities with regard to operating rules and operations of the WIC EBT system;

Maximizing the use of existing IECRS;

Installing, maintaining and otherwise supporting the Contractor-provided stand-beside POS solution as necessary in accordance with USDA FNS Operating Rules for WIC EBT dated September 2014 or the most recent version, to include downloading the initial APL and conducting an initial test transaction; and

Providing toll-free help desk services to WIC vendors for resolving issues/problems on WIC EBT, Contractor-supplied stand-beside POS solutions and settlement and dispute questions and issues.

a. **WIC EBT Enablement (RFP, 15.1.3)**

The Contractor shall support the HANDS Consortium in promoting WIC EBT enablement for the HANDS Consortium's WIC vendors with the Integrated Electronic Cash Register System (IECRS) by providing interface specifications and as-needed technical assistance during design, development and testing.

2. **WIC Vendor Participation (RFP, 15.1.4)**

The Contractor is responsible for assisting with WIC vendor participation in WIC EBT. This effort must be carried out in such a manner as to help ensure vendor readiness for the pilot and rollout areas so that there are an adequate number of access points for cardholders in their communities. The Contractor shall strive for 100% participation and readiness of authorized WIC vendors for the pilot and each rollout area. If this cannot be achieved, the Contractor shall engage in a good faith effort to ensure that there are enough authorized WIC vendors participating and ready to process WIC EBT transactions to represent a minimum 95% of the redemptions for that rollout area.

If requested, the Contractor shall participate in DPHSS/WIC-initiated WIC vendor meetings, conference calls or webinars. DPHSS/WIC and USDA FNS shall determine if access to WIC benefits is adequate prior to authorizing the implementation of WIC EBT.

The Contractor must take the necessary steps to provide access to the WIC EBT system for those WIC vendors who choose to use or acquire their own equipment. Alternatively, the Contractor shall supply stand-beside POS equipment to all WIC vendors who do not choose to use or purchase their own equipment.

The Contractor shall ensure that specific information, such as WIC vendor contacts and WIC vendor locations, is available upon DPHSS/WIC request to provide verification of adequate access.

3. WIC Vendor EBT Agreements (RFP, 15.1.5)

The Contractor shall obtain and maintain agreements with WIC vendors and TPPs, as applicable. The agreement language shall include requirements to abide by the USDA FNS Operating Rules for WIC EBT dated September 2014 or the most recent version and incorporate Section 4.2 into the agreements.

WIC vendor and TPP agreements shall be between the Contractor and the WIC vendor or TPPs directly; DPHSS/WIC shall not be a party to WIC vendor/TPP agreements. The agreements shall 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:

Compliance with the applicable DPHSS/WIC regulations which will be provided to CDP by Guam prior to the execution of this contract;

Compliance with USDA FNS Operating Rules for WIC EBT dated September 2014 or the most recent version;

Compliance with ANSI and X9.93-2014;

Compliance with X9.93 USDA-FNS Technical Implementation Guide (TIG) for online WIC EBT systems as defined by USDA-FNS;

There shall be no charge to WIC authorized vendors, for authorization and settlement processing by the Contractor for EBT transactions; and

Only Agency-authorized WIC vendors may perform WIC transactions.

4. WIC Vendor Authorization Following Implementation (RFP, 15.1.6)

The Contractor shall provide DPHSS/WIC with a WIC Vendor Package, including the WIC vendor agreement and other information necessary to become WIC EBT enabled. The WIC Vendor Package will be given to new applicants applying for WIC authorization. The applicant will be required to submit the completed package to DPHSS/WIC in order to become WIC authorized.

a. WIC Vendor Weekly and Monthly Reports- Implementation Phase (RFP, 15.1.6.1.1)

During WIC EBT design, development and implementation, the Contractor shall provide weekly reports to DPHSS/WIC that details the WIC vendors contacted, the WIC vendors and TPPs with signed agreements, the WIC vendors with hardware and software certified for WIC EBT (activated), and the status of WIC vendors and TPPs that are not certified (not activated), including testing schedules. This weekly report shall include stand-beside terminals installed by the Contractor and the schedule for installing the remaining stand-beside POS solutions. Reports shall also include the training status of WIC vendors with stand-beside POS terminals.

b. WIC Vendor Weekly Reports- Operations Phase (RFP, 15.1.6.1.2)

During WIC EBT Operations Phase, the Contractor shall provide monthly reports to the HANDS Consortium similar to the weekly vendor reports.

c. **Approved Signage (RFP, 15.1.6.1.3)**

The Contractor shall provide activated WIC vendors with signage, approved by the HANDS Consortium that displays the DPHSS/WIC WIC Program's EBT card design. Additional signage may be provided to identify checkout lanes that accept WIC EBT cards.

d. **Direct Connect Solution (RFP, 15.1.6.1.4)**

The WIC EBT system shall support a direct connect solution between the WIC vendors or their designated agents and the WIC EBT system, either internet-based using Secure Socket Layer (SSL) encryption or dial-up based. Key encryption is required. The WIC EBT system shall allow WIC vendors to bypass TPPs when communicating with the WIC EBT system.

e. **Transaction Fees (RFP, 15.1.6.1.5)**

The Contractor shall not assess transaction fees, set-up fees, usage fees or other fees to WIC vendors.

5. WIC Vendor Settlement and Customer Service Support (RFP, 15.1.7)

The Contractor shall provide stand-beside WIC vendors with transaction, settlement and reconciliation support during rollout and statewide operations. At a minimum, the Contractor shall:

Provide a toll-free number for stand-beside WIC vendors in Guam to obtain information or support on transaction, settlement and reconciliation issues and to initiate disputes. The WIC vendors' toll-free numbers shall be transferred to DPHSS/WIC at the end of the contract with the Contractor.

Provide a WIC vendor web-portal to stand-beside vendors for secure access to WIC vendor transaction and settlement information, as contained in the auto-reconciliation file, ACH history, WIC vendor contracts, and other information and links as agreed upon with the HANDS Consortium. The WIC vendor web-portal system must support and enforce the use of unique user IDs and secure multifactor authentication for all vendor web-portal activities.

6. Stand-Beside POS Terminal Provision and Support (RFP, 15.1.8)

The Contractor shall identify those WIC vendors that may require one (1) or more stand-beside POS terminals/ solutions and provide that list to DPHSS/WIC for approval. The Contractor shall provide a stand-beside POS solution to WIC vendors upon vendor request and approval by DPHSS/WIC. The Contractor shall provide no more than twenty eight (28) stand-beside POS terminal solutions for the Commonwealth of the Northern Marianas WIC EBT implementation.

The Contractor shall only invoice for stand-beside POS terminals that are deployed post-implementation. Post implementation is defined as the completion of EBT statewide rollout at all WIC clinics and WIC vendors. Any additional stand-beside POS terminals/solutions beyond the 21 provided at implementation requested by Guam shall be subject to the lease terms and cost outlined in Attachment A – Cost Sheet for Guam.

a. **Guam (RFP, 15.1.8.2)**

Subsequent to implementation, it is the intent of DPHSS/WIC to stock replacement terminals. If a terminal requires replacement, DPHSS/WIC will assume the responsibility of replacing the terminal. DPHSS/WIC will notify the Contractor of the replacement. Within two (2) business days, the Contractor shall ship a replacement terminal to DPHSS/WIC via Federal Express, UPS, or DHL. The shipping package shall include the labels/materials required for DPHSS/WIC to ship the malfunctioning terminal back to the Contractor.

DPHSS/WIC will be responsible for training newly authorized WIC vendors and installing their stand-beside POS terminals and removing stand-beside POS terminals from WIC vendor locations no longer authorized for WIC EBT. DPHSS/WIC may require technical support from the Contractor during installation and training or when troubleshooting a malfunctioning terminal. The Contractor shall provide these services to DPHSS/WIC during the DPHSS/WIC WIC Program's normal business hours.

The Contractor shall provide a twenty-four (24) hour toll-free line to WIC vendors in Guam for training and to report terminal malfunctions.

7. **Technical Support (RFP, 15.1.9)**

The Contractor shall provide the technical interface specifications, pre-approved by FNS and necessary for the interface with the WIC EBT system, to WIC vendors, their designated agents (e.g., corporate headquarters) and/or their TPPs and the HANDS Consortium. The Contractor shall ensure that each WIC vendor and/or TPP, as applicable.

a. **Vendor Education Buys (RFP, 15.1.10)**

The WIC EBT system shall support the ability for WIC vendors to perform educational buys using the production environment. These shall be real transactions that shall be processed by the WIC EBT system, not conducted in training mode, however, the WIC EBT system shall be able to identify educational buys based on the PAN used in the transaction. The transaction shall be processed as a normal transaction.

b. **Vendor Fraud and Abuse (RFP, 15.1.11)**

The WIC EBT system shall analyze transaction data to support the recognition of WIC participant or WIC vendor fraud or abuse and provide reports to the Consortium members that identify potential fraud and abuse. This analysis may be recognition of consecutive, multiple WIC transactions for a low-traffic WIC vendor, WIC vendors that repeatedly exceed or match the NTE, etc. The Contractor shall work with the HANDS Consortium to identify additional analyses that may apply and will adhere to any future guidelines on fraud and abuse as issued by the USDA FNS.

8. Cardholder Customer Services Requirements-Guam (RFP, 15.2)

a. Toll Free Cardholder Access (RFP, 15.2.1.1)

The Contractor's Help Desk shall provide toll free cardholder access to customer services with sufficient capacity to provide services in both English and Spanish. The Cardholder Help Desk shall access translation services, such as the Language Line, for all additional languages. The toll-free number shall be transferred to DPHSS/WIC at the end of the contract. The Help Desk shall include teletypewriter (TTY) capability provided to participants with hearing disabilities. The toll-free number shall be separate number from the SNAP customer service number.

b. Pay Phone (RFP, 15.2.1.1)

If DPHSS/WIC determines it will allow calls from pay phones, any fees associated with such calls will be invoiced to the Consortium member as a pass-through cost.

c. Automated Response Unit (ARU) (RFP, 15.2.1.2)

The initial contact with WIC EBT Cardholder Help Desk services shall be with the cardholder ARU which shall support balance inquiries, PIN selection and changes, transaction history as well as provide access to live customer service. The ARU shall be available twenty-four (24) hours per day, seven (7) days per week, 365 days per year (24x7x365). The Contractor shall submit for review and approval scripts used by the ARU and shall be configured to provide a choice between English and Spanish. The ARU shall allow DPHSS/WIC to select an introductory messaging (e.g., food recalls, emergency or disaster information, etc.)

At a minimum, cardholder ARU functions shall include:

Table 4 ARU Functions

Functionality	Description
Current Balance Inquiry	Current Balance shall provide real-time account balance information.
PIN Selection or	Cardholders shall have the option of selecting or

PIN Change	changing their PIN via a single call to the ARU; and
Transaction History	Provide the dates of the last two (2) transactions, either issuance or purchase.

The Contractor shall provide a monthly statistical call volume report including the call type and length.

d. Live Customer Service (RFP, 15.2.1.3)

The Contractor shall provide live customer services, both English and Spanish, as a secondary means of customer support, after accessing the ARU. Live customer services shall access translation services, such as the Language Line, for all additional languages. Live customer services shall be used primarily for reporting a lost, stolen or damaged card. It is the intent of DPHSS/WIC to direct policy questions to the WIC Agencies or clinics. As an option, each Consortium member may have live customer service in alternative languages other than English or Spanish.

Live customer services shall be offered twenty-four (24) hours per day, seven (7) days per week, 365 days per year (24x7x365).

e. Participant Web-Portal (RFP, 15.2.3)

The WIC EBT system shall provide secure web based cardholder and/or participant access to WIC information to request PIN changes, balance inquiries and transaction histories, and other functions reasonable to the application, as well as links to other sites as designated by DPHSS/WIC.

The HANDS Consortium shall review, test and approve the web portals before the Contractor allows public access.

DPHSS/WIC shall have the option of having the link to the Participant Web-portal on the state's WIC Page.

9. Change Management Services (RFP, 15.3)

The Contractor shall establish and follow a formal change management process to encompass remedial, conforming, and enhancing changes.

a. Design Issues (RFP, 15.3.1)

Design issues are questions or concerns that arise before the program/system design baseline is frozen and are a part of the development process. Specifically, design issues are issues addressed and resolved prior to finalizing the system design.

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., WIC vendors, financial institutions, Consortium members and local agencies/clinics), and general and detailed system specifications. Design issues shall be recorded and tracked in an issue log.

Only those design issues presented by the HANDS Consortium WIC Program Project Manager, or designee, are to be addressed by the Contractor. Requests received by the Contractor from other HANDS Consortium staff or other personnel are to be directed to the WIC Program Project Manager or designee for consideration and action. If the Contractor has issues for the HANDS Consortium consideration, such issues are to be presented to the HANDS Consortium's WIC Program Project Manager or designee for consideration and action.

b. Remedial Changes (RFP, 15.3.2.)

Remedial changes are changes needed to make the system perform/function in the way it was designed; such changes shall be executed in a mutually agreed upon timeframe and in accordance with guidelines set forth in the agreed upon change management plan. Either the HANDS Consortium or the Contractor may identify the need for a remedial change. If the Contractor identifies a problem requiring a remedial change, the Contractor shall immediately notify the WIC Program Project Manager and designated staff from each Consortium member. If the change is made immediately, the Contractor shall notify the WIC Program Project Manager and designated staff from each Consortium member no later than one (1) business day following the implementation of the change. The Contractor shall work with the HANDS Consortium, to include testing, to ensure that a remedial change shall not impact WIC EBT system functionalities. Remedial changes shall be made at no cost to the HANDS Consortium.

c. Conforming Changes (RFP, 15.3.3.)

Conforming changes are changes needed to adapt the system to changes in requirements that result from Federal or State regulation, federally mandated changes and changes to the USDA FNS Operating Rules for WIC EBT dated September 2014 or the most recent version.

d. Enhancing Changes (RFP, 15.3.4.)

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

Consortium or the Contractor. Enhancing changes initiated by the HANDS Consortium must be authorized by the HANDS Consortium WIC Program Project Manager.

e. Testing of System Modification (RFP, 15.3.5.)

The Contractor shall ensure that all changes and modifications to the WIC EBT system are fully and successfully tested prior to migrating the change into the production environment.

f. Change Order Process (RFP, 15.3.6.)

Changes requested by the HANDS Consortium to the system/program baseline and conforming changes shall be initiated using the Change Order process defined in the Contractor's Change Management Plan and approved by the HANDS Consortium. All change orders must originate from the HANDS Consortium WIC Program Project Manager or designee.

The HANDS Consortium shall monitor implementation of the approved changes through routine program management including scheduled status reports, request modifications, etc. Upon authorization of the change, the Contractor shall include the change in work plans, allocate resources as appropriate, and shall provide ongoing status reports, as part of the regular status report, with hour and cost accounting (if any) to the HANDS Consortium until such time as the change has been completed and accepted by the HANDS Consortium.

g. Change Requests from HANDS Consortium (RFP, 15.3.7)

For enhancing change requests initiated by the HANDS Consortium, the Contractor shall provide a cost estimate, by hour, utilizing the hourly rate provided in the Contractor's Cost Proposal within six (6) weeks of the finalized change request. The hourly rate shall be a blended, fully-loaded rate for all staff, meaning one (1) hourly rate that shall include any design, development, testing, or other work necessary, and include over-head costs. The Contractor shall respond to system enhancement change requests with estimated hours and cost within six (6) weeks of receiving the finalized request.

Upon completion of a Change Order, the Contractor shall provide the HANDS Consortium with a statement that details the number of hours used toward the Change Order and how those hours were used.

The HANDS Consortium shall designate Change Orders 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 HANDS Consortium. It is expected that

work on medium priority Change Orders shall be initiated by the Contractor within sixty (60) calendar days of written approval by the HANDS Consortium and that work on high priority Change Orders shall be initiated by the Contractor within thirty (30) calendar days of written approval by the HANDS Consortium. All change requests shall include agreed upon start and completion dates. The Contractor shall provide a written agreed upon plan, specifying the progress of each phase identified: Design, Development, Testing, and Implementation.

h. Available Hours for Change Requests (RFP, 15.3.8.)

The Contractor shall provide up to 500 hours of design, development, testing and management time each year to support enhancing changes at no cost to the HANDS Consortium. If any of the 500 hours are not used within one (1) calendar year, they shall be rolled over for use in the subsequent calendar year(s). Any personnel time applied toward the 500 hours shall have prior approval by the HANDS Consortium and shall originate from the HANDS Consortium WIC EBT Program Project Manager or designee. The Contractor shall not apply personnel time toward the 500 hours for self-initiated system changes/enhancements or for any work necessary, including remedial changes, to maintain system functionality under the terms of the contract.

i. Incremental Available Hours (Optional) (RFP, 15.3.8.2.)

The HANDS Consortium may request an additional number of hours beyond the 500 hours referenced above. The Contractor shall provide additional time using 100 hour increments.

j. Changes Initiated by the Contractor (RFP, 15.3.9.)

The Contractor shall provide the HANDS Consortium with advance notice of all self-initiated changes to the EBT system. The Contractor shall coordinate all non-remedial changes to the system with the HANDS Consortium WIC Program Project Manager or designee. Non-remedial changes shall be implemented at a time agreed upon with the HANDS Consortium, so that the availability and participation of HANDS Consortium and IT staff can be ensured. The HANDS Consortium shall be notified, in advance, of any known impacts the changes shall have to WIC EBT or HANDS functionality, file formats, screens, reporting, performance or any other areas. The Contractor shall work with the HANDS Consortium, to include testing, to ensure that Contractor-initiated changes do not unintentionally impact the HANDS Consortium functionalities, file formats, screens, reporting, performance, or any other areas.

10. Disaster Response Support (RFP, 15.4)

The Contractor must be prepared to implement a disaster WIC EBT system to deliver benefits. The Contractor shall provide necessary systems and procedures to ensure that it can provide continuation of benefit issuance.

In keeping with RFP 15.4.2., during the design phase, the Contractor shall conduct JAD sessions with the consortium in order to determine requirements for EBT disaster recovery. Disaster recovery planning will focus on system availability planning and options, issuance procedures, system recovery options, post-disaster activities, communication plan, and timing. The Contractor shall create a requirements document that contains the agreed upon processes and procedures.

a. Disaster Services (RFP, 15.4.3)

1) Cardholder Support Services (RFP, 15.4.3.1)

The Contractor shall provide the following disaster or emergency services:

- i. **Customer Service Support During a Disaster:** In the event of a disaster, Contractor shall provide the same scope of services to cardholders for the ARU and live customer service. The ARU shall have a specific disaster script that has been approved by DPHSS/WIC. Because call volumes shall likely increase, the Contractor shall increase the number of customer service representatives (CSRs) available to support cardholders. CSRs should be alerted when accessing the cardholder's record that the cardholder resides in the disaster area. (RFP, 15.4.3.1.1.2)

2) WIC Vendor Support Services (RFP, 15.4.3.2)

The Contractor shall provide the following WIC vendor support services.

- i. **WIC Vendor Site Survey:** Upon notification by DPHSS/WIC of a disaster, the Contractor shall survey selected WIC vendor locations to determine the level of service that can be provided to cardholders because of equipment outage or other factors. The Contractor shall provide geographical mapping of the operational and non-operational locations. The Contractor shall ensure that CSRs are aware of which benefit redemption points are not operational during and after the disaster in order to direct cardholders to appropriate locations. (RFP, 15.4.3.2.2)
- ii. **Increased WIC Vendor Customer Service:** In the event of a disaster, the Contractor shall provide the same scope of services to WIC vendors for the WIC vendor call center. The call center shall have a specific disaster scripts that have been approved by DPHSS/WIC. Because call volumes shall likely increase, the

Contractor shall increase the number of CSRs to support WIC vendors and meet expected performance standards. (RFP, 15.4.3.2.3)

3) **Technical Support in a Disaster (RFP, 15.4.3.3.)**

In a disaster, the Contractor shall provide the following technical support as directed by DPHSS/WIC.

i. **HANDS Interface Support (RFP, 15.4.3.3.1.1)**

The Contractor shall support the recovery of the HANDS Consortium's eligibility and EBT interface systems at a fail-over site in the event of a disaster at the HANDS Consortium's primary data center. This support shall consist of providing connectivity to the HANDS Consortium's fail-over site to support the transmission of data files and reports between HANDS and the Contractor. The Contractor shall provide support to the HANDS Consortium in ensuring that benefits are still being provided to cardholders through the WIC EBT system during the recovery of HANDS. Following the declaration of a disaster by the HANDS Consortium and movement to a back-up data center, the Contractor shall work with the HANDS Consortium technical staff to provide WIC EBT administrative system support.

ii. **Administrative System Access (RFP, 15.4.3.3.1.2)**

In the event the HANDS Consortium's eligibility system or the traditional interface is not accessible, the HANDS Consortium shall have access to the WIC EBT system through the internet. The Contractor shall provide the appropriate passwords, access and software components, and training and related documentation/staff training materials explaining how to use the Contractor's system prior to the disaster situation.

Y. **Hardware and Materials Requirements (RFP, 16.)**

This section provides the requirements for hardware and materials required from the Contractor.

1. **WIC EBT Cards (RFP, 16.1)**

The Contractor shall provide the WIC EBT card.

In keeping with RFP 16.1.2. The Contractor shall: Perform all necessary processes and functions to design the WIC EBT card for each Consortium member;
Coordinate the approval of the card design with the applicable Consortium member;

Produce the card according to specifications (section 16.1.4); Distribute/deliver cards to designated Consortium member (American Samoa, CNMI and Guam) or local agency/clinic (Arizona and Navajo Nation) locations for over-the-counter issuance; and Maintain a centralized WIC EBT card distribution management database.

Provision of Cards. The Contractor shall distribute/deliver WIC EBT cards to Consortium members or designated local agencies/clinics for over-the-counter card issuance. The Contractor shall maintain the following card distribution and inventory controls:

Cards shall be shipped with logical numbering and inventory lists;

Cards shall be packed in sealed sleeves, not to exceed 500 cards per sleeve;

Cards shall be packed in numeric sequence from lowest to highest; and

Card sleeves shall be shipped in cartons, not to exceed six (6) sleeves per carton.

DPHSS/WIC shall retain ownership of the WIC EBT cards produced and not issued at the end of the contract term.

a. WIC EDT Card Standards (RFP, 16.1.3)

The Contractor shall ensure that the HANDS Consortium's WIC EBT cards are designed to comply with specifications that include the latest version of the USDA FNS Operating Rules for WIC EBT dated September 2014 or the most recent version (WIC EBT Card appearance and requirements), and the International Standards Organization (ISO) 7810:2003, Identification cards -- Physical Characteristics and ANSI specifications and standards relating to cards used for financial transactions.

b. Card Specifications (RFP, 16.1.4)

1) Card Design (RFP, 16.1.4.1)

The WIC EBT card design created by the Contractor shall be unique to each Consortium member and subject to the applicable Consortium member's approval. Card samples shall also be submitted to the Consortium member prior to sending the card to production. Card security features incorporated into the card design are not required by the HANDS Consortium. The WIC EBT card shall contain a mark, brand or wording that identifies it as being associated with the applicable Consortium member. Such identification is to be agreed upon with each of the Consortium

members. The WIC EBT card shall not contain the mark or brand of any debit/credit network without approval of FNS.

2) Card Obverse (RFP, 16.1.4.2)

The obverse (front) of the card shall have the following features: Graphics approved by the Consortium member using a four-color printing process; and The PAN shall be printed on the card using contrasting color for readability.

3) Card Reverse (RFP, 16.1.4.3)

The reverse of the WIC EBT card shall have a high coercivity magnetic stripe and a tamper-evident signature panel. The reverse of the WIC EBT card shall have printed information as specified by the applicable Consortium member.

Table 7: EBT Card Track 2 Layout

Field No.	Field Name	Field Length
1	Start Sentinel	1
2	Primary Account Number	16
3	Field Separator	1
4	Expiration Date	4
5	Service Code	3
6	Card Authorization Value	3
7	Discretionary Data	2
9	Longitudinal Redundancy	1

Track 2 Format. Track 2 of the magnetic stripe shall be encoded according to ISO standard for financial cards: ISO 7811, 7812 and 7813.

Primary Account Number (PAN). The Primary Account Number (PAN) is a sixteen (16) digit numeric field that provides the means of identifying the person to whom the card was issued. The PAN of the WIC EBT card shall use the Consortium member's Bank Identification Number/Issuer Identification Number (BIN/IIN). The PANs for new cards shall not duplicate any Contractor's card numbers already in use. The following layout shall be used for the PAN: Position 1-6 BIN/IIN; Position 7-9 Discretionary; Position 10-15 Cardholder ID; and Position 16 Check Digit.

c. Provision of Cards (RFP, 16.1.5)

The Contractor shall distribute/deliver WIC EBT cards to Consortium members or designated local agencies/clinics for over-the-counter card

issuance. The Contractor shall maintain the following card distribution and inventory controls:

Cards shall be shipped with logical numbering and inventory lists;

Cards shall be packed in sealed sleeves, not to exceed 400 cards per sleeve;

Cards shall be packed in numeric sequence from lowest to highest; and

Card sleeves shall be shipped in cartons, not to exceed six (6) sleeves per carton.

The Consortium members shall retain ownership of all Consortium members' WIC EBT cards produced and not issued at the end of the contract term.

d. Card Inventory Tool (RFP, 16.1.6)

The Card Inventory Tool requirements are Not Applicable.

e. Provision of Card Sleeves (Optional) (RFP, 16.1.7)

The Contractor may be required to provide WIC EBT card sleeves to Consortium members. There are two (2) options under consideration

The first (1st) option is a card sleeve produced from a rugged material, such as Tyvek or Mylar, to endure normal wear and tear in the use of the EBT card.

As a second option, the Contractor shall produce/provide a card holder with fold-outs that allow for entry of WIC clinic appointments and may be printed with high-level information concerning eligible WIC food items.

2. Clinic PIN Selection Terminals (RFP, 16.2)

a. Provision of Terminals (RFP, 16.2.1)

During the initial implementation, the Contractor shall ship PIN selection terminals to the Consortium member Guam for Consortium member installation. Subsequent to implementation, the Contractor shall maintain PIN selection terminals. Within two (2) business days of a report of a malfunction, the Contractor shall ship a replacement terminal via Federal Express, UPS, or DHL.

Arizona WIC will purchase the PIN selection terminals for Guam during implementation. Guam WIC will purchase any additional PIN selection terminal required post implementation, according to the cost outlined in Attachment A - Cost Sheet for Guam.

Expedited shipping will not be required.

The shipping package shall include the labels/materials required for the Consortium member or local agency/clinic to ship the malfunctioning terminal back to the Contractor.

It is anticipated that Guam will have spares available for replacement in clinics.

The PIN selection device shall have the software capabilities to interface with HANDS for card issuance and PIN selection.

Technical Standards. The PIN selection devices shall conform to the following standards:

The PIN selection device shall accept and securely encrypted 4 digit PINs;

The PIN selection device shall not display the PIN in text, print, or electronically record or write out the PIN; and

The PIN shall be encrypted using a cryptographic technique that meets or exceeds the cryptographic strength of 3DES using double keys.

b. **Technical Standards.**

The PIN selection devices shall conform to the following standards:

PIN security and management shall conform to ISO 9564 and the PCI PTS;

The PIN selection device shall accept and securely encrypted 4 PINs;

The PIN selection device shall not display the PIN in text, print, or electronically record or write out the PIN; and

The PIN shall be encrypted using a cryptographic technique that meets or exceeds the cryptographic strength of 3DES using double keys, or using PCI point to point encryption (PCI P2PE).

3. **Stand-beside POS Solutions (RFP, 16.3)**

The Contractor shall lease stand-beside Point of Sale (POS) terminals to the HANDS Consortium's authorized WIC vendors during implementation and post-implementation. The stand-beside POS terminal shall include the following components:

- VeriFone VX 520 POS Terminal
- VeriFone PIN Pad Vx805, and
- Honeywell Adaptus 3800g Barcode Scanner

4. **Stand-beside Terminals Deployment Scenarios**

The Contractor shall provide the following products and services for the HANDS

Consortium for each scenario as described below:

a. Implementation Stand-Beside Terminals

1) WIC Agency Requests POS Terminals Deployed During Implementation

The Contractor shall configure and deploy no more than twenty eight (28) stand-beside POS terminals during implementation. The Contractor shall deliver the stand-beside POS terminal to WIC vendors and provide onsite installation, testing and training. Transaction fees are not applicable and the Contractor shall not invoice the WIC Agency for transaction fees.

2) WIC Agency Requests POS Terminals Deployed Post Implementation

The Contractor shall configure and ship the stand-beside POS terminal to WIC vendors using FedEx International. The Contractor shall provide installation and training remotely by telephone. Transaction fees are applicable.

3) Additional POS Terminals Requested by WIC Vendors During Implementation

The Contractor shall configure and deploy all stand-beside POS terminals during implementation. Contractor shall deliver the stand-beside POS terminal to WIC vendors and provide onsite installation and training. Transaction fees are applicable.

4) Additional POS Terminals Requested by WIC Vendors Post Implementation

The Contractor shall configure and ship the stand-beside POS terminal to WIC vendors with FedEx International. The Contractor shall provide installation and training remotely by telephone. Transaction fees are applicable. WIC Vendors will be responsible for all costs for additional POS terminals requested post implementation.

b. Replacement Stand-Beside Terminals

For the duration of the lease, the Contractor shall provide maintenance and customer service support for the stand-beside terminals accessible through a toll free phone number.

The Contractor shall provide Guam with 5 replacement stand-beside POS terminals, which will be stored on-site at each WIC State Agency. The Contractor shall provide training and support documentation to WIC Agency staff for configuring replacement equipment. The Contractor shall provide customer service support to WIC Agency staff for configuring replacement equipment, as necessary. When a stand-beside POS terminal requires replacement, the WIC State Agency shall use replacement components from the extra stock available on-site. The WIC

State Agency will send back the defective stand-aside POS terminal to the Contractor. The Contractor shall send an additional replacement stand-aside POS terminal to the WIC State Agency within two business days of request.

5. State Agency Provided (RFP, 16.3.2)

The Contractor shall provide a stand-aside POS solution to WIC vendors upon vendor request and approval by DPHSS/WIC. The solution shall abide by the following guidelines:

- The solution shall have a PIN pad consistent with current industry standards for hardware encryption as defined in ISO 9564 standard;
- The solution shall be able to manage a minimum of three (3) WIC State Agencies including APLs and BIN numbers;
- The solution shall be able to utilize the APL and other Consortium member specifications that may apply;
- The solution shall download the APL automatically every twenty-four (24) hours and have the ability to download the APL on demand;
- The solution shall support a training mode;
- The solution shall support either or both high speed and dial connections;
- The solution shall support the full WIC EBT transaction set with the exception of store and forward;
- The solution shall have a price memory function that can be utilized at the option of the WIC vendor;
- The solution shall support the entry of multiple discounts on a single transaction;
- The solution shall allow fresh fruits and vegetable PLUs to be mapped to a single generic code;
- The solution shall provide support for split tender;
- The solution shall have the capability to process a maximum of fifty (50) WIC items (unique UPCs) in a single purchase;
- The solution shall fully validate the purchase transaction locally before transmitting it to the WIC EBT system;
- The solution shall reverse the transaction if no response is received prior to sending the next transaction;
- The solution shall provide WIC EBT receipts (customer and store) that meet FNS receipt requirements;

- The solution shall provide lane, clerk, and store totals reporting;
- The solution shall support reconciliation with the WIC EBT system;
- The solution shall include the necessary peripherals and software to read UPCs and PLUs; and
- The stand-beside solution shall be tested and certified for WIC EBT for use by vendors prior to installation at WIC vendor locations.

6. Terminal Supplies (RFP, 16.3.4)

Aside from the initial supplies (receipt paper) provided with the POS terminal, the Contractor shall not be required to provide supplies such as receipt paper to WIC vendors.

7. Terminals Acquired by WIC Vendors (RFP, 16.3.5)

The Contractor shall make available for lease to authorized WIC vendors, stand-beside POS solutions at the same cost submitted in Attachment A – Cost Sheet for Guam plus shipping. Shipping shall be a pass-through cost to the WIC vendor.

2. Contract Close-out Requirement (RFP, 17)

1. Contract Closeout Expectations (RFP, 17.1)

During the Term of the Contract, the Contractor shall work with the HANDS Consortium and any other organization designated by the HANDS Consortium in a professional manner to facilitate an orderly, smooth, and timely transition of services at the end of DPHSS/WIC's contract term, the following services shall be provided:

The Contractor shall coordinate with the next/new Implementation and Processing Services Contractor on migration of customer service functions on the night of database conversion;

The Contractor shall provide the HANDS Consortium the right to serve as a mediator between the current and new Implementation and Processing Services Contractors, Subcontractors, WIC vendors and TPPs. The HANDS Consortium shall have the right of final decision in disagreements between the current Contractor and the new WIC EBT Implementation and Processing Services Contractor;

The Contractor shall allow for fallback to its WIC EBT system in case of database conversion failure or other failures when converting to the new system;

The Contractor shall perform any and all necessary database cleanup, to be completed six (6) months prior to the end of the Contract Term and once cleanup

is complete shall ensure data is maintained in a manner that shall support transition to the new WIC EBT Implementation and Processing Services Contractor;

The Contractor shall perform a final reconciliation of the WIC EBT system within one (1) month following the transition to the new WIC EBT Implementation and Processing Services Contractor. The Contractor shall inform the Consortium member of any errors, discrepancies and outstanding disputes; and

The Contractor shall allow for the Consortium members to purchase of any leased hardware, if the Consortium member so chooses, at depreciated cost. The Contractor and HANDS Consortium shall agree upon a cost depreciation model.

2. Data Transfer (RFP, 17.2)

Database conversion shall occur statewide at a time and date agreed upon between DPHSS/WIC, FNS, and the current and future WIC EBT Implementation and Processing Services Contractors. The Contractor shall cooperate in at least three (3) practice run tests of database conversion, however additional tests may be required if issues are discovered upon completion of the practice runs.

The Contractor shall be prepared to transfer up to five (5) years of data to the succeeding/new WIC EBT Implementation and Processing Services Contractor at the end of Contractor's Contract with DPHSS/WIC member.

At a minimum, the transferred data shall include the complete history of: DPHSS/WIC/clinic Profiles; WIC Vendor Profiles; Authorized User Profiles; EBA Data; Card Data; PIN Data; Transaction Data; File Transfer Data; Category/Subcategory Data; UPC/PLU Data; NTE Data; APL Data; ARF Data; and Settlement Data.

J. Additional Activities (RFP, 17.3)

Additional closeout activities include, but may not be limited to the following:

The cardholder ARU toll-free number shall be transferred to the Consortium member or designated recipient.

The Consortium members shall retain ownership of any and all the Consortium member EBT cards produced and not issued at the end of the contract term, including cards produced and not yet shipped by the Contractor.

The Consortium member's BIN/IIN shall be made available for use by the new WIC EBT Implementation and Processing Services Contractor at the end of the

Contract Term.

The Contractor shall provide the HANDS Consortium an electronic record on a portable token (e.g., external hard drive, CD, flash drive) of all system-related documents prepared for the HANDS Consortium and held in the document library.

AA. General Requirements (RFP, 18.2)
Not Applicable

AB. Requirements (RFP, 19)

The Contractor shall:

Or its designated financial institution shall have an originating and receiving membership in the national ACH network to support the settlement function. In order to promote the acceptance of EBT transactions, the Contractor shall be required to provide evidence of its own or its designated financial institution's ability to fulfill the settlement obligations specified in this Contract and shall comply with applicable USDA FNS Operating Rules for WIC EBT dated September 2014 or the most recent version, concerning an issuer's ability to meet its settlement obligations. Evidence may be in the form of financial statements, bonds, guarantees or other assurances.

Provide a current and complete Certificate of Insurance (COI) as specified in the Special Terms and Conditions within five (5) days or sooner of Contract award. A Purchase Order shall not be issued without a current and valid COI that meets the requirements of the Contract. Insurance shall be maintained throughout the Term of the Contract.

Ensure the Project Manager is certified as a Project Management Professional (PMP) or a Project Manager that has attended Project Management training about the standards and practices of project management as defined by the Project Management Institute (PMI).

Ensure the Project Manager has at least five (5) years of project management experience, and at least three years of WIC EBT implementation experience

SECTION IV. CONTRACTOR'S RESPONSIBILITIES

The Contractor agrees to provide professional services and deliverables as set out in this contract (RFP No. ADHS15-00004632) and in full compliance with the United States Department of Agriculture's 7 CFR Part 246, and all other applicable federal, Arizona and Guam law and regulations. The Contractor shall be responsible for the professional and technical accuracy of all professional services furnished under this contract. The Contractor shall, without additional cost to DPHSS/WIC, correct or revise all errors or deficiencies in its professional services.

DPHSS/WIC's review, approval, acceptance of, and payment of fees for services required under this contract, shall not be construed to operate as a waiver of any rights under this contract or of any cause of action arising out of the Contractor's failure to the performance of this contract and

the Contractor shall be and remain liable to DPHSS/WIC for all costs of any kind which may be incurred by DPHSS/WIC as a result of Contractor's negligent performance of any of the services performed under this contract.

The Contractor agrees to maintain its Project Management, Organization and Staffing and those of any of its Subcontractors as agreed in Contractor's Proposal.

The Contractor agrees to maintain service levels in keeping with Performance Requirements throughout the contract in keeping with Arizona HANDS Consortium Performance Standards.

The Contractor agrees to provide Project Deliverables and Documentation in keeping with the RFP ADHS15-00004632 Sections 12 and 13 and the Table of Deliverables labeled "Exhibit 2" and attached to this Agreement. Exhibit 2 is a working document, and may be periodically updated as agreed upon between DPHSS/WIC and the Contractor without formal contract Amendment. On an annual basis as part Guam's receipt of Federal Compact Impact Funds, the Contractor additionally agrees as an Operation Deliverable to provide DPHSS/WIC with a written report in keeping with DPHSS/WIC's reporting requirements as is set forth in more detail in "Exhibit 3".

Contractor Liabilities.

The Contractor shall have financial liability for Contractor or system processing errors and omissions including errors resulting from fraud and abuse on the part of the Contractor, its agents or employees. Federal and State funds may not be drawn down or requested for over-issuances or transactions in excess of the authorized recipients' benefit allotment. The Contractor shall be responsible for the following:

Contractor Errors in the Disbursement or Authorization of Funds. The Contractor shall be liable for Contractor errors in the authorization or disbursement into a client account of funds related to state-administered programs as described in OMB Circular A-87, 45 CFR 200, 45 CFR 74, and 7 CFR 276. Guam is responsible for losses resulting from its providing erroneous information to the Contractor.

Contractor Errors in Transaction Processing and Settlement. The Contractor shall bear all liability for any losses resulting from errors or omissions by Contractor its representatives or subcontractors including fraud and abuse on the part of the Contractor or in the performance of transaction processing and settlement. These liabilities shall include, but are not limited to:

Any duplicate or erroneous postings to a client account.

Any losses from funds drawn from an account after the client notified the Contractor that the card had been lost or stolen provided that Contractor has received the information necessary to enable it to disable a lost/stolen card.

Any losses from transactions performed with cards issued but not activated by the client and/or the Contractor.

Any damages or losses suffered by a Federal or State agency due to negligence on the part of the Contractor in the performance of its obligations related to transaction processing and settlement.

Any loss of benefits caused by fraud or abuse by the Contractor or its representatives or subcontractors.

SECTION V. DPHSS/WIC'S RESPONSIBILITIES

DPHSS/WIC shall be responsible for overseeing the Contractor's performance of professional services in keeping with USDA FNA WIC Federal program requirements.

DPHSS/WIC will provide sufficient data to the Contractor to enable the Contractor to fulfill each of the activities specified in this Agreement.

DPHSS/WIC, upon review and acceptance of invoices from the Contractor in keeping with the RFP, will pay the Contractor pursuant to the terms of this Agreement and Attachment A - Cost Sheet for Guam of this Agreement.

SECTION VI. TERM OF CONTRACT

This Agreement shall take effect upon the date it is signed by the Governor of Guam (the Effective Date). The term of this Agreement is from the Effective Date through February 28, 2021. This Agreement is subject to the appropriation, availability and allocation of funds. DPHSS/WIC shall notify the Contractor on a timely basis in writing that funds are, or are not, available for the continuation of the contract for each succeeding Fiscal Year period. In the event of cancellation of this Agreement as provided above Contractor will be reimbursed its unamortized, reasonably incurred, nonrecurring costs.

SECTION VII. COMPENSATION - INVOICE

DPHSS/WIC agrees to pay the Contractor for the services performed in keeping with this Agreement and Attachment A - Cost Sheet for Guam. Aggregate Pricing/Cost based on Cost Per Case Month (CPCM) - Monthly and a Flat Fee Differential (Guam) and other agreed cost/pricing are as set out in more detail in Attachment A.

DPHSS/WIC has identified anticipated funds through February 28, 2021 in Exhibit 1; however (1) USDA FNS WIC Federal Funds are subject to Federal Fiscal Year Appropriations and federal grant award terms and conditions and (2) the government of Guam funds are subject to the Guam Legislature's Fiscal Year Appropriation Act; and therefore only the Fiscal Year through September 30, 2018 are agreed to by the parties as part of this Agreement. The total payment under this contract, based on anticipated case load, and flat rate differential shall not exceed the amount of

One Hundred Twenty Seven Thousand, Seven Hundred Thirty Seven and Twelve Cents (\$127,737.12) through September 30, 2018 and is subject to appropriation, allocation and availability. Multiple certification of funds may be made within a Fiscal Year.

Financial obligation of DPHSS/WIC to the Contractor is contingent upon funds being appropriated, budgeted and otherwise made available. When funds are not appropriated or otherwise made available to support continuation of performance in a subsequent fiscal period, the contract shall be cancelled and the Contractor shall be reimbursed for the reasonable value of any non-recurring costs incurred but not amortized in the prices of the supplies or services delivered under the contract. DPHSS/WIC's certification of funds to this Agreement shall be made by Amendment, executed by the parties; on annual basis. There may be multiple certifications of funds in any Fiscal Year.

SECTION VIII. ACCESS TO RECORDS

The Contractor, including its subcontractors, if any, shall retain all books, documents, papers, accounting records and other evidence pertaining to costs incurred for a period of no less than five (5) years from the date of final payment. The Contractor shall provide access and the right to examine all records related to this Agreement to DPHSS/WIC, Guam Public Auditor and USDA FNS WIC or their authorized representatives at all reasonable times during the Agreement period and for five (5) years from the date of the final payment.

If any litigation, claim, negotiation, audit, or other action involving the records has been started before the end of the five (5) year period, the records must be kept until all issues are resolved, or until the end of the five (5) year period, whichever is later.

SECTION IX. CHANGES

All change management requirements are located in section W. WIC EBT SERVICES REQUIREMENTS (RFP 15, WIC EBT Service Requirements), subsection 9. Change Management Services (RFP, 15.3).

SECTION X. TERMINATION

Stop Work Order.

Order to Stop Work. The Director of DPHSS may, by written order to the Contractor, at any time, and without notice to any surety, require the Contractor to stop all or any part of the work called for by this contract. This order shall be for a specified period not exceeding ninety (90) days after the order is delivered to the Contractor, unless the parties agree to any further period. Any such order shall be identified specifically as a stop work order issued pursuant to this clause. Upon receipt of such an order, the Contractor shall forthwith comply with its terms and take all reasonable steps to minimize the occurrence of costs allocable to the work covered by the order during the

period of work stoppage. Before the stop work order expires, or within any further period to which the parties shall have agreed, the Director of DPHSS shall either: cancel the stop work order; or terminate the work covered by such order as provided in the "Termination for Default Clause" or the "Termination for Convenience Clause" of this contract.

Cancellation or Expiration of the Order. If a stop work order issued under this clause is cancelled at any time during the period specified in the order, or if the period of the order or any extension thereof expires, the Contractor shall have the right to resume work. An appropriate adjustment shall be made in the delivery schedule or contract price shall be modified in writing accordingly, if: the stop work order results in an increase in the time required for, or in the Contractor's cost properly allocable to, the performance of any part of this contract; and the Contractor asserts a claim for such an adjustment within thirty (30) days after the end of the period of work stoppage; provided that, if the Director of DPHSS decides that the facts justify such action, any such claim asserted may be received and acted upon at any time prior to final payment under this contract.

Termination of Stopped Work. If a stop work order is not cancelled and the work covered by such order is terminated for default or convenience, the reasonable costs resulting from the stop work order shall be allowed by adjustment or otherwise.

Adjustments of Price. Any adjustment in contract price made pursuant to this clause shall be determined in accordance with the Price Adjustment Clause of this contract.

Termination for Defaults.

(a) **Default.** DPHSS/WIC may terminate the contract for cause in the event that the Contractor is in breach or default of any of its material obligations hereunder. If DPHSS/WIC terminates the contract for breach or default, it will first give sixty (60) days prior written notice to Contractor, stating the reasons for cancellation, procedures to correct problems, if any, and the date the contract will be terminated in the event problems have not been corrected within the sixty (60) day timeframe or such other time as agreed to by the parties. In the event that the problems cannot reasonably be corrected within such sixty (60) day period, Contractor shall have a reasonable time in which to effect a correction of such problems provided that the Contractor promptly and diligently proceeds to effect such correction. In the event this contract is terminated as a result of Contractor's unexcused breach, the DPHSS/WIC will only reimburse the Contractor for accepted work or deliverables received up to the date of termination. In the event this contract is terminated for cause, final payment to the Contractor may be withheld at the discretion of the DPHSS/WIC until completion of final audit. Notwithstanding the above, Contractor may be liable to DPHSS/WIC for DPHSS/WIC's damages, if any, arising as a result of the

uncured breach or default. If it is determined that the Contractor was not in default then such termination shall be treated as a termination for convenience as described herein.

(a)(1) Default Immediate Termination. *(DPHSS/WIC Contracts Threat To Health, Safety, Welfare of Persons Receiving Services)* This contract is subject to immediate termination by the DPHSS/WIC in the event that the DPHSS/WIC determines that the health, safety, or welfare of persons receiving services may be in jeopardy. Additionally, the DPHSS/WIC may immediately terminate this contract upon verifying that the Contractor has engaged in or is about to participate in fraudulent or other illegal acts.

(b) Contractor's Duties. Notwithstanding termination of the contract and subject to any directions from the government, the Contractor shall take timely, reasonable, and necessary action to protect and preserve property in possession of Contractor in which DPHSS/WIC has an interest.

(c) Compensation. Payment for completed services delivered and accepted by DPHSS/WIC shall be at the contract price. Payment for the protection and preservation of property, if there is any applicable to this Agreement, shall be in an amount agreed upon by the Contractor and the Director of DPHSS; if the parties fail to agree, the Director of DPHSS shall set an amount subject to the Contractor's rights under Guam laws and regulations. DPHSS/WIC may withhold from the amount due the Contractor, such sums as the Director of DPHSS deems to be necessary to protect DPHSS/WIC against loss because of outstanding liens or claims of former lien holders and to reimburse DPHSS/WIC for the excess costs incurred in procuring similar professional services.

(d) Excuse for Nonperformance or Delayed Performance. Except with respect to defaults of subcontractors, the Contractor shall not be in default by reason of any failure in performance of this contract in accordance with its terms (including any failure by the Contractor to make progress in the prosecution of the work here under which endangers such performance) if the Contractor has notified DPHSS/WIC within fifteen (15) days after the cause of the delay and the failure arises out of causes such as: acts of God; act of the public enemy; acts of and any other governmental entity in its sovereign or contractual capacity; fires; floods; epidemics; quarantine restrictions; strikes or other labor disputes; freight embargoes; or unusually severe weather and telecommunication outages. If the failure to perform is caused by the failure of a subcontractor to perform or to make progress, and if such failure arises out of causes similar to those set forth above, the Contractor shall not be deemed to be in default, unless the professional services to be furnished by the

subcontractor were reasonably obtainable from other sources in sufficient time to permit Contractor to meet the contract requirements. Upon request of Contractor, DPHSS/WIC shall ascertain the facts and extent of such failure, and, if the Director of DPHSS determines that any failure to perform was occasioned by any one or more of the excusable causes, and that, but for the excusable cause, Contractor's progress and performance would have met the terms of the contract, the delivery schedule shall be revised accordingly, subject to the rights of DPHSS/WIC under the clause entitled "Termination for Convenience". As used in this clause the term "subcontractor" means subcontractor at any tier.

(e) **Erroneous Termination for Default** If, after notice of termination of Contractor's right to proceed under the provisions of this clause, it is determined for any reason that Contractor was not in default under the provisions of this clause, or that the delay was excusable under the provisions of this contract, the rights and obligations of the parties shall be the same as the if the notice of termination had been issued under the clause entitled "Termination for Convenience".

(f) **Additional Rights and Remedies.** The rights and remedies provided in this clause are in addition to any other rights and remedies provided by law or under the contract.

Termination for Convenience.

(a) **Termination for Convenience.** DPHSS/WIC shall have the right to terminate this contract by giving the Contractor at least one hundred eighty (180) days prior written notice. If notice is so given, this contract shall terminate on the expiration of the specified time period, and the liability of the parties hereunder for further performance of the terms of this contract shall thereupon cease, but the parties shall not be released from the duty to perform their obligations up to the date of termination.

(b) **Contractor's Obligations.** The Contractor shall incur no further obligations in connection with the terminated work and on the date set in the notice of termination the Contractor will stop work to the extent specified. The Contractor shall also terminate outstanding orders and subcontracts as they relate to the terminated work. The Contractor shall settle the liabilities and claims arising out of the termination of subcontracts and orders connected with the terminated work. DPHSS/WIC may direct Contractor to assign Contractor's right, title, and interest under terminated orders or subcontractors to DPHSS/WIC. The Contractor must still complete the work not terminated by the notice of termination and may incur obligations as are necessary to do so.

(c) Right to Deliverables and Supplies. DPHSS/WIC may require the Contractor to transfer title and deliver to DPHSS/WIC in the manner and to the extent directed by DPHSS/WIC completed professional service deliverables; and such partially completed professional service deliverables that may then exist, including, plans, drawings, information, and contract rights ("deliverables") as the Contractor has specifically developed, produced or specially acquired for the performance of the terminated part of the contract. The Contractor shall, upon direction of DPHSS/WIC, protect and preserve all intellectual property and other property; Contractor may control or be in possession of, in which DPHSS/WIC has an interest in under this contract.

(d) Compensation When There Is A Termination for Convenience. Contractor shall submit a termination claim specifying the amounts due because of the termination for convenience together with cost or pricing data to the extent required by 2 GAR Div. 4 §3118 (Cost or Pricing Data) of the GAR bearing on such claim. If Contractor fails to file a termination claim within one year from the effective date of termination, DPHSS/WIC may pay Contractor, if at all, an amount set in accordance with this contract. DPHSS/WIC and Contractor may agree to a settlement provided Contractor as has filed a termination claim supported by cost or pricing data to the extent required by 2 GAR Div. 4 §3118 (Costs or Pricing Data) to the Guam Procurement Regulations and that the settlement not exceed the total contract price plus settlement costs reduced by payments previously made by DPHSS/WIC, the proceeds of any sales of deliverables, supplies and materials under this contract, and the contract price of the work not terminated.

The termination for convenience claim shall address and the DPHSS/WIC shall consider paying the following costs, but not attorneys' fees:

- the contract price for performance of work, which is accepted by the DPHSS/WIC, up to the effective date of the termination and other reasonable and necessary remaining unpaid costs incurred by the Contractor in the performance of services for which compensation of the Contractor was to occur over the course of the current government of Guam fiscal year.
- reasonable and necessary costs incurred in preparing to perform the terminated portion of the contract.
- reasonable profit on the completed but undelivered work up to the date of termination.

- costs of sending claims arising out of the termination of subcontracts or orders, not to exceed thirty (30) days' pay for each subcontractor.
- reasonable accounting, clerical, and other costs arising out of the termination settlement.

In no event shall reimbursement under this clause exceed the contract amount reduced by amounts previously paid by the DPHSS/WIC to the Contractor. Upon review of the Contractor's claim and determination of any disputes concerning the amount of Contractor's claim and proof thereof, the DPHSS/WIC shall make payment to the Contractor in the amount of the undisputed claim.

Termination for Financial Exigency.

Termination for Financial Exigency. DPHSS/WIC shall have the right to terminate this contract for financial exigency by giving the Contractor at least thirty (30) days prior written notice. For the purposes of this provision, a financial exigency shall be a determination made by the Director of DPHSS based on the Guam legislature failure to fund this contract or in the event the USDA FNA fails to fund DPHSS/WIC for this program. If notice of such termination is so given, this contract shall terminate on the expiration of the time period specified in the notice, and the liability of the parties hereunder for further performance of the terms of this contract shall thereupon cease, but the parties shall not be released from the duty to perform their obligations up to the date of termination. The Contractor may submit a claim in the same manner as is set forth for the termination for convenience claim above.

SECTION XI. MANDATORY GOVERNMENT OF GUAM CLAUSES

Disputes Resolution Clause. Absent complete agreement under this contract, then the disputes resolution clause of this contract shall apply.

(i) DPHSS/WIC and the Contractor agree to attempt resolution of all controversies which arise under, or are by virtue of, this procurement and any resulting contract through mutual agreement. If the controversy is not resolved by mutual agreement, then the Contractor shall request DPHSS/WIC in writing to issue a final decision within sixty days after receipt of the written request. If DPHSS/WIC does not issue a written decision within sixty days after written request for a final decision, or within such longer period as may be agreed

upon by the parties, then the Contractor may proceed as though DPHSS/WIC had issued a decision adverse to the Contractor.

(ii) DPHSS/WIC shall immediately furnish a copy of the decision to the Contractor, by certified mail with a return receipt requested, or by any other method that provides evidence of receipt.

(iii) DPHSS/WIC's decision shall be final and conclusive, unless fraudulent or unless the Contractor appeals the decision.

(iv) This subsection applies to appeals of DPHSS/WIC's decision on a dispute. For money owed by or to DPHSS/WIC under this contract, the Contractor shall appeal the decision in accordance with Guam's Government Claims Act by initially filing a claim with the Office of the Attorney General no later than eighteen (18) months after the decision is rendered by DPHSS/WIC or from the date when a decision should have been rendered. For all other claims by or against DPHSS/WIC arising under this contract, the Guam Office of the Public Auditor has jurisdiction over the appeal from the decision of DPHSS/WIC. Appeals to the Office of the Public Auditor must be made within sixty (60) days of the government's decision or from the date the decision should have been made.

(v) The Contractor shall exhaust all administrative remedies before filing an action in the Superior Court of Guam in accordance with applicable laws.

(vi) The Contractor shall comply with DPHSS/WIC's decision and proceed diligently with performance of the contract pending final resolution by the Superior Court of Guam of any controversy arising under, or by virtue of, the contract, except where Contractor claims a material breach of the contract by DPHSS/WIC. However, if DPHSS/WIC determines in writing that continuation of professional services under the contract is essential to the public's health or safety, then Contractor shall proceed diligently with performance of the contract notwithstanding any claim of material breach by DPHSS/WIC.

Claims Against DPHSS/WIC. The Government Claims Act (5 GCA §6101, et seq.) applies only with respect to claims of money owed by or to DPHSS/WIC under the contract. The Contractor consents to the jurisdiction of and the forum of the courts of Guam with respect to any claims subject to the Guam Claims Act. The Contractor waives any and all rights it may otherwise have to contest the same or to proceed in a different jurisdiction or forum. For a copy of the Guam

Claims Act, please visit the web site of Guam's Compiler of Laws.
<http://www.guamco.org/CompilerofLaws/index.html>.

Physical Liability. If it becomes necessary for the Contractor, either as principal, agent, or employee, to enter upon the premises or property of the government of Guam in order to perform professional services, construct, erect, inspect, make delivery or remove property under the contract, the Contractor agrees to take, use, provide and make all proper, necessary and sufficient precautions, safeguards and protections against the occurrence of any accidents, injuries, or damage to any person or property during the progress of the professional services or work that is part of this contract, and to be responsible for, and to indemnify and save harmless the government of Guam from payment of all sums of money by reason of all or any such accidents, injuries or damages that may occur upon or about such services or work, and fines, penalties and the loss incurred for or by reason of the violation of ordinance, regulations, or the laws of Guam or the Federal government, while the services are being performed or work is in progress.

Liability. Contractor assumes responsibility for its personnel providing services hereunder and will make all deductions for social security and withholding taxes and for contributions to employment compensation funds and shall maintain at Contractor's expense all necessary insurance for its employees including but not limited to worker's compensation and liability insurance for each employee. Contractor is responsible for paying its Business Privilege Tax (BPT) on payments received under the contract. If any work is to be performed on Guam, then Contractor may be subject to Guam Income Taxes as well as all other applicable taxes on Guam transactions. Specific information on Guam taxes may be obtained from the Director of the Department of Revenue and Taxation, Government of Guam, PO Box 23607, GMF Guam 96921.

Non-Resident Tax Withholding. A nonresident person without a valid Guam business license residing outside of Guam, shall be subject to a withholding assessment, the equivalent of the Guam BPT, which shall be the equal to four percent (4%) of the total value of a contract awarded by all government of Guam contracts for professional services as a cost of doing business with the government of Guam. See P.L. 33-166 (effective June 30, 2016) codified at 11 G.C.A. Chapter 71 Section 71114.

Licensing. The Contractor shall maintain all professional certifications and business licenses applicable to its profession, professional development and as to its scope of work/scope of services under this contract.

Ethical Standards. With respect to this contract and any other contract that the Contractor may have, or wish to enter into, with any government of Guam agency, the Contractor represents that it has not knowingly influenced, and promises that it will not knowingly influence, any government employee to breach any of the ethical standards set forth in the Guam Procurement Law and in any of the Guam Procurement Regulations.

Prohibition against Gratuities and Kickbacks. With respect to this contract and any other contract that the Contractor may have or wish to enter into with any government of Guam agency, the Contractor represents that it has not violated, is not violating, and promises that it will not violate the prohibition against gratuities and kickbacks set forth in the Guam Procurement Regulations.

Prohibition against Contingent Fees. The Contractor represents that he has not retained any person or agency upon an agreement or understanding for a percentage, commission, brokerage, or other contingent arrangement, except for retention of bona fide employees or bona fide established commercial selling agencies, to solicit or secure this contract or any other contract with the government of Guam or its agencies.

Restriction on Employment of Sex Offenders. The Contractor warrants that no person in his employment who has been convicted of a sex offense under the provisions of Chapter 25 of Title 9 of the Guam Code Annotated, or convicted of an offense defined in Article 2 of Chapter 28 of Title 9 of the Guam Code Annotated regardless of the jurisdiction in which the conviction was obtained, shall provide services on behalf of Contractor relative to this contract on government of Guam property, with "government of Guam property" for the purposes of this clause in this professional service contract also including: "any place that the Contractor, of its subcontractor have contact with the people of Guam as part of the professional services being rendered". If any person employed by the Contractor and providing professional services under this contract is convicted subsequent to the parties entering into this contract, then Contractor warrants that it will notify DPHSS/WIC of the conviction within twenty-four hours (24) of the conviction, and will immediately remove such convicted person from providing professional services under this contract. If Contractor is found to be in violation of any of the provisions of this paragraph, then DPHSS/WIC shall give notice to Contractor to take corrective action. The Contractor shall take corrective action within twenty-four hours of notice from the government, and the Contractor shall notify the government when action has been taken. If the Contractor fails to take corrective steps within twenty-four hours (24) of notice from DPHSS/WIC, then DPHSS/WIC in its sole discretion may suspend the contract temporarily.

Claims Based on the Director of DPHSS's Actions or Omissions.

Notice of Claim. If any action or omission on the part of the Director of DPHSS, or designee of such officer, requiring performance changes within the scope of the contract constitutes the basis for a claim by the Contractor for additional compensation, damages, or an extension of time for completion, the Contractor shall continue with performance of the contract in compliance with the directions or orders of such officials, but by so doing, the Contractor shall not be deemed to have prejudiced any claim for additional compensation, damages, or an extension of time for completion; provided: (a) the Contractor shall have given written notice to the Director of DPHSS, or designee of such officer: (i) prior to the commencement of the work involved, if at that time Contractor knows of the occurrence of such action or omission; (ii) within thirty (30) days after Contractor knows of the occurrence of such action or omission, if Contractor did not have such knowledge prior to the commencement of the work; or (iii) within such further time as may be allowed by the Director of DPHSS in writing. (b) This notice shall state that Contractor regards the act or omission as a reason which may entitle Contractor to additional compensation, damages, or an extension of time. The Director of DPHSS or designee of such officer, upon receipt of such notice, may rescind such action, remedy such omission, or take such other steps as may be deemed advisable in the discretion of the Director of DPHSS or designee of such officer. The notice required above should describe as clearly as practicable, at the time it is given, the reasons why Contractor believes that additional compensation, damages, or an extension of time may be remedies to which Contractor is entitled; and (c) Contractor maintains and, upon request, makes available to the Director of DPHSS within a reasonable time, detailed records to the extent practicable, of the claimed additional costs or basis for an extension of time in connection with such changes.

Limitations of Clause. Nothing herein contained, however, shall excuse the Contractor from compliance with any rules of law precluding any government of Guam officers and employees and any subcontractor, from acting in collusion or bad faith in issuing or performing change orders which are clearly not within the scope of the contract.

Adjustment of Price. Any adjustment in the contract price made pursuant to this clause shall be determined in accordance with the terms of this contract and the laws and regulations of Guam.

Technology Access for Blind or Visually Impaired. In the event there is a purchase of information technology equipment or software, Contractor acknowledges that no government funds may be

expended for the purchase of information technology equipment and software for use by employees, program participants, or members of the public unless it provides blind or visually impaired individuals with access, including interactive use of equipment and services, that is equivalent to that provided to individuals who are not blind or visually impaired.

Electronic Data Protection Act of 2012. The Contractor acknowledges that any digital copier machine or digital copier machine services must be fully compliant with 5 GCA Chapter 14; and shall include equipment or software that erases storage media.

Nondiscrimination in Employment. Contractor agrees: i) not to discriminate in any manner against an employee or applicant for employment because of race, color, religion, creed, age, sex, marital status, national origin, ancestry, age, or physical or mental handicap unrelated in nature and extent so as reasonably to preclude the performance of such employment; (ii) to include a provision similar to that in Subsection (i) above in any subcontract except a subcontract for standard commercial supplies or raw materials; and (iii) to post and to cause subcontractors to post in conspicuous places available to employees and applicants for employment, notices setting forth the substance of this clause.

Assignments. This Agreement or any sums due to the Contractor may not be assigned without the prior approval of DPHSS/WIC, which approval will not unreasonably be withheld by DPHSS/WIC.

Omissions. In the event that DPHSS/WIC or the Contractor discovers any material omission in the provisions of the contract that is believed to be essential to the successful performance of the contract, each may so inform the other in writing and DPHSS/WIC and Contractor shall, therefore, promptly negotiate in good faith with respect to such matters for the purpose of making such reasonable adjustments as may be necessary to perform the objective of the contract.

Savings. DPHSS/WIC and the Contractor acknowledge the possibility that substantial changes in federal and local laws and regulations applicable to the contract could occur and expressly agree to modify and amend the contract as necessary to comply with such changes.

Governing Law. The validity of this contract and of any of its terms or provisions, as well as the rights and duties of the parties to this contract, shall be governed by the laws of the government of Guam.

Government of Guam not Liable. DPHSS/WIC assumes no liability for any accident or injury that may occur to the Contractor, his or her agents, dependents, or personal property while in route to or from DPHSS/WIC or during any travel mandated by the terms of this contract. DPHSS/WIC shall not be liable to Contractor for any work performed by the Contractor prior to the approval of the contract agreement by the Governor of Guam, and the Contractor hereby expressly waives any and all claims for professional services performed in expectation of the contract prior to its approval by the Governor of Guam.

Independent Contractor Status. The Contractor understands that its relationship with DPHSS/WIC is an as an independent consultant or the Contractor, and not as an employee of the government. No employee benefits such as insurance coverage, participation in the government retirement system, or accumulation of vacation or sick leave shall accrue to the offeror or its individual employees, if any. Except for the Non-Resident Tax Withholding above, no type of tax will be withheld from payments made to the awarded offeror.

Litigation. The Contractor shall within fifteen (15) calendar days after it receives service of a summons, complaint, or other pleading which has been filed in any federal or local court or administrative agency notify the DPHSS/WIC that it is a party defendant in a case which involves services provided under this contract. The Contractor shall deliver copies of such document(s) to the Attorney General of Guam. The term "litigation" includes an assignment for the benefit of creditors, and filings in bankruptcy, reorganization and/or foreclosure.

SECTION XII. INSURANCE – LIMITATION OF LIABILITY

Insurance. The Contractor shall procure and maintain in effect Workers Compensation, Insurance, Automobile Insurance and all insurance coverage required in Arizona HANDS RFP ADHS 15-00004632 (Commercial General Liability, Technology Errors and Omissions, Network Security (Cyber) and Privacy) for the professional services set forth in this Agreement. The Contractor shall provide certificates of such insurance to DPHSS/WIC when required and shall immediately report in writing to the Director of DPHSS/WIC any insurance claims filed.

(i) **Workers Compensation Insurance.** Workers' Compensation Insurance that covers all employees of Contractor working in any capacity in the Contractor's services under this contract, in the amount as required by Guam law.

(ii) **Automobile Insurance.** Contractor shall be responsible to provide automobile insurance for employees with comprehensive form and include coverage for owned vehicles.

(iii) **Arizona HANDS RFP ADHS 15-00004632 Insurance Requirements (See Contractor's Attachment B to this Agreement):**

Contractor and subcontractors shall procure and maintain until all of their obligations have been discharged, including any warranty periods under this Contract, are satisfied, insurance against claims for injury to persons or damage to property which may arise from or in connection with the performance of the work hereunder by Contractor, its agents, representatives, employees or subcontractors.

The insurance requirements set forth herein are minimum requirements for this Contract and in no way limit the indemnity covenants contained in this Contract. DPHSS/WIC, and the government of Guam in no way warrant that the minimum limits contained herein are sufficient to protect Contractor from liabilities that might arise out of the performance of the work under this contract by Contractor, its agents, representatives, employees or subcontractors, and Contractor is free to purchase additional insurance.

- 1.) **MINIMUM SCOPE AND LIMITS OF INSURANCE:** Contractor shall provide coverage with limits of liability not less than those stated below.
 - 1.1.1 **Commercial General Liability Occurrence Form**
 - 1.1.1.1 Policy shall include bodily injury, property damage, personal and advertising injury and broad form contractual liability coverage.
 - 1.1.1.1.1 General Aggregate \$2,000,000
 - 1.1.1.1.2 Products - Completed Operations Aggregate \$1,000,000
 - 1.1.1.1.3 Personal and Advertising Injury \$1,000,000
 - 1.1.1.1.4 Damage to Rented Premises \$ 50,000
 - 1.1.1.1.5 Each Occurrence \$1,000,000
 - 1.1.2 **Technology Errors and Omissions Insurance**
 - 1.1.2.1 Each Claim \$1,000,000
 - 1.1.2.2 Annual Aggregate \$2,000,000
 - 1.1.2.3 Coverage to include:
 - 1.1.2.3.1 Systems analysis;
 - 1.1.2.3.2 Software design;
 - 1.1.2.3.3 Systems programming;
 - 1.1.2.3.4 Data processing;
 - 1.1.2.3.5 Systems integration;
 - 1.1.2.3.6 Outsourcing including outsourcing development and design;
 - 1.1.2.3.7 Systems design, consulting, development and modification;
 - 1.1.2.3.8 Training services relating to computer software or hardware;
 - 1.1.2.3.9 Management, repair and maintenance of computer products, networks and systems;
 - 1.1.2.3.10 Marketing, selling, servicing, distributing, installing and maintaining computer hardware or software; and
 - 1.1.2.3.11 Data entry, modification, verification, maintenance, storage, retrieval or preparation of data output.

- 1.1.2.4 In the event that the professional liability insurance required by this Contract is written on a claims-made basis, Contractor warrants that any retroactive date under the policy shall precede the effective date of this Contract; and that either continuous coverage will be maintained or an extended discovery period will be exercised for a period of two (2) years beginning at the time work under this Contract is completed.
- 1.1.2.5 The policy shall cover professional misconduct or lack of ordinary skill for those positions defined this Contract.
- 1.1.2.6 Shall include or be endorsed (Blanket Endorsements are not acceptable) to include, the following provisions:
 - 1.1.2.6.1 Contractor's policies shall stipulate that the insurance afforded Contractor shall be primary insurance and that any insurance carried by DPHSS/WIC and the government of Guam, their agents, officials, employees shall be excess and not contributory insurance.
 - 1.1.2.6.2 Coverage provided by Contractor shall not be limited to the liability assumed under the indemnification provisions of this Contract.

Added to Attachment (B)

(iv) Network Security (Cyber) and Privacy Liability. Contractor shall be responsible to provide network security (cyber) and privacy liability insurance:

Each Claim \$2,000,000

Annual Aggregate \$2,000,000

Such insurance shall include, but not be limited to, coverage for third party claims and losses with respect to network risks (such as data breaches, unauthorized access or use, ID theft, theft of data) and Invasion of privacy regardless of the type of media involved in the loss of private information, crisis management and identity theft response costs. This should also include breach notification costs, credit remediation and credit monitoring, defense and claims expenses, regulatory defense costs plus fines and penalties, cyber extortion, computer program and electronic data restoration expenses coverage (data asset protection), network business interruption, computer fraud coverage, and funds transfer loss.

In the event that the Network Security and Privacy Liability Insurance required by this Contract is written on a claims-made basis, Contractor warrants that; any retroactive date under the policy shall precede the effective date of this Contract and, either continuous coverage will be maintained, or an extended discovery period will be exercised for a period of two (2) years beginning at the time work under this Contract is completed.

(v) The insurance requirements set out above apply to all of the Contractor's subcontractors. The Contractor agrees to ensure that its subcontractors meet these insurance requirements. DPHSS/WIC has the right to review any of the Contractor's subcontractors insurance certificates.

Limitation of Liability.

Limitation of Liability. Contractor's liability for damages to DPHSS/WIC for any cause whatsoever is limited to Two Million Dollars (\$2,000,000.00) except for liability arising out of or related to: claims for personal injury, including death, or damage to real property or tangible or intangible personal property arising from the negligence, reckless conduct or intentional acts of Contractor, its Officers, Employees or Agents. **CONTRACTOR WILL NOT BE LIABLE FOR CONSEQUENTIAL, INCIDENTAL, INDIRECT, OR SPECIAL DAMAGES, EXCEPT FOR LIABILITY TO THIRD PERSONS ARISING OUT OF OR RELATED TO CLAIMS FOR PERSONAL INJURY, INCLUDING DEATH, OR DAMAGE TO REAL PROPERTY OR TANGIBLE OR INTANGIBLE PERSONAL PROPERTY ARISING FROM NEGLIGENCE, RECKLESS CONDUCT OR INTENTIONAL ACTS OF CONTRACTOR, ITS OFFICERS, EMPLOYEES, OR AGENTS.**

For avoidance of doubt, the limitation of liability outlined above does not alter or limit the insurance coverage required in this Agreement.

SECTION XIII. MISCELLANEOUS

Sovereign Immunity. The Territory of Guam was established by act of the U.S. Congress and is a sovereign entity. Guam's sovereign immunity is only waived to the extent it is expressly waived by Guam's Legislature. See 48 U.S.C. §1421(a). Guam waives its sovereign immunity in 5 GCA Chapter 6 Government Claims Act, and in 5 GCA Chapter 5 § 5480. The government of Guam and DPHSS/WIC, a line agency of the government of Guam, do not waive sovereign immunity by entering into this Agreement and specifically retain all immunities and defenses available to them as sovereigns. Designations of venue, choice of law, enforcement action, and similar provisions should not be construed as a waiver of sovereign immunity. The parties agree that any ambiguity in this Agreement will not be strictly construed, either against or for either party, except that any ambiguity as to sovereign immunity will be construed in favor of sovereign immunity.

Scope of Agreement. This Agreement supersedes any and all other agreements, either oral or in writing, between the parties hereto with respect to the retainment of the Contractor by DPHSS/WIC, and contains all of the covenants and agreements between the parties with respect to such retainment in any manner, whatsoever. Each party to this Agreement acknowledges that no representation, inducements, promises or agreements, orally or otherwise, have been made by any party, or anyone acting on behalf of any parties, which are not embodied herein, and that no other agreement, statement, or promise not contained in this Agreement shall be valid or binding.

Any modification of this Agreement will be effective only if it is in writing signed by the party to be charged. For the purposes of this paragraph and the entire Agreement the signature of the Governor is the only signature that will bind DPHSS/WIC.

Integration. The contract shall supersede any and all other prior agreements, either oral or in writing, between the parties with respect to the retainer of the Contractor, and contains all the covenants and agreements between such parties with respect to the retainer in any manner whatsoever. Each party to the contract shall acknowledge that no agreements otherwise have been made by any party, or anyone acting on behalf of any party, which are not embodied within the contract, and that no other agreement, statement, or promise not contained in the contract will be valid or binding.

General Compliance with Laws. The Contractor shall comply with all federal and local laws and regulations applicable to the professional services performed.

Survival. All warranties, intellectual property rights, confidentiality obligations and indemnification clauses shall be deemed to have been relied upon the other party, and shall survive completion of this contract and shall not merge in the performance of any party hereto.

Severable Provisions. If any provision of the contract shall be deemed by a court of competent jurisdiction to be invalid, then such provision shall be deemed stricken from the contract and the contract shall be enforced according to its valid and subsisting terms and provisions.

Waiver. No waiver by any party on any occasion shall be construed as a bar or waiver of any right or remedy on any future occasion.

Representatives. DPHSS/WIC's representative for administration of this Agreement is: Charles H. Morris, MPH, RD, LD Administrator, Bureau of Nutrition Services Department of Public Health and Social Services, Guam DPHSS/WIC Program Building 15-6100, Mariner Avenue Barrigada, Guam, 96913-1601. The representative for the Contractor for administration of this Agreement is: Kelly Pralle, CFO, Custom Data Processing, Inc. 1408, South Joliet Road, Romeoville, Illinois 60446. In the event that different representatives are designated by either party after execution of this Agreement, notice of the name and address of the new representative will be given in writing to the other party.

Nondiscrimination. The Contractor during the performance of this contract shall not discriminate against any person on the basis of race, color, national origin, age, sex, religion and handicap, including Acquired Immune Deficiency Syndrome (AIDS) or AIDS related conditions. The Contractor during the performance of this contract shall not exclude from participation in, or deny

benefits to any qualified individual with a disability, by reason of such disability. Any person who thinks he/she has been discriminated against as related to the performance of this contract has the right to assert a claim in a court of competent jurisdiction.

Federal Funds. The Contractor acknowledges that the Uniform Administrative Requirements, Cost Principles, and Audit Requirements in 2 C.F.R. Part 200, as adopted and supplemented by the United States Department of Agriculture (USDA) 2 C.F.R. Part 200, Subtitle B Chapter IV, apply to this contract in addition to any requirements set forth by USDA FNS with regard to its award of funding to DPHSS/WIC. DPHSS/WIC is a "state" within the meaning of 2 C.F.R. §200.317 and follows the policies and procedures it uses for procurements from its non-Federal funds, and in compliance with §200.317 utilizes the attached appendices in its vendor contracts, which individually signed, dated and certified by its vendors, and incorporated herein as if fully rewritten. DPHSS/WIC vendors were applicable also therein agree to flow through where applicable the provisions to their subcontractors.

Appendix II to Part 200—Contract Provisions for Non-Federal Entity Contracts Under Federal Awards

In addition to other provisions required by the Federal agency or non-Federal entity, all contracts made by the non-Federal entity under the Federal award must contain provisions covering the following, as applicable.

(A) Contracts for more than the simplified acquisition threshold currently set at \$150,000, which is the inflation adjusted amount determined by the Civilian Agency Acquisition Council and the Defense Acquisition Regulations Council (Councils) as authorized by 41 U.S.C. 1908, must address administrative, contractual, or legal remedies in instances where contractors violate or breach contract terms, and provide for such sanctions and penalties as appropriate.

(B) All contracts in excess of \$10,000 must address termination for cause and for convenience by the non-Federal entity including the manner by which it will be effected and the basis for settlement.

(C) **Equal Employment Opportunity.** Except as otherwise provided under 41 CFR Part 60, all contracts that meet the definition of "federally assisted construction contract" in 41 CFR Part 60-1.3 must include the equal opportunity clause provided under 41 CFR 60-1.4(b). In accordance with Executive Order 11246, "Equal Employment Opportunity" (30 FR 12319, 12935, 3 CFR Part, 1964-1965 Comp., p. 339), as amended by Executive Order 11375, "Amending Executive Order 11246 Relating to Equal Employment Opportunity," and implementing regulations at 41 CFR part 60, "Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor."

(D) **Davis-Bacon Act,** as amended (40 U.S.C. 3141-3148). When required by Federal program legislation, all prime construction contracts in excess of \$2,000 awarded by non-Federal entities

must include a provision for compliance with the Davis-Bacon Act (40 U.S.C. 3141-3144, and 3146-3148) as supplemented by Department of Labor regulations (29 CFR Part 5, "Labor Standards Provisions Applicable to Contracts Covering Federally Financed and Assisted Construction"). In accordance with the statute, contractors must be required to pay wages to laborers and mechanics at a rate not less than the prevailing wages specified in a wage determination made by the Secretary of Labor. In addition, contractors must be required to pay wages not less than once a week. The non-Federal entity must place a copy of the current prevailing wage determination issued by the Department of Labor in each solicitation. The decision to award a contract or subcontract must be conditioned upon the acceptance of the wage determination. The non-Federal entity must report all suspected or reported violations to the Federal awarding agency. The contracts must also include a provision for compliance with the Copeland "Anti-Kickback" Act (40 U.S.C. 3145), as supplemented by Department of Labor regulations (29 CFR Part 3, "Contractors and Subcontractors on Public Building or Public Work Financed in Whole or in Part by Loans or Grants from the United States"). The Act provides that each contractor or subrecipient must be prohibited from inducing, by any means, any person employed in the construction, completion, or repair of public work, to give up any part of the compensation to which he or she is otherwise entitled. The non-Federal entity must report all suspected or reported violations to the Federal awarding agency.

(E) Contract Work Hours and Safety Standards Act (40 U.S.C. 3701-3708). Where applicable, all contracts awarded by the non-Federal entity in excess of \$100,000 that involve the employment of mechanics or laborers must include a provision for compliance with 40 U.S.C. 3702 and 3704, as supplemented by Department of Labor regulations (29 CFR Part 5). Under 40 U.S.C. 3702 of the Act, each contractor must be required to compute the wages of every mechanic and laborer on the basis of a standard work week of 40 hours. Work in excess of the standard work week is permissible provided that the worker is compensated at a rate of not less than one and a half times the basic rate of pay for all hours worked in excess of 40 hours in the work week. The requirements of 40 U.S.C. 3704 are applicable to construction work and provide that no laborer or mechanic must be required to work in surroundings or under working conditions which are unsanitary, hazardous or dangerous. These requirements do not apply to the purchases of supplies or materials or articles ordinarily available on the open market, or contracts for transportation or transmission of intelligence.

(F) Rights to Inventions Made Under a Contract or Agreement. If the Federal award meets the definition of "funding agreement" under 37 CFR §401.2 (a) and the recipient or subrecipient wishes to enter into a contract with a small business firm or nonprofit organization regarding the substitution of parties, assignment or performance of experimental, developmental, or research work under that "funding agreement," the recipient or subrecipient must comply with the requirements of 37 CFR Part 401, "Rights to Inventions Made by Nonprofit Organizations and

Small Business Firms Under Government Grants, Contracts and Cooperative Agreements," and any implementing regulations issued by the awarding agency.

(G) Clean Air Act (42 U.S.C. 7401-7671q.) and the Federal Water Pollution Control Act (33 U.S.C. 1251-1387), as amended—Contracts and subgrants of amounts in excess of \$150,000 must contain a provision that requires the non-Federal award to agree to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act (42 U.S.C. 7401-7671q.) and the Federal Water Pollution Control Act as amended (33 U.S.C. 1251-1387). Violations must be reported to the Federal awarding agency and the Regional Office of the Environmental Protection Agency (EPA).

(H) Debarment and Suspension (Executive Orders 12549 and 12689)—A contract award (see 2 CFR 180.220) must not be made to parties listed on the government wide exclusions in the System for Award Management (SAM), in accordance with the OMB guidelines at 2 CFR 180 that Implement Executive Orders 12549 (3 CFR part 1986 Comp., p. 189) and 12689 (3 CFR part 1989 Comp., p. 235), "Debarment and Suspension." SAM Exclusions contains the names of parties debarred, suspended, or otherwise excluded by agencies, as well as parties declared ineligible under statutory or regulatory authority other than Executive Order 12549.

(I) Byrd Anti-Lobbying Amendment (31 U.S.C. 1352)—Contractors that apply or bid for an award exceeding \$100,000 must file the required certification. Each tier certifies to the tier above that it will not and has not used Federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any Federal contract, grant or any other award covered by 31 U.S.C. 1352. Each tier must also disclose any lobbying with non-Federal funds that takes place in connection with obtaining any Federal award. Such disclosures are forwarded from tier to tier up to the non-Federal award.

(J) Procurement of recovered materials. (See §200.322) A non-Federal entity that is a state agency or agency of a political subdivision of a state and its contractors must comply with section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act. The requirements of Section 6002 include procuring only items designated in guidelines of the Environmental Protection Agency (EPA) at 40 CFR part 247 that contain the highest percentage of recovered materials practicable, consistent with maintaining a satisfactory level of competition, where the purchase price of the item exceeds \$10,000 or the value of the quantity acquired during the preceding fiscal year exceeded \$10,000; procuring solid waste management services in a manner that maximizes energy and resource recovery; and establishing an affirmative procurement program for procurement of recovered materials identified in the EPA guidelines.

IN WITNESS WHEREOF, the parties have entered into this Agreement on the dates indicated by their respective names.

CONTRACTOR:

Kelly Pralda

CUSTOM DATA PROCESSING, INC.

DATE: 2/12/2018

GOVERNMENT OF GUAM:

Frank L.G. Lujan

FRANK L.G. LUJAN
Chief Technology Officer
OFFICE OF TECHNOLOGY

DATE: 2/16/18

Leo G. Casil

LEO G. CASIL
Acting Director
DEPARTMENT OF PUBLIC HEALTH
AND SOCIAL SERVICES

DATE: 2/16/18

Account Number: 5101E101712PA101/230 ✓
Amount: \$44,107.00 (March 14, 2018 through September 30, 2018) ✓
Vendor Number: _____
Document Number: C18-1700-034 ✓
*Partial Funding. Contract to be amended upon receipt of additional funding from USDA/FNS Subject to availability of Federal funding

CERTIFIED FUNDS AVAILABLE:


Tommy C. Taitague

TOMMY C. TAITAGUE
Certifying Officer
Department of Public Health and
Social Services


DATE: FEB 16 2018

APPROVED:

APPROVED AS TO LEGALITY AND
FORM:



LESTER L. CARLSON, JR.
Acting Director
Bureau of Budget and Management
Research

2/26/18
CLEARED PER
BBMR'S REVIEW


ELIZABETH BARRETT-ANDERSON
Attorney General
Office of the Attorney General

DATE: FEB 26 2018

DATE 3/2/18

RECEIVED

FEB 16 2018

Bureau of Budget and
Management Research

APPROVED:


EDDIE BALA CALVO
Governor of Guam

DATE 3/8/18

Intentionally Left Blank

DEPARTMENT OF ADMINISTRATION	
DIVISION OF ACCOUNTS	
Registration Date	02/08/2018
Registration No	0180670410
Vendor No	42018211
Registered By	R. P. [Signature]

Attachment A – Cost Sheet for Guam

Monthly operating costs are calculated by multiplying the Cost Per Case Month (will be based on the tier pricing for the combined active households for all WIC Agencies in the Consortium) by the number of households served (for the particular WIC Agency) for the month, plus the Flat Fee Monthly Differential. The Flat Fee Per Month Differential is a fixed dollar amount that is applied each month for Guam.

Cost Per Case Month (CPCM) – Monthly		
Active Households	Less than 50,000	\$0.85
	50,001 - 75,000	\$0.83
	75,001 - 100,000	\$0.81
	100,001 - 125,000	\$0.79
	125,001 - 150,000	\$0.77
	150,001 and higher	\$0.74
Flat Fee Per Month Differential (Guam)		\$4,550.10
Equipment – Per Request		
Chnk PIN Selection Terminal	1-99	\$145.00
	100-199	\$143.00
	200-299	\$140.00
	300-399	\$138.00
	400-499	\$135.00
	500 and higher	\$130.00
Custom Card Sleeves	Each	\$1.00
Tyvek Card Sleeves (not custom)	Each	\$0.01
Disaster Services	Per disaster event	\$30,000.00
Additional Stand-beside POS Terminal Equipment—Per Request		
Equipment setup and Installation	Per POS terminal	\$155.00
FedEx International Shipping (4-5 days)	Per POS terminal	\$75
Stand-beside POS Terminal Recurring Charges—Monthly		
Monthly Service Fee – Stand-beside POS Lease	Per POS terminal	\$22.00
Stand-beside POS Terminal Transaction Fees—Monthly Per Terminal		
Number of Transactions		
**Monthly Transaction Fee (includes 100 per month)		\$10.00
**Transactions 101-500		\$0.10
**Transactions 501-1,000		\$0.07
**Transactions above 1,001		\$0.05
Optional Services – Per Request		

Training	HR/Per hour	\$105.00
Business Analyst	HR/Per hour	\$130.00
Project Manager	HR/Per hour	\$140.00
Developer	HR/Per hour	\$120.00
Live Customer Service Additional Languages – Per Request		
Live Customer Service Additional Languages: Navajo	Per call	\$2.00
Live Customer Service Additional Languages: Samoan	Per call	\$2.00
Live Customer Service Additional Languages: Vietnamese	Per call	\$2.00
Live Customer Service Additional Languages: Cantonese	Per call	\$2.00
Live Customer Service Additional Languages: Mandarin	Per call	\$2.00
Live Customer Service Additional Languages: Korean	Per call	\$2.00
Live Customer Service Additional Languages: Nepalese	Per call	\$2.00
Live Customer Service Additional Languages: Bangladeshi	Per call	\$2.00
Live Customer Service Additional Languages: Thai	Per call	\$2.00
Live Customer Service Additional Languages: Tagalog	Per call	\$2.00
Live Customer Service Additional Languages: Chuukese	Per call	\$2.00
Live Customer Service Additional Languages: Marshallese	Per call	\$2.00
Live Customer Service Additional Languages: Yapese	Per call	\$2.00
Live Customer Service Additional Languages: Kosraean	Per call	\$2.00

Attachment B – Insurance Coverage

All insurance coverage requirements are located in SECTION XII. INSURANCE – LIMITATION OF LIABILITY

EXHIBIT 1 (Summary)

The Total Aggregate Amount for this agreement is not to exceed the following Anticipated / Estimated amounts:


Year One - FY 2018 (March 26, 2018 through September 30, 2018 (6 months, 6 days) - \$127,737.12.

Year Two - FY 2019 (October 1, 2018 through September 30, 2019) - \$206,108.40.

Year Three - FY 2020 (October 1, 2019 through September 30, 2020) - \$206,108.40.

Year Four - FY 2021 (October 1, 2020 through February 28, 2021) - \$104,516.00.

Total Contract Cost: \$644,469.92



CHARLES H. MORRIS
Administrator
Bureau of Nutrition Services
Department of Public Health and Social Services

2-15-18
Date

EXHIBIT 1

(Estimated Federal Funds to be available Estimated Cost/Price of not to exceed amount of the contract)

EBT CONTRACT BETWEEN DPHSS/WIC AND CDP

COST BREAKDOWN

Contract Term: March 26, 2018 through February 28, 2021

Year One: FY 2018 (March 26, 2018 through September 30, 2018 (6 months, 6 days))				
Cost Per Case Month (CPCM) - Monthly (Based on the tier pricing for the combined active households for all WIC Agencies in the Consortium) by the number of households served (for the particular WIC Agency) (for the month)				
			Monthly Cost	Annual Cost
Active Households	100,001 - 125,000	\$0.79		
- Estimate Active Household for Guam		4,300	\$3,397.00	\$22,420.20
Flat Fee Per Month Differential (Guam)			\$4,550.20	\$30,031.32
		subTotal Annual Cost	\$7,947.20	\$52,451.52
				\$52,451.52
OPTIONAL				
Equipment: (Per Request)				
- Clinic PIN Selection Terminal	\$145.00	x5		\$725.00
- Equipment setup and installation	\$155.00	x5		\$775.00
- FedEx International Shipping (4-5 days)	\$75.00	x5		\$375.00
- Custom Card Sleeves	\$1.00			
- Tyvek Card Sleeves (not custom)	\$0.01	x7500		\$75.00
- Disaster Services	\$30,000.00			\$30,000.00
Stand-by-side POS Terminal Recurring Charges—Monthly				
- Service Fee - Stand-by-side POS Lease	\$22.00	x28	\$616.00	\$4,065.60
Stand-by-side POS Terminal Transaction Fees—Monthly Per Terminal				
- Monthly Transaction Fee (above 1,001 per month)	\$0.05	x35000	\$1,750.00	\$11,550.00
Services - Per Request (HR/Per Hour)				
- Training	\$105.00			
- Business Analyst	\$130.00			
- Project Manager	\$140.00			
- Developer	\$120.00			
Live Customer Service Additional Languages - Per Request/Per Language/Per Call				
- Navajo, Samoan, Vietnamese, Cantonese, Mandarin, Korean, Nepalese, Bangladesh, Thai, Tagalog, Chuukese, Marshallese, Yapese, Korean (7 Add'l Languages, 2100 calls)	\$2.00		\$4,200.00	\$27,720.00
		subTotal Annual Cost	\$6,566.00	\$75,285.60
				\$75,285.60
			Total Annual Cost	\$127,737.12

**EBT CONTRACT BETWEEN DPHSS/WIC AND COP
 COST BREAKDOWN**

Contract Term: March 26, 2018 through February 28, 2021

Year Two: FY 2019 October 1, 2018 through September 30, 2019				
Cost Per Case Month (CPCM) - Monthly				
			Monthly Cost	Annual Cost
Active Households	100,001 - 125,000	\$0.79		
- Estimate Active Household for Guam		4,300	\$3,397.00	\$40,764.00
Flat Fee Per Month Differential (Guam)			\$4,550.20	\$54,602.40
		subTotal Annual Cost	\$7,947.20	\$95,366.40
OPTIONAL				
Equipment: (Per Request)				
- Clinic PIN Selection Terminal	\$145.00	x5		\$725.00
- Equipment setup and installation	\$155.00	x5		\$775.00
- FedEx International Shipping (4-5 days)	\$75.00	x5		\$375.00
- Custom Card Sleeves	\$1.00			
- Tyvek Card Sleeves (not custom)	\$0.01	x7500		\$75.00
- Disaster Services	\$30,000.00			\$30,000.00
Stand-by-side POS Terminal Recurring Charges—Monthly				
- Service Fee - Stand-by-side POS Lease	\$22.00	x28	\$616.00	\$7,392.00
Stand-by-side POS Terminal Transaction Fees—Monthly Per Terminal				
- Monthly Transaction Fee (above 1,001 per month)	\$0.05	x35000	\$1,750.00	\$21,000.00
Services - Per Request (HR/Per Hour)				
- Training	\$105.00			
- Business Analyst	\$130.00			
- Project Manager	\$140.00			
- Developer	\$120.00			
Live Customer Service Additional Languages - Per Request/Per Language/Per Call				
- Navajo, Samoan, Vietnamese, Cantonese, Mandarin, Korean, Nepalese, Bangladeshi, Thai, Tagalog, Chuukese, Marshallese, Yapese, Korean (7 Add'l Languages, 2100 calls)	\$2.00		\$4,200.00	\$50,400.00
		subTotal Annual Cost	\$6,566.00	\$110,742.00
			Total Annual Cost	\$206,108.40

**EBT CONTRACT BETWEEN DPHSS/WIC AND CDP
 COST BREAKDOWN**

Contract Term March 26, 2018 through February 28, 2021

Year Three: FY 2020 October 1, 2019 through September 30, 2020				
Cost Per Case Month (CPCM) - Monthly				
			<u>Monthly Cost</u>	<u>Annual Cost</u>
Active Households	100,001 - 125,000	\$0.79		
- Estimate Active Household for Guam		4,300	\$3,397.00	\$40,764.00
Flat Fee Per Month Differential (Guam)			\$4,550.20	\$54,602.40
		subTotal Annual Cost	\$7,947.20	\$95,366.40
OPTIONAL				
Equipment: (Per Request)				
- Clinic PIN Selection Terminal		\$145.00	x5	\$725.00
- Equipment setup and installation		\$155.00	x5	\$775.00
- FedEx International Shipping (4-5 days)		\$75.00	x5	\$375.00
- Custom Card Sleeves		\$1.00		
- Tyvek Card Sleeves (not custom)		\$0.01	x7500	\$75.00
- Disaster Services		\$30,000.00		\$30,000.00
Stand-by-side POS Terminal Recurring Charges—Monthly				
- Service Fee - Stand-by-side POS Lease		\$22.00	x28	\$616.00
			\$516.00	\$7,392.00
Stand-by-side POS Terminal Transaction Fees—Monthly Per Terminal				
- Monthly Transaction Fee (above 1,001 per month)		\$0.05	x35000	\$1,750.00
			\$1,750.00	\$21,000.00
Services—Per Request (HR/Per Hour)				
- Training		\$105.00		
- Business Analyst		\$130.00		
- Project Manager		\$140.00		
- Developer		\$120.00		
Live Customer Service Additional Languages—Per Request/Per Language/Per Call				
- Navajo, Samoan, Vietnamese, Cantonese, Mandarin, Korean, Nepalese, Bangladeshi, Thai, Tagalog, Chuukese, Marshallese, Yapese, Kosraean (7 Add'l Languages, 2100 calls)		\$2.00	\$4,200.00	\$50,400.00
		subTotal Annual Cost	\$6,566.00	\$110,742.00
		Total Annual Cost		\$206,108.40

EBT CONTRACT BETWEEN DPHSS/WIC AND CDP COST BREAKDOWN

Contract Term: March 26, 2018 through February 28, 2021

Year Four: FY 2021 October 1, 2020 through February 28, 2021

Cost Per Case Month (CPCM) - Monthly

			Monthly Cost	Annual Cost
Active Households	100,001 - 125,000	\$0.79		
- Estimate Active Household for Guam	4,300		\$3,397.00	\$16,985.00
Flat Fee Per Month Differential (Guam)			\$4,550.20	\$22,751.00
	subTotal Annual Cost		\$7,947.20	\$39,736.00
				\$39,736.00

OPTIONAL

Equipment: (Per Request)

- Clinic PIN Selection Terminal	\$145.00	x5		\$725.00
- Equipment setup and installation	\$155.00	x5		\$775.00
- FedEx International Shipping (4-5 days)	\$75.00	x5		\$375.00
- Custom Card Sleeves	\$1.00			
- Tyvel Card Sleeves (not custom)	\$0.01	x7500		\$75.00
- Disaster Services	\$30,000.00			\$30,000.00

Stand-by-side POS Terminal Recurring Charges—Monthly

- Service Fee - Stand-by-side POS Lease	\$22.00	x28	\$616.00	\$3,080.00
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Stand-by-side POS Terminal Transaction Fees—Monthly Per Terminal

- Monthly Transaction Fee (above 1,001 per month)	\$0.05	x35000	\$1,750.00	\$8,750.00
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Services - Per Request (HR/Per Hour)

- Training	\$105.00			
- Business Analyst	\$130.00			
- Project Manager	\$140.00			
- Developer	\$120.00			

Live Customer Service Additional Languages - Per Request/Per Language/Per Call

- Navajo, Samoan, Vietnamese, Cantonese, Mandarin, Korean, Nepalese, Bangladeshi, Thai, Tagalog, Chukese, Marshalese, Yapese, Kosraean (7 Add'l Languages, 2100 calls)	\$2.00		\$1,200.00	\$21,000.00
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sub-Total Annual Cost	\$6,566.00	\$64,780.00	\$64,780.00
Total Annual Cost			\$104,516.00

EBT CONTRACT BETWEEN DPHSS/WIC AND CDP COST BREAKDOWN

Contract Term: March 26, 2018 through February 28, 2021

Year One: FY 2018	March 26, 2018 through September 30, 2018	\$127,737.12
Year Two: FY 2019	October 1, 2018 through September 30, 2019	\$206,108.40
Year Three: FY 2020	October 1, 2019 through September 30, 2020	\$206,108.40
Year Four: FY 2021	October 1, 2020 through February 28, 2021	\$104,516.00
Total Contract Cost:		\$644,469.92

EXHIBIT 2
TABLE OF DELIVERABLES

(To Be Completed By CDP and DPHSS/WIC please show completion dates, current as to this date)

Implementation Deliverables and Documentation

RFP Section #	Deliverable or Documentation	Status
13.1	Project Work Plan	Completed by CDP, and approved by Arizona WIC
13.2	Quality Assurance and Risk Management Plan	Completed by CDP, and approved by Arizona WIC
13.4	Implementation Plan	Completed by CDP, and approved by Arizona WIC
13.5	WIC Vendor Enablement and Certification Plan	Completed by CDP, and approved by Arizona WIC
13.6	WIC Vendor and Third Party Processor EBT Agreements	Completed by CDP, and approved by Arizona WIC
13.7	Implementation Status Reports	Ongoing through the implementation phase of the HANDS eWIC project
13.8.1	Functional Design Document	Completed by CDP, and approved by Arizona WIC
13.8.2	Detailed System Design Document	Completed by CDP, and approved by Arizona WIC
13.8.3	WIC HANDS-EBT Interface Specifications Document	Completed by CDP, and approved by Arizona WIC
13.8.4	Integrated Vendor Interface Specifications Document	Completed by CDP, and approved by Arizona WIC
13.8.5	Automated Response Unit (ARU) Scripts and Web Portal Design for WIC Cardholders and WIC Vendors	Completed by CDP, and approved by Arizona WIC

13.9.1	Test Plans (System Development Life Cycle and User Acceptance Plan and User Acceptance Scripts)	Completed by CDP, and approved by Arizona WIC
13.10	Disaster Recovery and Continuation of Business Plan (Back-up and Contingency)	Completed by CDP, and approved by Arizona WIC
13.11	System Security Plan	Completed by CDP, and approved by Arizona WIC
13.12	Training Plan and Training Materials	Completed by CDP, and approved by Arizona WIC
13.13.1	Monthly Status Reports	Not started. To begin after Guam eWIC services are live. Ongoing through the operations phase.
13.13.2	Operations Plan	Completed by CDP, and approved by Arizona WIC
13.13.4	Change Configuration Management Plan	Completed by CDP, and approved by Arizona WIC
13.13.5	Administrative Functions Manual	Completed by CDP, and approved by Arizona WIC
13.13.6	Settlement and Reconciliation Manual	Completed by CDP, and approved by Arizona WIC
13.13.7	Reports Manual	Completed by CDP, and approved by Arizona WIC
13.13.8	Live Customer Service Manual	Completed by CDP, and approved by Arizona WIC
13.13.9	End-of-Contract Transition Plan (To be provided one year prior to the end of contract.)	Not started. CDP will complete and submit to Arizona WIC prior to the end of the HANDS eWIC project.
14.13.4.4	User Acceptance Test	Completed by CDP, Arizona WIC, CMA & Maximus, and approved by Arizona WIC.

15.1.2.5	Arizona Retailer Certification Completion	Completed by CDP, and approved by Arizona WIC
11.7	Pilot Evaluation	Completed by CDP, and approved by Arizona WIC
	Arizona Statewide Rollout	Completed by CDP, and approved by Arizona WIC
	Nativo Nation Rollout	Not started. Scheduled for February 2018
	Kuani Rollout	Not started. Scheduled for the week of March 26, 2018.
	CNMI Rollout	Not started. Scheduled for the week of April 2018
	American Samoa Rollout	Not started. Scheduled for the week of May 2018

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 TIME 2:20 PM DATE 2/16/18