**Electronic Benefits Transfer System and Support**

**OTHS/EBT-14-001-S**

**EBT RFP Questions and Answers Series 3**

18) **RFP Sec. 2.45 states that vendors must complete Attachment O, Transparency Act Reporting and Federal Sub-Award Determination Form, as part of their post award obligations. In reviewing this form, it appears that the questions are directed to the procuring agency. Would the State please confirm that this obligation applies to the vendors?**

Yes, this obligation applies to the vendor. However, the Sub-Award Determination Form will only be completed by the recommended awardee and delivered to the Procurement Officer within ten (10) business days following the receipt of notice by the Offeror that it is being recommended for Contract award.

19) **In regards to section 3.14.13, “If the EBT system closes or deactivates an account based on these conditions is it the state’s expectation that the EBT system provide a batch file including the account information that was close to be processed by the eligibility system or will a daily report be required?**

The State does not require a batch file or report of cases that close or deactivate.

20) **Section 4.2 I requirement asks for a list of all contracts with any entity. Vendor has hundreds of contracts that are not relevant to EBT or government financial services. Would the State consider accepting instead a complete list of all contracts relevant to this procurement, including the State of Maryland, that vendor is currently performing or that have been completed within the last 5 years?**

Yes.

21) **In regards to section 3.22 C,** **Is it the expectation of the State that our solution be fully NIST compliant or only that targeted controls within NIST be satisfied? If only targeted controls are to be met, can the state identify the specific NIST controls that must be satisfied? Please note that SSAE16 compliance is already required on this program. By also requiring full NIST compliance for this contract the State will significantly impact the scope of services and pricing provisions, and may run the risk of creating redundancies and extreme cost inefficiencies.**

The State expects the contractor to be compliant with, at least, the minimum security requirements set forth by the USDA/FNS handbook. There is considerable overlap with FNS, NIST and DoIT.

22) **Please confirm that all of the sub items in this section 3.35 – DHR Network Requirements constitute DHR’s network security features?**

There appear to be some items missing. DHR will issue an amendment to the RFP which will elaborate on network security.

23) **Would the state consider modifying the following requirement in section 3.35 – DHR Network Requirements: “Two or more failed attempts to access or modify confidential information within a week (5 business days” to state “ Two or more failed attempts to access or modify confidential information within a week (5 business days) by unauthorized users.”**

An amendment is not necessary; however, DHR states that the interpretation of the requirement is correct.

24) **Would the state please clarify the intent of this report (Attachment W- Capacity utilization)? Is it intended to show system capacity of hardware or personnel capacity? Is the report intended to document all new equipment (i.e. laptops, POS devices, servers, and routers) or is intended for system specific equipment? If it includes all equipment, please explain how the information will be used by the state.**

Based on the requirement to have a web based system this report requirement will no longer be necessary. Vendors are no longer supplying new resources i.e., new machines added. DHR will issue an amendment to the RFP to remove this report.

25) **3.32, EBT DISASTER RECOVERY AND BUSINESS CONTINUITY, paragraph B, the State requires “The Contractor shall test its disaster recovery processes every six (6) months, to include a live drill and table top.” In 3.32.2, FOOD SUPPLEMENT PROGRAM EBT DISASTER SYSTEM, paragraph D, the State requires “The Contractor shall conduct annual system testing, as well as user acceptance testing to ensure that all requirements in the approved disaster requirements document are being met. The EBT disaster system shall at a minimum:” Would the State clarify how the two disaster testing events differ and what is expected at each of these time intervals?**

Section 3.32 refers to the Contractor’s system. Section 3.32.2 refers to the requirement of a separate system that would permit SNAP benefits to be processed in the event DHR’s eligibility system, CARES, goes down. This system of the Contractor must allow for the continued processing of application and issuance of benefits and cards. Both systems must be tested as required in the RFP.

26) **The RFP lists current case counts at 320,000; however, the USDA lists current case count around 390,000. Could the State confirm the current case count?**

Attachment A contains historical case load counts through December 2013 and is to be used for informational purposes only. The actual numbers are not guaranteed and may fluctuate during the term of the Contract.

27) **Is the State aware of any pending legislation that would significantly increase or decrease case counts in the future? Can the State share case count projections during the life of the contract?**

The State is not aware of any pending legislation that would affect case counts. See response to Question 26.

28) **Assuming the State plans to announce the contract award this fall (2014), will the conversion date be pushed back to allow enough time for a conversion to occur? If so, can the State provide an estimate for the length of time between contract award and conversion?**

Pursuant to Section 3.5, the State anticipates that the transition period from the incumbent to a new vendor will be completed within a 12 month period. If the incumbent prevails, the transition period may be shorter.

29) **Can the State further explain the directions contained in section 2.8 “Alternate Proposals”?**

Each Offeror will only be able to submit one technical proposal for this solicitation. If clarification is requested an Offeror may clarify its responses; but will not be permitted to submit competing or alternative proposals/solutions.

30) **Would the State please list the MBE(s) participating in the delivery of services under the current contract and the service they perform?**

The current MBE subcontractors participating in the delivery of services under the current contract are Gantech, Inc and Staff Quest, Inc. Gantech, Inc provides POS training and Installation and Staff Quest, Inc provides staffing for the call center representatives at the EBT call center.

31) **Can the services that compose of the 10% MBE participation goal be met by a one-time task and expenditure, or does it need to be allocated over the term of the contract?**

As long as the 10% goal is being met, the services can be allocated as the Offeror determines.

32) **Would the State please list any VSBE(s) participating in the delivery of services under the current contract and the services they perform?**

VSBE is a new venture under this RFP. It is not applicable to the current contract.

33) **Can the services that compose of the 1% VSBE participation goal be met by a one-time task and expenditure, or does it need to be allocated over the term of the contract?**

 As long as the 10% goal is being met, the services can be allocated as the Offeror determines.

34) **The State requires the contractor to establish POS terminals and peripheral equipment for an EBT only retailer in the Scope of the Project. What is included in “peripheral equipment?”**

Peripheral equipment refers to any auxiliary device or piece of equipment that is attached to the POS terminal, for example, a PIN pad.

35) **As an existing EBT processor, we currently have TPP agreements with all major TPPs and networks. The agreements in place can be reviewed by the State, but cannot be subject to State approval. Can the State please change the language in this section as such, for TPPs only?**

DHR must ensure that the Retailer and TPP agreements are FNS compliant. However, DHR will not engage in negotiations between the Contractor and the retailers.

36) Section 3.11.1 C states “**The training video shall be directed at a 5th grade education level, and shall be provided in English, Spanish, Vietnamese, and closed-captioning.” All other customer training materials must also include Russian. Did the State mean to include Russian language as a video requirement?**

The State is not requesting to include Russian language as a video requirement.

37) **As a result of the new Farm Bill regulations, requirements for contractors in this section, as well as other sections (3.12.1, 3.14.4, etc.), will be different. Does the State plan to issue amendments for all affected sections?**

An amendment will be issued as appropriate.

38) **In regards to section 3.12 C,** **could the State please clarify what is meant by providing same day service for terminal replacement? Does shipping a new terminal to the retailer the same day the request is received qualify as same day service**?

Shipping on the same day is acceptable only if the equipment is received within the timelines as stated in 3.12 (C).

39) **In section 3.14.9 F,** **the State requires the contractor to provide reporting in an electronic format that is compatible with the Department’s Accounting system. Can the State provide detail on the system? Does this refer to reporting by benefit group and type?**

The format that is compatible with the Department’s Accounting system is in the Activity file layout in Attachment R, #3.

40) **In regards to Section 3.16, “System Settlement and Reconciliation”, can the State please tell us what time your Settlement occurs today?**

State settlement occurs daily at 3:00.

41) **Would the State please confirm if the Aging of Benefits in section 3.16 pertains to SNAP, Cash or both?**

The aging of benefits refers to SNAP and cash.

42) **In section 3.16.2 C,** **the State indicates that all debit adjustments shall be approved by the State Project Manager. Would the State please explain the State’s current debit adjustment processing and how this requirement is handled in that process?**

The state’s current debit adjustment process follows FNS regulations in 7 CFR §274.2(g)(2)(ii). Approval is required to insure that these debit adjustment regulations are adhered to by all parties.

43) **In regards to Problem Management section,** **Can the State provide a definition and examples of “high profile” users?**

For example, a High Profile User would be a user in the EBT Project Office.

44) **Does the State’s reporting day coincide with the State’s settlement time? If different, what time does your reporting day end?**

The State’s reporting time does not coincide with the State’s settlement time. The reporting day ends at close of each business day.

45) **Would the State please elaborate on their requirement for Contractor to convert the coding structure of its existing reports to conform to the structure that exists in the CARE’s system? Please provide samples and full explanation of your coding structure.**

To date, there has not been a request to convert the coding structure of existing reports to conform to the structure that exists in CARES; however, in the event a request is made, no additional expense will be incurred by DHR. Please see attachment W for current required report requirements.

46) **“DHR entered into a Memorandum of Understanding with the USDA/SNAP in February 2013, wherein DHR will share recipient data with SNAP for the purpose of fraud prevention.” Would DHR please share more of what your Memorandum of Understanding entails and the implications of it to the Contractor?**

The mandatory Memorandum of Understanding between the State and the USDA/FNS entails providing FNS with confidential customer information stored in the EBT system for the purpose a conducting Data Mining activities.

47) **We understand the State requires the ability to verify the processing of at least two required credits to the Concentrator account each business day. Could the State please provide their business justification for this requirement? Our corporate policy does not allow outside access to corporate owned bank accounts. Would the State be willing to own the Concentrator (settlement) bank account in order to meet your needs?**

 DHR must be able to verify/confirm, timely, its contractual obligation for both issuance and receipt of the required credits to the EBT Contractor’s Concentrator Bank. Minimal inquiry access to perform this verification is required.The State will not own the Concentrator (settlement) bank account.  The successful EBT Contractor, responsible for issuance and return of customer benefits and associated cash management activity, must be the responsible owner and primary point of contact for the Concentrator Bank account.

48) **How many points will be awarded for the technical evaluation section?**

The technical proposals will be ranked using the criteria established. No points or scores will be used.

49) **Would the State please provide additional explanation on this report (Attachment W, System Account Report), specifically, the data fields on this report, the data field descriptions and how this report is currently used by the State?**

The DHR CARES Fiscal office reconciles the System Accounting Report Total Retailer Deposit amount against the Daily Clearing Report Settlement amount, minus CARES Daily Activity Report Direct Deposits on a daily basis.

50) **Would the State please provide the data fields required on this report (Attachment W, Out-of-State ATM Activity Report)?**

This report is for all SNAP and cash transactions that occur outside of the State, excluding border states. The data fields required are District Office, Case Number, Card Number, Date/Time, City, State, Benefit Type (FS or Cash), Transaction Type, Amount and Response Code.

51) **In lieu of the recently passed Farm Bill, is the State still planning on having POS Supply reimbursement and the need to continue to receive this report?**

Yes, POS supply reimbursement and reporting will continue for those retailers who are eligible to receive equipment.