

## **DRAFT WRITTEN QUESTIONS AND ANSWERS**

### **SP-16-0125 Electronic Benefit Transfer Services**

#### **ANSWERS ARE IN BLUE**

1. Question: Has the Department identified a funding source for this effort?

Answer: Funding for this effort is a collaboration between USDA and Arkansas DHS.

2. Question: Has the Department determined an estimated cost or a desired amount not to exceed for this project? If so, please provide the amount.

Answer: DHS/DCO seeks the best value for the State through this solicitation.

3. Question: Will the Department seek any third party services as part of this overall effort, such as: implementation, integration, QA, IV&V, project management, staff augmentation, etc.? If so, please indicate which services may be used, which procurement method would be used to acquire the contractor, and approximately when the procurement would take place.

Answer: This question is not relevant to the RFP.

4. Question: Which vendor provides the existing EBT Services and approximately how long have they been the incumbent?

Answer: This question is not relevant to the RFP.

5. Question: Who is the EBT Processor and approximately how long have they been providing this service? When does the contract expire and how will the State contract for new services once the existing contract expires?

Answer: This question is not relevant to the RFP.

6. Question: Question due date (page 15) was February 21, 2017 but on the timetable (page 156), questions due is on February 22, 2017. In page 5, the anticipated starting date of the contract is April 2017, but in the timetable (page 156), contract award issue date is on June 1, 2017.

Answer: See Addendum 1; Section 1, Items 1.2., and 1.9.

7. Question: Section 2.9 K-N, Page 37: The vendor is to provide an automated inventory control system to effectively manage vault card assignments. Does the current vendor provide the automated inventory control system? Is the automated inventory control only used for vault card management? Will the state please provide sample reports produced this system?

Answer: First question not relevant to the RFP. The automated inventory control is used for all card management. No samples will be provided by the State.

8. Question: Section 2.9 K-N, Page 37: How are vault cards currently being used? Will the State provide use cases?

Answer: Vault cards are considered on-hand card quantity for case fulfillment.

9. Question: Section 2.10.B.7, Page 38: Maintenance of a card issuance data base that **shall** be accessible to DHS/DCO twenty four-seven (24/7) via password. Does the State mean vault card issuance database?

Answer: This item is in reference to all card production.

10. Page 38, F.1: The current PIN **shall** also remain functional until a new card is issued or the PIN is changed by the cardholder via the IVRS. Will the State please clarify if PIN should always be reset when a new card is issued; old PIN does not carry over to the new card?

Answer: The PIN shall carryover to new card unless customer requests otherwise.

11. Question: Section 2.15.A.5.e, Page 42: Will the State please provide a sample file if file exchange is used for the issuance schedule?

Answer: Section 2.15 A 5 e states "Cardholder Portal shall also allow the cardholder to: View the issuance schedule for EBT and Cash benefits". The viewing capability shall be in a format allowing the cardholder means by which to know the issuance schedule.

12. Question: 2.17.2, Page 42: how many exempt POS terminals are currently deployed?

Answer: Twenty-one (21) exempt POS terminals are currently deployed.

13. Question: 2.17.2, Page 42: Are wireless terminals currently being used? If so, how many are currently deployed?

Answer: Six (6) vendor-owned wireless terminals are currently deployed.

14. Question: 2.17.2, Page 42: Does the State currently have card readers deployed in the local offices? If so, who owns these card readers? Does the new vendor need to supply card readers? How many card readers does the state expect the vendor to support?

Answer: Card readers/POS terminals are not deployed in DHS county offices.

15. Question: Section 2.39.A.3, Page 77: Does the current vendor currently support a direct deposit feature? Will direct deposit be offered in the new contract?

Answer: First question is not relevant to the RFP. It is not planned or known whether the State will offer direct deposit in the future, however, DHS/DCO seeks the best value for the State through this solicitation and will make decisions based on information received as applicable in the solicitation.

16. Question: Section 2.32.B, Page 67: Does the current vendor provide a data warehouse to the State of Arkansas?

Answer: This question is not relevant to the RFP.

17. Question: Attachment C – F, Page 122: Will the State provide the most recent 12 months of historical data on case count, voucher, retailer help desk and card issuance?

Answer: See Addendum 2; Revised Attachments C through F.

18. Question: Section 2.12.6, Page 40: Is it acceptable for the call center to be located in a U.S. Territory?

Answer: Yes.

19. Question: Section 2.12.8, Page 40: Please confirm that the SLA for Percentage of calls answered is a monthly measurement?

Answer: It is a monthly measurement.

20. Question: Section 2.9.D.1, Page 36: Would the State please clarify the requirement that DHS/DCO have update capability to enable/disable account access? Is this the ability to open and close an EBT card account?

Answer: DHS/DCO shall have update capability to enable/disable account access as well as the ability to open and close an EBT card account.

21. Question: 2.9.F, Page 36: The vendor's EBT System shall support both batch and online, real-time transmissions between the Department's mainframe systems and vendor's EBT database. Are real-time transmissions supported by web services or a host-to-host interface?

Answer: Both types should be supported by bidder.

22. Question: Attachment G, Page 127: Per the Case/Client Maintenance Detail Record the EBT Account Number is assigned the State. Would the State consider accepting the EBT system generated number?

Answer: The State will accept EBT system generated number but requires the capability to create a number when adding a case.

23. Question: Section 2.5.G.4.d, Page 32 and Attachment K #37, Page 152: In 2.5 problem resolution and escalation procedures are due within thirty (30) calendar days of contract Award. In Attachment K problem resolution and escalation procedures are due 10 calendar days prior to Contract start date. Please confirm when the problem resolution and escalation procedures are due.

Answer: The dates in Attachment K shall apply.

24. Question: Section 2.39.A.12, Page 79: Account Management Agent (AMA) Batch – Vendor shall provide a report that documents the file that was sent to AMA for settlement and reconciliation on a daily basis. Can the State provide a sample report?

Answer: No samples will be provided by the State.

25. Question: Attachment A, Page 107: Program Deliverable #2, Performance Indicator #4: The administrative Staff Training materials performance indicator requires training materials, desk aids and a PowerPoint presentation, to equip DHS/DCO trainers to train new workers. Please confirm that it is acceptable to deliver these training materials in electronic format.

Answer: Administrative Staff Training Materials will be accepted in electronic format.

26. Question: Attachment A, Page 108: Program Deliverable #2, Performance Indicator #4: The Administrative Terminal performance indicator requires that the vendor provide training material that covers all of the functionality supported by the EBT administrative terminal for State and Federal users. Please confirm that it is acceptable to deliver these training materials in electronic format.

Answer: Administrative Terminal training materials will be accepted in electronic format.

27. Question: Attachment A, Page 108: Program Deliverable #2, Performance Indicator #4: The vendor is required to provide a training module describing the detail and use of the reports generated by the EBT System. The term is not used elsewhere in the RFP. Please clarify what is meant by training module.

Answer: Module can also be defined as a training instance for these purposes.

28. Question: Attachment A, Page 114: Program Deliverable #4, Performance Indicator #12: POS terminals are to be installed and operational within fourteen (14) business days of the vendor receiving the FNS REDE authorization number. Would the State please modify this deliverable to read "within fourteen (14) business days of the vendor receiving the completed exempt retailer agreement"? Newly authorized FNS exempt retailers identified in the FNS REDE file are contacted and sent a retailer agreement. POS terminal installation is contingent upon the receipt of the completed agreement.

Answer: See Addendum 2; Attachment A, Page 114, Program Deliverable #4, Performance Indicator #12.

29. Question: Attachment K: The timeline for the majority of the deliverables begins on the Date of Contract Award. Please confirm that contract award means a fully executed contract.

Answer: Anticipated Contract Award date is stated in Attachment L – Anticipated Timeline.

30. Question: It is clear in the RFP Contractor is required to pull funds from the ASAP Line of Credit for SNAP. It is not specified whether for the TANF program funding the Contractor will also pull funds from a designated bank account. Contractor assumes we will also pull funds for TANF to minimize the risk of non-funding for inclement weather, State not Federal holidays, employee absences, etc. Will the government confirm this assumption is correct?

Answer: The same rules apply for TANF as they do for SNAP.

31. Question: Section 1.19.B, 18: Will the State hold negotiations after award of the project to the winning bidder? If so, is the State amenable to considering alternative contract language during contract negotiations?

Answer: See Sections 1.5, 1.10, and 1.19 of the RFP.

32. Question: General Question: Will the State consider the addition of a *force majeure* clause to protect both the State and vendor in situations beyond their reasonable control?

Answer: No.

33. Question; Section 2.2.C.4, 26: Does the State agree that all intellectual property developed prior to or independently of this project shall continue to be owned by vendor or any relevant third parties?

Answer: Yes.

34. Question: Section 2.49, Page 87: Will the State consider excusing non-performance in various circumstances beyond the reasonable control of Vendor?

Answer: The State seeks to make the most appropriate determinations regarding non-performance.

35. Question: Sections 4.1, B.5, Page 92 and 18, Page 97: Will the State jointly development acceptance protocols with the vendor post award?

Answer: See Sections 1.5, 1.10, and 1.19 of the RFP.

36. Question: Section 4.4.B, Page 93: Will the State consider limiting vendor liability to damages directly resulting from vendor's own negligent acts or omissions?

Answer: This applies to acts by employees, representatives, and subcontractors of the vendor. The State will not limit liability for those contracts.

37. Question: Section 4.5, Page 94: Will the State consider capping Vendor liability at an amount equal to the total amount that the customer has paid the Vendor in the 12 months prior to the relevant incident?

Answer: No.

38. Question: Section 4.10, Page 95: Will the State agree to compensate Vendor for any unamortized costs and reasonable wind-down costs in the event that the State cancels for reason other than vendor default?

Answer: No.

39. Question: Section 4.10, Page 95: Will the State agree to provide Vendor with a reasonable cure period prior to any cancellation for cause?

Answer: Any cure opportunity will be provided in the "Notice to Cure", as specified in Section 4.10.C.

40. Question: Remedies of Unacceptable Performance, Page 116: Will the State agree to cap all liquidated damages at \$25,000 per month?

Answer: No.

41. Question: Remedies of Unacceptable Performance, Page 116: Will the State consider compensating vendor for any unrecoverable costs incurred by delay of the program due to acts or omissions of the State?

Answer: No.

42. Question: Questions #25 of Q & A Issued 2/14/2017 and 2.12.A.1: The original question incorrectly referenced the wrong RFP section. With regard to Section 2.12.A.1, there is a reference to "minimum requirements listed in A-G. Could the State clarify in which specific section of the RFP the "A-G" requirements referenced here can be found?

Answer: See Addendum 2; Section 2.12.A.1-11.

43. Question: Question #26 of Q & A Issued 2/14/2017 and 2.15.A.5.c: In its response to Question #26, the State modified the language of 2.15.A.5.c to state "View the details of transactions (for a maximum of ninety (90) days)". However, in the Final RFP issued on 2/15/2017, the language of 2.15.A.5.c was changed to "View the details of transactions (for a minimum of ninety (90) days). Will the State please confirm that the language from the addendum indicating transaction detail will be viewable for a maximum of 90 days is correct?

Answer: Correct.

44. Question: Question #41 of Q & A and 2.38.B: The State's response to Question #41 indicated that the 2.38.B would be modified by Addendum 3 to reflect that the "well-known delivery methods" would be acceptable for delivery of reports. However, the Final RFP issued on 2/15/2017 does not reflect the modification indicated in Addendum 3. Will the State modify the language in 2.38.B of the Final RFP to reflect the change indicated in the State's response to Question #41?

Answer: The State will accept electronic format either in Microsoft Word or Excel. (The addendum #3 referenced in the previous posted Q&A document was an error).

45. Question: Question #54 of Q & A Issued 2/14/2017: The answer to Question #54 refers bidders to Addendum 3, Attachment A. However, the language for Performance Indicator 12 is the same in the Draft RFP and Addendum 3. Will the State clarify what language was to be modified per Addendum 3? Will the State modify this requirement to require installation within 14 business days of the vendor's receipt of the retailer's signed contract rather than from receipt of the FNS REDE authorization number?

Answer: See Addendum 2; Attachment A, Page 114, Program Deliverable #4, Performance Indicator #12.

46. Question: Revised Official Price Sheet: The cells of the Official Price Sheet issued on 2/14/2017 are formatted in such a way that values are rounded to the nearest hundredth (i.e., an entry of 0.945 is being rounded to a value of 0.95). And it doesn't appear that the totals calculations would be accurate due to the rounding. Will the State modify the Price Sheet to allow entry of values out to the third decimal place?

Answer: See Addendum 2; Amended Official Price Sheet.

47. Question: Revised Office Price Sheet, Tables 4-5 and 4-6: The formula for these tables is taking the CPCM increase value (i.e., .02) for each item and then multiplying it by the total estimated annual cost in cell D30, which results in a calculation as if the increase value were a percent (i.e., 2%) rather than a monetary value (i.e., \$0.02). The calculation should take the CPCM increase value (\$0.02) and multiply it by the total number of cases (i.e.,  $\$0.02 \times 184,900 = \$3,698$ ) then multiplied by 12 (i.e.,  $12 \times \$3,698 = \$44,367$ ) to arrive at the annual increase in CPCM for each item. Will the State revise the calculation?

Answer: See Addendum 2, Amended Official Price Sheet.

48. Question: Revised Official Price Sheet, Tables 4-8 and 4-9: It seems some requirement language may be missing from the third row of each of these tables. These rows state "Or, maintain a stock of pre-embossed, pre-pinned disaster cards". The State's response to Question #93 in its Q & A posted on February 14, 2017 referred to the revised Official Price Sheet, however, the same language is included in the revised price sheet. Is there to be more language included at the beginning of this item?

Answer: See Addendum 2; Amended Official Price Sheet. Tables 4-8 and 4-9.

49. Question: Revised Official Price Sheet, Table 4-9: Please confirm that Table 4-9, Arkansas EBT Value Added Services, is intended to include pricing for SNAP-only cases.

Answer: Table 4-9 is for SNAP only cases.