



State of Arkansas  
OFFICE OF STATE PROCUREMENT  
1509 West Seventh Street, Room 300  
Little Rock, Arkansas 72201-4222

## REQUEST FOR PROPOSAL

RFP Number: <b>SP-14-0121</b>	Buyer: <b>Paul Coulter</b>
Commodity: <b>WIC EBT Offline Module</b> Agency: <b>Arkansas Department of Health</b>	Proposal Opening Date: <b>March 16, 2015</b>
Date Issued: <b>January 12, 2015</b>	Proposal Opening Time: <b>3:00 P.M. Central Time</b>

PROPOSALS **WILL** BE ACCEPTED UNTIL THE TIME AND DATE SPECIFIED ABOVE. THE PROPOSAL ENVELOPE, INCLUDING THE OUTSIDE OF OVERNIGHT PACKAGES, **MUST** BE SEALED AND SHOULD BE PROPERLY MARKED WITH THE RFP NUMBER, DATE AND HOUR OF RFP OPENING AND VENDOR'S RETURN ADDRESS. IT IS NOT NECESSARY TO RETURN "NO BIDS" TO THE OFFICE OF STATE PROCUREMENT.

**Bidders are responsible for delivery of their proposal documents to the Office of State Procurement prior to the scheduled time for opening of the particular RFP. When appropriate, bidders should consult with delivery providers to determine whether the proposal documents will be delivered to the OSP office street address prior to the scheduled time for RFP opening. Delivery providers, USPS, UPS, and FedEx deliver mail to our street address on a schedule determined by each individual provider. These providers will deliver to our offices based solely on our street address.**

<b>MAILING ADDRESS:</b> Office of State Procurement 1509 West Seventh Street, Room 300 Little Rock, AR 72201-4222  <b>TELEPHONE NUMBER:</b> 501-324-9316	<b>RFP OPENING LOCATION:</b> Office of State Procurement 1509 West Seventh Street, Room 300 Little Rock, AR 72201-4222
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Company Name: \_\_\_\_\_

Name (type or print): \_\_\_\_\_

Title: \_\_\_\_\_

Address: \_\_\_\_\_

City: \_\_\_\_\_

State: \_\_\_\_\_

Zip Code: \_\_\_\_\_

Telephone Number: \_\_\_\_\_

Fax Number: \_\_\_\_\_

E-Mail Address: \_\_\_\_\_

**Authorized Signature:** \_\_\_\_\_

**USE INK ONLY. UNSIGNED PROPOSALS WILL NOT BE CONSIDERED**

Business  
(check one):

Designation

Individual [ ]

Sole Proprietorship [ ]

Public Service Corp [ ]

Partnership [ ]

Corporation [ ]

Government/ Nonprofit [ ]

January 16, 2015

TYPE OF CONTRACT:	Term
AGENCY P.R. NUMBER	1000664985

**1. MINORITY BUSINESS POLICY:**

Minority participation is encouraged in this and in all other procurements by state agencies. Minority is defined by Arkansas Code Annotated § 15-4-303 as a lawful permanent resident of this state who is: African American, Hispanic American, American Indian, Asian American, Pacific Islander American or a Service Disabled Veteran as designated by the United States Department of Veterans Affairs. The Arkansas Economic Development Commission conducts a certification process for minority business. Bidders unable to include minority-owned business as subcontractors “may explain the circumstances preventing minority inclusion”.

Check minority type:

African American\_\_\_\_ Hispanic American\_\_\_\_ American Indian\_\_\_\_ Asian American\_\_\_\_  
Pacific Islander American\_\_\_\_ Service Disabled Veteran\_\_\_\_

Arkansas Minority Certification Number\_\_\_\_\_

**2. EQUAL EMPLOYMENT OPPORTUNITY POLICY:**

In compliance with Arkansas Code Annotated § 19-11-104, the Office of State Procurement is required to have a copy of the vendor’s Equal Opportunity Policy prior to issuing a contract award. EO Policies may be submitted in electronic format to the following email address: [eeopolicy.osp@dfa.arkansas.gov](mailto:eeopolicy.osp@dfa.arkansas.gov), or as a hard copy accompanying the solicitation response. The Office of State Procurement maintains a file of all vendor EO policies submitted in response to solicitations issued by this office. The submission is a one-time requirement, but vendors are responsible for providing updates or changes to their respective policies, and for supplying EO policies upon request to other state agencies that also comply with this statute. Vendors that do not have an established EO policy **will not** be prohibited from receiving a contract award, but are required to submit a written statement to that effect.

**3. EMPLOYMENT OF ILLEGAL IMMIGRANTS:**

Pursuant to, Arkansas Code Annotated § 19-11-105, all bidder(s) **must** certify prior to award of the contract that they do not employ or contract with any illegal immigrants in their contracts with the State. Bidder(s) **shall** certify online at: <https://www.ark.org/dfa/immigrant/index.php/user/login>

**4. TECHNOLOGY ACCESS:**

When procuring a technology product or when soliciting the development of such a product, the State of Arkansas is required to comply with the provisions of Arkansas Code Annotated § 25-26-201 et seq., as amended by Act 308 of 2013, which expresses the policy of the State to provide individuals who are blind or visually impaired with access to information technology purchased in whole or in part with state funds. The Vendor expressly acknowledges and agrees that state funds may not be expended in connection with the purchase of information technology unless that system meets the statutory requirements found in 36 C.F.R. § 1194.21, as it existed on January 1, 2013 (software applications and operating systems) and 36 C.F.R. § 1194.22, as it existed on January 1, 2013 (web-based intranet and internet information and applications), in accordance with the State of Arkansas technology policy standards relating to accessibility by persons with visual impairments.

**ACCORDINGLY, THE VENDOR EXPRESSLY REPRESENTS AND WARRANTS** to the State of Arkansas through the procurement process by submission of a Voluntary Product Accessibility Template (VPAT) or similar documentation to demonstrate compliance with 36 C.F.R. § 1194.21, as it existed on January 1, 2013 (software applications and operating systems) and 36 C.F.R. § 1194.22, as it existed on January 1, 2013 (web-based intranet and internet information and applications) that the technology provided to the State for purchase is capable, either by virtue of features included within the technology, or because it is readily adaptable by use with other technology, of:

- A. Providing, to the extent required by Arkansas Code Annotated § 25-26-201 et seq., as amended by Act 308 of 2013, equivalent access for effective use by both visual and non-visual means;
- B. Presenting information, including prompts used for interactive communications, in formats intended for non-visual use;
- C. After being made accessible, integrating into networks for obtaining, retrieving, and disseminating information used by individuals who are not blind or visually impaired;
- D. Providing effective, interactive control and use of the technology, including without limitation the operating system, software applications, and format of the data presented is readily achievable by nonvisual means;
- E. Being compatible with information technology used by other individuals with whom the blind or visually impaired individuals interact;
- F. Integrating into networks used to share communications among employees, program participants, and the public; and
- G. Providing the capability of equivalent access by nonvisual means to telecommunications or other interconnected network services used by persons who are not blind or visually impaired.

If the information technology product or system being offered by the vendor does not completely meet these standards, the Vendor **must** provide an explanation within the Voluntary Product Accessibility Template (VPAT) detailing the deviation from these standards.

State agencies cannot claim a product as a whole is not commercially available because no product in the marketplace meets all the standards. If products are commercially available that meets some but not all of the standards, the agency **must** procure the product that best meets the standards or provide written documentation supporting selection of a different product.

**5. COMPLIANCE WITH THE STATE SHARED TECHNICAL ARCHITECTURE PROGRAM:**

The respondent's solution **must** comply with the state's shared Technical Architecture Program which is a set of policies and standards that can be viewed at: <http://www.dis.arkansas.gov/policiesStandards/Pages/default.aspx>. Only those standards which are fully promulgated or have been approved by the Governor's Office apply to this solution.

**6. ALTERATION OF ORIGINAL RFP DOCUMENTS:**

The original written or electronic language of the RFP documents **shall not** be changed or altered except by approved written addendum issued by the Office of State Procurement. This does not

eliminate a bidder from taking exception(s) to non-mandatory terms and conditions, but does clarify that the Bidder **shall not** change the original document's written or electronic language. If the bidder wishes to suggest exception(s) to any of the original language, it **must** be submitted by the bidder in separate written or electronic language in a manner that clearly explains the exception(s). If the bidder's or contractor's submittal is discovered to contain alterations or changes to the original written or electronic documents, the bidder's response **shall** be declared as "non-responsible" and the response **shall not** be considered.

**7. REQUIREMENT OF AMENDMENT:**

This RFP **shall** be modified only by amendments written and authorized by the Office of State Procurement. Bidders are cautioned to ensure that they have received or obtained, and responded to, any and all amendments to the RFP prior to submission. There **will** be no addendums to a RFP 72 hours prior to the RFP opening. It is the responsibility of the vendor to check the OSP website, <http://www.arkansas.gov/dfa/procurement/bids/index.php> for any and all addendums up to that time.

**8. DELIVERY OF RESPONSE DOCUMENTS:**

In accordance with the Arkansas Procurement Law and Rules, it is the responsibility of bidders to submit proposals at the place, and on or before the date and time, set in the RFP solicitation documents. Proposals received at the Office of State Procurement after the date and time designated for proposal opening will be considered late and shall not be considered for evaluation. Proposal documents arriving late, which are to be returned and are not clearly marked, may be opened to determine for which RFP the submission is intended.

**9. ADDITIONAL TERMS AND CONDITIONS:**

The Office of State Procurement objects to, and shall not consider, any additional terms or conditions submitted by a bidder, including any appearing in documents attached as part of a bidder's response that conflict with mandatory terms and conditions required by law. In signing and submitting his proposal, a bidder agrees that any additional terms or conditions, whether submitted intentionally or inadvertently, shall have no force or effect. Failure to comply with terms and conditions, including those specifying information that must be submitted with a proposal, shall be grounds for rejecting a bid.

**10. ANTICIPATION TO AWARD:**

After complete evaluation of the proposal, the anticipated award will be posted on the OSP website ([http://www.arkansas.gov/dfa/procurement/pro\\_intent.php](http://www.arkansas.gov/dfa/procurement/pro_intent.php)). The purpose of the posting is to establish a specific timeframe in which vendors and agencies are aware of the anticipated award. The RFP results will be posted for a period of fourteen (14) calendar days prior to the issuance of any award. Vendors and agencies are cautioned that these are preliminary results only, and no official award will be issued prior to the end of the fourteen day posting period. Accordingly, any reliance on these preliminary results is at the agency's or vendor's own risk.

The Office of State Procurement reserves the right to waive the policy of Anticipation to Award when it is in the best interest of the State. Vendors are responsible for viewing the Anticipation to Award section of the OSP web site at: [http://www.arkansas.gov/dfa/procurement/pro\\_intent.php](http://www.arkansas.gov/dfa/procurement/pro_intent.php)

**11. PAST PERFORMANCE:**

In accordance with provisions of the State Procurement Law, specifically OSP Rule R5:19-11-230(b) (1), a vendor's past performance with the state may be used in the evaluation of any proposal made in response to this solicitation. The past performance should not be greater than three (3) years old and must be supported by written documentation. Documentation may be in the form of a written or an electronic report, VPR (Vendor Performance Report), memo, file or any other appropriate authenticated notation of performance to the vendor files.

**12. VISA ACCEPTANCE:**

Awarded contractors should have the capability of accepting the State's authorized VISA Procurement Card (p-card) as a method of payment. Price changes or additional fee(s) may not be assessed when accepting the p-card as a form of payment. The successful bidder may receive payment from the State by the p-card in the same manner as other VISA purchases. VISA acceptance is preferred but is not the exclusive method of payment.

**13. USDA NONDISCRIMINATION STATEMENT:**

The U.S. Department of Agriculture prohibits discrimination against its customers, employees, and applicants for employment on the bases of race, color, national origin, age, disability, sex, gender identity, religion, reprisal, and where applicable, political beliefs, marital status, familial or parental status, sexual orientation, or all or part of an individual's income is derived from any public assistance program, or protected genetic information in employment or in any program or activity conducted or funded by the Department. (Not all prohibited bases will apply to all programs and/or employment activities.)

If you wish to file a Civil Rights program complaint of discrimination, complete the USDA Program Discrimination Complaint Form, found online at [http://www.ascr.usda.gov/complaint\\_filing\\_cust.html](http://www.ascr.usda.gov/complaint_filing_cust.html), or at any USDA office, or call (866) 632-9992 to request the form. You may also write a letter containing all of the information requested in the form. Send your completed complaint form or letter to us by mail at U.S. Department of Agriculture, Director, Office of Adjudication, 1400 Independence Avenue, S.W., Washington, D.C. 20250-9410, by fax (202) 690-7442 or email at [program.intake@usda.gov](mailto:program.intake@usda.gov).

Individuals who are deaf, hard of hearing or have speech disabilities may contact USDA through the Federal Relay Service at (800) 877-8339; or (800) 845-6136 (Spanish).

USDA is an equal opportunity provider and employer.

**14. CERTIFICATION REGARDING EMPLOYMENT PRACTICES:**

Neither the Contractor nor its subcontractors shall discriminate against any employee or applicant for employment because of race, color, religion, sex, national origin, age (except as provided by law), marital status, political affiliation, or disability. The Contractor must take affirmative action to ensure that employees, as well as applicants for employment, are treated without discrimination because of their race, color, religion, sex, national origin, age (except as provided by law), marital status, political affiliation, or disability. Such action shall include, but not be limited to, the following:

- Employment
- Promotion

- Demotion or transfer
- Recruitment or recruitment advertising
- Layoff or termination
- Rates of pay or other forms of compensation
- Selection for training, including apprenticeship

Contractor certifies that neither the contractor nor its subcontractors shall discriminate against any employee or applicant for employment because of race, color, religion, sex, national origin, age (except as provided by law), marital status, political affiliation, or disability. Contractor must insure that employees, as well as applicants for employment, are treated without discrimination because of their race, color, religion, gender, national origin, age (except as provided by law), marital status, political affiliation, or disability. Such action shall include, but not be limited to, employment, promotion, demotion or transfer, recruitment or recruitment advertising, layoff or termination, rates of pay or other forms of compensation, and selection of training, including apprenticeships.

**15. EO-98-04 GOVERNOR'S EXECUTIVE ORDER:**

Prior to contract award, bidders must complete the Disclosure Forms issued with this RFP.

Any contract or amendment to a contract executed by an agency which exceeds \$25,000 shall require the contractor to disclose information as required under the terms of Executive Order 98-04 and the Regulations pursuant thereto. The contractor shall also require the subcontractor to disclose the same information. The Contract and Grant Disclosure and Certification Form (Form PCS-D attachment II-10.3) shall be used for this purpose.

Contracts with another government entity such as a state agency, public education institution, federal government entity, or body of a local government are exempt from disclosure requirements.

The failure of any person or entity to disclose as required under any term of Executive Order 98-04, or the violation of any rule, regulation or policy promulgated by the Department of Finance and Administration pursuant to this Order, shall be considered a material breach of the terms of the contract, lease, purchase agreement, or grant and shall subject the party failing to disclose, or in violation, to all legal remedies available to the Agency under the provisions of existing law.

**16. CURRENCY:**

All proposal pricing shall be United States dollars and cents.

**17. LANGUAGE:**

Proposals shall only be accepted in the English language.

## SECTION 1: GENERAL INFORMATION

### 1.1 **INTRODUCTION:**

This Request for Proposal (RFP) is issued by the Office of State Procurement (OSP) for the Department of Health (ADH) to obtain pricing and a contract for a Smart Card eWIC Interface for Successful Partners in Reaching Innovative Technology (SPIRIT) that meets the specifications outlined in this RFP and all applicable current regulations and requirements. The interface **will** require modifications to the SPIRIT source code, and **will** eventually become maintained entirely in-house by ADH's WIC Program and Information Technology (IT) Services. The proposed software update to the Arkansas WIC version of the SPIRIT system must also interface with the new off-line WIC EBT retailer payment process and the external Claims Processing and Settlement system. Development of the proposed SPIRIT system update and the Claims Processing system will take place concurrently.

Note: \*For clarity, it should be noted that the ADH is in the final stages of negotiation with Solutran as the Smart Card Claims Processing and Settlement system. All references in this document are based on this assumption.

The Project Management Team will exercise oversight of this project. PMT members are:

- the eWIC Project Director
- the eWIC Project Manager (PM)
- the eWIC Project Coordinator
- two (2) other ADH WIC staff members
- others as needed

### 1.2 **ISSUING AGENCY:**

The issuing office is the sole point of contact in the State for the selection process. Vendor questions regarding RFP related matters should be made through the State's buyer, Paul Coulter, preferably by email at [paul.coulter@dfa.arkansas.gov](mailto:paul.coulter@dfa.arkansas.gov), or by phone at 501-683-0084. Vendor's questions **will** be answered as a courtesy and at vendor's own risk.

### 1.3 **DEFINITION OF TERMS:**

The State Procurement Official has made every effort to use industry-accepted terminology in this RFP. The words "bidder" and "vendor" are used synonymously in this document.

### 1.4 **CAUTION TO BIDDERS:**

- A. During the time between the proposal opening and contract award, any contact concerning this RFP **will** be initiated by the issuing office or requesting entity and not the bidder(s). Specifically, the person(s) named herein **will** initiate all contact.
- B. Bidder(s) **must** submit one (1) signed original technical proposal (marked original) on or before the date and time specified on page one of this RFP.
- C. Bidder(s) **must** also submit one (1) original "Official Proposal Price Sheet." Do not include any pricing on the technical proposal copies, including the electronic copy. Pricing **must** be separately sealed from the technical proposal response and clearly marked as pricing.

- D. Bidder(s) should submit seven (7) electronic versions of the technical proposal response, preferably in MS Word/Excel format, on CD or preferably on flash drive.
- E. Bidder(s) should submit one (1) electronic version of the "Official Proposal Price Sheet." Do not include any pricing on the technical proposal copies, including the electronic copy. Pricing **must** be separately sealed from the technical proposal response and clearly marked as pricing.
- F. Failure to submit the required number of copies with the proposal may be cause for rejection.
- G. If the Office of State Procurement requests additional copies of the proposal, they **must** be delivered within twenty-four (24) hours of request.
- H. For a proposal to be considered, an official authorized to bind the bidder(s) to a resultant contract **must** have signed the proposal.
- I. All official documents and correspondence **shall** be included as part of the resultant contract.
- J. The State Procurement Official reserves the right to award a contract or reject a proposal for any or all line items of a proposal received as a result of this RFP, if it is in the best interest of the State to do so. Proposals **will** be rejected for one or more reasons not limited to the following:
  - 1. Failure of the vendor(s) to submit his proposal(s) on or before the deadline established by the issuing office.
  - 2. Failure of the vendor(s) to respond to a requirement for oral/written clarification, presentation, or demonstration.
  - 3. Failure to supply vendor references.
  - 4. Failure to sign an Official RFP Document.
  - 5. Failure to complete the Official Proposal Price Sheet(s) and include them sealed separately from the rest of the proposal.
  - 6. Any wording by the vendor(s) in their response to this RFP, or in subsequent correspondence, which conflicts with or takes exception to a requirement in the RFP.
  - 7. Failure of any proposed system or services to meet or exceed the specifications.
- K. The Official Proposal Price Sheet is included as a separate Excel spreadsheet.

#### 1.5 **RFP FORMAT:**

Any statement in this document that contains the word "**must**" or "**shall**" or "**will**" means that compliance with the intent of the statement is mandatory, and failure by the bidder(s) to satisfy that intent **will** cause the proposal to be rejected. It is recommended that bidder(s) respond to each item or paragraph of the RFP in sequence. Items not needing a specific response may be responded to by concurrence or acknowledgement; no response **will** be interpreted as an affirmative response or



agreement to the State conditions. Reference to handbooks or other technical materials as part of a response **must not** constitute the entire response and bidder(s) **must** identify the specific page and paragraph being referenced.

#### **1.6 TYPE OF CONTRACT:**

The contract **will** be a one (1) year term contract from the date of award. Upon mutual agreement by the contractor and OSP, the contract may be renewed on a year-to-year basis, for up to six (6) additional one year terms or a portion thereof. In no event **shall** the total contract term be more than seven (7) years.

#### **1.7 PAYMENT AND INVOICE PROVISIONS:**

- A. All invoices **shall** be forwarded to: ADH/WIC Program, Finance Section, 5800 West 10<sup>th</sup> Street, Suite 810, Little Rock, Arkansas 72204.
- B. Payment **will** be made in accordance with applicable State of Arkansas accounting procedures upon acceptance by the Agency. The State **shall not** be invoiced in advance of delivery and acceptance of any services. Payment **will** be made only after the contractor has successfully satisfied ADH as to the reliability and effectiveness of each deliverable.
- C. The contractor should invoice ADH by an itemized list of charges. Purchase Order Number and/or Contract Number should be referenced on each invoice. The last invoice of the contract year **must** be submitted within thirty (30) calendar days of the contract's expiration date.
- D. Selected vendor **must** be registered with the State to receive payment and future RFP notifications. Vendors may register on-line at <https://www.ark.org/vendor/index.html>.

#### **1.8 RECORD RETENTION:**

- A. The contractor **shall** be required to maintain all pertinent financial and accounting records and evidence pertaining to the contract in accordance with generally accepted principles of accounting and specified by the State of Arkansas Law. Access **will** be granted upon request, to State or Federal Government entities or any of their duly authorized representatives.
- B. Financial and accounting records **shall** be made available, upon request, to the State of Arkansas' designee(s) at any time during the contract period and any extension thereof, and for five (5) years from expiration date and final payment on the contract or extension thereof.

#### **1.9 PROPRIETARY INFORMATION:**

- A. Proprietary information submitted in response to this RFP **will** be processed in accordance with applicable State of Arkansas procurement procedures. Proposals and documents pertaining to the RFP become the property of the State and **shall** be open to public inspection subsequent to proposal opening. It is the responsibility of the bidder to identify all proprietary information.
- B. Bidder(s) should submit one complete copy of the response from which any proprietary information has been removed, i.e., a redacted copy. The redacted copy should reflect the same pagination as the original, show the empty space from which information was redacted, and should be submitted on a CD or preferably a flash drive.

- C. Except for the redacted information, the redacted copy **must** be identical to the original hard copy. The bidder is responsible for ensuring the redacted copy on CD/flash drive is protected against restoration of redacted data. The redacted copy **will** be open to public inspection under the Freedom of Information Act (FOIA) without further notice to the bidder.
- D. If a redacted copy is not included, the entire proposal **will** be open to public inspection with the exception of financial data (other than pricing). If the State of Arkansas deems redacted information to be subject to the FOIA, the bidder **will** be contacted prior to sending out the information.

#### **1.10 USE AND OWNERSHIP OF SOFTWARE**

The Contractor will have access to all applications software that the Department requires the Contractor to use in the performance of the services covered in the contract, subject to customary confidentiality and other license terms and conditions. No changes in the applications software may be made without the written consent of the Contract Administrator if the change would have the effect of causing the Department to incur additional costs for either hardware or software upgrades or both.

Any applications software developed by the Contractor in the performance of the services under this contract must become the property of the State of Arkansas at no additional cost. Any existing software applications owned by the Contractor and used in the performance of the services under this contract must be granted to the State of Arkansas at no additional cost, subject to customary confidentiality and other license terms and conditions.

#### **1.11 FORCE MAJEURE**

The Contractor will not be liable for any cost to the Department if the failure to perform the contract arises out of causes beyond the control and without the fault or negligence of the Contractor. Such causes may include, but are not restricted to, Acts of God, fires, quarantine restriction, strikes and freight embargoes.

#### **1.12 DISPUTES**

In the event of any dispute concerning any performance by the Department under the contract, the Contractor shall notify the Department Director in writing. The State Procurement Director or a designee, prior to commencement of an action in court or any other action provided by law, will attempt to negotiate a settlement of the dispute with the parties in accordance with A.C.A. § 19-11-246. If the claim or controversy is not resolved by mutual agreement, and after reasonable notice to the parties in accordance with A.C.A. § 19-11-246 (c) (1), the State Procurement Director or his designee shall promptly issue a decision in writing stating the reason for the actions taken and a copy of the decision shall be mailed or otherwise furnished to the Contractor. This decision will be final and conclusive.

Pending final determination of any dispute hereunder, the contractor shall proceed diligently with the performance of the contract and in accordance with the Division Director's instructions.

#### **1.13 CLARIFICATION OF RFP AND QUESTIONS:**

If additional information is necessary to enable bidder(s) to better interpret the information contained in the RFP, written questions **will** be accepted until 4:00 P.M., January 30, 2015. Submit questions to Jared Chaney at [jared.chaney@dfa.arkansas.gov](mailto:jared.chaney@dfa.arkansas.gov). Bidder(s) questions submitted in writing **will** be consolidated and responded to by the State. The consolidated written State response is anticipated to be posted to the OSP website by 4:00 P.M., February 6, 2015. Answers to verbal questions may be given as a matter of courtesy and **must** be evaluated at bidder(s) risk.

**1.14 RESERVATION:**

This RFP does not commit the State Procurement Official to award a contract(s), to pay costs incurred in the preparation of a proposal in response to this request, or to procure or contract for commodities or services.

**1.15 PRIME CONTRACTOR RESPONSIBILITY:**

- A. Single and joint bidder proposals and multiple proposals by bidders are acceptable. However, a single vendor must be identified as the prime contractor in each proposal. The prime contractor will be responsible for the contract and will be the sole point of contact with regard to services, equipment, software, delivery, installation, maintenance, and support.
- B. If another manufacturer's equipment or software is proposed, maintenance support and/or installation may be provided by a third party vendor if the third party vendor was the original manufacturer of the equipment or software or their authorized representative; however, bidders **must** provide written certification from the proposed third party vendor that the vendor agrees to the maintenance, support and/or installation provisions of this RFP.
- C. If any part of the work **must** be subcontracted, bidder(s) **must** include a list of subcontractors, including firm name and address, contact person, complete description of work to be subcontracted, and descriptive information concerning subcontractor's organizational activities in their technical proposal response.
- D. The contractor **shall not** assign the contract in whole or in part or any payment arising there from without the prior written consent of the State Procurement Official.
- E. The contractor **shall** give OSP immediate notice, in writing, by certified mail of any action which, in the opinion of the contractor, may result in litigation related in any way to the contract or the State.
- F. Whenever any approval is required to be given under this agreement, such approval **shall not** be unreasonably withheld, and **shall** either be timely given or the reasons for the denial of such approval **shall** be timely given and in sufficient detail to allow the correction of any deficiencies.

**1.16 CONTRACT INFORMATION:**

- A. The State of Arkansas may not contract with another party:
  - 1. To indemnify and defend that party for any liability and damages. However, the State Procurement Official may agree to hold the other party harmless from any loss or claim resulting directly from and attributable to the State's use or possession of equipment or software and reimburse that party for the loss caused solely by the State's uses or possession.
  - 2. Upon default, to pay all sums to become due under a contract.
  - 3. To pay damages, legal expenses or other costs and expenses of any party.
  - 4. To continue a contract once the equipment has been repossessed.
  - 5. To conduct litigation in a place other than Pulaski County, Arkansas.

6. To agree to any provision of a contract which violates the laws or constitution of the State of Arkansas.

B. A party wishing to contract with the State of Arkansas should:

1. Remove any language from its contract which grants to it any remedies other than:
  - a. The right to possession.
  - b. The right to accrued payments.
  - c. The right to expenses of deinstallation.
  - d. The right to expenses of repair to return the equipment to normal working order, normal wear and tear excluded.
  - e. The right to recover only amounts due at the time of repossession and any unamortized nonrecurring cost as allowed by Arkansas Law.
2. Include in its contract that the laws of the State of Arkansas govern the contract.
3. Acknowledge that contracts become effective when awarded by the State Procurement Official.

C. The State of Arkansas may contract with another party:

1. To accept the risk of loss of the equipment or software and pay for any destruction, loss or damage of the equipment or software while the State has such risk, when the extent of liability for such risk is based upon the purchase price of the equipment or software at the time of any loss and the contract has required the State to carry insurance for such risk.

**1.17 CONDITIONS OF CONTRACT:**

Contractor(s) **shall** at all times observe and comply with Federal and State laws, local laws, ordinances, orders, and regulations existing at the time of or enacted subsequent to the execution of this contract which in any manner affect the completion of the work. Contractor(s) **shall** indemnify and save harmless the agency and all its officers, representatives, agents, and employees against any claim or liability arising from or based upon the violation of any such law, ordinance, regulation, order or decree by an employee, representative, or subcontractor.

**1.18 STATEMENT OF LIABILITY:**

- A. The State **will** demonstrate reasonable care but **will not** be liable in the event of loss, destruction or theft of vendor-owned equipment or software to be delivered or to be used in the installation of deliverables and services. The vendor **shall** retain total liability for equipment and software. At no time **will** the State be responsible for or accept liability for any vendor-owned items.
- B. The contractor's liability for damages to the State **shall** be limited to the value of the Contract or \$10,000.00 whichever is higher. The foregoing limitation of liability **shall not** apply to claims for

infringement of United States patent, copyright, trademarks or trade secrets; to claims for personal injury or damage to property caused by the gross negligence or **willful** misconduct of the contractor; to claims covered by other specific provisions of the contract calling for damages; or to court costs or attorney's fees awarded by a court in addition to damages after litigation based on the Contract. Neither the contractor nor the State **shall** be liable to each other, regardless of the form of action, for consequential, incidental, indirect, or special damages. This limitation of liability **shall not** apply to claims for infringement of United States patent, copyright, trademark or trade secrets; to claims for personal injury or damage to property caused by the gross negligence or **willful** misconduct of the contractor; to claims covered by other specific provisions of the contract calling for damages; or to court costs or attorney's fees awarded by a court in addition to damages after litigation based on the Contract.

- C. Nothing in these terms and conditions **shall** be construed or deemed as the State's waiver of its right of sovereign immunity. The contractor agrees that any claims against the State, whether sounding in tort or in contract, **shall** be brought before the Arkansas Claims Commission as provided by Arkansas law, and **shall** be governed accordingly.

#### **1.19 AWARD RESPONSIBILITY:**

The State Procurement Official **will** be responsible for award and administration of any resulting contract(s).

#### **1.20 AWARD CRITERIA**

The award **will** be made to the vendor with the highest Grand Total points, determined by the combination of the evaluation scores and points for cost.

#### **1.21 COOPERATIVE PURCHASING**

The final product **will** be made available to other WIC State Agencies by ADH and by the contractor at no additional cost to the State. Arkansas WIC **will not** reimburse Contractors for modifications to software that was originally developed for a WIC Authority and paid for with USDA funding. If a contractor proposes modifications to software that was initially developed and paid for by Arkansas WIC, the contractor **must** detail how much of the software code is original, how much of the code requires modification, and how much new code is required.

#### **1.22 PUBLICITY:**

News release(s) by a vendor(s) pertaining to this RFP or any portion of the project **shall not** be made without prior written approval of the State Procurement Official. Failure to comply with this requirement is deemed to be a valid reason for disqualification of the vendor(s) proposal. The State Procurement Official **will not** initiate any publicity relating to this procurement action before the contract award is complete.

#### **1.23 CERTIFICATION:**

Bidder(s) **must** certify that all services, installation/maintenance/support personnel, etc. needed to fulfill the requirements of this RFP and the resulting contract **will** be provided at no additional cost above the proposal price. All software and services proposed **must** be new, of the latest technology, in current production, demonstrable and eligible for current maintenance, service, and support.

**1.24 INDEPENDENT PRICE DETERMINATION:**

By submission of this proposal, the bidder certifies, and in the case of a joint proposal, each party thereto certifies as to its own organization, that in connection with this proposal: The prices in the proposal have been arrived at independently, without collusion, and that no prior information concerning these prices has been received from, or given to, a competitive company. If there is sufficient evidence of collusion to warrant consideration of this proposal by the office of the Attorney General, all bidders **shall** understand that this paragraph may be used as a basis for litigation.

**1.25 COST:**

- A. All charges **must** be included on the Official Proposal Price Sheets. The Project total of tables 1 & 2 **shall** be included in the costing evaluation. To allow time to evaluate proposals prices **must** be valid for 120 days following RFP opening. Bidder(s) **must** include ALL pricing information on the Official Price Proposal Sheet ONLY and **must** clearly mark said page(s) as pricing information. Table 3 **shall not** be included in price evaluation. The electronic version of the Official Proposal Price Sheet **must** also be sealed separately from the electronic version of the technical proposal.
- B. The State **will not** be obligated to pay any costs not identified on the Official Proposal Price Sheet. Any cost not identified by the successful bidder but subsequently incurred in order to achieve successful operation **will** be borne by the bidder.
- C. Bidder(s) may expand items on the Official Proposal Price Sheet to identify all proposed goods and services.
- D. In addition to the cost of meeting the requirements of this RFP, any other cost to meet the requirements of this RFP **shall** be listed on Table 2 "Other Cost" of the Official Bid Price Sheet.
- E. Vendors may include services related but not mandatory to the requirements of this RFP and their associated cost in Table 3 of the Official Bid Price Sheet. ADH may add or delete these services throughout the life of the contract on an as needed basis. ADH **shall not** be required to purchase any services on Table 3 of the Official Bid Price Sheet.

**THE ACCOMPANYING EXCEL FILE CONTAINS THE OFFICIAL PRICE SHEETS.**

**1.26 CONFIDENTIALITY:**

Vendors **shall** be bound to confidentiality of any information of which its employees may become aware during the course of performance of contracted tasks. Consistent and/or uncorrected breaches of confidentiality may constitute grounds for cancellation of the contract.

**1.27 SET OFF**

The parties agree that the Department, in its sole discretion, shall have the right to set-off any money Contractor owes the Department from the Department's payment to Contractor under this contract.

**1.28 PROOF OF INSURANCE STATEMENT**

Upon request, the vendor shall present an affidavit of Workers Compensations, Public Liability, and Property Damage Insurance to the Arkansas Department of Health Issuing Officer.

**1.29 NEGOTIATIONS:**

As provided in this request for proposal and under regulations, discussions may be conducted with responsible bidder(s) who submit proposals determined to be reasonably susceptible of being selected for award for the purpose of obtaining clarification of proposal response and negotiation for best and final offers.

**1.30 PERFORMANCE SECURITY**

In order to assure full performance of all obligations imposed on a vendor by contracting with the State, the vendor will be required to provide a performance security in an amount of at least \$30,000.00 within ten (10) working days from date of receipt of the State's written notification of its intent to award a contract. The form of security required **shall** be a cashier's check or a standard letter of credit such as is usually and customarily written and issued by surety companies licensed and authorized to do business in Arkansas. An irrevocable letter of credit from an Arkansas bank is also acceptable. The performance security **must** be made out to the State of Arkansas and should include the RFP number and contract period.

If a vendor fails to deliver the required performance security, the proposal **shall** be rejected. In the event of a breach of contract, either through quality problems, late delivery, substitutions, nonperformance, or other areas within the control of the vendor, the State Procurement Official will notify the vendor in writing of the default and may assess reasonable charges against the vendor's performance security. If, after notification of default, the vendor fails to remedy the State's damages within ten (10) working days, the State Procurement Official may initiate procedures for collection against the vendor's performance security.

In order to achieve the greatest economy for the State, the State Procurement Official may choose the next highest ranked bidder as determined through the evaluation process, re-advertise for proposals, negotiate a contract, or complete any other action consistent with the procurement laws. The performance security will be released:

Upon completion of contractual requirements/deliverables and acceptance by the "authorized agency official."

**1.31 CANCELLATION:**

In the event the State no longer needs the service or commodity specified in the contract or purchase order due to program changes, changes in laws, rules, or regulations, relocation of offices, or lack of appropriated funding, the State may cancel the contract or purchase order by giving the contractor written notice of such cancellation 30 calendar days prior to the date of cancellation.

**1.32 ORDER OF PRECEDENCE:**

Any resulting contract **shall** consist of the following documents, which in case of conflict, **shall** have priority as listed below, and are hereby incorporated as if fully set forth:

- A. Any written amendments to the contract by State and vendor
- B. The initial contract
- C. The solicitation document
- D. Awarded vendor's technical and cost proposal

E. Special Instructions

F. Special Conditions

G. Any notice required to be given to either party by this Agreement shall be in writing and may be delivered in person, by courier service or by U. S. mail, either first class or certified, return receipt requested, postage prepaid, as follows: 1) identify the party and address for the Contractor. 2) Identify the party and address for the State.

### **1.33 PROJECT TIMELINE:**

Event	Date
RFP Issued	01/12/2015
Vendor Questions Due	01/29/2015
Responses to Questions Posted*	02/06/2015
Proposal Submission Due Date	03/16/2015
Anticipation to Award Posted*	04/17/2015
Contract Award Date*	05/04/2015

\*Anticipated Dates



## SECTION 2: PROJECT REQUIREMENTS

### 2.1 BACKGROUND INFORMATION:

- A. In December 2010, Congress passed The Healthy, Hunger-Free Kids Act of 2010 (Public Law 111-296). Included in the law are several provisions related to Electronic Benefit Transfer (EBT), along with a federal mandate that all states implement EBT in their Special Supplemental Nutrition Program for Women, Infants, and Children (WIC) Programs by October 1, 2020. Benefits of WIC EBT include, but are not limited to:
  1. Allowing participants to purchase the complete food package items at their convenience and with discretion during the in-store transaction
  2. Helping to ensure that participants are only able to purchase WIC authorized foods and that foods are not improperly purchased or substituted due to human error, thereby decreasing opportunity for fraud and abuse of program benefits
  3. Providing the WIC Program with data on the type, brand, and cost of each food item so agencies can better control food costs through informed food package decisions and improved rebate billing for infant formula and other foods
  4. Enabling the grocer to complete the WIC transaction efficiently and properly in the checkout lane
  5. Substantially reducing accounting time and cost necessary for handling and accounting for WIC Checks
  6. Enabling for the grocer to file claims and to be paid more promptly
- B. Current SPIRIT Smart Card EBT advancements are constrained, requiring Arkansas WIC to procure independent development of Smart Card EBT functionality capable of seamlessly integrating with the existing SPIRIT State Agency Model (SAM) system. With the procurement of this Smart Card EBT package, Arkansas WIC anticipates the process of shifting from a paper check food delivery system to an EBT system in early-2016 with complete statewide expansion before the end of 2017.
- C. Since the term “EBT” is most commonly associated with the Supplemental Nutrition Assistance Program (SNAP), an online environment with different functional requirements, this solicitation **will** refer to the Smart Card WIC EBT system as “eWIC” to eliminate confusion.
- D. The final product **will** be made available to other WIC State Agencies by ADH and by the contractor at no additional cost to the State. Arkansas WIC **will not** reimburse Contractors for modifications to software that was originally developed for a WIC Authority and paid for with USDA funding. If a contractor proposes modifications to software that was initially developed and paid for by Arkansas WIC, the contractor **must** detail how much of the software code is original, how much of the code requires modification, and how much new code is required.

- E. The Special Supplemental Nutrition Program for Women, Infants, and Children (WIC) provides specific nutritious foods, nutrition and breastfeeding education, and referrals to pregnant, breastfeeding and postpartum women, infants and children up to five (5) years of age who are determined to be at nutritional risk and meet income guidelines. ADH administers WIC with funding and guidance from the USDA Food and Nutrition Service (FNS).
- F. The 2011 Arkansas WIC EBT Feasibility and Cost Evaluation Study, approved by USDA FNS, concluded that Smart Card (offline) EBT is the most economical technology solution for the State. WIC responsibilities **will** be similar to those performed in support of the current paper check food delivery system while the Smart Card Claims Processing System Soultran **will** include a new retailer payment process and other services comparable to the current banking services contract.
- G. In Federal Fiscal Year (FFY) 2009, the Arkansas WIC Program implemented the Successful Partners in Reaching Innovative Technology (SPIRIT) SAM Managed Information System (MIS). SPIRIT operates on a .NET framework and is currently operational for EBT in an online (magnetic stripe) environment in other WIC State Agencies.
- H. Arkansas WIC serves an annual unduplicated participation of over 90,000 participants in approximately 32,000 households. In 2013, Arkansas WIC issued approximately 3 million paper checks and approximately 2.5 million were redeemed. Local health units deliver WIC clinical services under the administration of the ADH Center for Local Public Health. The Arkansas Nutrition/WIC Branch is a component of the Center for Health Advancement (CHA) and is organized into five sections:
  1. Nutrition/Breastfeeding
  2. Financial Management
  3. Policy
  4. Management Information Systems
  5. Food Delivery/Vendor Management
- I. The Arkansas WIC Program currently uses two food delivery systems to provide supplemental foods to Program participants: retail and direct. The retail purchase system is the primary food delivery system. WIC food prescriptions and Cash Value Benefits (CVBs) are delivered to clients via paper check issued by the SPIRIT MIS. The WIC Checks are issued to participants at the Local Health Units and redeemed at one of the approximately 415 WIC authorized retail grocers. The WIC Checks contain specific food prescriptions or a set Cash Value Benefit amount to be applied to the purchase of approved fruits and vegetables. The WIC Checks are issued monthly, bi-monthly, or tri-monthly during the participant's certification period. The direct issuance system is used to issue special (non-contract) formula to participants. This formula is a formula that must be issued based on physician recommendation with a prescription. With the direct issuance system, WIC Checks are only issued on a monthly basis due to possible changes of the food prescription.

## 2.2 **PROJECT OBJECTIVES:**

ADH has developed a list of project objectives that the contractor **will** assist in achieving, including at a minimum:

- A. Improving customer service at the Local Health Units and WIC Clinics
- B. Enhancing information security
- C. Maximizing newer technologies to improve functionality and services for State and local staff as well as program participants
- D. Strengthening controls and accountability of information that enhance reporting to the United States Department of Agriculture Food and Nutrition Service, the Arkansas Legislature, and other Agencies
- E. Improving the timeliness and quality of data for key management decisions
- F. Minimizing potential for fraud and abuse
- G. Ensuring that only WIC authorized food items are purchased
- H. Enabling smoother transactions in the checkout lane at WIC authorized retailer locations
- I. Expediting payments to WIC authorized retailers
- J. Ensuring that the WIC Participant is able to purchase their full, prescribed WIC food package, at their discretion within the valid period of issuance, and that the WIC food transaction affords the participant dignity and convenience
- K. Providing data on the type, brand, and cost of each food item so that the WIC State Agency can better control food costs through informed food package decisions and maximization of rebates on infant formula
- L. Ensuring that the ongoing cost of the eWIC System is reasonable for the State Agency and all stakeholders
- M. Providing changes to the SPIRIT source code to allow for seamless integration of Smart Card EBT functionality into the existing system

## 2.3 **SYSTEM REQUIREMENTS:**

- A. The functional requirements for the new eWIC System **shall** be aligned with the USDA FNS Functional Requirements Document (FReD) and the WIC MIS\_EBT Universal Interface Specifications document (dated June 2012 or the subsequent revision) for a model WIC Information System. The proposed system **shall**, at a minimum, be responsible for the following tasks:

1. Prescribing food packages in an EBT environment.
2. Processing changes and transfers for WIC participants.
3. Managing participant food and formula benefits.
4. Issuing benefits via WIC EBT Card System.
5. Translating the food benefits into category/subcategory for Card issuance.
6. Printing benefits from the Smart Card (benefit inquiry, etc.).
7. Issuing medical food benefits using an alternate delivery method (i.e. Drop-Ship in LHUs).
8. Voiding and replacing of benefits.
9. Producing eWIC Card for use in compliance buy investigations.
10. Managing Formula Exchanges.
11. Running Smart Card diagnostic using most current standards and messaging.
12. Supporting quality assurance processes with Smart Card EBT Claims Processor Contractor.
13. Providing flexible options for continuing operations when disconnected from online communications systems and during disaster conditions.
14. Tracking EBT Card inventory statewide, in Local Health Units and WIC Clinics.
15. Transferring and replacing EBT cards.
16. Maintaining and publishing a 'Hot Card' List (HCL), including audit trail.
17. Applying and removing administrative locks to EBT Cards.
18. Resetting EBT Card PIN.
19. Managing returned and usable EBT Cards.
20. Food Benefit Redemption, Settlement, and Reconciliation.

21. Maintaining and distributing an Authorized Product List (APL).
  22. Receiving claims processed and reject data from the Claims Processing Contractor Soultran.
- B. The proposed solution **must** have the ability to share data with a variety of systems operated by Arkansas WIC and external entities. These data and interfaces for the new eWIC System include, but are not limited to, the following:
1. Claim files, acknowledgement and/or error files via secure File Transfer Protocol (FTP).
  2. Claims Processing Contractor Solutran.
  3. EBT “Hot” Card files.
  4. Authorized Product Lists.
  5. National UPC Database via the APL format or any excel spreadsheet.
  6. Other State run applications and websites to be identified during JAD.

## 2.4 **FUNCTIONAL REQUIREMENTS**

- A. The contractor **shall** design, develop, and implement an eWIC Smart Card EBT system that is capable of seamless integration with the existing SPIRIT SAM system. The SPIRIT SAM system operations manual and the file formats used to share data with external entities can be found at the following link: <http://www.healthy.arkansas.gov/programsServices/WIC/Pages/ArkansasWICEBT.aspx#1>
- B. The proposed eWIC System **must** meet the management, monitoring, and reporting requirements of the Arkansas WIC Program as outlined in the USDA FNS Functional Requirements Document for a Model WIC system which can be found at the following link: <http://www.fns.usda.gov/apd/WIC-FReD>.
- C. The proposed eWIC system **must** also meet the requirements found in the Universal MIS-EBT Interface Specifications document. The Universal Interface Specifications function requirements document can be found at <http://www.fns.usda.gov/wic-mis-%E2%80%93-ebt-universal-interface>.
- D. The State has chosen a qualified eWIC Project Implementation Contractor (PIC) in a separate RFP. Under the direction of the eWIC Project Management Team (PMT), the PIC will deliver external project management and quality assurance services necessary to effectively convert the Arkansas WIC Program from paper checks to eWIC. Objectives include clinic and retailer readiness, successful user acceptance of the MIS model, pilot implementation and statewide expansion. The PIC will provide management support, quality assurance oversight, and technical and management-level assistance statewide.

- E. Additional support to the eWIC project provided jointly between the PMT and the PIC **shall** include:
1. Providing both expert technical review and technical corporate-level consultation related to Smart Cards and EBT implementation issues.
  2. Working with stakeholders and subject matter experts to ensure business requirements are met within the scope of work.
  3. Working as a business architect on the project, facilitating major process improvements.
  4. Providing day-to-day guidance of the project to ADH.
  5. Developing, maintaining and updating a detailed project management plan.
  6. Coordinating and aligning the work of contractors and State staff, managing the issues and risks, and reviewing deliverables for State acceptance.
  7. Facilitating decision processes and unscheduled meetings to discuss issues.
  8. Ensuring change management, training and communication are effective.
  9. Making recommendations for system requirements to the PMT during the contract period.
  10. Facilitating pilot eWIC implementation and completing a cost evaluation study immediately following the pilot project.
  11. Evaluating the statewide system operations at all phases of implementation of eWIC in Arkansas.

## **2.5 DELIVERY REQUIREMENTS:**

- A. The proposed eWIC system **must** be ready for delivery no later January 18, 2016
- B. From January 18, 2016 through February 26, 2016 the State **will** be testing the system to make sure all functional requirements have been met.
- C. The system **will** be piloted for a minimum of three (3) months in Miller County, Arkansas to evaluate eWIC in a real-world setting to determine future statewide expansion costs and benefits, and obtain USDA FNS approvals.
- D. Statewide rollout is expected, but not guaranteed, at the conclusion of the pilot testing and subsequent cost evaluation study that **will** be performed by ADH.

- E. The proposed eWIC system **must** be implemented no later than May 2, 2016 for the pilot area.
- F. Contractor **shall** assist with cutover and deployment of the proposed eWIC System during pilot implementation.

## 2.6 **CONTRACTOR REQUIREMENTS AND QUALIFICATIONS:**

- A. The contractor **shall** comply with the following regulations, standards, and policies. The contractor may request assistance from the Arkansas WIC Program's Project Management Team to obtain related technical documentation. This list may be amended to include additional and/or revised USDA FNS requirements.
  - 1. Europay, MasterCard, and Visa (EMV) Security (May Apply)  
<https://www.emvco.com/>
  - 2. American National Standards Institute (ANSI) X9.93 (v2 and v4) and X9.131  
[http://www.fns.usda.gov/apd/Library/WIC\\_EBt\\_docs.htm](http://www.fns.usda.gov/apd/Library/WIC_EBt_docs.htm)
  - 3. WIC National Universal Product Code (NUPC) database
  - 4. FNS Handbook 901, July 31, 2013  
[http://www.fns.usda.gov/apd/Library/WIC\\_EBt\\_docs.htm](http://www.fns.usda.gov/apd/Library/WIC_EBt_docs.htm)
  - 5. Functional Requirements Document (FRd) for WIC, Version 2, 2008 as Appendix E  
[http://www.fns.usda.gov/apd/Library/WIC\\_EBt\\_docs.htm](http://www.fns.usda.gov/apd/Library/WIC_EBt_docs.htm)
  - 6. WIC Operating Rules for Electronic Benefits Transfer, 09/20/2014  
<http://www.fns.usda.gov/wic/EBT/guidance.htm>
  - 7. USDA FNS WIC Universal MIS-EBT Interface Specifications (WUMEI), June 2012  
<http://www.fns.usda.gov/wic/EBT/guidance.htm>
  - 8. USDA FNS WIC Technical Implementation Guide (TIG), 9/30/2012  
<http://www.fns.usda.gov/wic/EBT/guidance.htm>
- B. The contractor **must** be capable of performing all assigned tasks with self-sufficiency and open communication with the eWIC PMT and all other project contractors. The contractor **must** accept and share technical information and assistance with ADH and be fully knowledgeable in both hardware and software related to Smart Card operations, Smart Card terminal operations, and Smart Card interfaces with automation systems.
- C. The contractor **must** possess a minimum of five (5) years of experience in information system projects for a government agency. The contractor **must** also possess evidence of current or recent

EBT development work with a WIC Program, within the past three (3) years, as well as experience working with other EBT implementation projects for a government agency.

- D. Each proposer **shall** identify a Project Manager who will assume responsibility for coordination, control, and performance of staff and subcontractors.
- E. The Project Manager **will** be required to remain on site at a full time status for three months after the month in which the complete EBT system is fully operational unless it is mutually agreed by all parties that a lesser time is sufficient.
- F. For the duration of the contract, including contract extensions, the Project Manager **will** be required to attend quarterly status meetings with the agency. This individual **will** serve as the primary contact for the agency as the representative of the contractor. Upon request from the agency, the Project Manager **must** be available on an as needed basis and be present in Little Rock, AR within 48 hours of notification of the need for their assistance.



### SECTION 3: PERFORMANCE AND IMPLEMENTATION

#### 3.0 SCHEDULE OF EVENTS

The following table represents an estimated schedule of events to be covered in Section 3.

Event	Date
EBT Claims Processor / Offline Module Development and JAD Period*	5/11/15-5/15/15
EBT MIS Offline Module Design and Claims Processing System Delivered	1/18/16
EBT Final Design / UAT / FNS Approval Period	1/18/16-2/26/16
Pilot Project	5/2/16-7/29/16
EBT Project Roll Out	10/3/16

#### 3.1 PROJECT PLANNING REQUIREMENTS:

- A. The contractor **shall** provide a Project Plan and Work Breakdown Structure (WBS) to ensure timely completion of project milestones. The project management plans **shall** include requirements and processes for ensuring project quality. This includes a number of aspects of quality management such as validating with testing that the eWIC system is operational, meets the business requirements, and ensuring that deliverables meet the quality standards and functionality needed to make this project successful.
- B. The contractor's plans **must** be compatible for collaboration with the eWIC Project Implementation Contractor (PIC) and the eWIC Claims Processing Contractor to ensure successful implementation of the eWIC System.
- C. The contractor **shall** review State functional and requirements documents for completeness and consistency with current USDA requirements. The contractor **shall** conduct an initial technology assessment of the current Arkansas WIC MIS system after contract award, to establish the extent to which the SPIRIT source code requires modification and the changes necessary to comply with FNS WIC Universal MIS-EBT Interface.
- D. The contractor **shall** participate in Joint Application Design (JAD) sessions to be held in a location to be determined by Arkansas WIC at a mutually agreed upon date and time. JAD sessions **will** continue until Arkansas WIC approves the proposed eWIC system design and functional requirements and updated documentation. All expenses related to the sessions **shall** be included in bidder's proposed price. Specifically, the contractor would be on site one week for the Joint Application Design (JAD) session and two weeks for the User Acceptance Testing (UAT). All other tasks could be done at the Contractor's office.

#### 3.2 QUALITY CONTROL AND TESTING REQUIREMENTS:

- A. The contractor **shall** ensure the proposed eWIC system design and development meets the State's requirements and stakeholders needs. Plans and processes should include steps during every phase of project development and procedures for auditing and logging systems tests up to and including User Acceptance Testing (UAT) and finally pilot testing.
- B. The contractor should consider the following in the development of adequate testing plans to provide quality control during development of the proposed system:
  1. Projected timeframe for each of the phases (system, UAT, pilot)

2. Go/no-go criteria for determining when to move from one (1) phase to the next
3. Scenarios to be tested and scripted
4. How errors are prioritized
5. Regression testing and validation
6. Test conversion processes
7. Ensure all necessary interfaces are developed
8. Document the new system of record

### **3.3 PERFORMANCE REQUIREMENTS:**

- A. Arkansas WIC, the eWIC Project Implementation Contractor (PIC), and USDA FNS **will** jointly monitor the performance of any contract resulting from this RFP. All services and deliverables under the contract **shall** be provided at an acceptable quality level, determined by the PMT, and in a manner consistent with acceptable industry standards, customs, and practices.
- B. If issues arise with the progress of the deliverables, the contractor **must** make recommendations to the PMT regarding amendments and changes to the deliverables, schedule or budget. The eWIC PMT **shall** negotiate amendments with the contractor and review work authorizations and invoices. A deliverable submitted by the contractor **shall** only be considered complete and available for invoicing once the eWIC PMT has accepted and approved the deliverable in writing.
- C. The Contractor **shall** meet the following expectations. Arkansas WIC **shall** have the final say in acceptance of the below listed expectations:
  1. Work collaboratively with all contractors involved in the project
  2. Maintain a virus-free technical infrastructure
  3. Proactively manage risks so that scheduled milestones are met
  4. High quality testing of any system code developed for WIC UAT
  5. Timely response for resolution of defects identified during UAT and pilot project implementation
  6. Proactively pursue opportunities to improve eWIC system performance
  7. Ensure system availability is not adversely affected by code changes

8. Timely response, as initially proposed by the vendor and agreed to by the PMT, to maintenance requests during pilot project implementation and warranty period

### 3.4 **DELIVERABLES:**

Project deliverables **will** be time sensitive in nature. All deliverables listed below **will** be initially reviewed by the eWIC PIC, Project Management Team, and considered for approval by ADH. Deliverables **shall** only be considered complete after ADH approval. The contractor **shall**, throughout the term of the contract and warranty period, participate in project team meetings and design review sessions at a schedule mutually agreed upon by ADH and the contractor. The contractor **must** generate technical memoranda, such as notices of system changes, as requested by ADH.

A. **Deliverable #1, Project Planning and Management:** The contractor **shall** establish a project control and reporting system which **will** provide routine and realistic assessments of the project's progress from initial planning, through the completion of the Pilot Installation, including the applicable warranty period. This plan **shall** follow the approved milestones and detailed work plan as established by the PMT, PIC and agreed to by the vendor, and **shall** address at a minimum:

1. SPIRIT Code Review and State system assessment
2. Requirements Review
3. Configuration Plan
4. Requirements Traceability Matrix and Associated Tests
5. Training Plan
6. Pre-implementation Test Plan
7. Implementation Plan
8. Implementation Testing
9. Post-Implementation Test Plan
10. Cutover and Knowledge Transfer Plan
11. Status Reporting
12. Communications
13. Issue Escalation and Resolution
14. Deliverable Review and Approval
15. Change Control Management

## 16. Project Closeout Processes

- B. **Deliverable #2, SPIRIT Code Review and Technology Assessment:** The contractor **shall** perform a technology assessment review of hardware, network, system management, software, operational readiness, and compatibility with USDA FNS standards including the Universal Interface requirements as outlined in the WIC Electronic Benefits Transfer Guidance Document which can be found at the following link: <http://www.fns.usda.gov/wic/ebt-guidance>. As part of this task, the contractor **shall** identify any items that may affect the timely and successful implementation of the project. The contractor **shall** also specify recommended corrective action to be taken by ADH.
  
- C. **Deliverable #3, Finalize System Requirements:** In addition to supplying a Functional Design document and a System Specifications document, the contractor **shall** propose a system design plan that describes the detailed system requirements (FReD) and functional design prior to system development. This plan **will** provide the foundation for the Joint Application Design (JAD) sessions. Proposed changes or modifications to requirements during system development **must** be approved by the State and incorporated in the system documentation.
  
- D. **Deliverable #4, Test Plan:** The contractor **must** submit a draft test plan to the PMT that describes the proposed approach for ensuring the quality of the eWIC System design and development for Arkansas WIC. The plan **must** provide a guide for measuring product and services quality during all phases (design, development, testing, acceptance, integration, and migration). The draft test plan **must** detail the approach, methods, and tools that **will** be used in all project phases, including ongoing operations, for the duration of the system warranty. The plan **must** also include initial and expanded test scenarios and scripts, recorded test/incident problem reports, developer assessments, recommendations and approved fixes, regression tests and results.
  - 1. The contractor **must** create and maintain internal test logs (with index) that detect all issues and deficiencies identified during all levels and phases of testing: product, unit, interface, integration, end-to-end, and regression. The contractor **must** describe test logs and reports, the format, content and organization of each document, and its procedures for providing copies to Arkansas WIC and eWIC contractors as requested.
  - 2. ADH **will** provide comments and required changes to the draft test plan to the contractor. Once approved by Arkansas WIC, the revised document **will** become the final test plan.
  - 3. The Test Plan **must** comply with the FNS test plan requirements listed in Handbook 901.
  
- E. **Deliverable #5, Knowledge Transfer and Training Plan:** The contractor **must** train State personnel in the use of all specialized software and automated tools proposed. The training **must** be conducted by persons possessing proven expertise with the system and are able to answer any questions that can be expected to arise during the training session.
  - 1. Training **will** be for 25 WIC State Office staff and Super users. The training **will** be an onsite train the trainer. The training **will** cover the functionality of the new offline system that includes the clinic and vendor modules. Once the training documents (including but not limited to, curriculum, presentations and reference materials) and training has been approved by PMT training **will** be

considered complete. Bidder **must** detail all costs associated with this training program on the Official Proposal Price Sheet.

2. Training **shall** be scheduled at a mutually agreed upon date and location between all eWIC Contractors and Arkansas WIC. The training **shall** coincide with the installation schedule. Users **must** be trained, as appropriate to their use of the system prior to the eWIC Pilot Project Implementation.
3. All training materials are considered deliverables and **must** be submitted to Arkansas WIC with adequate time for review and approval prior to the beginning of the actual training. All training plans and materials **will** become the property of the State.

F. **Deliverable #6, Product Delivery/User Acceptance Testing (UAT):** Testing **will** be conducted to ensure quality assurance and confirm that the system satisfies the needs of the Arkansas eWIC project as specified in the detailed functional requirements. Extensive testing of the eWIC system **will** at a minimum include performance, usability, acceptance, and regression testing. The testing **shall** confirm that the developed system meets all user requirements in the areas of functionality, security, recovery, and system controls as determined by and accepted by the PMT.

1. During the formal test script portion of the acceptance test, testing representatives **must** follow detailed test scripts. The test scripts **must** cover all facets of the System's operations and test all of the System processing options and environmental conditions (e.g., entry of erroneous data, and POS hardware and communications failure). The ad hoc, or "what if," portion of the acceptance test provides the State with the opportunity to introduce various transaction sets and sequences that have not been included in the test scripts. The objective of these tests is to challenge the System's operations, capabilities, and design as well as to identify any areas of potential weakness or failure. Testing results **must** be approved by the PMT.
2. All project contractors **will** be available to document and correct any system bugs or defects in the system identified in UAT. The PMT and PIC **will** coordinate the UAT team, participate in the development of ADH WIC specific test scripts, verify the most current version of the Smart Card eWIC test scripts, be present during the UAT, assist in consistent documentation and reporting of results, and request a recommendation to USDA/FNS at the end of the test regarding whether or not the system is ready for pilot.

G. **Deliverable #7, Final Detailed System/Functional Documentation (electronically):** The contractor **shall** ensure that changes to the systems within the State are documented accurately and reflect the actuals of the project. The functional documents should be complete so they can be used to make future decisions or transfer knowledge to potential new users of the system. Any functional documents **shall** be included in any training provided and **shall** be available to ADH at request.

1. **The contractor must secure formal approval, for any proposed system change and documentation methodology, by the ADH.** Change management activities **must** appropriately manage and document changes to the application and to the underlying application development environment components. Final documentation **shall not** be considered complete until approved by the State.

2. All technical system data and design documentation **will** become the property of the State upon creation. At a minimum the following information **shall** be provided via the PMT as the information becomes available:

- a. Database tables
- b. Application narratives
- c. Cell/Field descriptions
- d. Changes to SPIRIT Source Code
- e. User Documentation/Operations Manual (electronically)
- f. Installation Documentation (electronically) formatted as agreed to by the PMT.

H. **Deliverable #8, Warranty Period:** Contractor **must** state, within their proposal, the length of the warranty period after acceptance by the PMT for the eWIC System, during which time maintenance **will** be free of charge to ADH. Warranty **must** be for at least one (1) year and cover all components of the system including hardware, software, programs, screens, reports, subroutines, utilities, file structures, documentation, interfaces, or any other items provided by the contractor. The warranty period **shall** only commence upon ADH approval of user acceptance testing. All global software modifications made to the system during the warranty period **will** be considered an integral part of the eWIC System. Such changes **shall** be incorporated into the final system documentation and **must** be available to Arkansas WIC at no additional charge at the close of the contract and/or warranty period, whichever is the greater time period.

## SECTION 4: EVALUATION INFORMATION

### 4.1 **GENERAL INFORMATION:**

Bidder(s) should address each item listed in this RFP to be guaranteed a complete evaluation. After initial qualification of proposals by The Office of State Procurement, selection of the successful vendor will be determined in Committee by evaluation. Submission of a proposal implies acceptance of the evaluation technique and vendor recognition that good-faith judgments will be made by the ADH Evaluation Committee during the assignment of rating points. Other agencies and consultants of ADH may also examine documents.

### 4.2 **METHOD OF PERFORMANCE:**

A. Describe in detail how the proposed solution will assist ADH in the following project objectives:

1. Improving customer service at the Local Health Units and WIC Clinics
2. Enhancing information security
3. Maximizing newer technologies to improve functionality and services for State and local staff as well as program participants
4. Strengthening controls and accountability of information that enhance reporting to the United States Department of Agriculture Food and Nutrition Service, the Arkansas Legislature, and other Agencies
5. Improving the timeliness and quality of data for key management decisions
6. Minimizing potential for fraud and abuse
7. Ensuring that only WIC authorized food items are purchased
8. Enabling smoother transactions in the checkout lane at WIC authorized retailer locations
9. Expediting payments to WIC authorized retailers
10. Ensuring that the WIC Participant is able to purchase their full, prescribed WIC food package, at their discretion within the valid period of issuance, and that the WIC food transaction affords the participant dignity and convenience
11. Providing data on the type, brand, and cost of each food item so that the WIC State Agency can better control food costs through informed food package decisions and maximization of rebates on infant formula
12. Ensuring that the ongoing cost of the eWIC System is reasonable for the State Agency and all stakeholders
13. Providing changes to the SPIRIT source code to allow for seamless integration of Smart Card EBT functionality into the existing system

- B. Describe a comprehensive training plan designed to meet the operation and development needs of ADH, including but not limited to:
  - 1. Types of specific training required
  - 2. Duration of each training period proposed by the vendor
  - 3. Tentative schedule for each course
- C. Describe the availability of self-training manuals, webinars and any other related training materials.
- D. Describe the proposed project organization and staffing, including project organization charts showing all proposed personnel by job title and lines of supervision. Identify key personnel and all staff proposed to meet the requirements outlined in this RFP.
- E. Describe the intended project management and project control methods, including a clear explanation of how the bidder proposes to manage the following items, at a minimum:
  - 1. Control project activities
  - 2. Report progress
  - 3. Ensure required staffing
  - 4. Relate and report to ADH
  - 5. Respond to requests by ADH
  - 6. Interact and coordinate with other involved parties
- F. Describe in detail the proposed methodology for prioritizing issues that may compete for resources with other projects and/or staffing obligations under other contracts.
- G. Describe the proposed methodology for managing fluctuations in the workload associated with the eWIC project, both expected and unexpected.
- H. Include an executive summary of the proposal response that gives a broad but clear understanding of the proposal. This should not exceed three (3) pages.
- I. Describe in detail the proposed methodology for successful delivery of deliverable #1, Project Planning and Management.
- J. Describe in detail the proposed methodology for successful delivery of deliverable #2, SPIRIT Code Review and Technology Assessment.



- K. Describe in detail the proposed methodology for successful delivery of deliverable #3, Finalize Requirements.
- L. Describe in detail the proposed methodology for successful delivery of deliverable #4, Test Plan.
- M. Describe in detail the proposed methodology for successful delivery of deliverable #5, Knowledge Transfer and Training Plan.
- N. Describe in detail the proposed methodology for successful delivery of deliverable #6, Product Delivery/User Acceptance Testing.
- O. Describe in detail the proposed methodology for successful delivery of deliverable #7, Final Detailed System/Functional Documentation.
- P. Describe in detail the proposed methodology for successful delivery of deliverable #8, Warranty Period.

#### **4.3 EXPERIENCE AND QUALIFICATIONS:**

- A. Proposers must thoroughly describe all past experience in providing services relevant to the RFP. The proposer awarded the contract is expected to provide staff with appropriate qualifications and experience for this project. The contractor must maintain appropriate staffing to fulfill all contract terms and conditions for the duration of the project. Key personnel may not be removed from the Project without written agency approval.
- B. Key Personnel
  - 1. Proposers should identify and provide resumes for key personnel who will be assigned to the EBT project. Each proposer should identify a Project Manager who will assume responsibility for coordination, control, and performance of staff and subcontractors.
  - 2. Key personnel include but are not limited to the contractor, the subcontractors and the professional and management level staff performing functions that require three or more years of experience.
  - 3. The proposals in response to this RFP should contain the resumes for each key person assigned to the project. Each resume' should include:
    - a. Name
    - b. Proposed level of effort and/or project commitment
    - c. Employment Status: full-time, part-time, subcontractor, etc.
    - d. Education
    - e. Experience: job title, length of employment, duties
  - 4. Three professional references for each key person named. Each reference should include:
    - a. A description of the project organization,
    - b. the individual's role and responsibility within the organization,

- c. The start and end date and level of effort of the person's involvement, and the name, title, address and current telephone number for each reference.
- 5. The contractor should provide valid contact information. Description of the roles and responsibilities of each key person and how each key person is designated is integral to the successful completion of this project.
- C. Provide a brief company history and include the following information:
  - 1. Date established
  - 2. Ownership (whether public, partnership, subsidiary, or specified other)
  - 3. Total number of employees
  - 4. Number of years of experience working with government agencies
  - 5. Number of years of experience working with EBT systems
- D. Bidder should identify, for all projects undertaken for the past three (3) years and for any proposed subcontractors, any claims, disputes, or disallowances imposed by any funding agency. In addition, a statement of any assignments, contractual obligations, and the respondent's involvement in litigation that could affect this work should be included.
- E. Bidder should identify any contract termination(s) that have occurred or that were initiated by either the bidder or the customer.
- F. Provide letters of recommendation from three (3) projects of a similar nature, letters should include company name, contact name, telephone number, and email address. References should not be from current or past ADH employees and should be from work performed within the past three (3) years. The following questions should be addressed in each letter:
  - 1. What is the scope of your project for which the bidder was contracted?
  - 2. How would you rate the proficiency level of the bidder?
  - 3. Would you use the bidder again for the same or a similar project?
  - 4. Did the bidder meet all contractual obligations with regard to the quality of work, completion date, and dollar amount?
  - 5. Was the bidder responsive and timely in responding to project problems, technical issues, or complaints regarding the contractor's staffing or services?
- G. Provide an organizational chart displaying the overall business structure.
- H. Describe the number and scope of recent similar projects successfully completed.

- I. Identify the key personnel who will have actual responsibility for this project and describe their experience and proposed primary duties and responsibilities.
- J. Provide evidence of financial status and the financial ability to carry out the project by providing the last three (3) years of professionally (Certified Public Accountant) audited financial statements. Include the following:
  1. Summary of financial standing
  2. Balance sheets
  3. Statement of income
  4. Statements of change in financial position
  5. Notes to financial statements
  6. Auditor's reports

NOTE: Tax returns submitted by a CPA firm that has reviewed the documents and issued a statement on CPA letterhead are also acceptable in lieu of audited financials.

## SECTION 5: SELECTION CRITERIA

### 5.1 GENERAL INFORMATION:

- A. OSP will determine which proposals meet the mandatory requirements. Those proposals will then be evaluated and issued a technical score by the ADH Evaluation Committee using the criteria and scoring specified in the table below.
- B. The vendor should address each item listed in this RFP to be guaranteed a complete evaluation. After initial qualification of proposals for mandatory requirements by OSP, technical responses will be evaluated by an ADH appointed Committee to issue a technical score.
- C. Submission of a proposal implies vendor acceptance of the evaluation technique and vendor recognition that subjective judgments must be made by the Evaluation Committee during the assignment of rating points.
- D. Other agencies, consultants and experts may also examine documents at the discretion of ADH.

### 5.2 TECHNICAL EVALUATION

The responses which meet the mandatory requirements will be scored for technical content using the criteria and scoring specified in the following table.

### 5.3 COST:

150 points will be awarded to the vendor with the lowest total cost. Remaining cost proposals shall receive points in accordance with the following formula:  $(A/B) * (C) = D$

- A=lowest total cost proposal in dollars
- B=second (third, fourth, etc.) lowest total cost proposal in dollars
- C=maximum cost points possible
- D=number of points scored for the proposal being evaluated

<b>Evaluation Criteria:</b>	<b>Possible Points</b>
<b>Method of Performance, Section 4.2</b>	<b>400</b>
<b>Experience and Qualifications, Section 4.3</b>	<b>450</b>
<b>Project Cost, Section 5.3</b>	<b>150</b>
<b>Total Possible Points</b>	<b>1000</b>

### 5.4 GRAND TOTAL SCORE:

After the technical proposal and cost proposal scoring has been completed, the scores will be added together to form a grand total score for each qualified bidder. The bidder with the highest grand total score will be selected as the apparent successful bidder.

## STANDARD TERMS & CONDITIONS

**1. GENERAL:** Any special terms and conditions included in the invitation for bid override these standard terms and conditions. The standard terms and conditions and any special terms and conditions become part of any contract entered into if any or all parts of the bid are accepted by the State of Arkansas.

**2. ACCEPTANCE AND REJECTION:** The State reserves the right to accept or reject all or any part of a bid or any and all bids, to waive minor technicalities, and to award the bid to best serve the interest of the State.

**3. BID SUBMISSION:** Bids **must** be submitted to the Office of State Procurement on this form, with attachments when appropriate, on or before the date and time specified for bid opening. If this form is not used, the bid may be rejected. The bid **must** be typed or printed in ink. The signature **must** be in ink. Unsigned bids **will** be disqualified. The person signing the bid should show title or authority to bind his firm in a contract. Each bid should be placed in a separate envelope completely and properly identified. Late bids **will not** be considered under any circumstances.

**4. PRICES:** Quote F.O.B. destination. Bid the unit price. In case of errors in extension, unit prices **shall** govern. Prices are firm and not subject to escalation unless otherwise specified in the bid invitation. Unless otherwise specified, the bid **must** be firm for acceptance for thirty days from the bid opening date. "Discount from list" bids are not acceptable unless requested in the bid invitation.

**5. QUANTITIES:** Quantities stated in term contracts are estimates only, and are not guaranteed. Bid unit price on the estimated quantity and unit of measure specified. The State may order more or less than the estimated quantity on term contracts. Quantities stated on firm contracts are actual requirements of the ordering agency.

**6. BRAND NAME REFERENCES:** Any catalog brand name or manufacturer's reference used in the bid invitation is descriptive only, not restrictive, and used to indicate the type and quality desired. Bids on brands of like nature and quality **will** be considered. If bidding on other than referenced specifications, the bid **must** show the manufacturer, brand or trade name, and other descriptions, and should include the manufacturer's illustrations and complete descriptions of the product offered. The State reserves the right to determine whether a substitute offered is equivalent to and meets the standards of the item specified, and the State may require the bidder to supply additional descriptive material. The bidder guarantees that the product offered **will** meet or exceed specifications identified in this bid invitation. If the bidder takes no exception to specifications or reference data in this bid he **will** be required to furnish the product according to brand names, numbers, etc., as specified in the invitation.

**7. GUARANTY:** All items bid **shall** be newly manufactured, in first-class condition, latest model and design, including, where applicable, containers suitable for shipment and storage, unless otherwise indicated in the bid invitation. The bidder hereby guarantees that everything furnished hereunder **will** be free from defects in design, workmanship and material, that if sold by drawing, sample or specification, it **will** conform thereto and **will** serve the function for which it was furnished. The bidder further guarantees that if the items furnished hereunder are to be installed by the bidder, such items **will** function properly when installed. The bidder also guarantees that all applicable laws have been complied with relating to construction, packaging, labeling and registration. The bidder's obligations under this paragraph **shall** survive for a period of one year from the date of delivery, unless otherwise specified herein.

**8. SAMPLES:** Samples or demonstrators, when requested, **must** be furnished free of expense to the State. Each sample should be marked with the bidder's name and address, bid number and item number. If samples are not destroyed during reasonable examination they **will** be returned at bidder's expense, if requested, within ten days following the opening of bids. All demonstrators **will** be returned after reasonable examination.

**9. TESTING PROCEDURES FOR SPECIFICATIONS COMPLIANCE:** Tests may be performed on samples or demonstrators submitted with the bid or on samples taken from the regular shipment. In the event products tested fail to meet or exceed all conditions and requirements of the specifications, the cost of the sample used and the reasonable cost of the testing **shall** be borne by the bidder.

**10. AMENDMENTS:** The bid cannot be altered or amended after the bid opening except as permitted by regulation.

**11. TAXES AND TRADE DISCOUNTS:** Do not include state or local sales taxes in the bid price. Trade discounts should be deducted from the unit price and the net price should be shown in the bid.

**12. AWARD:** Term Contracts: A contract award **will** be issued to the successful bidder. It results in a binding obligation without further action by either party. This award does not authorize shipment. Shipment is authorized by the receipt of a purchase order from the ordering agency. Firm Contracts: A written state purchase order authorizing shipment **will** be furnished to the successful bidder.

**13. LENGTH OF CONTRACT:** The invitation for bid **will** show the period of time the term contract **will** be in effect.

**14. DELIVERY ON FIRM CONTRACTS:** The invitation for bid **will** show the number of days to place a commodity in the ordering agency's designated location under normal conditions. If the bidder cannot meet the stated delivery, alternate delivery schedules may become a factor in an award. The Office of State Procurement has the right to extend delivery if reasons appear valid. If the date is not acceptable, the agency may buy elsewhere and any additional cost **will** be borne by the vendor.

**15. DELIVERY REQUIREMENTS:** No substitutions or cancellations are permitted without written approval of the Office of State Procurement. Delivery **shall** be made during agency work hours only 8:00 a.m. to 4:30 p.m., unless prior approval for other delivery has been obtained from the agency. Packing memoranda **shall** be enclosed with each shipment.

**16. STORAGE:** The ordering agency is responsible for storage if the contractor delivers within the time required and the agency cannot accept delivery.

**17. DEFAULT:** All commodities furnished **will** be subject to inspection and acceptance of the ordering agency after delivery. Back orders, default in promised delivery, or failure to meet specifications authorize the Office of State Procurement to cancel this contract or any portion of it and reasonably purchase commodities elsewhere and charge full increase, if any, in cost and handling to the defaulting contractor. The contractor **must** give written notice to the Office of State Procurement and ordering agency of the reason and the expected delivery date. Consistent failure to meet delivery without a valid reason may cause removal from the bidders list or suspension of eligibility for award.

**18. VARIATION IN QUANTITY:** The State assumes no liability for commodities produced, processed or shipped in excess of the amount specified on the agency's purchase order.

**19. INVOICING:** The contractor **shall** be paid upon the completion of all of the following: (1) submission of an original and the specified number of copies of a properly itemized invoice showing the bid and purchase order numbers, where itemized in the invitation for bid, (2) delivery and acceptance of the commodities and (3) proper and legal processing of the invoice by all necessary State agencies. Invoices **must** be sent to the "Invoice To" point shown on the purchase order.

**20. STATE PROPERTY:** Any specifications, drawings, technical information, dies, cuts, negatives, positives, data or any other commodity furnished to the contractor hereunder or in contemplation hereof or developed by the contractor for use hereunder **shall** remain property of the State, be kept confidential, be used only as expressly authorized and returned at the contractor's expense to the F.O.B. point properly identifying what is being returned.

**21. PATENTS OR COPYRIGHTS:** The contractor agrees to indemnify and hold the State harmless from all claims, damages and costs including attorneys' fees, arising from infringement of patents or copyrights.

**22. ASSIGNMENT:** Any contract entered into pursuant to this invitation for bid is not assignable nor the duties thereunder delegable by either party without the written consent of the other party of the contract.

**23. OTHER REMEDIES:** In addition to the remedies outlined herein, the contractor and the State have the right to pursue any other remedy permitted by law or in equity.

**24. LACK OF FUNDS:** The State may cancel this contract to the extent funds are no longer legally available for expenditures under this contract. Any delivered but unpaid for goods **will** be returned in normal condition to the contractor by the State. If the State is unable to return the commodities in normal condition and there are no funds legally available to pay for the goods, the contractor may file a claim with the Arkansas Claims Commission. If the contractor has provided services and there are no longer funds legally available to pay for the services, the contractor may file a claim.

**25. DISCRIMINATION:** In order to comply with the provision of Act 954 of 1977, relating to unfair employment practices, the bidder agrees that: (a) the bidder **will not** discriminate against any employee or applicant for employment because of race, sex, color, age, religion, handicap, or national origin; (b) in all solicitations or advertisements for employees, the bidder **will** state that all qualified applicants **will** receive consideration without regard to race, color, sex, age, religion, handicap, or national origin; (c) the bidder **will** furnish such relevant information and reports as requested by the Human Resources Commission for the purpose of determining compliance with the statute; (d) failure of the bidder to comply with the statute, the rules and regulations promulgated thereunder and this nondiscrimination clause **shall** be deemed a breach of contract and it may be cancelled, terminated or suspended in whole or in part; (e) the bidder **will** include the provisions of items (a) through (d) in every subcontract so that such provisions **will** be binding upon such subcontractor or vendor.

**26. CONTINGENT FEE:** The bidder guarantees that he has not retained a person to solicit or secure this contract upon an agreement or understanding for a commission, percentage, brokerage or contingent fee, except for retention of bona fide employees or bona fide established commercial selling agencies maintained by the bidder for the purpose of securing business.

**27. ANTITRUST ASSIGNMENT:** As part of the consideration for entering into any contract pursuant to this invitation for bid, the bidder named on the front of this invitation for bid, acting herein by the authorized individual or its duly authorized agent, hereby assigns, sells and transfers to the State of Arkansas all rights, title and interest in and to all causes of action it may have under the antitrust laws of the United States or this State for price fixing, which causes of action have accrued prior to the date of this assignment and which relate solely to the particular goods or services purchased or produced by this State pursuant to this contract.

**28. DISCLOSURE:** Failure to make any disclosure required by Governor's Executive Order 98-04, or any violation of any rule, regulation, or policy adopted pursuant to that order, **shall** be a material breach of the terms of this contract. Any contractor, whether an individual or entity, who fails to make the required disclosure or who violates any rule, regulation, or policy **shall** be subject to all legal remedies available to the agency.



**ATTACHMENT #1****APPENDIX F: FEDERAL PROCUREMENT CLAUSES*****Equal Employment Opportunity***

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.

***Clean Air Act***

The Clean Air Act, Section 306 stipulates:

- a. 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(c)(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.
- b. The Administrator **shall** establish procedures to provide all Federal agencies with the notification necessary for the purposes of subsection (a).
- c. 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.
- d. 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]
- e. 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]

### ***Clean Water Act***

The Clean Water Act, Section 309 stipulates:

- a. 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.
- b. The Administrator **shall** establish procedures to provide all Federal agencies with the notification necessary for the purposes of subsection (a) of this section.
- c. 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:
  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.
- d. 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.
- e. 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.
- f. (1) 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.  
  
 (2) In paragraph (1), 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)).

### ***Anti-Lobbying Act***

The Anti-Lobbying 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:

- a. 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;

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

#### ***Americans with Disabilities Act***

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 and State and local governments, except public transportation services.

#### ***Drug-Free Workplace Statement***

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:

- a. The unlawful manufacture, distribution, dispensation, possession or use of a controlled substance is prohibited in the work place.
- b. Violators may be terminated or requested to seek counseling from an approved rehabilitation service.
- c. Employees **must** notify their employer of any conviction of a criminal drug statute no later than five days after such conviction.
- d. Contractors of federal agencies are required to certify that they **will** provide drug-free workplaces for their employees.

Transactions subject to the suspension/debarment rules (covered transactions) include grants, sub grants, cooperative agreements, and prime contracts under such awards. Subcontracts are not included. Also, the dollar threshold for covered procurement contracts is \$25,000. Contracts for Federally required audit services are covered regardless of dollar amount.

### ***Debarment and Suspension***

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.

a. The applicant certifies that it and its principals:

1. Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any federal department or agency;
2. 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;
3. 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 (1)(b) of this certification; and
4. 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.

b. 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.

### ***Royalty-Free Rights to Use Software or Documentation Developed***

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.

### **Sample Federal Clause Forms**

The following are samples of Federal Clause Forms:

**U.S. DEPARTMENT OF AGRICULTURE**  
**CERTIFICATION REGARDING**  
**DRUG-FREE WORKPLACE REQUIREMENTS (GRANTS)**  
**ALTERNATIVE I - FOR GRANTEE OTHER THAN INDIVIDUALS**

This certification is required by the regulations implementing Sections 5151-5160 of the Drug-Free Workplace Act of 1988 (Pub. L. 100-690, Title V, Subtitle D; 41 U.S.C. 701 et seq.), 7 CFR Part 3017, Subpart F, Section 3017.600, Purpose. The January 31, 1989, regulations were amended and published as Part II of the May 25, 1990 Federal Register (pages 21681-21691). Copies of the regulations may be obtained by contacting the Department of Agriculture agency offering the grant.

*(Before completing Certification, read instructions on page 2)*

**Alternative I**

- A. The grantee certifies that it will or will continue to provide a drug-free workplace by:
- (a) Publishing a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance is prohibited in the grantee's workplace and specifying the actions that will be taken against employees for violation of such prohibition;
  - (b) Establishing an ongoing drug-free awareness program to inform employees about --
    - (1) The dangers of drug abuse in the workplace;
    - (2) The grantee's policy of maintaining a drug-free workplace;
    - (3) Any available drug counseling, rehabilitation, and employee assistance programs; and
    - (4) The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace;
  - (c) Making it a requirement that each employee to be engaged in the performance of the grant be given a copy of the statement required by paragraph (a);
  - (d) Notifying the employee in the statement required by paragraph (a) that, as a condition of employment under the grant, the employee will --
    - (1) Abide by the terms of the statement; and
    - (2) Notify the employer in writing of his or her conviction for a violation of a criminal drug statute occurring in the workplace no later than five calendar days after such conviction;
  - (e) Notifying the agency in writing, within ten calendar days after receiving notice under subparagraph (d)(2) from an employee or otherwise receiving actual notice of such conviction. Employers of convicted employees must provide notice, including position title, to every grant officer on whose grant activity the convicted employee was working, unless the Federal agency has designated a central point for the receipt of such notices. Notice shall include the identification number (s) of each affected grant;
  - (f) Taking one of the following actions, within 30 calendar days of receiving notice under subparagraph (d)(2), with respect to any employee who is so convicted --
    - (1) Taking appropriate personnel action against such an employee, up to and including termination, consistent with the requirements of the Rehabilitation Act of 1973, as amended; or
    - (2) Requiring such employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a Federal, State, or local health, law enforcement, or other appropriate agency;
  - (g) Making a good faith effort to continue to maintain a drug-free workplace through implementation of paragraphs (a), (b), (c), (d), (e) and (f);
- B. The grantee may insert in the space provided below the site(s) for the performance of work done in connection with the specific grant:
- Place of Performance (Street address, city, county, state, zip code)
- \_\_\_\_\_
- \_\_\_\_\_
- \_\_\_\_\_
- Check ☐ if there are workplaces on file that are not identified here.
- Organization Name \_\_\_\_\_
- Award Number or Project Name \_\_\_\_\_
- Name and Title of Authorized Representative \_\_\_\_\_
- Signature \_\_\_\_\_ Date \_\_\_\_\_

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**U.S. DEPARTMENT OF AGRICULTURE**

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**Certification Regarding Debarment, Suspension, Ineligibility  
And Voluntary Exclusion - Lower Tier Covered Transactions**

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This certification is required by the regulations implementing Executive Order 12549, Debarment and Suspension, 7CFR part 3017, Section 3017.510, Participants' responsibilities. The regulations were published as Part IV of the January 30, 1989, Federal Register (pages 4722-4733). Copies of the regulations may be obtained by contacting the Department of Agriculture agency with which this transaction originated.

**(BEFORE COMPLETING CERTIFICATION, READ INSTRUCTIONS BELOW)**

- (1) The prospective lower tier participant certifies, by submission of this proposal, that neither it nor its principals is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any Federal department or agency.
  
- (2) Where the prospective lower tier participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal.

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Organization Name

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PR/Award Number or Project Name

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Name(s) and Title(s) of Authorized Representative(s)

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Signature(s)

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Date

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**U.S. DEPARTMENT OF AGRICULTURE**

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**CERTIFICATION REGARDING LOBBYING - CONTRACTS,  
GRANTS LOANS AND COOPERATIVE AGREEMENTS**

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The undersigned certifies, to the best of his or her knowledge and belief, that:

- (1) No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan or cooperative agreement;
- (2) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant,

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

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

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

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Organization Name

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PR/Award Number or Project Name

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Name(s) and Title(s) of Authorized Representative(s)

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Signature(s)

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Date