

Nevada Electronic Benefit Transfer and Cash Benefit System Scope of Work

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1.0 PROJECT OVERVIEW

The State of Nevada Purchasing Division on behalf of the Nevada Department of Health and Human Services (DHHS) is seeking a vendor to provide Electronic Benefit Transfer (EBT) services and Cash Benefits for the Supplemental Nutrition Assistance Program (SNAP), the Temporary Assistance to Needy Families (TANF) Program, and the Summer Electronic Benefit Transfer (S-EBT). Nevada is also seeking a vendor who can provide web-based applications for mobile notification services.

1.1 MINIMUM SNAP/TANF/S-EBT EBT CARD AND SYSTEM REQUIREMENTS AND STANDARDS

The vendor must propose an EBT and Cash Benefit system for SNAP, TANF & S-EBT that meets the requirements of applicable Federal and State laws and regulations as well as the QUEST® Operating Rules. Nationwide interoperability, in accordance with Federal regulations for SNAP, is a requirement of this RFP. Nationwide interoperability for the cash programs is also a requirement of this RFP.

Federal requirements for EBT processing and performance shall be considered the minimum standards for the EBT system (refer to *Section 4, Scope of Work*). Where specified in this RFP, the EBT Vendor will be required to meet Federal requirements and meet state-specific QUEST® requirements. Unless expressly noted as an exception herein, QUEST® Operating Rules will apply to all applicable aspects of EBT system development and operation.

1.2 CONTRACT

The anticipated contract start date is approximately June 30, 2026. It is anticipated that the EBT contractor will operate the system in the involved Nevada programs for a period up to eight (8) years, the maximum amount of time allotted by the State's Purchasing Division.

1.3 GOALS AND OBJECTIVES

To procure an experienced EBT system contractor to transfer their system to SNAP, S-EBT, and EBT operations; and TANF Cash Benefit operations.

1.4 TECHNICAL REQUIREMENTS

For all technical requirements refer to Attachment A. All software used for project management must be approved by the State and the applicable EBT Programs. Vendor is required to procure their own licenses as needed. Current desktop tools utilized by the Division of Welfare and Supportive Services is defined in the [attachment](#) found at the bottom of this document.

1.5 DEVELOPMENT SOFTWARE

All proposed software used in the design, development, testing and implementation of the deliverables outlined in this RFP must be approved by the State. A detailed list is defined in the [attachment](#) found at the bottom of this document.

2.0 BACKGROUND

2.1 NEVADA SNAP/TANF OVERVIEW

The Nevada Department of Health and Human Services, Division of Social Services (DSS) operate the State's Supplemental Nutrition Assistance Program (SNAP), the Temporary Assistance to Needy Families (TANF), and the Summer EBT program.

SNAP is a federal entitlement program offering nutrition assistance to millions of eligible, low-income individuals and families and provides economic benefits to communities. SNAP is the largest program in the domestic hunger safety net. The USDA Food and Nutrition Service (FNS) works with State agencies, nutrition educators, and neighborhood and faith-based organizations to ensure that those eligible for nutrition assistance can make informed decisions about applying for the program and can access benefits. FNS also works with State partners and the retail community to improve program administration and ensure program integrity.

The Temporary Assistance for Needy Families (TANF) program is designed to help needy families achieve self-sufficiency. States receive block grants to design and operate programs that accomplish the goals of the TANF program.

The program is administered by the Department of Health and Human Service (DHHS) Administration for Children and Families, Office of Family Assistance (OFA).

The Nevada DSS has 25 area offices, which are the client's point of contact with the State for SNAP and TANF benefits. Eleven of these offices are in the Las Vegas metropolitan area; Reno has two offices and Carson City has 1 office; and the remaining offices are located in rural communities. Caseworkers in these offices make SNAP and TANF benefit eligibility determinations for the clients served by that office. The Nevada EBT Program Manager is based at the Division of Social Services (DSS)'s Central Office in Carson City, Nevada. The oversight of operational aspects of the SNAP and TANF EBT is with the Nevada EBT Project Manager.

All Nevada SNAP benefits have been issued via EBT since July 1, 2002. TANF benefits were added to the EBT card in July of 2005. TANF clients have the option of receiving their payments via direct deposit or via EBT card. SNAP/TANF/S-EBT benefits are issued on the same EBT card. It is not a branded card.

Most SNAP/TANF/S-EBT cards are issued to clients over-the-counter (OTC) at DSS's local offices. SNAP/TANF/S-EBT clients are issued their initial cards at the time of their interview prior to the determination of eligibility. This avoids having to ask the client to make a second trip to the local office after their interview and the determination of eligibility just to receive an EBT card. This is especially important for clients served by DSS's rural offices where a client could reside as much as a 100 miles from the DSS office. Some cards are issued by mail, using the Vendor's card vendor.

It is planned that the SNAP/TANF/S-EBT eligibility system will interface the new EBT system with only minimal revisions. However, the SNAP/TANF/S-EBT Program staff will consider changes to their EBT interfaces if the proposed changes provide operational savings and/or improved services.

2.2 SCOPE OF WORK

The following Scope of Work sections define the tasks, activities and deliverables relevant to the EBT programs. Unless specified as program specific, these project wide sections of the scope of work address tasks, activities and deliverables to meet the needs of the SNAP/TANF/S-EBT programs.

The tasks, activities and deliverables within each Scope of Work section are not necessarily listed in the order that they should be completed. Vendors must reflect within their proposal and preliminary project plan their recommended approach to scheduling and accomplishing all tasks and activities identified within this RFP.

2.3 VENDOR RESPONSE TO SCOPE OF WORK

Within the proposal, vendors must provide information regarding their approach to meeting the requirements of this section. The vendors must bid on both provisions of both a system to provide complete EBT services and Cash Benefit services for the Nevada SNAP/TANF/S-EBT Programs. Bids will not be accepted from bidders that choose to bid on only one of the three programs.

If subcontractors will be used for any of the tasks, vendors must indicate what tasks and the percentage of time subcontractor(s) will spend on those tasks.

Vendor's response must be limited to no more than five (5) pages per task not including appendices, samples and/or exhibits.

2.4 DELIVERABLE SUBMISSION AND REVIEW PROCESS

Once the detailed project plan is approved by the State, the following sections detail the process for submission and review of deliverables during the life of the project/contract.

The contractor must provide two (2) masters (both hard and soft copies) and four (4) additional hard copies of each written deliverable to the appropriate Project Manager as identified in the contract.

Once a deliverable is approved and accepted by the State, the contractor must provide an electronic copy. The State may, at its discretion, waive this requirement for a particular deliverable.

The electronic copy must be provided in software currently utilized by the agency or provided by the contractor.

Deliverables will be evaluated by the State utilizing mutually agreed to acceptance/exit criteria.

Deliverable Submission

Prior to development and submission of each contract deliverable, a summary document containing a description of the format and content of each deliverable will be delivered to the State Project Managers for review and approval. The summary document must contain, at a minimum, the following:

- Cover letter;
- Table of Contents with a brief description of the content of each section;
- Anticipated number of pages; and
- Identification of appendices/exhibits.

The summary document must contain an approval/rejection section that can be completed by the State. The summary document will be returned to the contractor within a mutually agreed upon time-frame.

Deliverables must be developed by the contractor according to the approved format and content of the summary document for each specific deliverable.

At a mutually agreed to meeting, on or before the time of delivery to the State, the contractor must provide a walkthrough of each deliverable.

Deliverables must be submitted no later than 5:00 PM Pacific Time, per the approved contract deliverable schedule and must be accompanied by a deliverable sign-off form (refer to ***Attachment F~ Project Deliverable Sign-off Sheet***) with the appropriate sections completed by the contractor.

Deliverable Review

The State's review time begins on the next working day following receipt of the deliverable.

The State's review time will be determined by the approved and accepted detailed project plan and the approved contract.

The State has up to five (5) working days to determine if a deliverable is complete and ready for review. Unless otherwise negotiated, this is part of the State's review time.

Any subsequent deliverable dependent upon the State's acceptance of a prior deliverable will not be accepted for review until all issues related to the previous deliverable have been resolved.

Deliverables determined to be incomplete and/or unacceptable for review will be rejected, not considered delivered and returned to the contractor.

After review of a deliverable, the State will return to the contractor the project deliverable sign-off form with the deliverable submission and review history section completed.

Accepted Deliverable

If the deliverable is accepted, the original deliverable sign-off form signed by the appropriate State representatives will be returned to the contractor.

Once the contractor receives the original deliverable sign-off form, the State can then be invoiced for the deliverable (refer to *Section 7, Financial*).

Comments/Revisions Requested by the State

If the State has comments and/or revisions to a deliverable, the following will be provided to the contractor:

The original deliverable sign-off form with an updated entry to the deliverable submission and review history section.

Attached to the deliverable sign-off form will be a detailed explanation of the revisions to be made and/or a marked-up copy of the deliverable.

The State's first review and return with comments will be completed within the times specified in the contract.

The contractor will have five (5) working days, unless otherwise mutually agreed to, for review, acceptance and/or rejection of the State's comments.

A meeting to resolve outstanding issues must be completed within three (3) working days after completion of the contractor's review or a mutually agreed upon timeframe.

Agreements made during meetings to resolve issues must be documented separately.

Once an agreement is reached regarding changes, the contractor must incorporate them into the deliverable for resubmission to the State.

All changes must be easily identifiable by the State.

Resubmission of the deliverable must occur within five (5) working days or a mutually agreed upon timeframe of the resolution of any outstanding issues.

The resubmitted deliverable must be accompanied by the original deliverable sign-off form.

This review process continues until all issues have been resolved within a mutually agreed upon time frame.

During the re-review process, the State may only comment on the original exceptions noted.

All other items not originally commented on are considered to be accepted by the State.

Once all revisions have been accepted, the original deliverable sign-off form signed by the appropriate State representatives will be returned to the contractor.

The contractor must provide one (1) updated and complete master paper copy of each deliverable after approval and acceptance by the State.

Once the contractor receives the original deliverable sign-off form, the State Programs can then be invoiced separately for the deliverable (refer to *Section 7, Financial*).

Rejected, Not Considered Delivered

If the State considers a deliverable not ready for review, the following will be returned to the contractor:

The original deliverable sign-off form with an updated entry to the deliverable submission and review history section.

The original deliverable and all copies with a written explanation as to why the deliverable is being rejected, not considered delivered.

The contractor will have five (5) working days, unless otherwise mutually agreed to, for review, acceptance and/or rejection of the State's comments.

A meeting to discuss the State's position regarding the rejection of the deliverable must be completed within three (3) working days after completion of the contractor's review or a mutually agreed upon timeframe.

Resubmission of the deliverable must occur within a mutually agreed upon time-frame.

The resubmitted deliverable must be accompanied by the original deliverable sign-off form.

Upon resubmission of the completed deliverable, the State will follow the steps outlined in Section Accepted Deliverable, or Section Comments/Revisions Requested by the State.

3.0 SYSTEM REQUIREMENTS

Vendors must explain in sufficient detail how the vendor will satisfy the SNAP/TANF/S-EBT Cash Benefit/EBT card system project requirements described below. If subcontractors will be used for any of the tasks, vendors must indicate what tasks, and the percentage of time subcontractor(s) will spend on those tasks.

EBT Contractors must comply will all relevant performance and technical requirements as stated in 7 CFR §274.8(b), 7 CFR §292,

A detailed list of System Requirements is defined in the [attachment](#) found at the bottom of this document.

3.1 Systems Operations Manual

The EBT contractor shall provide System Operations Manuals, one for each EBT Program. These manuals shall include the following:

- Message-based transmissions;

- Batch files and the times of transmission;
- File receipt and error messages;
- Administrative terminal configuration;
- Problem resolution and escalation procedures; and
- Batch maintenance record formats.

The problem resolution and escalation procedures shall define the process by which the State will report system and operational problems to the EBT contractor and the process by which problems will be resolved, and the resolution reported back to the State. The procedures shall include a priority scheme for identifying the relevant severity of the problem and the correction period for resolution based upon the designated severity. The State reserves the right to require faster correction periods.

At a minimum, the EBT contractor shall begin work on resolving severe problems immediately upon notification and shall provide hourly updates to the Project Managers and staff until the problem is resolved. These problems impact on the ability to conduct business and should be addressed accordingly. For example:

Blocks development and/or testing – resolution required within 24 hours

System ‘crashes’ or loss of data – resolution required within 48 hours

Major loss of functionality – resolution required within 72 hours

On moderate problems (problems that impact some functionality but do not impact the ability to conduct business), the EBT contractor shall resolve within two (2) weeks and provide daily updates until the problem is resolved.

On minor problems (minor bugs that do not impact major functions or the ability to conduct business) the EBT contractor shall resolve the problem within four (4) weeks or within the alignment of DSS PMO Release Calendar schedule, and shall provide weekly updates until the problem is resolved.

If the contractor identifies a problem before the State is aware of it, the contractor will notify promptly upon discovery, but within a period of no more than five business days.

The Systems Operations Manual for SNAP, TANF and S-EBT shall provide a section to define the Settlement and Reconciliation requirements for the SNAP, TANF and S-EBT staff to perform a daily reconciliation of the EBT contractor’s EBT system to align with the requirements of Federal regulations. The manual section shall identify the specific settlement and reconciliation reports including formats and data elements.

The System Operations Manuals shall describe all Administrative Functions Procedures, which defines the necessary guidance and procedures for SNAP, TANF and S-EBT staff to complete

their role's administrative functions. The Systems Operations Manuals shall be in hardcopy and electronic format.

The System Operations Manuals shall provide a section for Reports Descriptions that details each program's reporting requirements, report descriptions, methods and reporting schedules.

The Reports Manuals shall include report objectives, a definition of the data elements, the algorithms used to calculate values, and report formats.

To support ongoing operations, the EBT contractor shall provide and maintain a SNAP System Reports Manual. The manual shall define the reports that are standard reports run using the SNAP EBT data, the steps to run the reports, the report generation frequency and the means to complete ad hoc reports.

To support ongoing operations, the EBT contractor shall provide and maintain a TANF Card System Reports Manual. The manual shall define the reports that are standard reports run using the TANF data, the steps to run the reports, the report generation frequency and the means to complete ad hoc reports.

To support ongoing operations, the EBT contractor shall provide and maintain a S-EBT System Reports Manual. The manual shall define the reports that are standard reports run using the S-EBT data, the steps to run the reports, the report generation frequency and the means to complete ad hoc reports.

3.2 Detailed Technical Specification Documentation

The Detailed Technical Specifications Document (DTSD) shall describe the architecture and technical design of the EBT contractor's EBT system. The Document shall provide an architectural overview, a detailed description of the system architecture, a description of the system design, system qualities, dependencies and standards. The Document shall include a data flow diagram, data dictionary and data models.

3.3 Software and Automated Data Processing

The EBT contractor shall comply with the software and automated data processing equipment ownership rights prescribed in Federal regulations and as further clarified or negotiated with the State and the Federal government. The EBT contractor is responsible for ensuring that the EBT system meets the processing requirements and criteria established by federal guidelines for all related programs. In order of precedence, the EBT contractor shall process EBT transactions in compliance with the following:

Federal regulations (refer to *Attachment K – Federal Laws and Authorities*);

QUEST® EBT Operating Rules; and

Prevailing industry performance standards.

3.4 Regulation and Guideline Standards

If there is a conflict between the governing regulations and guidelines regarding a specific standard, DSS will determine the standard to which the EBT contractor must adhere. In determining the appropriate standard, DSS will allow consultation and input from the EBT contractor. However, the final decision will remain with DSS in processing EBT transactions, it is the responsibility of the EBT contractor to ensure that the EBT system meets performance and technical standards and regulations in the areas of:

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

3.5 Processing Speed Requirements

The EBT contractor shall comply with all relevant performance and technical requirements as stated in 7 CFR §274.8(b), 7 CFR §292 The EBT contractor shall provide back-up purchase procedures for FNS authorized retailers when the EBT system is unavailable, both for unscheduled and planned outages.

3.6 Scheduled Maintenance

All EBT Program areas shall be notified in advance of scheduled downtime for routine maintenance, which will occur during off-peak transaction periods. In addition, the EBT contractor must provide the Program staff with advance notification of any scheduled downtime outside of the time required for routine maintenance. Such downtime must be pre-arranged with and approved by DSS. The EBT contractor shall provide DSS with an annual schedule for maintenance downtime no later than December 1st of the preceding calendar year. DSS shall be provided with a minimum of thirty (30) calendar days of advance notice for proposed downtime beyond the routine maintenance schedule. At the discretion of DSS shorter notice may be considered, depending on the urgency of the situation.

3.7 Encryption

The EBT contractor shall comply with Federal Regulations set forth in 7 CFR § 274.8(b)(3) Systems Security, and, at a minimum, shall utilize the Data Encryption Standard (DES) algorithm or better to encrypt the PIN during EBT transactions from the point of entry. Other security may

include authentication codes and check-sum digits, in combination with data encoded on the magnetic strip such as the PIN offset, to ensure data security during transmission and processing of EBT transactions. Any of the network security measures may be utilized together or separately and may be applied at the terminal or central computer as indicated in the approved system design to ensure communications control.

3.8 POS Terminal Technical Standards

The EBT contractor deployed POS terminals, including wireless terminals for farmers' markets, will meet the operational requirements of the EBT system and support the full EBT transaction set. All terminals deployed by the EBT contractor must comply with ISO 8583 message formats and the QUEST® Operating rules. POS Terminals deployed by the EBT contractor will be industry standard and meet specified performance standards and technical standards specified in 7 CFR § 274.8 in the areas of system processing speeds, system availability and reliability, system security, system ease-of-use, minimum card and terminal requirements, performance bonding, and the minimum transaction set.

If the retailer requests, the POS terminal configuration shall include a separate PIN pad. EBT-only POS terminals shall meet or exceed the current levels of service and POS technology now deployed in the State for EBT-only retailers. The EBT contractor shall ensure that POS terminals deployed to EBT-only retailers can process SNAP transactions and are adaptable or upgradable if card regulations change.

3.9 EBT-Only Equipment Support Services

The EBT contractor shall provide the following services for all Contractor-deployed in-store POS and wireless POS for EBT-only retailers and farmers' markets:

Training in-store and wireless POS terminals and utilization;

Routine maintenance;

Repair or replacement services on faulty POS terminal equipment within 48 hours of service request or ship a replacement terminal via overnight express within one business day of receiving a service request;

Supplies or supply reimbursement; and

Retailer training materials for all deployed terminals.

The EBT contractor shall make available a toll-free telephone number to report terminal malfunctions and to receive training on equipment and utilization. The EBT contractor shall make reasonable efforts to replace problem terminals by delivery or through express mail. If a replacement terminal is shipped to the retailer, the retailer must have the option to call the EBT contractor through Retailer Customer Service to obtain assistance with the terminal replacement process.

3.10 Third Party Processors

The EBT contractor shall meet the requirements specified within 7 CFR §274.3 (a)(ii) and §274.8 for the support of retailers that deploy their own terminals. Within 30 calendar days of the start of the contract, the EBT contractor shall provide such retailers with interface specifications that would enable these retailers and third-party terminal drivers to interface directly with the EBT contractor to perform SNAP EBT transactions. The EBT contractor shall provide these specifications to retailers and third-party terminal drivers as well. Newly authorized retailers who choose to employ a third-party processor to drive their terminal or elect to drive their own terminals, shall have access to the EBT system within a 30-day period after the receipt of the FNS authorization notice or a mutually agreed upon time to enable the third-party interface specifications and any State required functional certification.

The EBT contractor shall be responsible for certifying and decertifying third party processors (TPPs), including developing and implementing certification requirements and procedures. The State may review the EBT contractor's certification requirements and procedures at any time and may require the EBT contractor to modify such requirements and procedures whenever the State deems it necessary. If a TPP engages in clear violation of Federal or State program rules, the EBT contractor shall be required to obtain concurrence with the State or States in which the TPP operates prior to decertifying or taking adverse action against the TPP. The EBT contractor must comply with certification timelines specified in 7 CFR § 274.8.

Retailers using third party processors shall report transactions on unique terminal IDs for each terminal installed in the store under one FNS number. The EBT contractor shall be responsible for ensuring that each terminal is listed under its unique ID number and SNAP and cash transactions completed on that terminal are reported under that ID number. Any POS device that is replaced shall have a new, unique terminal ID that is different from the ID of the terminal that was replaced. The EBT contractor shall be required to run validation edits on retailer addresses and ensure that addresses conform to U.S. Post Office address standards.

3.11 Retailer Management

The EBT contractor shall be responsible for managing and supporting retailer participation for cash benefit access in accordance with 7 CFR § 274.8 and 7 CFR § 274.3(e). The contractor's responsibilities apply only to retailers and entities supporting cash access. The Food and Nutrition Service (FNS) retains sole authority for SNAP retailer authorization and for determining adequate SNAP client access.

The EBT contractor's primary roles and responsibilities for this task include the following:

1. Providing every retailer or entity participating in the State's cash benefit access network with the opportunity to participate in the EBT system, consistent with federal and State policies.
2. Ensuring interoperability of the State's EBT systems with other States' EBT systems as defined in 7 CFR § 274.12.
3. Assuring that a sufficient number of retailers, cash access points, and cash-dispensing locations (including border-area retailers when applicable) have agreed to participate in the system to ensure clients have adequate access to cash assistance benefits. This applies to cash access only. FNS is responsible for SNAP retailer enrollment and for determining adequate SNAP client access.

4. Executing and maintaining EBT-only retailer agreements or third-party processor agreements for commercial retailers participating in the cash benefit components of EBT. The EBT contractor shall enter into agreements as required under 7 CFR § 274.8(a)(3)–(4). The State and FNS must approve all agreements prior to distribution to retailers and third-party processors.
5. Certifying and de-certifying third-party processors and ATM providers/networks involved in cash access, ensuring compliance with applicable regulations and security requirements.
6. Assuring that participating cash-benefit retailers and processors understand their responsibilities related to policy, operating rules, settlement procedures, and operation of the EBT system.
7. Maximizing the use of existing commercial POS terminals for cash access transactions when feasible and appropriate.
8. Installing, maintaining, and supporting contractor-provided EBT-only POS equipment for cash-access retailers, in accordance with federal regulations and applicable FNS policy, including the 2014 Farm Bill provisions for equipment.
9. Providing help desk services to retailers and processors for supporting manual cash transactions, resolving operational issues with contractor-supplied POS equipment, and assisting with settlement and dispute inquiries related to cash benefits.

3.12 Retailer Database Management

The EBT contractor shall develop a State FNS Retailer database management system that meets, at a minimum, the functional requirements listed below and FNS regulations. The EBT contractor shall be responsible for maintaining the retailer database.

For the Supplemental Nutrition Assistance Program, FNS' Anti-fraud Locator of EBT Retailer Transactions (ALERT) Subsystem utilizes data provided by the State's contracted EBT processors. The ALERT file shall be submitted daily to FNS. The file should contain all of the retailer SNAP transactions for the day. The EBT contractor shall be able to accommodate standard FNS Anti-Fraud Locator of EBT Retailer Transactions (ALERT) subsystem file formats and supply ALERT files per the FNS schedule. The EBT contractor shall be able to accommodate standard FNS Retailer EBT Data Exchange (REDE) file formats and apply REDE files per the FNS schedule. REDE processing includes standard (regularly scheduled) nightly and monthly operations and ad hoc operations. Both types of REDE operations are performed at the Benefit Redemption Systems Branch (BRSB) in Minneapolis, MN. The standard nightly operations are performed nightly, Monday through Friday, and create the State and national retailer data update files. The standard monthly operations are performed monthly (on the first Saturday of the calendar month) and create the full State and national retailer data files. The State retailer data update files are used to update the Retailer EBT Data Exchange (REDE) database. Ad hoc operations are performed as requested when the SNAP and/or EBT processor requests a start-up copy of the State or national retailer update file.

The EBT contractor is responsible for ensuring that only authorized SNAP retailers redeem SNAP benefits. At least once per week, the EBT contractor shall transmit information on retailer SNAP redemptions to the FNS Benefit Redemption System Branch (BRSB).

The database shall ensure accurate EBT transaction detail data pertaining to each retailer is captured and shall contain up-to-date information about retailer bank accounts and store cutover times for ACH purposes.

The EBT contractor shall cooperate with the State or Federal personnel conducting investigations or audits and provide requested information within a mutually agreed upon time not to exceed 30 calendar days.

3.13 EBT-Only Retailer Support

According to §274.8, POS terminals shall be deployed as follows:

For group home and group living facilities, at the State option, a POS terminal may be deployed in the facility for the transfer of SNAP benefits from the client to the facility.

The EBT contractor shall provide annual reviews, at the request of the Nevada Project Management Team, and/or cooperate with State staff to provide redemption data to determine if POS terminals are allocated according to 7 CFR §274.8. The EBT contractor shall retrieve and deploy POS terminals following an annual review according to SNAP staff direction.

The EBT contractor shall be required to deploy POS equipment to authorized retailers that have commercial POS services. If the SNAP staff directs, the EBT contractor shall provide specified retailers with a POS terminal for balance inquiry. There are approximately ten SNAP authorized farmers' markets who utilize an EBT-only device.

The EBT contractor must ensure that the EBT-only equipment and supplies deployed by the EBT contractor are maintained in good working order. The minimum standard for responding to a retailer's report of a malfunctioning or inoperative POS device will be that the device is either repaired or replaced within 48 hours from the time of receipt of the report. This standard allows for overnight delivery of a replacement POS device and peripheral equipment. The EBT contractor is responsible for providing POS supplies to retailers with EBT-only POS terminals.

Section 4002 of the Agricultural Act of 2014 now requires non-exempt retailers to pay for EBT equipment, supplies, implementation, and related services to participate in SNAP. Retailers that become SNAP authorized after March 21, 2014, must pay for their own EBT equipment and services. Retailers authorized on or before March 21, 2014, and who have already been given free EBT equipment and services by the State may, at the State's option, continue to use the EBT equipment and services for free only until September 21, 2014. Unless exempted, SNAP-authorized retailers now arrange for lease or purchase of EBT equipment and services on their own for continued participation in SNAP.

Section 4002 of the Agricultural Act of 2014 does exempt several categories of retailers; Drug and/or Alcohol Treatment Programs, Non-profit Food Buying Co-ops, Shelters for Battered Women and Children, Communal Dining Facilities, Direct Marketing Farmers, Farmers' Markets, Group Living Arrangements, Homeless Meal Providers, Military Commissaries, Meal Delivery Services and Senior Citizen' Centers/Residential Buildings.

3.14 Retailer Lease/Purchase Equipment

The EBT contractor is encouraged to provide additional POS equipment to retailers that wish to obtain additional equipment from the EBT contractor and to provide POS equipment to those retailers which express an interest in accepting the QUEST® card for cash transactions. The EBT

contractor is free to charge the retailer for providing and supporting this additional equipment. However, the EBT contractor must charge not-for-profit organizations the same fees paid by the State. Any agreement covering a terminal lease or purchase arrangement shall be between the EBT contractor and the retailer; the State will not be party to any such agreements. The EBT contractor will be responsible for downloading the software to the terminals that will enable the terminals to accept the card.

3.15 Retailer Phone Lines

The State does not pay for retailer phone lines. The EBT contractor may utilize the retailer's existing telephone line and electrical power supply for each POS configuration. If the retailer's monthly SNAP benefit redemptions exceed \$5,000, the EBT contractor shall, if requested, install a dedicated phone line exclusively for EBT use. The EBT contractor shall reimburse the retailer via ACH for the baseline services. The EBT contractor shall be responsible for all base line service costs. The retailer shall be responsible for all costs in excess of base line service. Reconnect costs incurred, which result from the retailer's failure to pay the monthly bill, shall not be reimbursable by the State or the EBT contractor.

3.16 Fraud Detection

The EBT Contractor shall advise, assist and appropriately act to aid the State in detection and investigations of abuses by stores, recipients or workers, including but not limited to, reporting unusual activity. The EBT Contractor's fraud detection and reporting solutions shall support State initiatives for card replacement monitoring, follow-up, and reporting. This may entail cooperation with various authorities of the State and Federal agencies that are responsible for compliance with laws and regulations surrounding the programs. Stores authorized by the Food and Nutrition Service to accept SNAP benefits may become subject to monitoring and investigations by the State, FNS, USDA OIG, IRS, Secret Service, or local police departments. Recipients are subject to investigation by the State program authorities and occasionally others. Access to information concerning these matters will be restricted both at the State and the Contractor so that the investigations are not compromised. The Contractor must provide EBT and retailer system information, such as bank account numbers and ACH payment details, to the State, FNS and/or USDA OIG, as needed for evidentiary purposes, within 24 hours of request.

To support Federal and State fraud investigators, the Contractor shall provide the capability to establish accounts, add SNAP and cash benefits to the investigative accounts, and issue cards for the purpose of investigating fraudulent use of SNAP and cash benefits. Such accounts and all transactions related to such accounts must be maintained in a secure and confidential manner. Only authorized personnel will have access to these accounts

EBT Administrative functionality shall be provided to the State to set up accounts, and to authorize and remove benefits. At a minimum, it will be necessary for the Contractor to provide access for the purpose of establishing accounts, posting SNAP and cash benefits, reconciling transactions, deleting remaining available benefits, closing accounts, and providing the required transaction reporting for accounts and benefits established via the administrative functionality. Inquiry-only access to the case, benefit and transaction activity for investigator accounts must be provided to FNS and OIG. These needs must be addressed in the design phase, covered in acceptance testing, and available at conversion.

Funds for SNAP investigative transactions will be drawn through ASAP. Funds for cash transactions will be drawn from the State. The Contractor must provide a daily report or inquiry screen of entries provided to the FRB of Richmond through the AMA batch process. The Contractor must provide a daily report or inquiry screen that provides the details of all updates to the AMA file to facilitate FNS-46 reporting.

Separate entries must be created for regular SNAP benefit activity and fraud investigative SNAP benefit activity.

This report or inquiry screen must be made available to FNS.

The vendor shall propose innovative methods or the application of technologies that would support the deterrence and detection of fraud, including, but not limited to, fraud committed by cardholders, retailers/merchants, and employees. The Respondent shall describe their history and experience in the use of the proposed technology in EBT to combat fraud and abuse.

Development of fraud profiling data to alert investigators of cardholders that are potentially misusing benefits.

Fraud detection and benefit recovery specific ad-hoc reporting capability.

Use of predictive modeling.

Web-based fraud dashboard with a suite of tools and functionality to assist the identification of potential fraudulent situations and high risk suspected activities with the flexibility for modification as needed based on data analysis and environmental circumstances.

3.17 TECHNICAL REQUIREMENTS

Eligibility System Interface JAD Design Sessions

The EBT contractor shall support the interface between the Nevada SNAP/TANF/S-EBT Eligibility System and the EBT system. The EBT contractor shall assist in defining any required modifications for the EBT systems' interfaces. To facilitate this task, the EBT contractor shall coordinate interface design sessions in preparation of development, testing, data conversion, and rollout activities for the SNAP/TANF/S-EBT EBT interfaces.

3.18 EBT System Requirement Verification Sessions

The EBT contractor shall facilitate requirements verification sessions to validate SNAP/TANF/S-EBT's system requirements against the Contractor's EBT system. The system requirements validation and system design sessions will take place at a location designated by the Nevada EBT Project Management Team (the Project Management Team will consist of SNAP/TANF/S-EBT Program management staff). Prior to each session, the EBT contractor shall provide session agendas and electronic copies of all materials to be distributed at the sessions. Subsequent to the sessions, the EBT contractor shall deliver a technical memorandum documenting all agreements, understandings and contingencies arising from the sessions.

3.19 Detailed Technical and Functional Design Document

The Detailed Technical and Functional Design Document (DFDD) shall provide a functional overview, functional requirements, controls, procedures, workflow and security of the contractor's EBT systems for SNAP/TANF/S-EBT. The functions within the Functional Design Document shall be logically numbered so that they can be traced to the Request for Proposal and to test scripts.

3.20 Functional Demonstration

The EBT contractor shall present a Functional Demonstration presenting the full functionality of the benefit system. The Functional Demonstration shall include presentation of all applicable certification system interfaces. The Functional Demonstration should be held in person at a location determined by DSS . It should demonstrate all the systems are ready for Program specific UAT and ensure the design is according to the expectations of the Project Management Team. After the completion of the Functional Demonstration the Project Management Team, together with FNS representatives, will make the Go/No Go determination decision if the complete system is ready for UAT.

3.21 1099 Statements

With the State's request, the EBT contractor shall provide the capability to track and process 1099 Statements for providers paid through the EBT services contract as an option, such as for Farmers Market program farmers.

3.22 SECURITY STANDARDS

The vendor must meet all State of Nevada security requirements.

All Cloud Service Providers (CSP) with the state will complete the State of Nevada Cloud Hosting Questionnaire and submit it for DSS Information Security Officer (ISO) approval.

The system must maintain compliance with HIPAA and must adhere to all facets of the Business Associate Agreement (BAA) on federal legislation related to confidential data protection and sharing.

System must meet State security standards for transmission of personal information as outlined in NRS 450B.768, NRS 205.4742 and NRS 603A. NIST, FISMA, HIPAA, etc.

Protecting all data, especially sensitive data, will include encryption of the data at rest, in transit outside of the internal data center and when possible, when data is active.

All information technology services, and system PCs, developed or acquired by agencies, shall have documented security specifications that include an analysis of security risks and recommended controls (including access control systems and contingency plans). Security threats and vulnerabilities must be reported to the DSS ISO upon discovery.

A security assessment of any new contracted IT system/application/network infrastructure is required prior to such a system/application/infrastructure being implemented into production. Vendors evidence of the DSS vulnerability management program will be provided once a year as identified in the agency's SSAE16 report. This report can be provided to the DSS ISO provided a complete non-disclosure agreement has been completed by DSS. In addition, vendor will perform a scan for vulnerabilities on its network and applications quarterly. Vendor will provide the DSS ISO a report within 10 business days from the end of the quarter showing confirmation the scan for vulnerabilities was completed and any vulnerabilities that were found have been resolved or provide the expected date of resolution. The report will not show any specific information from the scan due to the nature of the information and vendor's contractual obligations related to such information.

The vendor shall ensure they are aware of all State Security policies and standards; meeting or exceeding the State Security Consolidated policy and State of Nevada Information Security Committee State Standards located at: <http://it.nv.gov/governance/state-policy-procedures/>. These policies and standards establish the minimum standards and appropriate level of security controls required for State Information Systems.

Application systems and information that become obsolete and no longer used must be disposed of by appropriate procedures. The application and associated information must be either preserved, discarded or destroyed in accordance with Electronic Record and Record Management requirements defined in NRS and Nevada Administrative Code (NAC) 239, Records Management.

CSP data centers, staff, and contractors collecting, processing, transmitting, storing, or interconnecting State data in a cloud environment must be located within the continental United States.

Multi-factor Authentication (MFA) will be required for State employees and contractors when connecting from outside SilverNet to a cloud service that collects, processes, transmits, stores, or interconnects with sensitive information. Devices that connect via a state-hosted virtual private network (VPN) connection, including EITS hosted VPN, meet this requirement.

Cloud services must enforce least-privilege access to data, based on access roles established or agreed to by the agency.

Any sensitive information must be encrypted both at rest and in transit. In these cases, the agency should control and manage the encryption keys where possible.

DSS OIS gets notified if there are any breaches of the system or databases

The implementation Contractor must meet the State of Nevada's security standards and procedures which can be found at: https://it.nv.gov/Governance/Security/State_Security_Policies_Standards_Procedures/

Proposals must demonstrate or show proof of comparable controls and processes needed to meet SOC II certified requirements as well as comply with State Security Requirements.

Provide administration module controls that give the ability to control roles/access at the module level and Administrator (Super User) Training.

System must meet State security standards for transmission of personal information as outlined in NRS 597.970, NRS 205.4742 and NRS 603A.040.

Compliance with all applicable:

- Federal requirements, rules, and standards, including data encryption.
- Systems that store, process, and transmit federal data must comply with the National Institute of Standards and Technology (NIST) SP 800-53;
- Nevada Revised Statutes (NRS)
- State Information Security Policies, Standards, and Procedures (PSP)
- Division/Agency information security PSPs.
- HIPAA data protection: Required for DHHS HIPAA divisions, bureaus, and program data
- Hardware Specification: Vendor-hosted equipment will adhere to functionality of software and system needs meeting HIPAA, NRS 603A, and security standards.

The vendor must explain in their proposal what measure will be taken to ensure the overall system security and the security of card, hardware, software and data necessary to provide the EBT/Cash Benefit systems for SNAP/TANF/S-EBT.

Security is an important aspect of the EBT/Cash Benefit System for SNAP/TANF/S-EBT. The EBT contractor shall be responsible for the implementation and maintenance of a comprehensive security program for the EBT system and operations. This program shall include the administrative, physical, technical and systems controls that will be implemented to meet the security requirements of the EBT system. It is the expectation of Nevada staff that the system of internal controls used to manage risks to the EBT system and operations shall be based on EFT industry standards.

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

The EBT contractor shall ensure the security of the EBT system and all of the system components.

At a minimum, the following controls shall be implemented:

Control of Card Stock – The EBT contractor shall be responsible and bear liability for all unissued card stock until such card stock is provided to the Nevada SNAP/TANF/S-EBT State offices.

Control of PINs – The EBT contractor is responsible for ensuring the confidentiality of the PIN during generation, issuance, storage and verification. The Data Encryption Standard (DES) algorithm shall be used to control all PINs. The EBT contractor shall ensure that clear text representation of the PIN will never be displayed on PIN entry devices. The EBT contractor shall provide for authentication of data encoded on the card's magnetic strip and PIN offset, and the PIN controls. The EBT Contractor will restrict common PINs. In addition, the EBT Contractor shall be able to add additional restricted PINS at no additional charge upon request by the State.

Communication Access Controls – The EBT contractor shall provide for communication software to control access to the EBT system. Such communication software controls shall ensure that access to the EBT system is strictly controlled. The EBT contractor shall include software controls for the PIN selection devices located at local offices/clinics. Communication access control software shall provide for the following capabilities:

User Identification and Authentication – The EBT system shall require unique identification from each user to access the system. Access to the databases, transactions and programs shall be restricted to those personnel needing access to such data to meet professional responsibilities. The security system shall provide the capability to identify authorizations of individual users and unauthorized users. The security system shall support the immediate deletion of users no longer authorized by the Programs' management staff.

Discretionary Access Controls – The security system shall use identification and authorization data to determine user access to information and level of information accessed. The security system shall provide the Programs' management staff with the capability to specify who (by user or type of user) may have access to system data.

System Access – The security system shall provide an audit trail of access to the system and maintain and protect such records from modification, unauthorized access and destruction. The EBT systems will allow changing passwords in an on-line environment.

Transaction Communications – The EBT contractor shall provide controls to ensure that EBT transaction communications are safeguarded and only processed from authorized terminals/applications. The EBT contractor shall have the ability to perform error checking of transmitted data. The EBT contractor shall provide a configuration layout showing complete end-to-end details of the telecommunications and automated information system(s) as part of the EBT system. This should include all hardware components required to support communication access controls.

EBT System data shall be protected to ensure that system and confidential information shall not be disclosed for unauthorized purposes. Such data security controls shall include, at a minimum, the following:

Programs' Administrative Staff Access – The EBT contractor shall ensure that designated users shall grant access is only to those areas authorized by the user's security profile.

Local Office/Clinic Access - The EBT contractor shall ensure that designated users shall be granted access only to those areas authorized by the user's security profile.

Disclosure of Information and Data – Any sensitive information made available in any format shall be used only for the purpose of carrying out the provisions of this RFP.

Data Destruction – The EBT contractor shall provide for the destruction of magnetic media or deletion of information from magnetic media when no longer required. The methodology for data or media destruction shall be approved by the State.

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

Back-up and Contingency Operations – The EBT contractor shall provide for backup procedures to ensure the continuation of operations in the event of a temporary disruption or disaster.

System and Procedural Documentation – An integral component of the EBT contractor's internal control structure is the provision and maintenance of adequate documentation of system and software applications and operating procedures and requirements.

System Modification and Tampering Controls – The mechanisms within the application which enforce access controls shall be continuously protected against tampering and/or unauthorized changes.

It is the expectation of the State that the EBT contractor will rely on Electronic Funds Transfer (EFT) industry standards and convention in ensuring a secure EBT environment. See *Appendix A: System Administrative Functionality*.

System must meet State security standards for transmission of personal information as outlined in Nevada Revised Statutes (NRS) 205.4742 and NRS 603A.

- Protection of sensitive information will include the following:
- Sensitive information in existing legacy applications will encrypt data as is practical.
- Confidential Personal Data will be encrypted whenever possible.
- Sensitive Data will be encrypted in all newly developed applications.

All information technology services and systems developed or acquired by agencies shall have documented security specifications that include an analysis of security risks and recommended controls (including access control systems and contingency plans).

Security requirements shall be developed at the same time system planners define the requirements of the system. Requirements must permit updating security requirements as new threats/vulnerabilities are identified and/or new technologies implemented.

Security requirements and evaluation/test procedures shall be included in all solicitation documents and/or acquisition specifications.

Systems developed by either internal State or contracted system developers shall not include back doors, or other code that would cause or allow unauthorized access or manipulation of code or data.

Security specifications shall be developed by the system developer for approval by the agency owning the system at appropriate points of the system development or acquisition cycle.

All system development projects must include a documented change control and approval process and must address the security implications of all changes recommended and approved to a particular service or system. The responsible agency must authorize all changes.

Application systems and information that become obsolete and no longer used must be disposed of by appropriate procedures. The application and associated information must be preserved, discarded, or destroyed in accordance with Electronic Record and Record Management requirements defined in NRS and NAC 239, Records Management.

Software development projects must comply with State Information Security Consolidated Policy 100, Section 4.7, Software Development and Maintenance and State Standard 131, "Security for System Development."

Separate development, test and production environments must be established on program systems.

Processes must be documented and implemented to control the transfer of software from a development environment to a production environment.

Development of software and tools must be maintained on computer systems isolated from a production environment.

Access to compilers, editors and other system utilities must be removed from production systems.

Controls must be established to issue short-term access to development staff to correct problems with production systems allowing only necessary access.

Security requirements and controls must be identified, incorporated in and verified throughout the planning, development, and testing phases of all software development projects. Security staff must be included in all phases of the System Development Lifecycle (SDLC) from the requirement definitions phase through implementation phase.

CERTIFICATION AND EXAMINATION

As an integral component of the EBT contractor's EBT System Security, the EBT contractor shall provide the State of Nevada with an annual certification of compliance with banking, EFT (electronic funds transfer), EBT and other regulations and requirements relating to the EBT application. The annual requirement should be considered a normal cost of doing business for the EBT contractor. The annual self-certification and examination requirements shall be applicable to the EBT contractor and any organization(s) with which the EBT contractor has contracted for the performance of EBT related services (subcontractors). It shall be the responsibility of the EBT contractor to provide annual certification or compliance with EBT program specific and related banking requirements of any contracted entities. Such certification of contracted entities shall also be subject to independent examination and validation. The certification by the EBT contractor for the State shall include certification for the EBT contractor entity and any contracted entities' compliance with EBT program specific requirements and banking regulatory requirements related to the EBT application.

The EBT contractor shall provide an annual written certification stating that it is in compliance with the applicable banking regulatory requirements and EBT program specific requirements. The following lists the EBT program specific requirements that shall be addressed in the EBT contractor self-certification of compliance.

Banking and Financial Service Rules – The EBT contractor must comply with banking, EFT and other financial services industry rules that relate to the EBT application. The EBT contractor certification of compliance shall include banking, EFT and financial service industry rules to the extent that such rules govern aspects of EBT system operations.

Nevada EBT Program Rules – The EBT contractor shall comply with the specific benefit program level requirements. For EBT programs that do not have specific written requirements for participation in the EBT program, the EBT contractor shall comply, as applicable, with the existing program level requirements and with benefit level requirements as promulgated by the administering agency. EBT programs have written requirements specifically for participation in the EBT program:

USDA Food and Nutrition Service Final Rule 7 CFR § Parts 272, 274, 276, 277, and 278;

Internal Control and Physical/Personnel Security Requirements – The EBT contractor is subject to the control and security requirements of this RFP and the components of its individual EBT Security Plan.

Self-certification requirements include:

Evaluation of Compliance – The EBT contractor shall accept responsibility for and provide an evaluation of its compliance with the EBT program and specific requirements, compliance with applicable regulatory requirements and an assessment of the effectiveness of the internal control structure in ensuring proper safeguards for the administration of public funds.

Certification of Compliance – The EBT contractor shall provide to the State a written certification of compliance with the EBT program specific requirements and applicable bank, EFT and financial services industry requirements related to the EBT application. The EBT contractor shall

explain how such determination of compliance was made, including bank examination, audit and internal review. It is the expectation of the State that the EBT contractor will utilize the results of current bank examinations, audits and reviews to ensure certification of compliance.

Internal Control – The EBT contractor shall certify that it has properly administered all components of the EBT Security Plan and that such controls provide reasonable assurance that public funds administered through the EBT system are properly safeguarded and protected. The EBT contractor shall describe how such certification was made.

Annual Attestation Engagement requirements include:

The EBT contractor and any subcontractor(s) shall arrange for the performance of an annual attestation engagement of the State’s EBT systems by an independent auditor acceptable to the State. The purpose of this engagement is to ensure that the certifications of compliance and internal controls provide reasonable assurance and any disclosures of exceptions or qualifications made by the EBT contractor are proper and complete. A written report of this engagement is required and must be sent to the Project Management Team together with the self-certification statements. The engagement shall be performed in accordance with the guidance in Government Auditing Standards issued by the Comptroller General of the United States for a financial audit, specifically, Statements on Standards for Attestation Engagements No. 16 (SSAE 16), Service Organization Control (SOC1). SSAE 16 is applicable to the EBT annual engagement in that it addresses the attestation requirements to examine management’s assertions of compliance and internal controls.

Additionally, an engagement in conformance with AICPA SSAE 16, Processing of Transactions by Service Organizations, is required. Conformance with updates to the SSAE 16 or possible future comparable SAS requirements is also required. The engagement should culminate in a report on the policies and procedures placed in operation and tests of the operating effectiveness of the State’s EBT systems. Each report shall be submitted within 30 calendar days of the State’s fiscal year end.

SNAP Benefit Restrictions

As a food assistance program, the use of SNAP benefits is restricted to the purchase of eligible food items from FNS authorized food retail locations. The USDA’s Office of the Inspector General (OIG), Retailer Investigations Branch, Secret Service, and State or local law enforcement officials are responsible for retailer fraud investigations.

The EBT contractor shall authorize the Project Management Team or their representatives to perform audits and /or inspections of its records at any reasonable time during the term of the contract and for a period of three (3) years following the date of final payment under the contract to ensure compliance with its terms and/or to evaluate the EBT contractor’s performance.

Any amounts that have been paid by the Nevada EBT/Cash Benefit Programs, which are found to be improper in accordance with the terms of the contract, shall be returned to the appropriate Program or may, at the discretion of the State, be returned in accordance with other remedies.

The EBT contractor shall permit the State and any other governmental agency authorized by law, or their authorized designee, to monitor all activities conducted by the EBT contractor pursuant to the terms of the contract. Such monitoring may consist of internal evaluation procedures, special

analysis, on-site verification, and any other reasonable procedure that does not unduly interfere with contract work.

PROJECT KICK OFF MEETING

The first activity or task after contract approval will be project kick off meetings that will be held with representatives from the EBT Programs, other State and federal staff, and the EBT contractor. Within 14 calendar days following contract execution, and prior to project work to be performed, the contractor shall organize and lead a kick-off meeting in person at DSS in either Reno, Carson City, or Las Vegas Nevada as determined by the State.

The purpose of the meeting is to discuss the EBT contractor's work, schedule of activities, tasks and deliverables. Discussion will also take place regarding details of the Preliminary Project Management Plan in preparation of Section 4.4, where the Plan will be finalized to become the Nevada EBT Project Plan (refer to *Section 5.7 Project Management*).

Items to be covered in the kick-off meeting will also include, but not be limited to:

- Deliverable review process;
- Determining format and protocol for project status meetings;
- Determining format for project status reports;
- Setting the schedule for the project, including meetings between representatives from the State and the contractor to develop the Project Plan and the Project Schedule.

Project Initiation Meeting

After the completion of the Project Kick-Off Meeting and prior to the start of system planning and design of the EBT system, a Project Initiation meeting must take place. The EBT contractor must schedule separate Project Initiation Meetings with the SNAP/TANF/S-EBT staff.

These meetings will provide an opportunity for the EBT contractor staff, Program staff and other EBT Project stakeholders to discuss any issues and concerns regarding the new EBT system to be implemented. Specifically, final decisions will be made regarding EBT contractor deliverables, system interfaces, project management and the Project Plan and schedule.

Two (2) days after the meeting, the EBT contractor will deliver a meeting memorandum recording the decisions from each of the Program's EBT Project Initiation meetings.

- Defining lines of communication and reporting relationships;
- Reviewing the project mission;
- Pinpointing high-risk or problem areas; and
- Issue resolution process.

4.0 PROJECT WIDE SCOPE OF WORK

The following Scope of Work sections, define the tasks, activities and deliverables relevant to all three EBT Programs. Unless specified as program specific, these project wide sections of the scope of work address tasks, activities and deliverables to meet the needs of all three SNAP, TANIF and SEBT programs.

4.1 PLANNING AND ADMINISTRATION

Objective: The objective of this task is to ensure that adequate planning and project management are dedicated to this project.

Activities: This section refers to different activities such as meetings and reports. Each project (SNAP/TANF/S-EBT) will have their own separate project meetings and status reports.

The awarded vendor must complete the following activities:

4.1.1 Project Wide Project Plan and Schedule

The EBT contractor will work with the staff from SNAP/TANF/S-EBT to provide a detailed Project Plan and Project Schedule based on the Preliminary Project Plan submitted with the proposal as defined in *Section 5.6, Preliminary Project Plan*. The Project Plan and Schedule must address the tasks, activities and deliverables and Project Schedule for Project as a whole plus each of the Nevada EBT Programs.

The detailed Project Plan and Schedule shall have fixed deadlines that take into consideration the State holiday schedule, State Observed Holidays and include, but not be limited to:

- Project schedule including tasks, activities, activity duration, sequencing and dependencies;
- Project work plan for each deliverable, including a work breakdown structure;
- Completion date of each task;
- Project milestones; and
- Entrance and exit criteria for specific project milestones.

The EBT contractor shall submit a preliminary overall Project Schedule in MS Project and a PDF version no later than two weeks following contract execution.

The Project Schedule defines all timeframes, start dates and end dates, Contract staff resources are assigned and an estimate of the Programs staff required resources for all project-wide tasks and deliverables are identified. All deliverables identified within the project schedule are subject to Project Management Team review and approval.

The final Project Schedule, which will serve as the baseline document, must be provided ten (10) business days following the receipt of the written comments from the State.

The Project Plan and Schedule shall be updated as needed throughout the project.

Changes in the schedule, either timeframe or activity changes, must be approved by the Project Management Team prior to the Contractor making the schedule changes. Once changes are approved, the EBT contractor shall present a full description of the updates in the Project Plan and Schedule and define the rationale or impact on the project; and

The EBT contractor will be expected to complete Project Plan and Schedule details for the specific EBT Programs.

4.1.2 Project Status Meetings

Each project (SNAP/TANF/S-EBT) will have their own separate project meetings.

The EBT contractor will attend and participate in all project status meetings with the SNAP/TANF/S-EBT project team at a location to be determined by the State. The Contract Project Manager and Technical Lead must attend in person whereas other key contractor staff may attend in person or via teleconferencing, as mutually agreed to by the project team.

These status meetings will provide an opportunity for Nevada Program staff and other applicable Stakeholder and the EBT contractor staff to discuss outstanding issues and other issues defined in the Status reports.

These meetings shall follow an agenda mutually developed by the awarded vendor and the State. The awarded vendor shall prepare materials or briefings for these meetings as requested by the State.

The EBT contractor shall provide an agenda for the status meeting no later than two (2) business days prior to the status meeting.

The agenda may include, but not be limited to:

- Review and approval of previous meeting minutes;
- Contractor project status;
- State project status;
- Contract status and issues, including resolutions;
- Risk Review;
- Quality Assurance status;
- New action items;
- Outstanding action items, including resolutions;

- Setting of next meeting date; and
- Other business.

Minutes will be taken and distributed by State staff within five (5) working days after the meeting. Minutes may be distributed via facsimile or email.

4.1.3 Project Status Reports

Each project (SNAP/TANF/S-EBT) will have their own separate status reports.

The EBT Contractor will provide written semi-monthly project status reports delivered to State project management by the third (3rd) working day following the end of each reporting period.

The format must be approved by the State prior to issuance of the first semi-monthly project status report.

The first semi-monthly report covers the reporting period from the 1st through the 15th of each month; and the second semi-monthly report covers the reporting period from the 16th through the end of the month. Exception: Frequency of status reports may change in times of high activity, including prior to system conversion or during UAT. The status reports must include, but not be limited to the following:

The Status Reports shall include but not limited to:

- Overall completion status of the overall project and the project as it relates to each Program in terms of the approved Project Plan and Project Schedule, including deliverables submitted;
- Accomplishments during the period, including Programs' staff/stakeholders interviewed, meetings held, JAD sessions and conclusions/decisions determined;
- Problems encountered and proposed/actual resolutions;
- What is to be accomplished during the next reporting period, such as outstanding tasks/deliverables;
- Issues that need to be addressed, including contractual. Include outstanding problems, issues or risks. (Provide the status of the progress on resolution, risk assessment ranking of the problem and recommended solution or mitigation plans.);
- Quality Assurance status;
- Identification of risks;
- Updated MS Project Schedule time line showing percentage completed, tasks assigned, completed and remaining;

- Identification of schedule slippage and strategy for resolution; and
- Progress on Enhancement/Change Requests. (For all active change requests, the Status Report shall identify tasks completed during the reporting period, tasks remaining and the estimated date of completion for the change.)

During system conversion, the status report shall include an update on:

- Conversion activities and tasks;
- Progress in POS deployment including retailer name and location, terminal ID and retailer's FNS number;
- Planned POS deployment activity for the next reporting period;
- ATM availability;
- State, client and retailer training plans and activities;
- Card replacement and issuance plans and activities; and
- Progress on retailer and third party agreements.

4.1.4 Project Wide Communication Plan

Develop a comprehensive approach for handling communications with both internal and external audiences. Effective communication is critical to the development of productive relationships with concerned stakeholders. The Project Wide Communication plan must include, but not be limited to:

- A plan for generation;
- Documentation, storage, transmission and disposal of all project information.

4.1.5 Project Wide Retailer Transition and Certification Plan

The EBT contractor will prepare a plan and lay out the means in which the EBT contractor will complete all communication necessary to prepare the retailers for acceptance and redemptions of the EBT benefits. The Retailer Transition and Certification Plan will also address hardware and software installation, preparation of retailer agreement, retailer system testing and training.

- The Plan shall include but not be limited to the EBT contractor's approach to:
- Identifying which vendors are prepared for the EBT system transition;
- Identifying which vendors require additional support for EBT, if allowed by regulation;

- Identifying what type of support is required for each applicable retailer;
- Providing technical ECR/POS solutions as approved by each of the Programs;
- Tracking retailer enablement and certification; and
- Supporting the authorized vendors in the testing and certification process.

4.1.6 Project Wide Risk Management Plan

Develop a risk management plan to ensure that risks are identified, planned for, analyzed, communicated and acted upon effectively.

4.1.7 Project Wide Quality Assurance Plan

Develop a quality assurance plan including, but not limited to, the methodology for maintaining quality of the code, workmanship, project schedules and subcontractor(s) activities.

4.1.8 Project Wide Change Management Plan and Control Procedures

Develop a Change Management Plan and Control Procedures and present it to the State for acceptance. This plan will be used by the vendor and the State in the design, specification, construction, implementation and support of the system.

The EBT contractor shall include, as part of the Project Management Plan, a Change Management Plan. At a minimum, the Change Management Plan and Control Process must include the following:

An electronic tool, such as SharePoint, for change management purposes;

Be developed with a focus on EBT system functional and technical baseline and change requests;

The EBT contractor's approach to addressing:

- Design issues;
- Remedial changes;
- State-initiated change requests;
- Self-initiated changes.

Define roles and responsibilities and assure the State that no changes to the EBT system will be undertaken without the Project Management Team's prior knowledge and approval.

Include the procedures for changes and upgrades to all EBT system documentation and manuals.

4.1.9 Project Wide Knowledge Transfer Plan

Develop a Knowledge Transfer Plan, present the plan to the State, execute the plan and obtain State acceptance before and after the plan is executed. The plan must include sufficient time and resources to accomplish a full transfer of knowledge to assure that the State can operate the system independently and obtain timely and effective support from the vendor.

4.1.10 Project Wide Post Implementation Evaluation Review (PIER)

The State will perform a Post Implementation Evaluation Review (PIER) approximately six (6) months after full implementation and State acceptance of all deliverables. The awarded vendor's Project Manager will be required to participate on site for a period of not to exceed three (3) days.

4.1.11 Project Wide Conversion and Implementation Plan

The Plan shall address the processes to be used for conversion and implementation, how the processes will be tested, and contingency plans for problems and issues that may occur during the process. At a minimum, the plans shall include the EBT Vendor's approach to conversion/implementation activities in enough detail so that the State fully understands the approach and has confidence that the approach will support a timely and successful conversion and implementation.

The Conversion and Implementation Plan must also contain a contingency fallback plan in case the conversion cannot be completed in a timely manner due to conversion issues. FNS must approve the Conversion Plan.

The draft Project Wide Conversion and Implementation Plan is due to the Nevada EBT Project Management Team within four (4) weeks from Contract execution. The Implementation Plan shall address each of the contracted Nevada EBT and Debit Card Programs involved in the system project. Specific sections of the Implementation Plan should be included for each participating program.

The Conversion and Implementation Plan shall include but not be limited to general and program specific information regarding:

- Deliverables, milestones and "Go/No Go" decisions;
- Conversion of acquirers and retailers including the retailer database;
- Conversion of each Program's client database to include account aging information including expungement and escheatment dates, where appropriate, and transfer of the Program's transaction history.
- Provide an Integrated Vendor Interface Specifications Document. The document shall contain sufficient details so retailers with integrated ECR/POS systems will have the requirements necessary to modify their systems and exchange files with the EBT system. This includes establishing interfaces with the Programs' MIS, certification, and/or eligibility systems.

- Coordinating with other contractor or Nevada staff involved in Program interfaces, to include timelines, milestones, roles and responsibilities, and level of work effort to be expected by State IT staff.
- Approach to testing and conversion.
- Coordinating training efforts.
- Implementing card production and distribution, to include replacement of EBT cards, as required.
- Implementing customer service, IVR and web portals.
- Implementing participant customer services as required for the technical solution, to include maintaining the ability of Customer Service Representatives (CSRs) to complete card status functions reported during the conversion.
- Coordinating with FNS, the Treasury Department and the Federal Reserve Bank (FRB) in transferring State ASAP (Automated Standard Application for Payments) system account balances to the succeeding EBT Contractor (SNAP/TANF/S-EBT only).
- Establishing Administrative Terminal application connectivity.
- Coordinating State Office and local office/clinic equipment installation and testing.
- Coordinate statewide conversion activities with the data migration.

4.1.12 Project Wide System Test Plan

The EBT contractor shall prepare and submit a draft and final System Test Plan. This plan will describe how the EBT contractor will complete all phases of system testing for each of the Nevada EBT Programs in preparation for the Functional Demonstration prior to the Specific EBT programs' User Acceptance Testing (UAT).

4.1.13 Project Wide System Security Plan

The EBT contractor shall develop a plan for the implementation and maintenance of a comprehensive security program. The Security Plan shall describe the administrative, physical, technical and systems controls to be implemented for the EBT systems for the SNAP/TANF/S-EBT programs, and how the EBT contractor will address deficiencies or security breaches if they are identified during the course of the contract. The Security Plan shall reflect the guidance of "FNS Handbook 901, FNS EBT Security Guidelines Handbook" and the security requirements specified in Section 3.9 of the RFP. In addition to describing the planned controls to meet the security requirements, the Security Plan shall provide for the ongoing certification and examination of the EBT contractor's operations and control system. The EBT contractor may use OMB Circular A-130 and 90-08 as references in preparing the Security Plan.

Refer to <https://www.whitehouse.gov/omb/information-for-agencies/circulars>

General areas that shall be covered within the Security Plan include:

- Physical site security;
- System data security;
- System application security;
- Cooperation in inspections and audits;
- Periodic risk analyses; and
- Contingency planning.

The EBT contractor must adhere to State (as applicable), and Federal statutes related to data privacy and the rights of data subjects. Security Plan acceptance is contingent upon State and FNS approvals.

4.1.14 Project Wide Training Plan

The EBT contractor will be required to submit for approval a comprehensive Project Wide Training Plan in draft and final form. The Project Wide Training Plan will include a section defining the training needs for the Programs' EBT systems and meeting FNS and State standards. Training materials, including video/electronic and hardcopy materials developed for the Program staff shall be submitted in draft and then final form and once approved by the Program staff become the property of the State.

Training plans and materials shall be updated throughout the contract as needed to reflect changes in the EBT system or services.

The Project Wide Training Plan shall include the following:

- Description of training directly related to the system functionality.
- Description of how trainees will demonstrate the capability of performing their applicable system functions at the completion of training.
- Description of training and training materials providing content that is appropriate for the needs of the Program staff, participants and retailers.

Participant Training Materials (SNAP/TANF/S-EBT only)

The EBT contractor shall develop program-specific print-ready training materials for SNAP/TANF/S-EBT local agency staff to distribute to their participants/cardholders. The training materials must present the introduction to EBT for new SNAP/TANF/S-EBT card holders and a presentation of changes in the new system over the FIS/CPD EBT system.

The training materials shall be written in easy to understand language at a 7th grade reading level in both English and Spanish. All materials must be approved by the SNAP/TANF/S-EBT staff prior to distribution to the SNAP/TANF/S-EBT Cardholders.

Training Materials to be provided by the EBT contractor shall include a pamphlet and a video defining how to use the SNAP/TANF/S-EBT EBT card to redeem their SNAP/TANF/S-EBT benefits. The SNAP/TANF/S-EBT staff shall review and approve the draft training materials for the cardholder prior to their use during the statewide system implementation.

Training Schedules that are conducted at an appropriate time (i.e., training has to occur prior to a stakeholder using the system, but not so far in advance that training is forgotten prior to the stakeholder using the system)

Description of training directly related to the applicable to program-specific EBT functions

Staff Training Material

The EBT contractor shall provide the necessary training and training materials so the Local and State Office SNAP/TANF/S-EBT staff has knowledge as to how to access the available EBT functions. SNAP/TANF/S-EBT staff shall be provided with a user guide and a tip sheet to assist staff with easy reference for EBT operations.

If training provided by the EBT contractor is not effective or does not address training objectives, the EBT contractor shall modify its training materials or training methodologies. The EBT contractor shall replace trainers that do not meet the Programs' staff's training expectations.

4.1.15 Project Wide Contract Transition Plan

The EBT contractor shall submit an outgoing Contract Transition Plan that shall include a resource staffing plan, issue tracking log, knowledge transfer plan and a Project Schedule, detailing the items necessary to successfully transition EBT data and operational knowledge to the incoming EBT contractor. The Contract Transition plan can be requested by the Project's Management Team as early as thirteen (13) months prior to contract end, but not less than six (6) months prior to contract end. The Contract Transition Plan shall be submitted to the Project's Management Team in writing within one (1) month of a written request to allow for the review and approval by the Nevada EBT Project Management Team.

4.1.16 Project Wide Business Continuity/Disaster Recovery Plan

The EBT contractor shall provide an EBT Systems Business Continuity Plan and Disaster Recovery Plan to define how Business Continuity and Disaster Recovery will take place if the need arises. The plan will:

Include a definition of how the delivery of benefits and cards will be provided in the event of a localized or statewide disaster. Disaster card replacement would be for SNAP only.

Include an evaluation of the types of service interruptions that may impact the Programs' EBT and Cash Benefit systems' operations and therefore require the use of a back-up and recovery process.

For each potential interruption type, the EBT contractor shall, at a minimum:

Detail the steps to be taken to recover from the interruption;

Outline the resources committed (i.e., people, systems, networks and operation sites);

Indicate whether the continuity plan has been tested under real or simulated conditions;

Include how and when notifications of service interruptions will be provided to the Nevada Programs’ retailers; and

Include how and when the EBT contractor will support Program staff and Program client/participant notifications.

The plan shall address all the requirements identified for both the Contractor’s company as well as any subcontractor. The plan shall demonstrate that in the event of a disaster the cardholders’ inconvenience will be minimal.

The EBT contractor must demonstrate on an annual basis that its disaster recovery plan is effective and, within ten days after each demonstration, provide a written report to the Project Management Team on how the restoration activities functioned.

The EBT contractor shall be required to support the State’s Disaster Plan and plan to participate in the annual review of the plan. The EBT contractor shall provide support to update the plan and its approach to disaster support if requested to meet the needs of changes to Federal and State response requirements.

4.1 PLANNING AND ADMINISTRATION DELIVERABLES			
DELIVERABLE NUMBER	DESCRIPTION OF DELIVERABLE	ACTIVITY	STATE'S ESTIMATED REVIEW TIME (WORKING DAYS)
4.1.1	Detailed Project Plan and Schedule	4.1.2.1	15
4.1.2	Project Status Meetings	4.1.2.2	N/A
4.1.3	Project Status Report	4.1.2.3	5
4.1.4	Project Wide Communication Plan	4.1.2.4	10
4.1.5	Project Wide Retailer Transition and Certification Plan	4.1.2.5	10
4.1.6	Project Wide Risk Management Plan	4.1.2.6	10
4.1.7	Project Wide Quality Assurance Plan	4.1.2.7	10
4.1.8	Project Wide Change Management Plan and Control Procedures	4.1.2.8	10

4.1 PLANNING AND ADMINISTRATION DELIVERABLES			
4.1.9	Project Wide Knowledge Transfer Plan	4.1.2.9	10
4.1.10	Project Wide Post Implementation Evaluation Review	4.1.2.10	5
4.1.11	Project Wide Conversion and Implementation Plan	4.1.2.11	5
4.1.12	Project Wide System Test Plan	4.1.2.12	5
4.1.13	Project Wide System Security Plan	4.1.2.13	5
4.1.14	Project Wide Training Plan	4.1.2.14	5
4.1.15	Contract Transition Plan	4.1.2.15	5

4.2 PROJECT WIDE SYSTEM TRANSFER AND IMPLEMENTATION

Objective: The objective of this task is to ensure that the contractor’s activities will result in a successful project completion.

- System Design Confirmation
- Testing and Data Conversion
- Training
- Implementation
- On-going System Operations

Activities: The following are activities necessary to complete the system transfer and implementation.

4.2.1 System Implementation Tasks

The EBT contractor will be responsible for directing and completing all tasks to implement the new system from the current system with minimal disruption for any cardholders, vendors/retailer or staff.

The EBT contractor shall support Program state and local enablement by providing the onsite support and support via phone during the first weeks of implementation of the new system operations according to the approved system rollout schedule.

The EBT contractor shall support retailers/vendors by providing onsite support or support via telephone during the system rollout schedule. The EBT contractor shall support retailer enablement by performing, at a minimum, the following implementation functions:

Identify support needed by each retailer, designated agent, and third party processor;

Provide interface specifications to retailers, their designated agents and third party processors, as applicable;

Establish agreements with retailers, their designated agents and third party processors, as applicable;

As approved by the State, install ECR/POS solutions or stand-beside POS solutions or terminals, and train retailers on their use;

Report to the Project Management Team any issues associated with scheduling or installing its stand-beside solution at retailer locations;

Support the Programs with test cards, the establishment of a test environment and back-end system monitoring to enable the State to conduct retailer system certification testing and shall include on-site support if requested by the Project Management Team; and

The contractor shall provide Project Implementation Report(s). These reports will be provided, starting with the system conversion process, approximately 3 weeks before the start of the conversion. The report is a summary by task of major completed and scheduled activities during the reporting period for the conversion activities such as the status of:

- POS device deployment and installation;
- ATM availability and location;
- Training (State, county, recipients and retailers);
- Card issuance; and
- Retailer agreements.

The reports shall include problem identification, required corrective action and timeframe for resolution. The reports shall include details of delayed tasks, the reason and revised completion date(s), if applicable, and the scheduled activities for the next reporting period.

4.2.2 Risk Management

The EBT contractor shall submit a preliminary overall Project Schedule in MS Project and a PDF version no later than two weeks following contract execution. The Project Schedule defining all timeframes, start dates and end dates, Contractor staff resources assigned, and an estimate of the Programs staff required resources for all project-wide tasks and deliverables. All deliverables identified within the project schedule are subject to Project Management Team review and approval. The final Project Schedule, which will serve as the baseline document, must be provided ten (10) business days following the receipt of the written comments from the State.

The EBT contractor shall include, as part of the Project Management Plan (refer to *Section 5.7 Project Management*), a Change Management Plan.

The EBT contractor shall use an electronic tool, such as SharePoint, for change management purposes. The Change Management Plan will be developed with a focus on EBT system functional and technical baseline and change requests, and the EBT contractor's approach to addressing design issues, remedial changes, State-initiated change requests, and self-initiated

changes. The Change Management Plan must define roles and responsibilities and assure the State that no changes to the EBT system will be undertaken without the Project Management Team's prior knowledge and approval. The Change Management Plan shall include the procedures for changes and upgrades to all EBT system documentation and manuals.

The Project Plan and Schedule shall be updated as needed throughout the project. Changes in the schedule, either timeframe or activity changes, must be approved by the Project Management Team prior to the Contractor making the schedule changes. Once changes are approved the EBT contractor shall present a full description of the updates in the Project Plan and Schedule and define the rational or impact on the project.

4.2.3 Contract Closeout Requirements

The EBT contractor shall work with the Project Management Team and any other organization designated by the State to facilitate an orderly transition of services at the end of the contract term. The EBT contractor shall work in a professional manner with the next contractor to execute a smooth and timely transition at the end of the contract term. The State reserves the right to serve as a mediator between the EBT contractor and the new contractor, and subcontractors. The EBT contractor shall allow for fallback to its system in the case of database conversion failure; will coordinate with the next contractor/processor on migration of customer service functions on the night of database conversion. This may require both to develop special ARU messages approved by the State for use during database conversion.

At the termination of the contract, the EBT contractor shall transfer all online and archived EBT data, to include, at a minimum, five complete Federal Fiscal Years, to an entity specified by the State and ensure accuracy and readability of such information at the new location. The EBT contractor shall perform any and all necessary data base cleanup necessary for data transfer; database cleanup shall be completed six months prior to the end of the contract term. The EBT contractor shall provide data mapping to support the data transfer.

At a minimum, the transferred data shall include the complete history of:

- Local Agency/Clinic Information;
- Vendor/Retailer Data;
- EBA Data;
- Card Data (EBT and Branded);
- PIN Data;
- Issuance Data (as applicable);
- Transaction Data;
- File Transfer Data;
- Category/Subcategory Data;

- UPC/PLU Data;
- NTE Data;
- APL Data;
- ARF Data; and
- Settlement Data.

At the Project Management Team’s discretion, the use of the toll-free numbers used to provide cardholder and vendor support shall be transferred to the Programs.

The Programs shall retain ownership of any and all EBT cards produced and not issued to cardholders at the end of the contract term, including cards produced and not yet shipped by the EBT contractor.

The State’s BIN/IIN shall revert back to the State at the end of the contract period.

The EBT contractor shall provide the Project Management Team an electronic record on a portable token (e.g., external hard drive, CD, flash drive) of all system-related documents prepared for the Programs and held in the document repository.

If POS terminals have been leased, the EBT contractor shall allow the State, if interested, to purchase the terminals at their depreciated value. If appropriate, the existing POS terminal transactions may be re-directed via the gateway during transition until either replaced or purchased.

Within 30 days of the contract closeout, the EBT contractor shall provide a final reconciliation and closeout report to the Project Management Team.

Project Wide System Transfer and Implementation Deliverables

Some deliverables are specific to only the program in question and will be written specific to the needs of that program and delivered to and reviewed by the staff of that program.

The following table presents the deliverables that will be required for the EBT contractor to complete. These deliverables are those which will be needed by all programs included in this contract.

4.2 PROJECT WIDE SYSTEM TRANSFER AND IMPLEMENTATION			
DELIVERABLE NUMBER	DESCRIPTION OF DELIVERABLE	ACTIVITY	STATE'S ESTIMATED REVIEW TIME (WORKING DAYS)

4.2 PROJECT WIDE SYSTEM TRANSFER AND IMPLEMENTATION			
4.2.1	System Implementation Tasks	4.2.2.1	10
4.2.2	Risk Management	4.2.2.2	5
4.2.3	Contract Closeout Requirements	4.2.2.3	10

4.3 PROJECT-WIDE SYSTEM TESTING

Objective: Following the completion of program-specific paradigm reviews, system requirements and design specifications validation and design, modification and/or configuration of its system to conform to the approved system design, the Contractor will complete System Testing.

Activities: The EBT contractor shall create a test environment and conduct system testing in preparation for the Functional Demonstration and UAT. The EBT contractor shall use Nevada system configuration, Nevada Programs' data and other aspects of the Nevada system to be implemented, as much as possible. The EBT contractor shall inform the Program Management Team of the results of System Testing completed by the Contractor's staff throughout the system testing. Types of testing should include, but may not be limited to, all aspects of performance testing, connectivity testing, stress testing, contingency testing, back-up and recovery process as further defined below.

4.3.1 Performance (Stress) Testing:

The purpose of this test is to ensure that there is sufficient capacity within the EBT system to handle the expected volume of transactions from the Nevada programs' users and their transactions to a central database. The EBT contractor shall use results from the stress test to formulate a system capacity model to determine the appropriate hardware and software requirements and configuration so that the EBT system can accommodate the anticipated transaction volumes.

4.3.2 Vulnerability Testing:

Prior to moving to the EBT system production and at a minimum of once per year during operations, the EBT contractor shall perform vulnerability testing (assessment) on the EBT system. The vulnerability assessment must test the system to locate, diagnose and correct areas of weakness that might make it susceptible in times of crisis, attack, or destabilization. The EBT contractor shall provide the Nevada EBT Project Manager with a summary report of the results of the vulnerability assessment and any corrective actions that need to be taken. In addition to conducting vulnerability testing prior to system implementation, additional vulnerability tests may be requested during the operations phase following major system changes or following a security breach.

4.3.3 Contingency Testing:

Contingency planning and testing ensures that essential (mission-critical) EBT operations will continue if normal operations are disrupted at either the EBT contractor's or the applicable Program's primary site. The State requires that the EBT contractor establish a fail-over site, with full computer systems and complete or near-complete back-ups of user data, for continued operations in case of failure at the primary operations site.

The EBT contractor shall provide an escalation process that includes notification of Nevada EBT Project Management Team. The EBT contractor shall provide post-incident recovery procedures

to facilitate the rapid restoration of normal operations at the primary site or, if necessary, at the fail-over site, following destruction, major damage or other significant interruptions of the primary site. During the operations phase, contingency testing shall be conducted twice annually at six-month intervals to ensure that back-up operation plans are adequate. The State requires documentation of testing, including test results and a corrective action plan, if tests indicate a correction needs to be made.

4.3.4 Connectivity Testing:

Prior to system implementation, connectivity testing shall be conducted between the SNAP/TANF/S-EBT Programs' MIS/certification/eligibility systems and the EBT system. This includes testing all interfaces between the primary and fail-over systems.

4.3.5 Interface Testing:

Interface testing is conducted to ensure that all files sent between the State Programs' MIS/certification/eligibility systems and EBT contractor systems are properly received, accepted and accurately processed. Interface testing of all Programs' systems (SNAP and/or TANF) shall demonstrate rejection of duplicate files or records and correction of transmission errors.

The EBT contractor shall design, develop and test the interface to the SNAP/TANF/S-EBT eligibility system, the SNAP EBT system and TANF Cash Benefit System. The EBT contractor shall complete thorough testing of the interfaces and ensure the interfaces for the SNAP eligibility system and TANF Card System are ready for UAT.

4.3.6 System Testing:

After a functional demonstration, each program's proposed EBT system, and each subsequent enhancement or addition, will have to be validated by the appropriate program staff prior to being accepted for statewide implementation.

System testing shall be performed on all components and functional areas of the EBT contractor's EBT systems and interfaces. Any deficiencies identified during system testing must be corrected and re-tested. The Program Manager, the applicable Program staff and FNS must formally accept and approve the Program's EBT system before the system is introduced into production and operations can begin.

4.3.7 User Acceptance Testing (UAT):

The UAT includes UAT for SNAP, TANF, and SEBT and Cash Benefits Systems. SNAP/TANF/S-EBT staff and FNS representatives will test system functionality to ensure compliance with the system design needed to provide all functionality for issuance, redemption, reconciliation, reporting and management of their Program's EBT or Cash Benefits system.

At a minimum, this test shall consist of functional requirements, security, recovery, system controls and "what if/ad hoc" testing.

4.3.8 SNAP User Acceptance Test (UAT):

As part of the system acceptance testing, the EBT contractor must demonstrate the methods and processes for performing daily reconciliation between the SNAP system and EBT contractor interface and processing activities including financial settlement through the ACH network to the retailer's/vendor's financial institutions. UAT will be completed onsite in Carson City by representatives of each program. The EBT contractor shall provide formal test scripts for SNAP UAT activities.

The ad hoc or "what if" portion of the UAT shall provide the SNAP staff and FNS representatives and/or designated State or FNS technical assistance staff with the opportunity to include various transaction sets and sequences that have not been included in the test scripts and to challenge the system's operation and design.

UAT will also include, but not be limited to, IVR and Web Portal Testing, Performance (Stress) Testing and Vulnerability Testing.

4.3.9 TANF User Acceptance Test (UAT):

TANF UAT will include testing of all areas of functionality including, but not limited to, system performance, card issuance, benefit issuance, benefit adjustments, reconciliation, reporting, Help Desk, IVR and Web Portal Testing.

4.3.10 UAT Test Scripts:

In preparation for UAT, the EBT contractor will complete test scripts to be used by the Programs' staff during the program-specific UAT. The Contractor will prepare test scripts sufficient to test all functionality of the systems, including but not limited to, scenarios for card issuance, card 'PINing' at the Programs' issuance office, benefit issuance, benefit voids, benefit reissuance, redemptions, Customer Service services (IVR, web portal, help desk call center), State Office staff functions and reporting. The scripts should include the steps to complete the script, the staff position or security level for the position routinely completing the function, expected outcomes and reference to the specific section of the Operations Manual for each program explaining the function.

4.3.11 Data Conversion for Testing:

The EBT contractor shall convert data necessary to complete system testing, UAT and statewide systems implementation. The EBT contractor shall test to verify the accuracy of the converted data. The EBT contractor shall also verify accuracy of all reports using the converted data prior to system implementation.

The EBT contractor shall provide the following Conversion Reports and shall coordinate with the existing EBT contractor, FIS/CDP, to assure all history records are converted accurately and completely. In addition, once the new EBT contractor begins EBT operations, the new EBT contractor shall continue to coordinate the daily settlement and clearing activities and reports with the former EBT contractor to assure the Program staff that all daily EBT transactions and activity are properly accounted for with the State, Federal Reserve and FNS. This coordination with the former EBT contractor shall continue until all suspense, hold, adjustment and any other EBT transactions by the former EBT contractor have been processed, reported, accounted for and transferred to the new EBT contractor.

4.3.12 UAT Preparation:

The EBT contractor shall prepare for the UAT by providing a test database with converted data. The EBT contractor shall complete all tasks for the preparation of the Project UAT. Preparation shall include, but may not be limited to, data conversion, central operation preparation, test bed site operation and UAT staff training.

4.3.13 Training for UAT Participants:

The EBT contractor shall provide training at the start of the Programs' UAT to ensure testers are able to effectively complete all steps of the scripts. A description of how the UAT training will occur shall be defined in the EBT contractor's Training Plan. The training will take place immediately prior to UAT and shall be conducted on site.

4.3.14 Support for UAT:

The EBT contractor shall support staff completing the UAT. The testers will complete the EBT contractor's approved UAT test scripts. The EBT contractor shall provide onsite system knowledge staff to assist staff in completion of test scripts and to assist in the recording of the errors in the contractor-provided error tracking database.

As part of UAT, there will be an ad hoc or "what if" portion of the UAT which shall provide the Programs' staff and FNS representatives and/or designated Program or State or FNS technical assistance staff with the opportunity to include various transaction sets and sequences that have not been included in the test scripts and to challenge the system's operation and design.

Also, as part of the UAT, the EBT contractor shall be prepared to test the Customer Help Desk, the IVR and the Web Portal, including, but may not be limited to, the ability to perform applicable functions, access and retrieve applicable information and files, and upload files. Testers will test the viability of file formats and data contents.

4.3.15 Test Error Documentation and Test Reports from UAT:

The EBT contractor shall document test results of the UAT in system test reports. The reports shall include corrective actions or plans to remedy system errors or deficiencies identified during the UAT test. Corrective actions to remedy system errors identified during testing must be completed. The Test Report(s) must include corrective actions for all errors discovered during UAT.

4.3.16 Correction of UAT Errors and Regression Testing:

The EBT contractor will be responsible to provide correction to any and all errors found during UAT. Project plans for corrective action to address all errors will be completed and system tested by the EBT contractor in preparation for Regression Testing. All documented errors shall be retested and verified as working correctly. The Contractor will provide onsite staff and support for the conduct of the Regression testing to be completed by the Program staff. Only after all errors retested in Regression testing have successfully been completed and passed as working correctly will UAT be considered completed and the EBT contractor provided a Go Decision to move onto the system rollout for all Programs.

4.3.17 Systems' Fail-over Testing:

Prior to the start of statewide rollout, the EBT contractor will be required to ensure the system backup to an alternate host is functioning correctly with the completion of fail-over testing. The details of how fail-over testing will be completed should be defined in the Contractor's Test Plan.

4.3.18 Life Cycle Testing:

The EBT contractor shall provide system life cycle testing services for the duration of the contract. The life cycle system test approach requires that the EBT system shall be tested with agreed-upon regression testing prior to being introduced into the production environment.

The EBT contractor shall meet the FNS system testing requirements, including the UAT requirements. The EBT contractor shall provide the Program staff with access to a test environment for the duration of the system life cycle.

Project Wide System Testing Deliverables:

Some deliverables are specific to only the program in question and will be written specific to the needs of that program and delivered to and reviewed by the staff of that program.

The following table presents the deliverables that will be required for the EBT contractor to complete. These deliverables are those which will be needed by all three (3) programs included in this contract.

4.3 PROJECT WIDE SYSTEM TESTING			
DELIVERABLE NUMBER	DESCRIPTION OF DELIVERABLE	ACTIVITY	STATE'S ESTIMATED REVIEW TIME (WORKING DAYS)
4.3.1	Performance Testing	4.3.2.1	10
4.3.2	Vulnerability Testing	4.3.2.2	10
4.3.3	Contingency Testing	4.3.2.3	10
4.3.4	Connectivity Testing	4.3.2.4	10
4.3.5	Interface Testing	4.3.2.5	10
4.3.6	System Testing	4.3.2.6	10
4.3.7	SNAP User Acceptance Testing	4.3.2.7	10
4.3.8	TANF User Acceptance Testing	4.3.2.8	10
4.3.9	User Acceptance Testing	4.3.2.9	10
4.3.10	UAT Test Scripts	4.3.2.10	10
4.3.11	Data Conversion for Testing	4.3.2.11	10
4.3.12	UAT Preparation	4.3.2.12	10
4.3.13	Training for UAT Participation	4.3.2.13	10
4.3.14	Support for UAT	4.3.2.14	10
4.3.15	Test Error Documentation and Test Reports from UAT	4.3.2.15	10
4.3.16	Correction of UAT Errors and Regression Testing	4.3.2.16	10
4.3.17	System's Fail-Over Testing	4.3.2.17	10
4.3.18	Life Cycle Testing	4.3.2.18	10

4.4 SNAP/TANF/S-EBT TRAINING

Objective: The objective of this task is to ensure the vendor's activities will result in successful project completion.

Activities: The EBT contractor will provide training to all EBT Programs users of the EBT system. The EBT contractor will be expected to submit a Training Plan that will address the specific needs of the SNAP/TANF/S-EBT Programs to include training schedules conducted at an

appropriate time (i.e., training has to occur prior to a stakeholder using the system, but not so far in advance that training is forgotten prior to the stakeholder using the system)..

4.4.1 Training Materials

The EBT contractor shall provide instructional materials and training in a format acceptable to Program staff about the system administrative and reporting functions to be used by Program staff. The material and training must cover card issuance and usage, and benefit delivery, accessing the administrative terminal functions, security features within the system, and detailed explanation of the screens and functions supported by the application. The training materials will include materials to assist in training for the following audiences:

4.4.2 Cardholder Training Materials:

The materials for the cardholder must be written in both English and Spanish at a reading level no higher than the 7th grade. Applicable Program staff shall have final approval of instructional materials provided with the card. The proposer shall submit examples of all materials that will be sent or given to the cardholder at the time of card issuance. This would include items such as a welcoming brochure (including payment options that are customized for each agency or program), cardholder agreement, a training video and any instructional materials that outline how the card may be used. It is expected that the EBT contractor will provide detailed training materials that will outline any and all fees and costs that the cardholder may be subject to when using their card at various establishments.

Training topics will be specified by the Program staff to meet their EBT program requirements and may include but are not limited to:

- Care of the card;
- Reporting lost, stolen or damaged cards;
- Getting lost, stolen or damaged cards replaced;
- How to determine the benefit balance;
- How to select and change a PIN;
- How to protect the card and the PIN; and
- How to conduct transactions, such as balance inquiry, ATM withdrawal, mixed basket, purchase at authorized retailer locations, or authorized farmers' markets.

As an optional service, the EBT contractor shall provide pricing for sufficient brochures for distribution to participants during the phased statewide rollout. Refer to Pricing Sheets.

4.4.3 Retailer Training Material

The EBT contractor is also responsible for completion of training and provision of user materials for retailers that are provided with stand-beside solutions and for providing

training materials for SNAP retailers with integrated electronic cash register (IECR) systems. For the stand-beside solution, training materials will cover areas such as log on/log off, using the solution for all types of EBT transactions. These retailers shall be provided with a tip sheet to provide managers and cashiers with an easy reference during transactions. SNAP training materials in general will include the settlement and reconciliation process and required timeframes and uploading the vendor claim file.

4.4.4 Staff Training Materials

The EBT contractor shall provide necessary training and training materials so the Program staff has knowledge regarding to how to access the available EBT functions on the administrative terminal. A User Guide to assist staff in local offices/clinics and a Tip Sheet to provide staff with an easy reference for EBT operations, including use of the PIN selection terminals.

The EBT contractor shall develop an electronic manual that Program staff can utilize after training. The manual will allow staff to search for specific topics and quickly obtain information that will assist in performing their job duties.

The EBT contractor shall provide written training materials for the State Office staff. Training materials shall cover EBT system functionality as it applies to the job functions of state staff and retailer EBT operations. The EBT contractor shall maintain the training materials and make revisions whenever the EBT system functionality is modified. The original and updated training materials shall be provided to the State Program staff; the electronic copies shall be in Microsoft Word format or appropriate digital media as specified by the State Program staff.

4.4.5 System Training for Functional Areas

This section provides a description of each type of training that the EBT contractor will be expected to provide for the system user.

4.4.6 UAT Training

In order to participate in the UAT, members of the UAT Team will need to understand the end-to-end operations and functions of the EBT system and the UAT protocols. The EBT contractor shall provide UAT training during the week prior to the UAT, using the test scripts and other materials prepared specifically for the UAT training session.

4.4.7 System Operations Training

The EBT contractor shall provide appropriate Program management staff with in-person training in the following areas:

- System operations;
- Security administration;
- Settlement and reconciliation;

- Reports, data analysis and ad hoc reporting;
- Fraud investigation;
- Card Issuance and Inventory; and
- Retailer operations/procedures.

Training shall be provided prior to the phased system implementation and shall incorporate appropriate training materials. To support ongoing operations, the EBT contractor shall provide and maintain the following:

- Reports Manual;
- System Operations and Interface Procedures Manual;
- Settlement & Reconciliation Manual;
- Administrative Functions Manual; and
- Train-the-Trainer Training.

4.4.8 Train-the-Trainer Training

The EBT contractor shall provide in-person training to Program trainers on EBT operations, local office operations and retailer operations/procedures. Training shall be provided prior to implementation in sufficient time for the trainers to train local office program staff and shall include the appropriate training materials. Training shall be sufficient so that the trainers can train staff to conduct business in an EBT environment and provide support concerning EBT to clients and local retailers.

The EBT contractor shall provide State trainers areas of training including, but not limited to:

- Card control and card audit procedures;
- Card issuance for cardholders;
- PIN selection;
- Benefit issuance;
- Card status updates and card replacement;
- Access to current benefit balance;
- Access to transaction data;
- Access to reports and reconciliation data;
- Use of the participant training materials;
- Administrative usage and controls.

The EBT contractor shall provide specific training for State trainers including, but not limited to:

Upload and download of files and data; and

Use of administrative terminal (AT) including “stating” an EBT card, understanding transaction data, how to perform an account set-up, and benefit issuance.

Reconciliation Training

The EBT contractor shall provide reconciliation training to designated accounting and Program staff or their designated representatives prior to UAT and during contract implementation. Thereafter, the EBT contractor shall provide a full-day, onsite refresher training class to designated Program staff annually or as requested by the Project Management Team. The training shall be updated as needed during the course of the contract to reflect changes to the reconciliation reports, processes or data displays.

Participant/Recipient Training

Training for the participant/recipient is expected to be minimal since the new system is expected to have only minor modification in the presentation and functionality for the program participants/recipients. The local Program staff will be expected to complete any required training, however the EBT contractor will be required to prepare training materials for the participant/recipient.

TANF Staff Training

The EBT contractor shall provide User Manuals and training to ensure TANF staff are prepared to complete all report production, settlement and management of the TANF Cash Benefit system. The EBT contractor shall also provide User Manuals and training to ensure local office staff are prepared to complete all applicable TANF card system functionality.

SNAP/TANF/S-EBT Training Deliverables

Some deliverables are specific to only the program in question and will be written specific to the needs of that program and delivered to and reviewed by the staff of that program.

The following table presents the deliverables that will be required for the EBT contractor to complete. These deliverables are those which will be needed by programs included in this contract.

4.4 SNAP/TANF/S-EBT TRAINING			
DELIVERABLE NUMBER	DESCRIPTION OF DELIVERABLE	ACTIVITY	STATE'S ESTIMATED REVIEW TIME (WORKING DAYS)
4.4.1	Training Materials	4.4.2.1	10
4.4.2	Cardholder Training Materials	4.4.2.2	10
4.4.3	Retailer Training Material	4.4.2.3	10
4.4.4	Staff Training Materials	4.4.2.4	10
4.4.5	System Training for Functional Areas	4.4.2.5	10
4.4.6	UAT Training	4.4.2.6	10
4.4.7	Systems Operations Training	4.4.2.7	10
4.4.8	Train-the-Trainer	4.4.2.8	10

4.5 SNAP/TANF/S-EBT HELP DESK/CUSTOMER SERVICE

Objective: The objective of this task is to ensure the vendor provides Customer Service to address the needs of the Program staff, Program clients and the Program’s retailers.

Activities: In order for the project to have the needed Help Desk/Customer Service the EBT vendor must complete the following tasks, activities and deliverables.

4.5.1 Establishment and Operation of Customer Service for Cardholders, Retailers and Program Staff.

The EBT contractor shall implement toll-free help desk support for all SNAP/TANF/S-EBT cardholders, retailers and Program staff and be sufficiently staffed with knowledgeable staff during State working hours to support all system users throughout the contract period of performance. Help desk calls must be answered from 8am to 6pm Pacific Time, Monday through Friday, at a minimum. Customer Services must be available in English and Spanish with the user provided the option to choose the language.

The EBT contractor shall also provide IVR services in English and Spanish. The IVR will be available 24 hours a day 7 days a week and accept calls from cardholder, retailers and Program staff.

The EBT contractor will provide a web portal which will likewise be available for cardholders, retailers and Program staff. The EBT contractor shall test and implement its web portal and/or secure file transfer site in sufficient time to support retailer reporting and secure file transfers. The EBT contractor shall implement a toll-free number to web portal users including for the support retailers and third party processor questions and disputes over file transfers and settlement in sufficient time to support retailers on day one of the new EBT system operations.

The EBT contractor shall allow cardholders to utilize a secure web-based management tool to obtain online statements of detailed financial transactions posted to the account. The online statements shall be made available at no cost to the cardholder.

The EBT contractor shall provide customer service for Program staff, cardholders and retailers. The EBT contractor will provide Manual(s) it proposes to use to support participant, retailers, and authorized users with live customer service support. The Program staff will assist the EBT contractor in the development of scripts that the Customer Service Representatives (CSRs) will utilize in the provision of Customer Service support for all EBT System users.

IVR algorithms and CSR scripts created by the EBT contractor must be approved by each applicable State program. Customer Service must be available in both English and Spanish.

The EBT contractor shall provide 24 hours per day, seven days per week toll-free telephone access to live customer service representatives and an IVR via a toll-free phone number for cardholders and retailers. Available CSRs must be familiar with and fluent in colloquial English and colloquial Spanish, and competent in operation of Text Telephone (TTY) or other available services for telephone communication with deaf/hard of hearing cardholders.

Text Telephone (TTY) capability for cardholders with hearing disabilities and help desk support for clients using rotary phones must be provided.

The EBT contractor shall provide State Office and local office staff with assistance via a toll-free number or the EBT contractor provided web site. The program staff will have access to assistance using the online services with the EBT contractor website. Staff with security access based on the security role assignment should have the ability to access technical assistance via the EBT contractor toll-free manned Customer Service line. Customer Services shall be provided from 8:00 AM through 6:00 PM Pacific Time, Monday through Friday, excluding State and Federal holidays.

The EBT contractor shall ensure EBT contractor Customer Service Representatives (CSRs) are trained to respond to inquiries and complaints regarding issues with their program benefits, other cardholders, retailers and program staff.

The EBT contractor shall provide the following:

- English and Spanish speaking CSRs to resolve cardholder issues that cannot be resolved by the IVR, including requests for adjustments.
- Sufficient CSR capacity to meet the contractual service standards for cardholder calls referred to a CSR.

CSRs must be able to view account demographic data to verify identity of the caller. All updates to account demographic information shall be initiated by Program staff and CSRs shall not accept or modify client demographic information, but instruct the participant to contact the local agency/office. As an option, Program staff may request interpretive services for languages in addition to English and Spanish.

4.5.2 Customer Service Representative Training

The EBT contractor shall provide a training course for its customer service representatives (CSRs) on all applicable aspects of customer service responsibilities, including but not limited to cardholder security, retailers and EBT system user questions or requests are answered and assurances that callers are treated with respect. The Nevada Program staff will assist the EBT

contractor in the development of the training materials and the scripts to answer caller's frequently asked questions that the Customer Service Representatives (CSRs) will utilize in the provision of customer service support. The EBT contractor shall ensure EBT contractor CSR staff are trained to respond to inquiries and complaints regarding the, SNAP/TANF/S-EBT cardholders, retailers/vendors and staff. The manual shall also define the operations of the systems' IVR and or Web Portal.

4.5.3 Establishment and Operations of Contractor Provided Hosting Services

The EBT contractor shall implement full service system hosting services, completing all settlement, reconciliation, card replacement and reporting services as defined in this RFP. Hosting services will be tested during the UAT and will continue throughout the contract period of performance.

4.5.4 Cardholder Customer Service Requirements

The EBT contractor shall provide a cardholder customer service that meets or exceeds the current Nevada EBT contractor's customer service and customer service performance standards as specified in *Appendix E: Performance Standards*. For reporting purposes, the EBT contractor shall provide IVR and Customer Service Center activity data.

The IVR providing the full range of cardholder customer service functions shall be available 24 hours per day, seven (7) days a week. The Program staff shall review and approve the transaction flow and content of all IVR messages, prompts, and customer service scripts regarding user questions or issues. The EBT contractor shall provide documentation and scripts to the Program staff a minimum of 60 calendar days prior to their implementation. The EBT contractor shall not change IVR messages, scripts or menu functions without prior written approval of the Program staff.

As applicable to the technical solution and options selected by the Program staff, the EBT contractor shall test and implement its IVR system, live customer service support and participant web portal to support participants. This solution shall be tested and operational in advance of the beginning of the phased implementation. The Project Management Team requests the ability to listen to live calls made to the customer service support line. Program staff will randomly request time to monitor these calls to ensure that proper instructions and information are given to Nevada EBT program participants, as well as monitoring response time.

The IVR and/or Customer Service Representatives CSR(s) shall support the following cardholder customer service functions:

Report a Lost/Stolen/Damaged Card, Unauthorized Use of a Card or the Non-Receipt of a Card: The caller's identity must be confirmed prior to disabling the card. Prior to replacing a card, the cardholder's address must be confirmed, unless otherwise determined by the Nevada Programs to not be needed.

Current Balance Inquiry: Current Balance shall provide real-time account balance information.

Transaction History: Transaction History shall provide the last ten (10) transactions by benefit program, i.e., transaction number, amount, and date. If the client/provider requests, the deposit history of a minimum of the last 10 transactions will also be provided by benefit program.

PIN Selection or PIN Change: Cardholders shall have the option of selecting or changing their PIN via a single call to the IVR.

Benefit Access/Service Points: Callers shall be given up to date information about POS/ATM locations where benefits may be accessed.

Benefit Availability Date: Callers selecting this option shall be given the date benefits will become available based on the issuance schedule supplied by the Program staff.

Support for Customer Service WEB Portal/Website: Support shall be provided for clients having trouble accessing or using the Customer Service Web Portal/Website.

The EBT contractor shall provide a customer service website for cardholders. The functionality of the cardholder website shall be the same as the functionality for the cardholder CSC. Program staff shall review and approve the web site before the EBT contractor allows public access. The EBT website shall contain links to the State's Department of Health and Human Services website and will also provide general program benefit information. The client portal shall be available in English and Spanish.

Request a replacement card for SNAP or TANF.

Other Optional Services: The EBT contractor may offer other services, such as bill pay, to cardholders. If offered, these services will be made available to cardholders at the option of the State.

4.5.5 SNAP Retailer Customer Service

The EBT contractor shall provide SNAP Retailer Customer Service support and program information via a toll-free number, 24 hours a day, seven (7) days per week. Retailer customer service support shall include support for all authorized retailers including farmers' market retailers and retailers without POS equipment. The EBT contractor shall ensure through technical design, resource allocation, and staffing that each retailer call is answered in accordance with specified Performance Standards. Refer to Appendix E: Performance Standards.

The EBT contractor shall provide a retailer customer service call center that provides the following:

- Toll-free and without charge or fee to the retailers;
- Accessible to all retailers;
- Used exclusively for retailer support;
- Operated and staffed in a financial industry standard manner; and
- Not limited for the number of calls a retailer makes.

- The EBT contractor’s retailer CSC shall support the following functions:
- Voice Authorizations: The EBT contractor shall equip and program the IVR to provide voice authorization for SNAP transactions. CSRs shall also support voice authorizations.
- EBT-only Retailer Support: The EBT contractor shall provide, via the Retailer CSC, the following services for EBT-only retailers:
 - Support, training and problem resolution on EBT-only POS equipment;
 - Settlement information and reconciliation procedures;
 - Support on system adjustments and resolution of out-of-balance conditions;
 - General information regarding EBT policies and procedures;
 - Process requests for POS tapes and other POS supplies; and
 - Retailer EBT signage and posters.
- Farmers’ Market Retail Support: The EBT contractor shall provide customer support to farmer’s market retailers using wireless or other POS technology.

4.5.6 Retailer Customer Service Website

The EBT contractor shall provide a customer service website for SNAP retailers. The functionality of the retailer website shall be the same as the functionality for the retailer CSC. In addition, for EBT-only retailers, the website shall provide a transaction history. Client EBT card numbers shall be truncated in the transaction history. The SNAP staff shall review and approve the web site before the EBT contractor allows retailer access.

4.5.7 SNAP/TANF/S-EBT State and Local Agency/Office Assistance

The EBT contractor shall provide State and local office staff with assistance via a toll-free number or the EBT contractor provided web site. The Program staff will have access to assist using the online services with the EBT contractor website or those with security access, based on the Program management staff security role assignment. The Program staff should have the ability to access technical assistance via the EBT contractor toll-free manned Customer Service. The likely time for the Customer Services would be from 8:00 AM through 6:00 PM Pacific Time, Monday through Friday, excluding State and Federal holidays.

4.5.8 Pay Phones

Currently, Nevada SNAP pays for the cost of 800 customer service phone calls. This practice will continue under the resulting contract from this RFP. On average, there are approximately 700 to 800 toll-free calls per month.

SNAP/TANF/S-EBT Help Desk/Customer Service Deliverables

Some deliverables are specific to only the program in question and will be written specific to the needs of that program and delivered to and reviewed by the staff of that program.

The following table presents the deliverables that will be required for the EBT contractor to complete.

4.5 SNAP/TANF/S-EBT HELPDESK/CUSTOMER SERVICE			
DELIVERABLE NUMBER	DESCRIPTION OF DELIVERABLE	ACTIVITY	STATE'S ESTIMATED REVIEW TIME (WORKING DAYS)
4.5.1	Establishment and Operation of Customer Service for Cardholders, Retailers and Program Staff	4.5.2.1	10
4.5.2	Customer Service Representative Training	4.5.2.2	10
4.5.3	Establishment and Operations of Contractor Provided Hosting Services	4.5.2.3	10
4.5.4	Cardholder Customer Service Requirements	4.5.2.4	10
4.5.5	SNAP Retailer Customer Service	4.5.2.5	10
4.5.6	Retailer Customer Service Website	4.5.2.6	10
4.5.7	SNAP/TANF/S-EBT State and Local Agency/Office Assistance	4.5.2.7	10
4.5.8	Pay Phones	4.5.2.8	10

4.6 PROJECT WIDE DISASTER RECOVERY AND SUPPORT

Objective: The objective of this task is to ensure the contractor has a viable plan in place to address disaster planning, recovery and support for all programs.

Activities: The approved vendor must complete the following activities.

The EBT contractor will be required to provide disaster recovery and EBT system support in the event of a disaster as defined in the Project Wide Business Continuity/Disaster Recovery Plan (see **Section 4.4: Planning and Administration.**) FNS has issued guidance regarding disaster benefits. The Disaster Food Stamp Program Guidance, USDA, FNS, Dated July 2014, requires that States develop a State Agency Disaster Supplemental Nutrition Assistance Program Plan and review the plan annually. The EBT contractor would then provide a detailed Disaster Plan defining how the delivery of benefits and cards will be provided in the event of a localized or statewide disaster. See also **Appendix D: Nevada Disaster Preparedness Plan.** The CPCM will include all costs related to disasters recovery and support.

4.6.1 Backup Procedures

The EBT contractor shall provide for backup procedures to ensure the continuation of operations in the event of a halt or major disruption in SNAP/TANF/S-EBT operations due to a disaster. In the event the State activates its SNAP/TANF/S-EBT disaster hot site, the EBT contractor shall interface with the site for continuation of benefit services to SNAP/TANF/S-EBT clients. It is the preference of the State that the SNAP/TANF/S-EBT interoperability standard be maintained during a disaster situation except that retailers, who do not have a POS device to clear SNAP or TANF manual vouchers, shall be advised not to accept out-of-state cards. Communications between the State hot site and the EBT contractor's EBT systems and the EBT contractor's back-up site shall be tested annually or as designated by the State.

4.6.2 Disaster Functionality

The EBT contractor shall provide the EBT Programs with the capability to respond to an emergency or disaster by providing the following disaster functionality:

SNAP/TANF/S-EBT Certification Processing: In the event of a disaster, SNAP/TANF/S-EBT clients are required to complete an application and go through an application screening, eligibility review and verification process. The EBT contractor shall provide the systems and procedures necessary to allow the State to certify clients during a disaster. During a disaster, eligibility criteria and verification rules may be relaxed. The State must include a review process if benefits are denied and the EBT contractor must support this review process.

SNAP/TANF/S-EBT Benefit Issuance: The EBT contractor shall provide the necessary systems and procedures required to ensure the continuation of the SNAP/TANF/S-EBT Programs' benefit issuance function. The disaster EBT system must provide easy integration and reconciliation with the Programs' certification/eligibility systems and the EBT processor's database. Participants must have access to benefits within 3 calendar days of the application.

On-line Cardholder Account Set-up and Benefit Issuance: The Programs' staff require the ability to set up accounts for the new SNAP or TANF clients in a disaster quickly and provide them with emergency benefits. These benefits are specifically targeted for disaster assistance and must be used within a certain number of days, specified by the State.

SNAP/TANF/S-EBT Card Issuance: The EBT contractor shall provide to the specific Nevada Program, the necessary disaster cards for distribution to the SNAP and/or TANF clients in the event of a disaster. The EBT contractor must be prepared to implement a disaster card distribution system in the event of a disaster. The disaster EBT cards must provide easy integration and reconciliation with the Programs' certification/eligibility systems and the EBT processor's database.

Vault Cards: If a disaster has been declared, emergency vault cards with pre-assigned PINs shall be shipped via overnight express, on the same day of the State's request, to issuance sites. The State will determine the number of cards required for same day shipment. The remaining cards shall be available to the State within five (5) calendar days of the request.

SNAP/TANF/S-EBT Benefit Access: Participants must have access to benefits within 3 calendar days of the application. Disaster EBT cards and PINs must be issued to participants and retailers must have access to manual vouchers if POS terminals and communications are not available.

Disaster EBT cards may be pre-loaded with specific benefit values and allow for SNAP/TANF/S-EBT to be accessed using a single EBT card.

Specialized Reporting in a Disaster: The Programs require the ability to view issuance, transactions and other information for disaster benefits.

Federal Disaster Reporting: The EBT contractor shall implement a disaster EBT system that supports the SNAP/TANF/S-EBT Programs' in complying with Federal disaster reporting and reconciliation requirements. Reporting requirements include:

Card production and issuance reconciliation;
Benefit authorization and posting reconciliation;
Benefit expungements; and
FNS notification of disaster benefits issued.

Disaster System Testing: The EBT contractor shall be required to conduct periodic (as designated by the State but no more than semi-annually) tests of the disaster EBT system and shall test the system prior to use in a disaster.

Program Integrity and Fraud Prevention: The EBT contractor must develop strategies to prevent fraud and ensure program integrity.

Post Disaster Review: The EBT contractor shall support the State in complying with FNS requirements for a post disaster review of certification, benefit issuance and fraud prevention.

Batch File Processing in a Disaster: At the end of the day, the EBT Programs shall send the EBT contractor account set-up records via a batch file containing the actual card information and cardholder demographics. These records will be used to update cardholder records which have been added to the system through the administrative terminal or batch processes. Cards shall not be generated by this file, regardless of how the card issuance flag is set. If the State EBT Programs' unique ID is not found, an error will occur causing the record to reject. Rejects shall be reported in the confirmation return file and must be viewable online via an administrative system screen or report. Program staff may send the remainder of the cardholder's benefit via a batch benefit authorization file.

Disaster Customer Service Support: In the event of a disaster, the EBT contractor shall provide the same scope of services to retailers for the IVR and Customer Service Center. The IVR shall provide retailers with a disaster message. Because call volumes may increase, the EBT contractor shall increase the number of customer service representatives available to support retailers.

4.6.3 Disaster Planning for Cardholder Support

The Project-Wide Disaster Plan will include a section on planning a disaster event that would impact the clients for each program. The Plan will also comply with the Nevada Disaster Preparedness Plan, see *Appendix D: Nevada Disaster Preparedness Plan* and address the following cardholder support services.

Lift Staggered Issuance: In the event of a disaster, the State requires the ability to post all Program's benefits in a designated county(s) or region(s) immediately, regardless of actual availability date.

Benefit Issuance or Re-issuance: During a disaster, if the State is unable to transmit a benefit file, the State may require the EBT contractor to issue or re- issue Program's benefits at the prior months benefit levels to cardholder accounts that were active the previous month.

Increased Customer Service Support: In the event of a disaster, the EBT contractor shall provide the same scope of services to cardholders for the IVR and Customer Service Center. The IVR shall have a specific disaster script that has been approved by the State. Because call volumes may increase, the EBT contractor shall increase the number of customer service representatives available to support cardholders. Customer service representatives should be alerted when accessing the cardholder's record that the cardholder resides in the disaster area.

Manual Vouchers for SNAP: In a disaster scenario, if POS devices and phone lines are inoperable, retailers will use manual vouchers to document the disbursement of goods for the clients. When phone lines are operational, retailers will request authorization for the manual voucher through either the IVR or customer service. Retailers are fully liable for the amount of the manual transaction. However, the State and/or FNS may establish a government stand-in per client, per store, per day, at the time of the disaster.

Drop Ship Delivery: New EBT cardholders receiving their first benefit card during a disaster may have their card issued over-the-counter at local offices or mailed from the State's central offices, or mailed the EBT contractor. The State shall have the option of requiring the EBT contractor to drop ship active cards via overnight express mail to specific local or State Office(s). Personal Identification Number (PIN) will not be mailed with drop shipped cards; cardholders shall call the IVR and select their PIN or select their PIN through local office PIN selection devices or via the EBT website.

Identifying Operating Retailers/ATM Locations and Mapping: In the event of a disaster, the EBT contractor shall provide daily reports to the State identifying operational retailer and ATM locations and shall provide geographical mapping of the operational and non-operational locations.

Provision of Disaster Training Materials: Training and/or instructional materials provided to cardholders during disasters shall be available in English and Spanish. The EBT contractor shall maintain sufficient stock of these materials in both required languages for use during disaster situations.

4.6.4 Disaster Planning for Retailer Support

The Disaster Plan will address the following retailer support services.

Retailer/ATM Site Survey: Upon notification by the State of a disaster, the EBT contractor shall survey selected retailer locations and financial institutions/ATM networks to determine the level of service that can be provided to cardholders because of equipment outage or other factors. After disaster services have been completed and the State resumes normal operations, the EBT contractor shall contact these benefit redemption points again to determine the status of ongoing operations. The EBT contractor shall ensure that CSRs are aware of which benefit redemption

points are not operational during and after the disaster in order to direct cardholders to appropriate locations.

Distribution of Manual Vouchers for SNAP: Retailers will normally maintain a supply of manual vouchers for SNAP. In the event of a disaster, retailers may require additional manual vouchers.

The EBT contractor shall provide a method by which additional manual vouchers will be distributed to retailers during disaster events:

Extended SNAP Voucher Clearance Period: Because retailers accept full risk and liability for manual voucher transactions, they shall have up to 60 calendar days, or another period designated by the State, to clear the voucher. Retailers may clear the authorized manual voucher at any time during the 60 calendar days or the State- designated period, for the amount held at that time. After the 60 calendar days or the State-designated period, the hold will expire.

Increased Retailer Customer Service: In the event of a disaster, the EBT contractor shall provide the same scope of services to retailers for the IVR and Customer Service operations. The IVR shall have a specific disaster script that has been approved by the State. Because call volumes may increase, the EBT contractor shall increase the number of CSRs to support retailers.

4.6.5 Disaster SNAP Purchases

In a disaster situation, the manual SNAP voucher process can be invoked if the retailer is able to obtain a voice authorization. In that case, the transaction will be processed like any manual SNAP voucher transaction. If the retailer is not able to obtain a voice authorization due to system unavailability during a disaster, the transaction will be processed as an Emergency Stand-In Transaction. The EBT contractor shall be required to work with SNAP staff in developing disaster plans and processes.

4.6.6 Disaster Customer Service Support

In the event of a disaster, the EBT contractor shall provide the same scope of services to retailers for the IVR and Customer Service Center. The IVR shall provide retailers with a disaster message. Because call volumes may increase, the EBT contractor shall increase the number of Customer Service Representatives available to support retailers.

Disaster Recovery and Support Deliverables

Some deliverables are specific to only the program in question and will be written specific to the needs of that program and delivered to and reviewed by the staff of that program.

The following table presents the deliverables that will be required for the EBT contractor to complete. These deliverables are those which will be needed by all three (3) programs included in this contract.

4.6 PROJECT WIDE DISASTER RECOVERY AND SUPPORT			
DELIVERABLE NUMBER	DESCRIPTION OF DELIVERABLE	ACTIVITY	STATE'S ESTIMATED REVIEW TIME (WORKING DAYS)
4.6.1	Back-up Procedures	4.6.2.1	10
4.6.2	Disaster Functionality	4.6.2.2	10
4.6.3	Disaster Planning for Cardholder Support	4.6.2.3	10
4.6.4	Disaster Planning for Retailer Support	4.6.2.4	10
4.6.5	Disaster SNAP Purchases	4.6.2.5	10
4.6.6	Disaster Customer Service Support	4.6.2.6	10

4.7 PROJECT WIDE EBT CARDS

Objective: The objective of this task is to ensure the vendor’s activities will result in successful project completion.

Activities: The EBT contractor will supply all necessary EBT cards for use by all SNAP, TANF, and S-EBT Programs.

The following activities related to EBT cards must be addressed:

4.7.1 Cards for the EBT Program Benefits

SNAP/TANF/S-EBT benefits are issued on a single non-branded EBT card.

The EBT contractor shall be required to provide cards using an updated card design or using the artwork from the current design for the Nevada SNAP/TANF/S-EBT cards. The EBT Program staff will provide input to the design process for their Programs’ cards and reserve the right for prior approval of any changes in the card design or in information printed on the card and card sleeve. Prior to finalizing card design and prior to card issuance, the EBT contractor must submit samples of the card to the Program staff for review and approval. Card samples must also be submitted to Program staff for approval whenever the card is redesigned or changed in any aspect.

Nevada has a State-specific, State-owned Bank Identification Number (BIN).

EBT card designs shall be Program specific, incorporating Program specified graphics, logos and information. The Programs will specify information contained on the back of the card and card sleeve. The cards should contain the 800 number for cardholder customer service. The EBT contractor shall describe how the new cards will be distributed prior to conversion to the new EBT system.

4.7.2 Card Sleeves

The SNAP/TANF/S-EBT require the use of card sleeves.

Required federal non-discrimination language must be printed on the sleeve for SNAP, TANF, and S-EBT. Any future modifications to this language must be implemented at no additional cost to DSS.

The EBT contractor shall produce and provide a card sleeve to accompany Nevada SNAP/TANF/S-EBT card. The card sleeve (envelope) must be produced from a rugged material, such as Tyvek or Mylar, to endure normal wear and tear in the use of the EBT card.

The EBT contractor will be responsible for securing, maintaining and providing card sleeves to designated State, county offices or local agency offices. Card sleeves or jackets shall not contain the name of any State or local official. Neither EBT informational nor EBT training materials shall indicate association with any political party or other political affiliation.

4.7.3 Card Distribution and Inventory Controls

The EBT contractor is responsible for the provision and distribution of EBT card stock.

To support the EBT Programs over the counter (OTC) card issuance, the EBT contractor shall deliver blocks of sequentially numbered EBT cards to designated points in the Programs. The Project Management Team retains the right to alter the process during the term of the Contract. The EBT Contractor shall track cards and link them to their distribution point via the card numbers. The EBT Contractor shall provide the Project Management Team with an automated tracking tool or report to enable the State and local offices to manage their card inventory.

The Programs' card issuance and distribution is the responsibility of the SNAP/TANF/S-EBT local office. A supply of EBT cards will be mailed from the EBT contractor to the designated state Program Office. Program will distribute to the SNAP/TANF/S-EBT local offices. The SNAP/TANF/S-EBT local offices, will keep track of the inventory. Although, a majority of cards are issued OTC, the Nevada SNAP/TANF/S-EBT agency or participants may utilize the EBT contractor to mail some of the cards.

Card inventory is to be provided by the EBT contractor quarterly or as needed, upon receiving a card stock order from the State or local offices using the following minimum security processes:

Card boxes are to be shipped with a numbering system and accompanying inventory list in hard copy and electronic format that will indicate card numbering sequences, so that the contents of the box may be ascertained without inspection/opening the box.

Cards are to be packaged in sleeves, not to exceed 400 cards per sleeve for SNAP/TANF/S-EBT

Each sleeve shall be labeled with the card number sequence it contains and be sealed with security tape to identify unauthorized access.

Sleeves should be packed in cartons in numeric sequence (i.e., from lowest sequence number in lowest carton number to highest sequence number in highest carton number).

Cartons should be sealed with a security tape to identify unauthorized access.

Cartons should not be labeled in a manner that reveals their contents, but should be labeled with their sequence (i.e., 1 of 20, 2 of 20, and so on).

Produce a single flat file, formatted to display the destination of each card numbered sequence mailed for the quarterly card manifest.

The EBT contractor shall provide a deactivation method for daily or bulk card stock missing (lost/stolen) card inventory that would prevent further linkage of the card to any State's client identifier number.

4.7.4 Card Readers/PIN Devices

To reduce errors in OTC card issuance and/or to improve the efficiency of local office operations, the EBT contractor shall provide the SNAP/TANF/S-EBT Program Office with sufficient card readers and card PIN set devices to meet the offices' business practices.

The card reader shall enable the SNAP/TANF/S-EBT State and county or local staff to swipe the EBT card, read the PAN and link the PAN to the designated customer record or to assist in accessing a customer file. As an OTC security feature to prevent internal fraud, the EBT contractor shall propose a method to capture the issuing staff member's identity and link the identity to the card issuance record. The PIN selection devices will allow the cardholder to enter their PIN selection at the time of card issuance. The number of Card Issuance/Read Terminals devices utilized with the Nevada SNAP/TANF/S-EBT card issuance is currently 50 of each unit. The decision to use Card Issuance/Read Terminals may change during the term of the Contract.

4.7.5 PIN Selection Process

Each EBT Program will issue their customers' initial card in the local office. To establish the initial PIN, the SNAP/TANF/S-EBT program staff allows the cardholder to set their PIN using a PIN device at the office.

Personal Identification Number

The PIN for SNAP, TANF, and S-EBT cards must consist of a unique combination of alphanumeric characters or digits. PIN verification will be conducted at the EBT host, and the PIN offset must not be encoded on the card's magnetic strip. The EBT contractor must comply with EBT QUEST® Operating Rules regarding PIN entry, encryption, transmission, and key management processes and procedures, ensuring secure and compliant PIN management without restrictions on PIN length unless required by federal or state regulations.

Card and PIN Issuance

PIN selection is completed by either:

- The recipients' entry of a PIN into the administrative terminal at local SNAP/TANF/S-EBT offices.
- Cardholders also have the option of contacting the EBT contractor's IVR to set/change their PIN.

The EBT contractor shall be required to provide the necessary data, processes, tools, equipment and supplies to meet the card and PIN issuance requirements of the Programs. The specific requirements are described below.

The EBT contractor shall also be required to provide capability to monitor, control and manage the card and PIN inventory and distribution processes.

The EBT contractor will support the process for the card issuance sites to allow the recipients to select their PIN and the card to be “PIN-ed”.

To enhance security and prevent fraud, the EBT contractor shall be required to implement multi-factor authentication to verify customer identity before issuing or changing a PIN via the IVR. The contractor must clearly describe the verification method used to authenticate the identity of the cardholder when calls are received by the IVR. Currently, Nevada’s EBT programs require the recipient to provide their date of birth or another unique identifier before a PIN change is permitted.

An extra layer of security must be offered to customers when they receive their EBT card at a local SNAP, TANF, or S-EBT office. As part of this option, customers may choose to establish a security code at the time of initial card issuance. If selected, this security code must be provided in addition to the EBT PIN when requesting a PIN change or a replacement card at a front-line office. The system must be designed to prevent staff from processing these transactions if the customer has opted for this additional security measure and fails to provide the correct security code.

The EBT contractor shall provide an immediate deactivation method for daily and/or bulk missing, lost, or stolen card inventory which would prevent further linkage of the card to any customer identifier number.

4.7.6 Card Replacement

SNAP/TANF/S-EBT customers must always report a lost/stolen/damaged card to the EBT contractor’s IVR for liability purposes. SNAP/TANF/S-EBT customers may go to a local office to acquire a replacement card or they may contact the EBT contractor to have a replacement card mailed.

Requests to issue a SNAP/TANF/S-EBT card by mail must be processed promptly. These cards should be placed in card mailers and received at the U.S. Postal Service for mailing on the next business day following receipt of the request. To mitigate fraud risks, replacement cards issued by mail shall not be sent active. Instead, the cardholder must activate the new card upon receipt and establish a new PIN before use. The old PIN will not transfer to the replacement card, ensuring an added layer of security and reducing the risk of unauthorized access.

The EBT contractor shall provide SNAP/TANF/S-EBT cardholders with 24 hours per day, seven (7) days per week capability to report lost, stolen or malfunctioning cards and shall provide or support the card replacement function as described above. Cards reported lost, stolen or malfunctioning must be deactivated immediately. New and replacement cards may be mailed by the EBT contractor or may be issued by the State or local office. The SNAP/TANF/S-EBT Program will allow either of the two (2) methods for card issuance:

- OTC card issuance; or
- Mailings from the EBT contractor.

The Nevada SNAP/TANF/S-EBT Programs do not currently assess a card replacement fee from customer accounts.

4.7.7 Contact & Contactless Transactions

Program EBT system to recognize, accept, and permanently store codes and data elements related to contact and contactless transactions (as specified in the most recent version of the X9.58 specifications)

a) High Coercivity Magnetic Strip

EBT cards must have a high-coercivity magnetic strip. This requirement applies to both standard and disaster EBT cards. Program has an interest in assuring that the EBT cards supplied by the EBT contractor do, in fact, meet the quality standards set forth in this RFP. Accordingly, the EBT contractor shall be required to produce card specifications and test results to confirm the card meets the RFP specifications and that the stripe for both standard and disaster cards is high-coercivity.

b) EMV Chip

The EBT contractor shall include in their proposal pricing of EMV Chipped EBT cards. The State will reserve the right to include EMV Chipped cards as proposed in this proposal in the agreed contract and any amendments during the length of the contract.

- Continue to ensure that PIN-entry is required for chip card transactions.
- Distribute cards capable of supporting chip card insert technology.
- Include RFID tap technology on cards.
- Distribute EBT chip cards that can be co-loaded with both SNAP and TANF benefits.
 - The EBT vendor will provide technical assistance with establishing and working with financial institutions to ensure the ATM networks have been updated to accept the EBT EMV chip cards in order to access TANF benefits.
- Ensure that CVV/CSC and expiration date are printed on the back of the card.
- Validate CVV/CSC and expiration date information for SNAP Online Purchasing transactions once provided.
- Print the Primary Account Number (PAN) to the back of the card.
- Configure card type
 - Card type should be able to be identified as either magnetic stripe, key entry, chip insert, and/or dual capability (contact and contactless).
 - Ensure transaction method and POS entry mode codes, to identify whether the transaction was processed as a Chip, Tap, or Fallback, are displayed in the transaction detail sections of the EBT administrative terminal.
 - Include terminal type capabilities and POS entry mode type in all reports and State data files that would normally indicate type of transaction.

- Display terminal type capability that identifies whether the POS terminal supports chip / ICC (contact-only or both contact and contactless) in State Administrative Terminal transaction details.
- Transmit new transaction data elements related to EBT modernization as prescribed by FNS in the ALERT file specification (e.g., chip cards, card authentication value 2, mobile payments, etc.).
- The EBT vendor will provide technical support with retailer outreach, retailer reporting and tracking, to ensure retailers are able to accept the EBT chip card at their POS devices.

4.7.8 Annual Review

The EBT contractor shall provide SNAP/TANF/S-EBT Program staff with an annual attestation indicating that all cards provided during the preceding year, including disaster card inventories, meet the card specifications required in this RFP.

4.7.9 Track 2 Format

Track 2 of the EBT card shall be encoded in accordance with ISO 7813. The maximum character count in Track 2 shall not exceed 40 characters, including all control characters. The layout of Track 2 for the current EBT card is as shown in this table. The EBT cards currently have a non-expiring expiration date of ‘4912’ encoded on Track 2. The Service Code field is encoded with a value of 120. Cards have a Card Authentication Value (CAV) encoded. The new Contractor shall continue to encode the CAV field on Track 2 with a cryptographic value to validate the Track 2 data contents.

EBT Card: Track 2 Layout		
Field Number	Field Name	Field Length
1	Start Sentinel	1
2	Primary Account Number	16
3	Field Separator	1
4	Expiration Date	4
5	Service Code	3
6	Card Authorization Value	3
7	Discretionary Data	2
8	Longitudinal Redundancy Check	1

4.7.10 Primary Account Number (PAN)

The new Contractor shall issue EBT cards containing a 16-digit PAN that utilizes the State’s current BIN/Issuer Identification Number (IIN). The process by which the new EBT contractor calculates the PAN for new cards shall not duplicate existing card numbers in use in the State’s EBT Programs’ existing card base. The discretionary field is a three (3)-digit number that may be used by the EBT contractor with Project Management Team’s approval. The customer identification number is a six (6)-digit number that uniquely identifies the customer to the card that is issued. The BIN/IIN is a six (6)-digit number encoded on the magnetic strip that begins immediately after the start sentinel. Nevada’s BIN is 507715. At the end of the contract period, the BIN/IIN will revert back to the State. The BIN/IIN will comply with ISO 7813.

4.7.11 Card Security Features

The design of the EBT cards shall incorporate current industry card security features. Card security features are incorporated into the card design to deter counterfeiting and lifting of data from the magnetic strip. Security features are also designed to assist in investigations. Card security features include ultra violet ink and four (4)-color and fine line printing. The EBT contractor shall ensure that the State's EBT cards will continue to be viable at authorized retailers in the future.

4.7.12 Card Obverse

The obverse of the card must have the following features:

Graphics approved by the Programs' staff using a four (4)-color printing process;

The Primary Account Number (PAN) must be embossed on the front of the card with contrasting color for readability;

In cases where the EBT contractor issues a card via mail (such as customer- requested card replacement), the EBT contractor may be required to emboss the PAN depending on Programs' preference;

- Ultraviolet ink; and
- Fine line printing.

4.7.13 Card Reverse

The reverse of the card shall have the following features:

- FNS abbreviated non-discrimination statement if SNAP chooses to print on card (Note: SNAP will print on the card sleeve)
- QUEST® logo;
- Tamper-evident signature panel;
- Return address;
- High-coercivity magnetic strip required; and
- Other printed information as specified by the Program.

4.7.14 EBT Card Production and Management

The EBT contractor shall produce and supply magnetic strip cards for issuance to EBT customers. The EBT contractor shall work with the Program staff to develop a card design unique to each program specified in this RFP. The EBT contractor shall complete the following:

Perform all necessary processes and functions to design Program’s EBT card;

Distribute/deliver cards to designated State and local offices for over-the-counter issuance;

Issue, replace and distribute/deliver cards to SNAP/TANF/S-EBT cardholders by mail as specified by this RFP;

Maintain a centralized card issuance management database; and

Process returned EBT cards as defined by the Program staff. Nevada SNAP staff currently manage the returned EBT cards.

The EBT contractor shall ensure that the State’s EBT cards are designed and comply with specifications including the QUEST® Operating Rules, the International Standards Organization (ISO) and American National Standards Institute (ANSI) specifications and standards relating to cards used for financial transactions. The card must carry the QUEST® service mark.

4.7.15 Retailer Test Cards

If requested and approved by the Project Management Team, the EBT contractor shall issue EBT test cards and make test accounts available to new retailers for the purpose of testing their EBT POS system prior to going live. SNAP shall authorize that the cards be loaded with limited monetary value, not to exceed \$1.00. Retailers shall be instructed to conduct an offsetting refund transaction to ensure that there is no monetary impact on settlement balances. Retailer test cards and accounts shall not be subject to aging.

Project Wide EBT Cards Deliverables

Some deliverables are specific to only the program in question and will be written specific to the needs of that program and delivered to and reviewed by the staff of that program.

The following table presents the deliverables that will be required for the EBT contractor to complete. These deliverables are those which will be needed by all three (3) programs included in this contract.

4.7 PROJECT WIDE EBT CARDS			
DELIVERABLE NUMBER	DESCRIPTION OF DELIVERABLE	ACTIVITY	STATE'S ESTIMATED REVIEW TIME (WORKING DAYS)
4.7.1	Non-Branded EBT Card	4.7.2.1	10
4.7.2	Card Sleeves	4.7.2.2	10
4.7.3	Card Distribution & Inventory Controls	4.7.2.3	10
4.7.4	Card Readers/PIN Devices	4.7.2.4	10

4.7 PROJECT WIDE EBT CARDS			
4.7.5	PIN Selection Process	4.7.2.5	10
4.7.6	Card Replacement	4.7.2.6	10
4.7.7	High-Coercivity Magnetic Strip	4.7.2.7	10
4.7.8	Annual Review	4.7.2.8	10
4.7.9	Track 2 Format	4.7.2.9	10
4.7.10	Primary Account Number (PAN)	4.7.2.10	10
4.7.11	Card Security Features	4.7.2.11	10
4.7.12	Card Obverse	4.7.2.12	10
4.7.13	Card Reverse	4.7.2.13	10
4.7.14	EBT Card Production & Management	4.7.2.14	10
4.7.15	Retailer Test Cards	4.7.2.15	10

4.8 PROJECT WIDE ACCOUNT SET UP AND BENEFIT AUTHORIZATION

Objective: The objective of this task is to ensure the vendor’s activities will result in successful project completion.

Activities: The following activities related to EBT cards must be addressed:

4.8.1 Account Set-up and Benefit Authorization

Nevada EBT programs generate the account set-up and benefit authorization files and records by benefit type based upon activity occurring within the Programs’ certification/eligibility systems. To establish an EBT account and post benefit authorizations, the Division transmits account set-up and benefit authorization files and records to the EBT contractor through online, host-to-host and batch processes. The EBT contractor’s EBT systems must accommodate the EBT Programs’ interface requirements and shall be available 24 hours per day, seven (7) days per week to accept account set-up and benefit authorization records and file transmissions. During the contract period, the EBT contractor shall be required to accommodate changes in interface requirements resulting from modifications to the EBT Programs’ certification/eligibility systems. The EBT contractor shall be available to accept file and record transmissions within 60 minutes of being notified by the EBT Program staff that their system was not available to accept a file or record transmission.

The EBT contractor shall be required to establish high performance connectivity between the EBT contractor’s primary and back-up EBT systems and EBT Programs’ primary and back-up systems. The EBT contractor shall be required to provide all necessary hardware and software to ensure connectivity. The EBT contractor shall be required to have a back-up procedure to transfer and accept account set-up and benefit authorization files and records should the normal file and/or record transfer process fail.

The EBT contractor shall support FNS standards and requirements for the support of farmers’ market retailers for the duration of the contract. The SNAP staff may desire to provide additional support to farmers’ markets or direct-marketing farmers in the future. Further discussion of this topic will occur during the JAD process.

4.8.2 EBT Account Structure

EBT Account Structure requirements apply to benefits which are accessed with SNAP/TANF/S-EBT issued EBT cards. The EBT contractor shall design the EBT Account Structure to ensure that:

- Benefit balances are accurately maintained;
- Benefits accessed by customers are drawn from the appropriate benefit account;
- Benefit accounts are not overdrawn; and

The EBT contractor shall be liable for any funds drawn from an incorrect account or program, for overdrafts against EBT benefit accounts including allowing access to program benefits prior to the availability date.

4.8.3 Benefit Types

The EBT contractor shall establish an EBT account structure that supports the characteristics and restrictions of the Division's EBT programs. The Division reserves the right to modify program requirements in response to changes in State or Federal program regulations or to add other Federal or state-administered programs.

The EBT contractor's TANF Cash Benefit account structure includes both prefunded and day-of-draw cash benefits.

The TANF account structure must have the flexibility to accommodate and support additional nutrition, cash, health or other benefit programs that may be added to the EBT program during the contract period.

4.8.4 Exception Transactions

The ANSI X9.58-2013 (or most current version) standard (for SNAP) has been updated to address new technology that eliminates the need to swipe the card or key-enter the PAN into the POS device. This includes such innovations as identification by finger image (e.g., Pay-by-Touch) and Radio Frequency Identification (RFID) cards. The EBT contractor must accept and process EBT transactions that contain the new codes, record the new transaction types as part of transaction history and identify them to FNS as specified in the ALERT file instructions.

4.8.5 User Identification/Authentication

To manage EBT users and maintain security, the EBT contractor must provide Division EBT Program Management staff with a report identifying any Division staff member who has been inactive for six (6) months. The appropriate program staff will then determine whether to delete or inactivate the user's access.

4.8.6 Set-up EBT Account

To set-up an EBT account, the Division staff will generate account set-up records containing specific customer demographic data necessary for the establishment of an EBT account, and

transmit these records to the EBT contractor's EBT host system. Each case/participant is created with a primary card holder or head of household (HOH). In the EBT contractor's EBT system, the screen which displays the primary cardholder's, or HOH's, information should contain active links to the cardholder screens of all other cardholders connected to the case (i.e. authorized representatives, protective payees, where allowed, etc.). The EBT system must create EBT accounts upon the receipt of the account set-up record.

4.8.7 Establish the EBT Account Number

The EBT contractor is required to establish a unique EBT account number for use in identifying each EBT account in the EBT contractor's system.

4.8.8 EBT Account Maintenance

The EBT contractor shall maintain an account for each SNAP/TANF/S-EBT household. The primary purpose of customer account maintenance is to ensure that customers have access to their authorized benefits, Program staff have administrative access and tools to manage customer accounts, and that accurate and timely information is maintained regarding customer transactions, account balances and customer demographic information. The EBT contractor shall not make changes or updates to account demographic information unless authorized to do so by the Programs staff. The EBT Program staff will send updates to account demographic information through batch or administrative processes. The EBT contractor shall be required to return a confirmation for updates to the EBT account and demographic data.

Authorized customers may be eligible for benefits under both SNAP/TANF/S-EBT so the card must maintain accounting for each and any program separately on the SNAP/TANF/S-EBT issued card. The EBT contractor must ensure that benefits are available on the benefit availability date and time designated by each program.

Any unused SNAP/TANF/S-EBT cash balance(s) are carried over from month-to-month.

4.8.9 Maintain EBT Transaction History

The EBT contractor shall be required to maintain and provide access to current account balances and a rolling five (5)-year transaction history for each account. The EBT contractor shall provide the SNAP/TANF/S-EBT program staff with online access through administrative terminal functionality for a minimum of one year of transaction history.

Access to data older than five (5) years must be made readily accessible to authorized entities as required for investigative and auditing purposes. Transaction history data must be maintained as required by Nevada, FNS, Federal Reserve Board, QUEST® Rules or Federal law.

At the termination of the contract, the EBT contractor shall transfer the most recent five (5) years of transaction detail to an entity specified by the State's EBT Programs and ensure accuracy and readability of such information at the new location, or maintain the transaction detail in such a format that it supports timely access to that data by authorized State and Federal staff. At a minimum, data within the transaction history inquiries shall include:

- PAN (card number);

- EBT account number;
- Recipient case identification numbers;
- Benefit program identifier;
- Retailer identification numbers (USDA-FNS, EBT system and acquirer);
- Terminal identification number;
- Transaction type;
- Transaction amount;
- Transaction date and time;
- Transaction detail;
- Transaction results (approval code or denial reason);
- Store name and address;
- Account balance after the transaction; and
- ACH transaction history.

4.8.10 Benefit Authorization

To authorize benefits, the Programs staff generates benefit authorization records, containing the case number or HOH and participant ID numbers, Program/benefit type, amount, and availability date information. The EBT contractor shall be required to check the benefit availability date of each benefit file and record to ensure that it is not older than a State specified date. In addition, the EBT contractor shall be required to develop a file edit procedure to detect duplicate files and/or records. The EBT account is the record kept and maintained by the EBT contractor for each benefit type (SNAP, and TANF) that the customer receives.

Account set-up and benefit authorization records received by monthly, daily, multiple daily, overnight, and ‘real-time’ batches must be processed and benefits made available to customers on the benefit availability date by the time specified by the Program and agreed upon with the EBT contractor. In addition to overnight batch files, the EBT contractor must be able to accept batch files or account set-up and benefit authorization records sent through administrative terminals throughout the day. Batch files received during the day must be processed and benefits made available, if applicable according to the benefit start date, to customers within one (1) hour of receipt.

Records sent through the administrative terminal or web portal are online and must be processed and benefits made available to customers immediately, if applicable according to the benefit start date.

Project Wide Account Set Up and Benefit Authorization Deliverables

Some deliverables are specific to only the program in question and will be written specific to the needs of that program and delivered to and reviewed by the staff of that program.

The following table presents the deliverables that will be required for the EBT contractor to complete. These deliverables are those which will be needed by all three (3) programs included in this contract.

4.8 PROJECT WIDE ACCOUNT SET UP AND BENEFIT AUTHORIZATION			
DELIVERABLE NUMBER	DESCRIPTION OF DELIVERABLE	ACTIVITY	STATE'S ESTIMATED REVIEW TIME (WORKING DAYS)
4.8.1	Account Set-up and Benefit Authorization	4.8.2.1	10
4.8.2	EBT Account Structure	4.8.2.2	10
4.8.3	Benefit Types	4.8.2.3	10
4.8.4	Exception Transactions	4.8.2.4	10
4.8.5	User Identification/Authentication	4.8.2.5	10
4.8.6	Set-up EBT Account	4.8.2.6	10
4.8.7	Establish the EBT Account Number	4.8.2.7	10
4.8.8	EBT Account Maintenance	4.8.2.8	10
4.8.9	Maintain EBT Transaction History	4.8.2.9	10
4.8.10	Benefit Authorization	4.8.2.10	10

4.9 SNAP/TANF/S-EBT REPORTING AND DATA REQUIREMENTS

Objective: The objective of this task is to ensure the vendor’s activities will result in successful project completion. The EBT contractor shall generate management and statistical reports, both summary and detailed reports, regarding cardholder accounts to each applicable State program.

Appendix G: Project Reports defines the reports currently available to SNAP/TANF/S-EBT staff. The EBT contractor shall be required to provide, at a minimum the reports listed in this section of the RFP and the *Appendix G: Project Reports*.

Activities: The Project Management Team shall have approval rights over all standard reports and data files being provided by the EBT contractor to Nevada SNAP/TANF/S-EBT staff.

All report formats and report data will be tested during UAT and validated by the Program staff prior to statewide rollout.

The following activities must be addressed:

4.9.1 Electronic Reports

Reports shall be provided electronically via:

- administrative functionality;
- electronic data files; and/or
- through a data warehouse.

Settlement and reconciliation reports shall be consolidated at the State level by program. See additional information regarding data warehouse requirements in *Appendix F ~ Data Warehouse Functionality*.

4.9.2 Daily and Monthly Activity Data Files

The EBT contractor shall provide a comprehensive set of daily and monthly activity files to the Program staff reflecting all transactions or account actions that impact each program EBT account balances or account status.

4.9.3 Standard Reports

The EBT contractor shall be responsible for producing periodic (daily, weekly, and monthly, as appropriate) standard reports for transmission to each program and USDA-FNS. Standard reports provided to the Program staff and USDA-FNS electronically shall use standard ANSI carriage controls for controlling the formatting of reports being printed.

4.9.4 Statistical Reports

The EBT contractor shall provide statistical reports, which assist with the management of each Program's EBT system. The EBT contractor may also suggest, in addition to the reports detailed in this RFP, other statistical reports that will help with the management of the EBT system.

4.9.5 Data Warehouse

The EBT contractor shall be required to provide the Program with an electronic repository serving as a data warehouse of all transactional data relating to the Program's EBT system. The Data Warehouse should be designed in such a way that it facilitates the Program's ability to derive reports and perform analysis of data derived from EBT operations. The EBT contractor shall be required to provide Data Warehouse capability that will allow appropriate Program staff to access the data warehouse through administrative terminals, screens and/or systems or through an Internet browser application. This data should include at a minimum, but not necessarily be limited to, the data elements shown in the table in *Appendix F: Data Warehouse Functionality*.

The Contractor shall provide a SNAP/TANF/S-EBT Data Warehouse User Guide and maintain a browser-based Data Warehouse application. Following successful login of an End User and before displaying any System Data, the Data Warehouse application shall require the End User to accept a State-approved terms of usage message stating that Data is confidential, system access is logged, and system use is for business purposes only. If the End User does not accept the terms of usage, the Data Warehouse application shall log the End User out and display the login page.

The Data Warehouse application shall use a data repository that is independent of the EBT Host Systems. The Contractor shall partition and secure the Data Warehouse Data in such a manner as to ensure that only State-identified End Users can access, view, query, and download the Data.

The Data Warehouse application shall include all Data available in:

- The SNAP/TANF/S-EBT administrative application;
- SNAP/TANF/S-EBT administrative application End User activity logs;
- SNAP/TANF/S-EBT EBT batch Files;
- SNAP/TANF/S-EBT EBT Reports;

- Cardholder Website End User activity logs;
- Retailer Website End User activity logs; and
- FNS REDE Files.

The Data Warehouse application shall retain Data for a minimum of five (5) years. The Contractor shall archive, on an ongoing basis, Data that is five (5) years or older, and make the archived Data available to the State, upon request, within five (5) Business Days.

The Data Warehouse application shall allow End Users to display an executive management dashboard that displays summary information identified by the State in the form of graphs and charts.

The Data Warehouse application shall allow End Users to display Data using ad hoc queries. The Data Warehouse application shall allow End Users to create ad hoc queries using a drag-and-drop tool. The Data Warehouse application shall allow End Users to save ad hoc queries.

The Contractor shall provide Data Warehouse specific End User support between the hours of 8:00 am and 5:00 pm Pacific Time Monday through Friday.

The Contractor shall provide up to one hundred (100) hours of agreed upon changes to the Data Warehouse at no cost to the State each calendar year, with unused hours carried over to subsequent calendar years through the end of the Contract. Time for the Contractor to correct Data Warehouse defects or performance-related Data Warehouse issues shall not count against the one hundred (100) no-cost (to the State) hours of agreed-upon changes per calendar year.

4.9.6 Ad-hoc Reporting Capability

To make use of the Data Warehouse functionality, the EBT contractor shall be required to provide the Program staff with a robust ad-hoc reporting capability. The EBT contractor may propose either a web based reporting application or an online reporting application and may propose a commercial off the shelf (COTS) reporting package.

The ad hoc reporting capability must provide access to transaction history data and the data warehouse. The EBT contractor shall provide parameter driven-access to permit, at a minimum, data inquiry, sorting and extraction capability as follows:

- By account, summary credit, debit, and current balance information;
- By account, detail information on all program transactions for a specified period of time, listing items such as date, time, location, and amount;
- By account, detail information on all transactions for specific retailer terminals;
- By account, EBT card status, card issuance, and card replacement history including account balances at time of replacement and summary statistics on card replacements over specified time periods;

- By retailer, detail information on all program transactions for a specified period of time, listing such information as account numbers, dates, times, locations, terminals, and amounts;
- By IVR phone numbers;
- By retailer, detail information on all transactions for a particular account; and
- By transaction sequence number.

Due to changing and evolving business needs, the report formats and data requirements of the State and the Federal Program agencies are subject to change. Therefore, a comprehensive EBT Data Warehouse and Ad-hoc Reporting Tool must accommodate evolving reporting requirements that the EBT contractor shall be required to support.

4.9.7 General Reports

Following is a list of reports, by general description, that will be needed by program staff to manage, operate and monitor the Programs' EBT systems. The Bidder is encouraged to provide a description of other reports that could be provided to assist in the operations and monitoring of the Programs' EBT systems:

Daily and Monthly Activity Files/Reports

The EBT contractor shall provide a comprehensive set of daily account activity data files reflecting all programs' transactions or account actions initiated by the program staff via batch and/or online during an EBT processing day, initiated on behalf of the State by the EBT contractor or initiated by cardholders. The reports shall provide details on every transaction that impacts an EBT account balance or account status. The reports shall show the amount of the transaction, type of transaction, date and time of transaction, and who originated the transaction (batch or online).

Daily and Monthly Activity – Benefit Redemption Reports

The EBT contractor shall provide Daily and Monthly Program Benefit Redemption Reports for each EBT Program. The reports shall identify all benefit redemption activity for each processing day and for the month. The reports shall indicate total number of redemptions, number of debits, number of credits, value of debits, value of credits, time of redemption, value of non-settling transactions and net benefit redemption amount.

Daily and Monthly Activity – Benefit Authorization/Issuance Reports

The EBT contractor shall provide Daily and Monthly Activity Program Benefit Authorization Reports for each EBT Program. The reports shall identify all authorization activity/issuance for each processing day and for the month. This includes all activity to authorize/issue benefits, cancel, repayments, and aging, whether the transaction was initiated at an administrative terminal, through the batch files, or the aging process. The reports shall reflect all transactions that affect the value of the database.

Daily and Monthly Activity - Terminal Reports

The EBT contractor shall provide Daily and Monthly Program Activity Terminal Report. The reports shall identify all benefit authorizations, purchases by card for each business day and for the month. This includes all activity at POS terminals and balance inquires. The report shall be segmented by county/local office, retailer and then by PAN.

Daily and Monthly Activity - Summary Reports

The EBT contractor shall provide Daily and Monthly Activity Summary Reports of activity for each program. The reports shall summarize all the activity reported on the Daily and Monthly Activity Authorization and Daily and Monthly Activity-Terminal reports. The totals are used in the settlement process.

Settlement Reports

The EBT contractor shall provide daily Program Settlement and Clearing Reports for each EBT Program. These reports shall provide, at a summary level, the total funds that settled for the processing day for each programs' benefits issuance, retailers settled amounts, by retailer, and required funding to pay retailers. This report shall balance to the totals from the terminal activity reports.

The EBT contractor shall also be required to develop procedures and reports that will enable the program staff to streamline the reconciliation and settlement verification processes. A comprehensive daily electronic report that reconciles all benefit transactions for each EBT Program back to the original authorization and allows the program staff to ascertain their daily change in their outstanding obligations is preferred. These reports, which are segmented by Program, will include benefit authorizations, benefit adjustments, benefits pending or future benefits, net benefit redemptions, benefits in suspense for SNAP, repayments for SNAP, expungements, adjustments, transfers, voids, reversals, ATM fees for TANF, restored benefits, unapplied transactions, any other transactions that affect settlement, and the resulting settlement amounts by retailer.

Financial Reports

The EBT contractor shall provide daily and monthly financial reports, which are reports needed by the EBT Program in order to account, reconcile, balance, and audit the EBT systems processing and operations.

End of Day Database Balance Reports

The EBT contractor shall provide Daily and Monthly End of Day Database Reports for each program. The reports shall provide the value of the outstanding liability for unused benefits residing on the EBT systems at the end of the processing day. The daily and monthly totals shall be maintained by benefit type and rolled up to the Program. Totals shall be reported by program. The ending balance for the previous day shall become the beginning balance for the current processing day. The ending balance for the current processing day shall be reconciled by taking into account the beginning balance for the processing day (which is the ending balance from the previous day) and adding or subtracting, as appropriate, the account activity as detailed from both the Terminal Activity and Account Activity Reports and as summarized on the End of Day Database Balance Reports. Account activity shall include, but is not limited to, opening balances,

purchases, voids, cancellations, expungements, credits, transfers, holds, repayments, and closing balances.

Reconciliation Reports

The EBT contractor shall provide an Agency Reconciliation Report. This report shall provide proof of reconciliation by Program. This report shall reflect program totals beginning with the current settlement, reduced by the previous suspense, increased by the current suspense to arrive at the daily activity.

ACH Activity Reports – Clients and Retailers

The EBT contractor shall provide daily Program ACH Activity Reports by Clients and Retailers. This report shall identify all direct deposit activity, including payments, returns, pre-notes and Notice of Change (NOC). The report shall identify the name of the client or provider, their Program ID or case number, their financial institution, their bank account number, the value of the deposit or return and any NOC data.

ACH Activity Summary Reports

The EBT contractor shall provide daily Program ACH Activity Summary Reports for each Program. These reports shall summarize all EBT-only merchant, client and retailer ACH activity. This report shall reflect the merchant, client and retailer entries by amount and count.

Repayment Reports

The EBT contractor shall provide a daily SNAP/TANF/S-EBT Repayment Report. This daily report shall provide a listing of the SNAP/TANF/S-EBT benefits that have been retrieved by the State. This report shall list the case number or State ID number, transaction date, source, user ID, county, local office or admin code, benefit type, authorization number, requested amount, and repayment amount. These are non-settling transactions.

Billing Reports

The EBT contractor shall provide Nevada SNAP/TANF/S-EBT Programs, in an electronic format, detail reports substantiating the monthly billing for EBT services. The billing reports shall include detail information to allow the EBT Programs to validate the bill for EBT services as well as pass through expenses being charged, such as optional services.

Recipient Account Reports

The EBT contractor shall provide all necessary reports to support and track the complete conversion of recipient accounts maintained by the Programs' existing EBT contractor (FIS/CDP). These reports shall include all elements necessary for an audit of the records that would provide adequate assurance to the State and the EBT Program staff that a successful, accurate and complete conversion of recipient accounts was achieved. In addition, the new EBT contractor shall provide a reconciliation of the final database value of the current EBT contractor prior to conversion and an opening database value from the new EBT contractor after conversion of the recipient accounts. The EBT contractor shall be liable for any errors or omissions resulting from a

delayed, incomplete or inaccurate conversion of files. The EBT contractor shall assure the Project Management Team that all data elements in each recipient file have been properly converted, including availability dates of future dated benefits. The EBT contractor shall be liable for any benefits, which are made available before their scheduled availability dates.

Administrative Activity Reports

The EBT contractor shall provide daily Administrative Activity Reports that lists all administrative actions attempted and completed either by the system or users logged onto the EBT system. The reports shall identify the transaction type and the EBT account affected. Administrative actions include, but are not limited to, account set-up, benefit authorization, update to client demographic, case, or account data (e.g., recipient name or address), account closure, card or PIN issuance, benefit transfers, benefit expungements, authorized representative and/or alternate cardholder additions or updates, and change of client ID on pending cards/accounts.

Authorized Representative/Alternate Cardholder Reports for SNAP/TANF/S-EBT

The EBT contractor shall provide a daily report that lists all benefit transactions initiated by a SNAP/TANF/S-EBT authorized representative or alternate cardholder. The report shall identify the authorized representative/alternate cardholder name and card number, the client name, address, State ID number, the amount of the transaction and the transaction type.

Protective Payee Reports for SNAP/TANF/S-EBT

The EBT contractor shall provide a daily report that lists all benefit transactions initiated by a SNAP/TANF/S-EBT protective payee cardholder. The report shall identify the protective payee name and card number, the client name, address, State ID number, the amount of the transaction and the transaction type. The EBT contractor shall also provide a daily report that lists all protective payees and identifies the case numbers for which they are the protective payee.

Invalid Card Attempts Reports

The EBT contractor shall provide monthly reports that lists all transaction attempts using an invalid card. The reports shall include cardholder name, State or Program ID or case number, retailer ID, retailer name and location, terminal ID, date and time.

Pending Reports

Program staff may issue a card, set up client demographics or set up benefits data prior to completion of the client certification process. In some cases, the client will not become certified. The EBT contractor shall be required to provide daily reports detailing pending benefits and quarterly reports for pending cards and demographics. The Pending Card Reports shall include card number or PAN, date card issued, and client ID. The Demographics Pending Reports shall include client name, client ID, and client address. The Benefits Pending Reports shall include card number/PAN, benefit amount, benefit type and benefit availability date.

Pending Purge Reports

The EBT systems will automatically purge pending cards, accounts and demographic data based on parameters specified by the Project Management Team. The EBT contractor shall provide monthly reports of purge activity.

Administrative Benefit Authorization Reports

The EBT contractor shall provide daily reports of all program benefit authorizations that are added to the EBT system through the Administrative functionality. This audit report shall include, at a minimum, the benefit amount, benefit type, and the User ID of the staff member using the Administrative functionality to issue the benefit.

Benefit Aging Reports

The EBT contractor shall provide daily reports of program recipients who have not accessed their benefits during the Programs specified intervals. The EBT contractor shall clearly identify the aging category, the applicable Program and the EBT account and the amount of benefits being aged.

Card Issuance/Re-Issuance Reports

The EBT contractor shall provide audit and statistical reports of EBT program benefit cards issued and/or reissued to recipients. Audit reports shall provide detail data by card issued, such as reason for issuance (i.e., initial issuance or replacement for lost/stolen card) and by Program. Statistical reports shall provide data needed to manage the EBT systems, such as the card reissue rate, the reasons for the re-issuance, etc. The EBT contractor shall suggest the statistical reports that will best help program staff to manage the issuance process.

Card Status Reports

The EBT contractor shall provide daily reports detailing all program benefit cards “stated” as well as a summary of cards “stated” for each status reason.

Lost, Stolen or Damaged Card Reports

The EBT contractor shall provide daily reports to each Program detailing all program benefit cards reported as lost, stolen or damaged. The reports shall include card number or PAN, cardholder name, date card reported, reason (lost, stolen or damaged), and total number of cards that have been issued to the cardholder.

Transaction Denial Summary Reports

The EBT contractor shall provide monthly statistical reports that provides the number and percentage of recipient transactions denied, the applicable Program, and the reason for the denials (i.e., non-sufficient funds, invalid PIN, etc.).

Invalid PIN Attempts Reports

The EBT contractor shall provide monthly reports of cardholders that have conducted three (3) invalid PIN transactions within a 24-hour processing day during the month. The reports shall

provide cardholder name, card number, retailer name, retailer location, retailer ID, terminal ID, date and time and Programs.

Fraud Detection Reports

The EBT contractor shall recommend a set of fraud reports to help the staff from each EBT Program manage and detect fraud. Examples of such reports include multiple withdrawals on the same day, even dollar transactions, excessively large dollar transactions, large amount or recurring refund and credit transactions, manual transactions and excessive card replacement. To prevent internal fraud, the EBT contractor shall also develop a process and provide reports to systematically identify cards issued by a worker and sent to the worker's address. The EBT contractor shall also recommend other fraud reports that would be helpful to the EBT Program.

Manual Card Entry Reports – County or Local Office

The EBT contractor shall provide monthly reports by county, local agency, and local office, listing the SNAP cards that were manually entered and not swiped. The report shall list the card number, case number, and transaction amount, and indicate whether the card is for the recipient or for an alternate payee. The report shall include only those cards for which 100% of the transactions are manually entered.

Manual PAN Entry Reports – Terminal

The EBT contractor shall provide monthly reports by terminal, listing the program card PANs that were manually entered rather than swiped. The report shall list the card number, case number, merchant ID, terminal ID, clerk ID, transaction date and time, transaction type, rejection code, and the transaction amount. The report shall include only those terminals for which 100% of the transactions are manually entered.

Reports Required by FNS

If requested by the State, the EBT contractor shall provide additional reports to meet FNS requirements. These requirements may include, but are not limited to, reporting changes in retailers' financial institutions, a report on POS inventory including terminal identification, and a report of commercial retailers by TPPs.

Batch File Reports

The EBT contractor shall propose a standard set of batch processing reports to be used by the EBT contractor and the Programs' staff to ensure the complete and accurate transfer of data during nightly batch processing.

Batch Processing Reports

The Batch Processing Report shall include a summary report by file transmission that provides a confirmation for the processing of the batch file(s). The summary report shall contain summary verification data, including the total number of records received in the batch and the number of records by record type (e.g., number of additions, changes, and deletions of records). The report shall contain a transmission processing summary (i.e., number of records accepted and number of

records rejected). The EBT contractor shall submit batch confirmation reports to Program staff within one (1) hour of processing the file.

Batch Exception Reports

The EBT contractor shall provide a Batch Exception Report for all batch files received by the State. Batch Exception Reports shall contain a listing of all records received within a batch, which were not processed by the EBT contractor, and verification of the comparison of reports to prevent duplicate files and records. Each record included on the exception report shall have a corresponding reason code indicating the cause of the rejection. In particular, duplicate case exceptions shall be clearly identified. The EBT contractor shall submit Batch Exception Reports and/or records to the Program within 30 minutes of processing the file.

System Response Time Reports

The EBT contractor shall provide monthly reports summarizing EBT Host response times within pre-established tiers for both recipient transactions for SNAP (POS and ATM transactions) and for Administrative Terminal transactions for SNAP/TANF/S-EBT. The reports shall include:

Average daily response indicating the number of transactions for the day, the average transaction response time for the day and the number of transactions completed within one, two, three and greater than three seconds for the day;

By hour of the day, the number of transactions completed in one, two, three and over three seconds. The reports shall be used to monitor the EBT contractor's compliance with host response times. The EBT contractor shall also provide monthly reports providing response times for administrative screens, card issuance and PIN selection devices.

Scheduled System Maintenance

The EBT contractor shall issue a monthly report providing the system maintenance schedule for a rolling six (6) month period.

Host System Availability Report

The EBT contractor shall provide a monthly report summarizing EBT Host system availability. The report shall detail all instances of host system down time, including the reason, duration of down-time and whether the down time was scheduled or unscheduled. The report shall be used to monitor the EBT contractor's compliance with host system availability requirements.

EBT System Availability Report

The EBT contractor shall provide a monthly report summarizing availability of the entire EBT system, to include any services provided by the EBT contractor or any subcontractors, including but not limited to, the central computer, network, intermediate processing facilities and gateway. The report shall detail all instances of down time, including the reason, duration of down time and whether the down-time was scheduled or unscheduled. The report shall be used to monitor the EBT contractor's compliance with EBT system availability requirements.

Non-System Performance Reports

The EBT contractor shall be required to provide a reporting mechanism to keep the Programs apprised of contractor performance on non-system performance standards. Non-system performance standards are specified in *Appendix E ~ Performance Standards*, and include, but are not limited to, the following:

Inaccurate transactions;

- Customer/Retailer answered calls timely;
- PIN selection equipment replacement timelines;
- Response timelines for user setup/password changes for PIN selection devices;
- Card mailing standards reports; and
- Timely posting and availability of benefits.

Transaction Statistics Report

The EBT contractor shall provide a monthly report providing a summary of transactions by Program, by time of day and day of month. The purpose of the report is to show the peak processing time for the EBT system.

Management Statistics Report

The EBT contractor shall provide a monthly summary report of transaction activity on the EBT system at a county and State level. Statistics provided should include, at a minimum, benefits authorized for the previous month, transactions performed by transaction type (i.e., SNAP or S-EBT purchases, cash purchases, cash withdrawals), the number of active cases on the system, number of active cards on the system, and the number of cards issued and the number of cards replaced during the month.

Case Activity Summary

The EBT contractor shall provide monthly reports containing a statistical summary of case activity.

Administrative Function Security Reports

The EBT contractor shall provide Administrative Function Security Reports. Administrative Function Security Reports identify the users of the EBT Administrative Function application and card issuance and PIN selection terminals. The report shall provide an audit trail of the access and administrative transactions performed by the users.

Access Definition Report

The EBT contractor shall provide a monthly report detailing each authorized administrative terminal or system user with the ability to access State, county or local office EBT data or conduct administrative transactions. The report must include the status of the individual (active, inactive, new user, revoked due to failed attempts, etc.). The report shall also detail the level of access afforded the user through the EBT administrative and data warehouse functions. The report shall include the State and local office profiles and the valid functions within each profile.

Failed Logon Report

The EBT contractor shall provide by State, county or local office, and by user ID, a daily report of users failing in their attempt to logon to the EBT system. The report shall be broken down into day, week and month.

User Session Activity Report

The EBT contractor shall provide a daily audit report by user ID of all actions taken by the user on the EBT system through the administrative functionality.

Card Issuance Report

The EBT contractor shall provide a daily report by user ID and local, county and/or regional office of all EBT cards issued over the counter and by web admin screen for the previous day.

Security Access Issuance Report

The EBT contractor shall provide a monthly report detailing the date of receipt of a security access request from the Program staff and the date the EBT contractor issued the user password.

Customer Service Statistics Reports

The EBT contractor shall provide on a monthly basis reports, containing statistics and the effectiveness of the customer service functions for the client, provider and retailer Customer Service Help Lines. Statistics for the IVR, EBT Web Site and CSRs shall be reported. The EBT contractor shall deliver the reports described below:

Monthly Cardholder Customer Service Statistics Reports

The EBT contractor shall provide a Cardholder Customer Service, Help Desk, IVR and Web Portal Statistics Report. This monthly report shall provide a summary of the number of calls received by the Cardholder Call Center by Program, by reason (hot card, balance inquiry, transaction history, etc.) for both IVR and CSR. Daily statistics regarding the call center performance (i.e., number of calls, number of rings before answered, number of abandoned calls, number of busy signals received) shall be collected and reported.

Monthly Retailer Customer Service Statistics Reports

The EBT contractor shall provide a Retailer Customer Service, Help Desk, IVR and Web Portal Statistics Report. This monthly report shall provide a summary of the number of calls received on the Retailer Help Desk by reason (voice authorization, terminal problems, settlement questions, etc.) for both IVR and CSR. Statistics regarding retailer help tickets, including number of tickets opened, tickets closed, reason for ticket, and applicable EBT Program shall be provided. Daily statistics regarding the help desk performance (i.e., number of calls, number of rings before answered, number of abandoned calls, number of busy signals received) shall be collected and reported.

Monthly EBT Web Portal Statistics Reports

The EBT contractor shall provide a monthly report summarizing website activity including inquiries and transactions conducted by clients, retailers and provider and group home facilities.

Monthly Top 50 Callers Report

The EBT contractor shall provide a monthly report identifying the 50 clients making the most calls to the Client Call Center by program.

Monthly Account High Balance Report

The EBT contractor shall provide a monthly report identifying clients with high dollar value accounts. The dollar amount will be specified by the State.

Notice of Change Orders

The EBT contractor shall be required to provide a quarterly report to program staff identifying change orders that were processed for the previous quarter.

4.9.8 SNAP Specific Reports

Terminal Activity Summary Report (State)

The EBT contractor shall provide a daily SNAP Terminal Activity Summary Report. This report provides a summary of all transaction activity for the EBT Gateway and all EBT-only merchants as a grand total for the State. This report shall provide the SNAP staff with the total settlement amount for all merchant and EBT Gateway activity on a business day. The total settlement by program minus previous suspense plus current suspense results in the Daily Activity. This report shall present the Database activity for applicable areas such as adjustments, fees, refunds, voids, voucher clears, withdrawals and reversals, which shall total and agree to the Daily Activity. This report shall include totals broken out by program type and also statewide totals.

AMA Batch Issuance Report

The EBT contractor shall provide a daily AMA Batch Issuance Report. This report shall reflect the daily SNAP transactions by type (i.e. issuance, cancellation, repayment, non-settlement, and expungements); effective date; and summary totals which have been posted to the daily data base and have been transmitted by the EBT contractor to the ASAP/AMA system at the Federal Reserve Bank.

Congregate Living Facility Reports

The EBT contractor shall provide daily reports that list all benefit transactions initiated by the facility or a cardholder residing in a congregate living arrangement. The daily report shall identify the facility name and card number, the client name, address, State ID number, the amount of the transaction and the transaction type. The report shall also identify all administrative transactions

initiated by the State to transfer funds to or from a congregate living facility account. In addition to the daily reports, the following monthly reports shall be provided:

Monthly Congregate Living Report shall provide a monthly report of all congregate living activity by business type; and

Monthly Congregate Living Report (State Summary) shall provide a State Summary report of all business type/number of active businesses/total food dollar transactions/ total debit amounts/total credit amounts/denied debits/denied credits.

Adjustment Audit Transaction Detail Report

The EBT contractor shall provide a daily SNAP Adjustment Transaction Detail Report. This report shall reflect all adjustment transactions to a cardholder's SNAP benefits within each reporting day. An adjustment can be due to system adjustments or fee reversals. This report is broken down by merchant/TPP/network within the State.

ACH Activity - Merchant Report

The EBT contractor shall provide a daily SNAP ACH Activity by Merchant Report. This report shall identify all EBT-only merchant deposits for each merchant business day. This report can be used by the SNAP staff to review or research deposit amounts made to each merchant. This report shall reflect the merchant deposits showing financial institution and bank account number.

ACH Activity - Merchant Overdrafts Report

The EBT contractor shall provide a daily SNAP ACH Activity, Merchant Overdrafts Report. This report shall list the EBT-only merchants that have an overdraft condition for that business day. (An overdraft occurs when a merchant's return transactions exceed the amount of their sales.) The debit is included in the ACH file and is posted to the merchant's bank account.

SNAP ACH Activity – Rejected Retailer ACH Settlement Report

The EBT contractor shall provide a daily ACH Activity, Rejected Retailer Settlement Support. For each unsettled payment returned to the State, the EBT contractor shall provide, at a minimum, the transfer type, total amount, SNAP amount, attempted settlement date(s), retailer/TPP name, FNS retailer number if SNAP funds are involved, and bank account number (including the ABA bank number). Additional data elements may be required when FNS issues written procedures to address unsettled funds.

Expungement Report for SNAP

The EBT contractor shall provide a daily Expungement Report. This daily report shall provide the card number, client name, expungement amount, and program code for each expungement. The information is used to produce a detail of expungements at the local and State levels.

Card Mailer Report

The EBT contractor shall provide SNAP with a daily report showing when new and replacement cards were issued by the EBT contractor and the date the cards were delivered to the U. S. Postal Service.

SNAP Voucher Activity Report

The EBT contractor shall provide a daily report of all SNAP vouchers processed for the merchant during the business day. The report shall contain at a minimum the merchant name and FNS number, the transaction amount and type, the date and time, the recipient performing the transactions, and whether the merchant is a traditional or non-traditional merchant.

SNAP Voucher Tracking Report

The EBT contractor shall provide a weekly report that includes the total SNAP voucher activity and total amounts of voucher activity. The report shall compare the voucher activity for traditional and non-traditional merchants, listing the totals of vouchers closed during the period and the total of open vouchers.

Monthly Out-of-State SNAP Activity Report

The EBT contractor shall provide a monthly report of all cardholder transactions occurring outside of Nevada.

SNAP Retailer Contract Status Report

During the operations phase, the EBT contractor shall provide a quarterly report that provides information on the status of contracts with SNAP retailers. The EBT contractor shall be required to work with the State to define this report which includes, but is not limited to information on new retailers, new contracts sent, contracts active and contracts expired or closed.

EBT-only Retailer Terminal Monthly Utilization Reports

The EBT contractor shall provide a report detailing the number, type and value of transactions performed from each state-provided EBT-only terminal.

SNAP Extract Report – FNS

The EBT contractor shall provide monthly reports containing the statistical summary of SNAP activity for reporting to FNS.

4.9.9 TANF Specific Reports

Monthly ATM Transaction Fee Report

The EBT contractor shall provide a monthly summary report of ATM transaction fees charged to recipient accounts. Fees shall include both ATM transaction fees and bank surcharge fees.

Expungement Report for TANF

The EBT contractor shall provide a daily Expungement Report. This daily report shall provide the card number, client name, expungement amount, and program code for each expungement. The information is used to produce a detail of expungements at the local and State levels.

Restricted Use Report for TANF

The EBT contractor shall provide a monthly Restricted Use Report. This monthly report shall provide the card number, client name, client address, case number, social security number, transaction amount, and location of transaction

4.9.10 USDA Data Files

The EBT contractor is required to support the data requirements of the Federal government, and specifically FNS, for the Supplemental Nutrition Assistance Program. The four (4) data files described below shall be provided to the Federal government on a periodic basis as defined by FNS. The EBT contractor shall accommodate any changes to these files and/or file formats.

AMA File

On a daily basis, the EBT contractor must provide data necessary to support increases/decreases to the State's ASAP account balance at the Federal Reserve Bank, which serves as the Account Management Agent (AMA) for the FNS Supplemental Nutrition Assistance Program EBT benefit account. The AMA will interface with the Treasury Department's Automated Standard Application for Payments (ASAP), and will establish ASAP account funding limits for the State for SNAP EBT activity. The EBT contractor shall interface with the AMA and provide the necessary data. This data must be provided in a formatted file.

SNAP Redemption Reporting File – STARS

The EBT contractor shall provide detailed daily SNAP redemption data by retailer identification numbers to STARS, the FNS SNAP redemption database, through the Benefit Redemption Systems Branch (BRSB) in Minneapolis. The data format and requirements of this file are specified by FNS.

ALERT File

Starting at the time of implementation, the EBT contractor shall provide transaction data for store transaction history on a daily basis to FNS through the ALERT (Version 2.00) File.

REDE File

The EBT Contractor shall be able to accommodate standard FNS Retailer EBT Data Exchange (REDE) file formats and apply REDE files per the FNS schedule. REDE processing includes standard (regularly scheduled) nightly and monthly operations and ad hoc operations. Both types of REDE operations are performed at the Benefit Redemption Systems Branch (BRSB) in Minneapolis, MN. The standard nightly operations are performed Monday through Friday, and create the state and national retailer data update files. The standard monthly operations are performed (on the first Saturday of the calendar month) and create the full state and national retailer data files. The state retailer data update files are used to update the Retailer EBT Data

Exchange (REDE) database. Ad hoc operations are performed as requested when a State Agency and/or EBT processor requests a start-up copy of a state or national retailer update file.

The EBT Contractor is responsible for ensuring that only authorized SNAP retailers are redeeming SNAP benefits. At least once per week, the Contractor shall transmit information on retailer SNAP redemptions to the FNS Benefit Redemption System Branch (BRSB).

SNAP/TANF/S-EBT REPORTS AND DATA REQUIREMENTS			
DELIVERABLE NUMBER	DESCRIPTION OF DELIVERABLE	ACTIVITY	STATE'S ESTIMATED REVIEW TIME (WORKING DAYS)
4.9.1	Electronic Reports	4.9.2.1	10
4.9.2	Daily and Monthly Activity Data Files	4.9.2.2	10
4.9.3	Standard Reports	4.9.2.3	10
4.9.4	Statistical Reports	4.9.2.4	10
4.9.5	Data Warehouse	4.9.2.5	10
4.9.6	Ad-Hoc Reporting Capability	4.9.2.6	10
4.9.7	General Reports	4.9.2.7	10
4.9.8	SNAP Specific Reports	4.9.2.8	10
4.9.9	TANF Specific Reports	4.9.2.9	10
4.9.10	USDA Data Files	4.9.2.10	10

The EBT Contractor is responsible for ensuring that the FNS authorization number accompanying the transaction is the authorization number assigned by the REDE system and belongs to the specific location of the store from where the transaction is originating.

Utilize REDE file on a daily basis to validate the Authorization number with the transaction and to the originating retailer.

SNAP/TANF/S-EBT Reports and Data Requirements Deliverables

Some deliverables are specific to only the program in question and will be written specific to the needs of that program and delivered to and reviewed by the staff of that program.

The following table presents the deliverables that will be required for the EBT contractor to complete.

4.10 PROJECT WIDE ACCOUNT PROCESSING

Objective: The objective of this task is to ensure the vendor’s activities will result in successful project completion.

Activities: The following activities must be addressed:

4.10.1 Benefit Transfers

If requested by Program staff, the EBT contractor shall provide Program staff with administrative functionality to transfer benefits from one EBT account to another EBT account. In the debited account, the system shall post a debit memo to identify the EBT account to which the benefits have been transferred. In the credited account, the system shall post a credit memo identifying the EBT account from which the credit was transferred. Benefit transfers are non-settling transactions. Access to this functionality will be limited to designated State staff.

4.10.2 Pending Account Status

The EBT account will have no benefit value until SNAP, S-EBT or TANF Program staff sends a benefit authorization/food benefit issuance record and the EBT contractor processes and posts the benefits to the account. An EBT account that has been created but to which no benefits have been posted will be held in a pending status.

4.10.3 Establishing Benefits

Benefit amounts for which the client is eligible will be authorized by a benefit authorization file or record, transmitted from the Program's account by the eligibility system to the EBT contractor's host system. Fund transfers are initiated by the EBT contractor subsequent to benefit access by cardholders. For audit and control purposes, the EBT contractor shall be required to track Program benefit transactions and balances by Program benefit type. The balance available to cardholders for purchases or balance inquiries shall be the sum of all Federal and State Program benefits in the appropriate account.

For established cases, the eligibility system generates benefit authorization batch files once per month, assuming the participant remains eligible.

Cash benefits are administered by State agencies and may be either day-of-draw or prefunded. day-of-draw benefits credited to the cash account represent credit balances only. The EBT contractor initiates fund transfers subsequent to benefit access by clients. Prefunded benefits are funded at the time benefits are authorized. The EBT contractor shall be required to maintain an interest bearing bank account to hold and maintain prefunded benefits. Prefunded benefits are subject to Regulation E compliance. The EBT contractor will retain interest earned on prefunded benefit accounts to offset the cost of maintaining the account and Regulation E. The EBT contractor shall be liable for all funds deposited into prefunded benefit accounts.

The EBT contractor shall maintain a pooled cash account for each eligible family or person. Both day-of-draw cash are posted to the pooled cash account. For audit and control purposes, the EBT contractor shall be required to track cash benefit transactions and balances by benefit type and must ensure that cash benefits are not commingled with SNAP benefits.

4.10.4 Open and Closed Accounts

EBT accounts shall remain open unless the Program staff directs the EBT contractor to close an account.

4.10.5 Pending Account Purge

Program staff issue pending cards, sets-up pending account demographics or pending benefits for individuals whose accounts have not yet been established. In some instances, these individuals will not be certified.

The EBT contractor shall be required to provide the administrative capability to search for pending cards, demographics or benefits and shall be required to provide periodic reports on pending cards, demographics or benefits. In addition, the EBT contractor shall periodically automatically purge pending cards, demographics or benefits dependent upon parameters specified by the Programs. The EBT contractor shall also provide Program staff with the administrative capability to purge accounts and benefits or deactivate a card.

4.10.6 Pending Benefit Void

The EBT contractor shall provide Programs with the capability to purge pending benefits that have been authorized but have not yet reached their benefit availability date. The Program staff will submit a benefit detail record(s) for processing that deletes the same record that is held in the pending benefit file. The EBT contractor shall accept the file, identified by an action code, for processing and submit a return file that confirms that the action was completed.

4.10.7 Authorized Representatives and Alternate Cardholders

SNAP or TANF or S-EBT may provide clients with the option of selecting one or more authorized representatives or alternate cardholders, depending on program requirements. A client can restrict the authorized representative and/or alternate cardholder's access to either their benefit account and may designate a different authorized representative and/or alternate cardholder. The EBT contractor shall provide a card for the authorized representative and/or alternate cardholder that has a unique card number and PIN. The client shall have the option to cancel or change their authorized representative and/or alternate cardholder. At SNAP or TANF or S-EBT staff's option, a client's ability to perform this function may be restricted.

4.10.8 Assign Protective Payees

For some TANF clients, the Programs' staff may assign a protective payee. The protective payee, rather than the client, will have access to client benefits and shall be provided a unique identifier. The EBT contractor shall provide a card for the protective payee that has a unique card number and PIN. In some instances, TANF staff may require that a single protective payee have access to multiple client accounts. The client shall not have the capability of canceling or changing the protective payee. Only the State or the designated protective payee shall have the option of canceling or changing a protective payee's access to the EBT account.

4.10.9 Create Fraud Investigative Accounts

The EBT contractor shall provide the capability to create and maintain EBT accounts and issue EBT cards for use in fraud investigations. Fraud investigative accounts and benefit authorizations may be set up through the batch or administrative terminal interface, card and benefits issuance, to the EBT contractor's EBT system and should have unique identifiers. Program staff, if desired, should have the ability to create an identifier that is readily distinguishable from normal case identifiers or numbers. Fraud investigative accounts will only contain a primary client. Report shall be available to track redemptions made with Fraud Investigative account.

For SNAP and S-EBT, USDA staff will require administrative access for designated FNS Field and Regional offices, the FNS Compliance Office, and the OIG investigative office.

4.10.10 Demographic Change Updates

EBT Programs desire the option to exchange demographic changes via batch file interface. The EBT contractor must provide an acknowledgment which will be returned after a file is received and processed.

4.10.11 File Transmission Failure

In the event of a transmission failure between the EBT contractor, the Programs shall be notified within two (2) business hours using a formalized notification process. When file transmission failure occurs, the Program shall be notified in two (2) business hours.

4.10.12 User Security Profiles

The EBT contractor shall provide security for administrative access whereby Program system user profiles are established based upon the specific administrative functions the user requires to perform his/her respective job. Each administrative user, as he/she is granted access, shall be assigned a specific user profile based upon the requirements for his/her job. The Project Management Team will define the user profiles with the assistance of the EBT contractor. The number of required Program user profiles shall be parameter driven and will be specified by the Project Management Team and Program Managers. A significant number of security roles will be established to allow correct system access to multiple roles. Program Security personnel shall have the capability to set up newly authorized Program employees, change user passwords, manage user profiles and modify the card set-up for the card issuance system.

4.10.13 Back-up and Contingency Requirements

The EBT contractor shall provide for backup procedures to ensure the continuation of operations in the event of a disruption in operations. Backup procedures will allow benefit access when the EBT contractor's computer, system terminals, EBT gateway, or communications are not operational. Backup procedures shall include manual transaction processing for each Program. The EBT contractor shall also provide contingency plans for benefit issuance in the event of catastrophic disruption of benefit delivery services.

The Program staff will work with the EBT contractor to utilize the EBT contractor's existing design for providing disaster services to the extent possible. However, the EBT contractor will be required to meet the back-up and contingency requirements of the Project Management Team. (See *Section 4.9.3 ~ Disaster Recovery and Support.*)

4.10.14 Inspections, Audits, and Investigations

The Program staff and USDA-FNS shall have the right to inspect, review, investigate, or audit all parts of the EBT contractor's or any subcontractor's facilities engaged in performing EBT services. In such capacity, the Program staff, or their representative(s), shall have access to facilities, records, reports, personnel and other appropriate aspects of the EBT system.

4.10.15 Incident Reporting

The EBT contractor shall notify the Project Management Team of any instances of non-compliance promptly upon their discovery, but within a period of no more than five (5) business days. Notification shall include a description of the non-compliance and corrective action planned and/or taken.

4.10.16 SNAP Account Adjustments

The EBT contractor shall conduct a full investigation of any suspected system error and shall provide the State Agency (SA) with a **minimum of 20 calendar days advance notice** prior to any debit adjustment being posted to a cardholder account. This 20-day period allows the SA sufficient time to issue the federally-required **15-day no-hold advance notice** to the cardholder.

Upon providing the advance notice file to the SA, the EBT contractor shall not place any holds, restrictions, or provisional debits on the cardholder's account related to the pending adjustment. **No holds will be applied during the 15-day notice period**, in accordance with Federal regulations.

A debit adjustment may only be posted after:

1. The SA has issued the 15-day advance notice to the cardholder;
2. The 15-day no-hold period has fully elapsed; and
3. The cardholder has not disputed the proposed adverse action.

The EBT contractor's system shall support automated scheduling of debit adjustments to ensure they are posted **only after** the expiration of the required notice period.

Each day, the EBT contractor will transmit an electronic file to the SA containing all debit adjustments scheduled to post after the expiration of the 15-day notice period. The file will include, at minimum:

- Date of error
- Retailer name and location
- Retailer FNS authorization number
- Date of claim and claim number
- Transaction type
- Sequence number
- Full claim amount
- Card number
- Cardholder name and address
- State ID/case number
- County or local office code

A distinct transaction code for debit adjustments will be included in daily activity files, or a separate stand-alone file may be provided, as determined collaboratively with the SA.

The EBT contractor shall work with SNAP program staff to establish detailed business procedures and system configurations to support these requirements and ensure full compliance with FNS regulations regarding adverse-action adjustments.

4.10.17 Manage Aging Accounts

A client’s EBT account shall be flagged and reported to the Program staff if there has been no debit transaction posted against the account or a 90-day period, although there may be a balance in the account and benefits may have been deposited into the account within that same time-frame. SNAP benefits not accessed by a household for 12 months (365 days from date of initial availability) shall be expunged. TANF benefits not accessed by a household for 180 days shall be expunged.

Any non-financial transactions by the client, such as balance inquiries, do not affect the aging of the account.

On a daily basis, the EBT contractor shall send SNAP staff an extract file of all benefits falling into the aging periods as specified by the SNAP agency. SNAP requires a minimum of four (4) aging flags or periods for each client’s SNAP account and three (3) aging flags or periods for each client’s cash account. The file will include a header record, a detail record for each benefit being reported on, and a trailer record. The detail record shall contain sufficient data, as determined by the SNAP staff, to identify the client, benefit type, aging period and the balance being aged.

4.10.18 Expungements

The system flags to expunge benefit accounts shall be parameter driven. The EBT contractor shall ensure that all EBT accounts meeting the Nevada specified expungement rules are expunged in the timeframes specified and funds are applied to any outstanding debts owed to the state (these are program specific). The EBT contractor shall be required to produce an Expungement Report. Refer to *Appendix G: Project Reports*.

Project Wide Account Processing Deliverables

Some deliverables are specific to only the program in question and will be written specific to the needs of that program and delivered to and reviewed by the staff of that program.

The following table presents the deliverables that will be required for the EBT contractor to complete. These deliverables are those which will be needed by all three (3) programs included in this contract.

4.10 PROJECT WIDE ACCOUNT PROCESSING			
DELIVERABLE NUMBER	DESCRIPTION OF DELIVERABLE	ACTIVITY	STATE'S ESTIMATED REVIEW TIME (WORKING DAYS)
4.10.1	Benefit Transfers	4.10.2.1	10
4.10.2	Pending Account Status	4.10.2.2	10
4.10.3	Establishing Benefits	4.10.2.3	10
4.10.4	Open and Closed Accounts	5.10.2.4	10
4.10.5	Pending Account Purge	4.10.2.5	10

4.10 PROJECT WIDE ACCOUNT PROCESSING			
4.10.6	Pending Benefit Void	4.10.2.6	10
4.10.7	Authorized Representative and Alternate Cardholders	4.10.2.7	10
4.10.8	Assign Protective Payees	4.10.2.8	10
4.10.9	Create Fraud Investigative Accounts	4.10.2.9	10
4.10.10	Demographic Change Updates	4.10.2.10	10
4.10.11	File Transmission Failure	4.10.2.11	10
4.10.12	User Security Profiles	4.10.2.12	10
4.10.13	Back-up and Contingency Requirements	4.10.2.13	10
4.10.14	Inspections, Audits and Investigations	4.10.2.14	10
4.10.15	Incident Reporting	4.10.2.15	10
4.10.16	SNAP Account Adjustments	4.10.2.16	10
4.10.17	Manage Aging Accounts	4.10.2.17	10
4.10.18	Expungements	4.10.2.18	10

4.11 SNAP/TANF/S-EBT TRANSACTION PROCESSING

Objective: The vendor should briefly describe how they would complete each of the defined deliverables. If the vendor would like to propose any additions or different approaches to accomplishing the deliverables, those plans should be described.

Activities: EBT contractor EBT transaction processing requirements shall include:

- Accepting transactions coming from an authorized transaction acquirer;
- Authorizing or denying transactions;
- Sending response messages back to the transaction acquirer authorizing or rejecting client transactions;
- Printing a cardholder receipt with the account balance after the transaction (the card number shall be truncated on the receipt); and
- Logging the authorized/denied transactions for subsequent settlement and reconciliation processing, transaction reporting, and for viewing through transaction history.

SNAP Waivers

The EBT contractor's system shall be developed to comply with the SNAP Waivers listed in *Appendix I: SNAP Waivers*. The EBT contractor shall be required to issue and replace EBT cards and PINs in compliance with FNS regulations 7 CFR §274.8. The EBT contractor must comply with any future waivers.

4.11.1 System Accuracy

As defined in the Federal regulations, the EBT system central computer shall permit no more than two (2) inaccurate EBT transactions for every 10,000 EBT transactions processed. The transactions to be included in measuring system accuracy shall include:

- All SNAP transactions occurring at ATM and/or POS terminals and processed through the host computer:
- Manual transactions will be entered into the system;
- Credits will be transferred to EBT accounts.

The EBT contractor shall resolve all errors in a prompt manner and in accordance with FNS Adjustment Rules and in accordance with State waivers.

4.11.2 Transaction Interchange Specifications

The EBT contractor will be responsible for the authorization of SNAP cardholder transactions. The EBT contractor shall comply with ANSI X9.58-2013 (or most current version) and ISO 8583 and shall comply with all updates to ANSI X9.58-2013 (or most current version) and ISO 8583 at no additional cost to the State.

4.11.3 Transaction Processing

SNAP/S-EBT benefits may be accessed via POS terminals or by authorized retailers using manual vouchers at retail locations authorized by the FNS. Under no circumstances are manual transactions allowed for cash. Clients are not limited to retailers in the state in which they reside. Benefits are portable across state lines. Federal operability rules apply to both programs.

Clients must be able to access benefits at an authorized retailer in any state or Territory. SNAP/S-EBT benefits may only be used to purchase eligible food items and may not be used to purchase non-food or ineligible food items. SNAP/S-EBT benefits may not be accessed at ATM terminals

To the maximum extent possible, the Program Management staff seeks to use the existing commercial transaction processing infrastructure for the transmission and processing of TANF transactions. The EBT contractor shall have the capability to receive, process and authorize client transactions from both ATM and POS devices.

It is Program's intention to make access to cash benefits as convenient as possible. The EBT contractor shall provide adequate cash access through retail POS devices and ATMs. The Project Management Team will work with the EBT contractor to ensure these service levels are maintained. The Project Management Team shall review the EBT contractor's plan to provide adequate cash access and, if necessary, shall require additional access sites if the proposed access is determined to be inadequate.

The EBT Contractor shall also ensure card performance through an operating ATM network and provision of nationwide and international ATM access and withdrawal of cash through normal ATM transactions.

The EBT contractor shall process, at a minimum, the following POS and/or ATM transaction types:

- SNAP/S-EBT or cash purchase (swiped or key entered);
- Purchase with cash back (TANF only);
- Cash withdrawal (TANF only);
- Merchandise refund or credit (for SNAP and S-EBT only);
- Manual authorization permitted by regulations;
- Manual voucher clear (including interoperable transactions);
- Balance inquiry;
- Adjustments;
- Voids or cancellations; and
- Reversals.

The EBT contractor must ensure that the EBT system will deny transactions if the balance of the Cash Account will not support both the requested withdrawal/transaction and all allowable charges or fees.

FNS regulations prohibit the charging of a fee for any POS transactions or cash benefit access transactions. After conducting a purchase, cash benefit transaction, merchandise return or balance inquiry, the retailer shall provide a printed receipt showing the cardholder's account balance. The card number shall be truncated on the receipt. The State will not pay for ATM or POS cash transactions. During the contract period, the EBT Contract will assist the State to provide surcharge-free cash access. The State is requiring the EBT Contractor to provide two (2) statewide ATM acquirers that provide surcharge-free cash access. At a minimum, one (1) of the ATM acquirers must be a top four (4) bank doing business in Nevada. If there is a surcharge, all cash transactions will be conducted at cardholder expense. The EBT contractor shall provide cash transaction fees based on the lowest interchange rate. The EBT contractor shall have controls in place to ensure that the location of terminals allowing cash access to cash accounts, including ATMs, contractor-deployed EBT-only POS terminals, and commercially deployed POS equipment are in compliance with the State's policy concerning cash access.

The EBT contractor shall ensure that ATM withdrawal dollar limits and fees are approved by Program Staff and are specified in the cardholder training material.

The EBT contractor shall provide cash access through ATMs, commercially deployed POS equipment and through contractor-deployed EBT-only POS terminals. The EBT contractor shall have controls in place to ensure that POS cash-back transactions from contractor-provided EBT-only terminals for cash assistance households occurs only at entities that have valid agreements

with the EBT contractor and are not located in federally prohibited locations. (Refer to 5.16.2.1, TANF Blocking). The State also reserves the right to require installation of EBT-only equipment at locations such as banks, utility companies and housing authorities to provide cash access. To preserve the integrity of the Program, the State reserves the right to disallow transactions in certain types of retail establishments.

The EBT contractor shall propose a method for maintaining a database and tracking retailers providing cash. In addition, the EBT contractor shall propose a method for identifying the POS terminal and location and ATM identification number and location associated with any EBT cash transaction. The QUEST® Operating Rules will govern the processing of all retail merchant cash transactions. Depending upon the EBT contractor's arrangement with the prevailing ATM networks, either the Operating Rules or the ATM network's Operating Rules may govern ATM cash transactions. The EBT contractor shall support national interoperability for cash access, to include loading all State BINs into the EBT host system.

4.11.4 Manual SNAP/S-EBT Transactions

The EBT card must be present for a retailer to conduct a manual transaction. Manual transactions shall be permitted under these listed circumstances:

- For FNS authorized SNAP/S-EBT retailers without POS equipment;
- In instances of system failure that prevent processing of online SNAP/S-EBT authorizations;
- In instances of disaster for home deliveries, if appropriate.

The EBT contractor shall provide retailers with a separate toll-free number to obtain voice authorizations for manual transactions. Manual SNAP transactions should be interoperable across state lines.

FNS authorized SNAP/S-EBT retailers with redemptions of less than \$100 per month, route vendors and farmer's markets shall have the capability to conduct manual SNAP/S-EBT transactions using paper vouchers. A paper voucher shall be designed and distributed by the EBT contractor to these FNS-authorized retailers for use in processing manual SNAP transactions. Manual vouchers shall be numbered serially for control and security purposes.

Retailers may also utilize their own forms as long as the forms meet the minimum data requirements as specified by federal regulation or policy, the Nevada SNAP, and/or the EBT contractor.

Retailers are required to complete the manual voucher form and call the EBT contractor's Retailer Customer Service Center to obtain a voice authorization prior to completing a manual SNAP/S-EBT sale. The cardholder is required to sign the paper voucher and the EBT contractor shall require the cardholder's signature on the voucher as a condition for processing. The EBT contractor shall provide retailers with a separate toll-free telephone number to obtain voice authorizations for the manual vouchers 24 hours per day; seven (7) days per week. The manual transaction authorization process should be automated as part of the help desk IVR functionality.

Vouchers submitted for payment without prior telephone authorization shall be rejected. The retailer shall be liable for declined transactions in the event the retailer fails to obtain prior authorization and the EBT account has insufficient funds to cover the purchase.

Re-presentation of Manual Transactions

Re-presentation of manual retailer vouchers shall not be permitted. The EBT contractor's system shall be designed to prevent merchants from re-presenting manual vouchers.

Emergency Stand-In Processing

If an FNS authorized retailer cannot access the EBT host system because the host system is unavailable, the EBT contractor shall allow retailers to conduct emergency or stand-in processing of SNAP/S-EBT purchases of up to \$50 per cardholder per day (from 12:00 AM until 11:59 PM). The EBT contractor shall be liable for up to \$50 per transaction for insufficient funds resulting from stand-in manual transactions. The retailer is required to complete a manual voucher and must obtain the cardholder's signature on the voucher. If the retailer processes an emergency stand-in transaction for more than \$50, the EBT contractor shall process the transaction if there are sufficient funds in the cardholder's account to cover the transaction. If there are not sufficient funds in the cardholder's account, the retailer shall be liable for any amount over \$50.

When the system becomes available, the retailer shall electronically clear the manual transaction through a POS voucher clear transaction. If there are insufficient funds in the cardholder's account when an emergency stand-in voucher is first presented, the EBT contractor shall allow re-presentation of the voucher.

4.11.5 SNAP/S-EBT Retailer Transactions

The EBT contractor shall have controls in place to ensure that POS SNAP/S-EBT transactions from the EBT contractor-provided EBT-only POS terminals occur only at entities that have valid agreements with the EBT contractor. For all SNAP transactions, the EBT contractor must validate that the transactions originated at an FNS authorized retail location. The EBT contractor must maintain a database of authorization numbers for all FNS authorized retailers in accordance with the retailer validation requirements specified in 7 CFR § 274.8. The EBT contractor must access the FNS REDE system daily to obtain updates of the national REDE files used to validate authorized FNS retailer numbers, and have a process in place to ensure that all records are properly posted. The EBT contractor must verify the retailer identification number is for an FNS-authorized retailer prior to completing the transaction and assumes liability if transactions are completed against invalid FNS authorization numbers.

4.11.6 SNAP/S-EBT Transaction Validation

The EBT system shall go through a series of checks and processes to determine whether a cardholder's transaction should be approved. These checks should determine whether:

- The merchant has a valid FNS authorization number if the transaction is a SNAP/S-EBT transaction;
- The card number (PAN) is verified and the card is active;

- The number of consecutive failed PIN tries has not been exceeded;
- The PIN is verified as being entered correctly;
- The account is active;
- The EBT account holds a sufficient balance in order to satisfy the transaction request; and
- A benefit record exists for SNAP refund transactions so the transaction can be properly posted.

If any one of the above conditions is not met, the EBT contractor shall deny the transaction. The EBT contractor shall ensure that client/provider benefit accounts are not overdrawn and shall assume all liability if an account overdraft does occur. If the transaction is denied, the system must return a message to the retailer/provider indicating the reason for denial (invalid PAN, invalid PIN, insufficient funds [NSF], etc.). The EBT contractor must also provide a summary report of denied transactions.

4.11.7 Invalid PIN Attempts

The EBT contractor system must deny transactions if the PIN is input incorrectly. After three (3) consecutive invalid PIN attempts in one day, the card shall be temporarily blocked until midnight local time on the day the last PIN attempt occurred.

4.11.8 Hold Funds for SNAP

Under certain conditions, including but not limited to a disaster, a manual SNAP transaction may be performed by a retail merchant. When manual SNAP transactions are performed, the merchant will obtain a voice authorization. The EBT contractor shall hold funds authorized by voice authorization. The number of days that funds will be placed on hold will be specified by SNAP but the maximum hold period will be 30 calendar days. (The acquirer will be required to convert the manual SNAP transaction to electronic transaction for transmission to the EBT contractor.) If the manual transaction is presented for settlement within the Nevada SNAP specified number of calendar days from the date of the manual authorization, the EBT contractor shall debit the amount from the cardholder account and settle the transaction. If the manual transaction is not presented within the specified number of calendar days from the authorization date, the EBT contractor shall release the hold on funds and make them available for cardholder access. The retailer or acquirer bears the liability for the transaction if the voucher is not cleared in thirty (30) calendar days.

At the discretion of Program staff, a hold may also be placed on a cardholder's account in anticipation of a potential debit adjustment to the account to correct a system error. To support debit adjustment notification and fair hearing processes, the EBT contractor shall be required to send a daily file to the State SNAP agency with sufficient data to support the debit adjustment transaction that will be posted to the cardholder account. A hold may also be placed on a cardholder account in anticipation of a potential debit adjustment to the account to correct a system error. The Nevada SNAP program currently has a waiver that prohibits a "hold" on the funds for adjustment purposes.

4.11.9 Interoperability Standard

The EBT contractor shall support the Federal national interoperability requirement for processing interoperable SNAP/S-EBT transactions. The EBT contractor shall also support national interoperability for cash transactions.

4.11.10 Refunds

The EBT contractor shall provide for real-time processing of Program refunds or credits to preclude the creation of unapplied benefits and approval of excessive funds. Regarding manual merchandise refund transactions, the EBT contractor shall meet Federal and State restrictions on transaction dollar limits, number of transactions and total value of transactions per month. The transaction activity will be immediately updated to the EBT contractor's host database at the benefit level. At a minimum, however, the process must meet the real-time requirements described for refunds. The EBT contractor must update its host database with transaction activity on a real-time basis.

The EBT contractor must provide FNS authorized retailers with functionality to process POS SNAP refund transactions. The EBT contractor must confirm, in real-time, that there is an existing benefit linked to that account, otherwise the transaction must be denied. Program prefers that the EBT contractor also have in place a process to return funds to each individual benefit so that the total value of each benefit does not exceed its original value, and that the value of the refund does not exceed the total value of benefits previously debited. A transaction amount limit, as well as monthly limits on the total number and value of refunds, will be placed on the refund transactions by Program. The transaction must only be applied to the cardholder's SNAP and/or TANF account.

4.11.11 Congregate Living Transactions for SNAP

The EBT contractor shall be required to support the redemption of SNAP benefits in congregate living arrangements for drug/alcohol treatment centers, blind/disabled group living facilities or other group providers. Currently, Nevada SNAP has nine (9) authorized group living retailer. To support these arrangements, the EBT contractor shall provide the following options:

An EBT account will be established for group home facilities and an alternate cardholder EBT card will be issued to the facility.

The transfer of funds between client and group home accounts will be accomplished through State administrative terminal functionality.

The transfer of funds from the client card to the group home will occur through POS terminals deployed in group home facilities and must meet the terms and conditions for terminal deployment, technical standards and requirements, maintenance, and support of terminals at group home locations.

The EBT contractor shall also be required to provide reports on congregate living transactions. Congregate living facilities shall also be provided with web access to their account information.

4.11.12 Key Entered SNAP Transactions

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

The EBT contractor shall adopt other security measures to prevent client and retailer abuse/misuse of the key-entry feature. The EBT contractor shall ensure that the PAN printed on the transaction receipt is truncated, and the EBT contractor must be able to selectively disable or deny the capability of an EBT-only POS device from completing key-entered transactions. Finally, the EBT contractor shall track key-entered transactions by retailer, retailer address, device (terminal) number or ID number, FNS retailer number and card number. The EBT contractor shall propose procedures for responding to client reports of malfunctioning or defective equipment at retailer sites, including both EBT-only POS devices and retailer-owned devices.

4.11.13 Farmers' Market/Direct-marketing Farmers' Support

The EBT contractor may be required to provide support, including the deployment of wireless POS devices, to specified retailers participating in the farmers' market program. The EBT contractor shall support FNS standards and requirements for the support of farmers' market retailers for the duration of the contract. The State may desire to provide additional support to farmers' market or direct-marketing farmers in the future. Further discussion of this topic will occur during the JAD process.

4.11.14 ACH Transactions

Retailer ACH Settlement

SNAP prefers to use their existing file formats for transmission of these ACH payment records. The EBT contractor shall accommodate these formats.

Pre-note Process

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

Rejected ACH Settlements

ACH settlement, rejected due to inaccurate account information or closed accounts, shall be researched by the EBT contractor and, when possible, corrected and re-sent to the retailer or Third Party Processor account. The EBT contractor must return to the State any funds that could not be settled to the retailer within 90 calendar days of the initial ACH. If the responsibility for EBT-only

acquiring is subcontracted, the subcontractor must also return any rejected settlement funds to the State within 90 days. The State will then forward any unsettled federal SNAP monies to FNS.

At a minimum, the EBT contractor shall provide the following information for each unsettled payment returned to the State: transfer type, total amount, federal SNAP amount, attempted settlement date(s), retailer/TPP name, and FNS retailer number if SNAP funds involved, and bank account number (including the ABA bank number). Additional data elements may be required when FNS issues written procedures to address unsettled funds.

Notification of Change (NOC)

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

ACH Administrative Services

The EBT contractor shall provide ACH administrative services. The EBT contractor shall be required to record and maintain client or provider account information, update account information, remedy account errors or returns, and resolve payment issues with the client's or provider's financial institution. Clients or providers that report incorrect account information or change financial institutions without notice shall not have their funds transferred to the correct or new account until the EBT contractor has recovered any funds transferred to the incorrect financial institution or account.

ACH for TANF Transactions

The Nevada TANF Program requires ACH payment functionality to support the direct deposit of cash benefits into client and provider designated bank accounts. To support ACH payment services, the EBT contractor, or its designated Financial Agent, must have an ACH Originating Depository Financial Institution (ODFI) membership in the ACH network. The TANF Program will send the EBT contractor ACH payment set-up or update information through Batch Files or through administrative functionality. The EBT contractor, or its Financial Agent, shall originate these payments into the ACH payment network. The TANF Program staff will send the EBT contractor ACH payment information through the batch file process or host-to-host. The EBT contractor shall check for duplicate files and records within the ACH process. The EBT contractor shall initiate the settlement of direct deposit payments through the settlement procedures. The EBT contractor shall maintain ACH activity records on client and provider accounts, including date, amount and banking information.

4.11.15 Returns with SNAP

Returns are live dollar payments that are not accepted by the RDFI. The ODFI will receive returns on behalf of the State. The EBT contractor and/or the ODFI shall develop an automated capability for the State to accept and/or correct returns and shall provide sufficient detail on returns to allow the State to reconcile returns, to include client/provider identification number, name, social security number, bank account number and routing number, and process re-sends. The EBT contractor shall also provide the capability, at the option of the State, to post ACH returns to a

client or provider's pre-existing EBT card. At the State's discretion, the State may require electronic notification from the EBT contractor to facilitate the State's automated generation of a letter of notification to the client.

4.11.16 Paper Vouchers (SNAP Only)

For those FNS-authorized retailers which do not arrange for commercial service and which have less than \$100 per month in SNAP benefit redemptions, and under certain other conditions, the EBT contractor will be responsible for ensuring adequate recipient access to SNAP benefits in accordance with USDA FNS regulations by providing access via paper vouchers. The EBT contractor shall support manual transactions by providing a toll-free retailer customer service number so that retailers will have the ability to obtain a voice authorization. The EBT contractor shall hold benefit funds to cover voice authorizations.

4.11.17 Voucher Clear Transactions (SNAP Only)

There are two (2) methods by which a manual voucher can be cleared. If the authorized retailer has a POS device, the retailer will convert the manual transaction to an electronic transaction for transmission to the EBT contractor when the POS device is again able to communicate with the EBT Host. EBT-only devices must be able to accept voucher clear transactions for all State BINs. The EBT contractor must route these transactions to the processor and settle funds to the retailer, in the same manner as any real-time interoperable transaction. The EBT contractor must accept, process and settle electronic voucher clear transactions from all sources, including those originating from out of state retailers. If the retailer does not have a POS device, the manual voucher will be mailed to the EBT contractor to be cleared.

4.11.18 Online Purchasing/Internet Shopping

The Vendor shall provide operational online purchasing for the acceptance of SNAP benefits to pay for online food purchases.

The EBT Contractor shall provide the following to support online transactions:

Program the EBT system to recognize, accept and permanently store codes and data elements related to online transactions including delivery street address and ZIP code.

Accept online SNAP, S-EBT, and cash EBT transactions only through FNS-approved secure online PIN-entry service providers; reject all online transaction requests coming from any other TPPs.

Enable new transaction type/code to allow cash refunds for online retailers.

Display/include cash refunds with other transaction types where appropriate for existing screens, reports and files.

Enable new transaction method code/description to identify that the transaction was performed through an online website, rather than by swiping the card or key-entry of the card number.

Display the new method code or description on all screens that would normally indicate the transaction was swiped or keyed.

Include the new method code in all reports and State data files that normally indicate the transaction was swiped or keyed.

Enable process that allows online retailers to submit SNAP and cash EBT refund that do not contain a PIN value.

Examine each incoming transaction to determine if it is coded as an online transaction and take appropriate actions as follows:

Compare all SNAP and cash EBT online transactions to the REDE file to validate that the retailer's FNS number is classified as an Internet Retailer (IR) store type; if not then deny the transaction.

Validate that retailers classified as IR only perform authorized online transactions (no voucher, cash back, cash withdrawal, store and forward or in-store/wireless POS).

Deny PIN-less transactions from retailers not classified as IR.

For online refund transactions from retailers classified as IR:

Validate card and FNS numbers against the original purchase transaction;

Ignore State-designated refund limits; and

For these retailers, the cardholder is not usually present (online) to enter a PIN or current card number at the time of a refund transaction. Instead, the online retailer identifies the specific purchase transaction that will receive a full or partial refund. The FNS-approved secure PIN-entry service provider matches the refund request back to the purchase transaction and ensures that the refunded value does not exceed the original amount. If there are multiple refunds for the same purchase, the service provider ensures that the total value of all refunds does not exceed the original purchase amount. They deny any excessive refunds. The service provider submits the card number and FNS number from the original purchase transaction in the authorization request to the EBT processor. There may be instances where one or both of these values is no longer valid.

There may be times (e.g., when a large order is cancelled) that a large refund would be warranted. This validation process described provides better controls and therefore is an acceptable replacement for the State-imposed refund limit.

Include all required data elements for online transactions in the ALERT file transmitted to FNS, utilizing version 2.00 of the ALERT specification.

Provide the standard daily and monthly online transaction summary totals report.

Provide the standard daily and monthly online transaction detail file in CSV format.

Display delivery street address and ZIP code on transaction detail screens.

Include delivery street address and ZIP code in the daily activity file.

SNAP/TANF/S-EBT Transaction Processing Deliverables

Some deliverables are specific to only the program in question and will be written specific to the needs of that program and delivered to and reviewed by the staff of that program.

The following table presents the deliverables that will be required for the EBT contractor to complete.

4.11 SNAP/TANF/S-EBT TRANSACTION PROCESSING			
DELIVERABLE NUMBER	DESCRIPTION OF DELIVERABLE	ACTIVITY	STATE'S ESTIMATED REVIEW TIME (WORKING DAYS)
4.11.1	System Accuracy	4.11.2.1	10
4.11.2	Transaction Interchange Specifications	4.11.2.2	10
4.11.3	Transaction Processing	4.11.2.3	10
4.11.4	Manual SNAP Transactions	4.11.2.4	10
4.11.5	SNAP Retailer Transactions	4.11.2.5	10
4.11.6	SNAP Transaction Validation	4.11.2.6	10
4.11.7	Invalid PIN Attempts	4.11.2.7	10
4.11.8	Hold Funds for SNAP	4.11.2.8	10
4.11.9	Interoperability Standard	4.11.2.9	10
4.11.10	Refunds	4.11.2.10	10
4.11.11	Congregate Living Transactions for SNAP	4.11.2.11	10
4.11.12	Key Entered SNAP Transactions	4.11.2.12	10
4.11.13	Farmers' Market/Direct-Marketing Farmers' Support	4.11.2.13	10
4.11.14	ACH Transactions	4.11.2.14	10
4.11.15	Returns with SNAP	4.11.2.15	10
4.11.16	Paper Vouchers (SNAP Only)	4.11.2.16	10
4.11.17	Voucher Clear Transactions (SNAP Only)	4.11.2.17	10
4.11.18	Online Purchasing/Internet Shopping	4.11.2.18	10

4.12 SNAP/TANF/S-EBT SPECIFIC REQUIREMENTS

Objective: The following section describes the requirements for SNAP or TANF program-specific deliverables. The EBT Contractor should briefly describe how each of the defined deliverables would be provided. If the EBT Contractor would like to propose any additions or different approaches to accomplishing the deliverables, those plans should be described.

Activities: The following activities described below will be specific to the mentioned Program.

4.12.1 TANF Blocking

The Middle Class Tax Relief and Job Creation Act of 2012, H.R. 3630 was signed into legislation in 2012. States are required to take measures to prevent the access of TANF funds at liquor stores, casinos, and adult entertainment clubs. Nevada is seeking assistance in identifying ATMs at prohibited locations and creating a solution that meets the intent of the law. Nevada HHS is sensitive to these establishments and recognizes their economic role within the State. TANF participants may be employees in these prohibited establishments and access ATMs at their employer simply because of the convenience.

The EBT contractor shall be required to issue and replace EBT cards and PINs in compliance with FNS regulations 7 CFR §274.8.

4.12.2 SNAP Accounting and Reconciliation

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

The draw of Federal funds to settle SNAP benefit transactions is completed directly via U.S. Treasury's Automated Standard Application (ASAP) system by either the EBT contractor or the SNAP staff. If funds are being requested from ASAP through the ACH for next business day payment, the request will be made on the same business day in which the client performed the transaction. If funds are received from ASAP through fed wire for same day payment, then the funds request and draw down will occur on the next business day following the transaction. Federal SNAP funds should be deposited into a zero balance clearing account maintained by the EBT contractor for the settlement of EBT transactions. The EBT contractor shall be required to work with SNAP to develop appropriate procedures and time frames for the next business day settlement of Federal SNAP transactions.

4.12.3 TANF Settlement and Reconciliation

The EBT contractor shall be responsible for the execution of EBT settlement and reconciliation activities for TANF benefits. EBT settlement and reconciliation shall be conducted in accordance with current Federal regulations as updated throughout the life of the contract, and FNS Reconciliation and Settlement Guidance. The EBT contractor's host system shall operate on a 24-

hour processing cycle. At a designated cutoff time, each day, the EBT contractor shall close out the current processing day and commence the next processing day. To support the settlement function, the EBT contractor or its designated financial agent must have an originating and receiving membership in the national ACH network. In order to promote the acceptance of EBT transactions, the EBT contractor shall be required to provide evidence of its, or its designated financial agent's ability to fulfill the settlement obligations specified in this RFP and shall comply with the QUEST® Operating Rules concerning an Issuer's ability to meet its settlement obligations. Evidence may be in the form of financial statements, bonds, guarantees or other assurances.

The EBT contractor shall be required to develop procedures and reports that will provide the State complete daily reconciliation and settlement verification processes. A comprehensive daily electronic report that reconciles all benefit transactions back to their original authorization and allows the TANF staff to easily ascertain the daily change in their outstanding obligations is required. This report, which is segmented by benefit type, would include:

- Benefit authorizations
- Benefits pending;
- Net benefit redemptions;
- Benefits in suspense;
- Repayments;
- Expungements;
- Adjustments;
- Non-Federal or non-state liabilities (i.e., Contractor liabilities);
- Non-settling transactions; and
- Any other transactions that affect settlement and the resulting settlement amounts.

The EBT contractor shall designate a standard daily cutoff time for EBT transaction processing. The 24-hour period between the cutoff time on day one (1) and day two (2) constitutes the EBT transaction day. The specified cutoff time must allow the EBT contractor sufficient time to originate ACH payments for next day settlement. The EBT contractor shall maintain ledger accounts at the client/provider, program, and State and county office levels. Subsequent to cutoff, the EBT system must be balanced and reconciled. The EBT contractor shall compute the end of day net position or balance for each general ledger account. For each account, the end of day net position is equal to:

Opening Balance + Credits - Debits = End of Day Balance

The EBT contractor shall also balance the EBT system as a whole to ensure that the change in the net position in the sum of client accounts balances to the change in the net position of program accounts and that the change in the net position in the sum of the program accounts balances to the

change in the net position (obligations outstanding) for State and Federal government funding agencies.

The EBT contractor shall meet Supplemental Nutrition Assistance Program reconciliation requirements of 7CFR §274.8 and FNS EBT Reconciliation and Settlement Guidance. The EBT contractor shall also use the SNAP reconciliation requirements to perform reconciliation for all EBT programs. At a minimum, respondents shall propose procedures for reconciling:

- Client account daily beginning balance and net draws versus the ending balance;
- Client net redemptions versus acquirer settlement values;
- Total funds entering, exiting, and remaining in the system each day;
- Total net change in system wide obligations outstanding to the sum of the net change in obligations outstanding for all benefit programs;
- Total net change in system wide obligations outstanding to the sum of the net change in obligations outstanding for all benefit programs;
- Total net change in system wide obligations outstanding to the sum of the net change in obligations outstanding for all State and Federal government funding agencies;
- The net settlement value of all transactions to the sum of the net settlement values for all benefit programs;
- The net settlement value of cardholder account adjustments to the sum of the net settlement value of adjustments settled to retailer and ATM acquirers;
- The net settlement value of all transactions to the sum of the net settlement values for all local offices;
- Net redemptions of each program versus the daily suspense transactions that overlap daily ACH cut-off times plus the current daily activity;
- Process for notifying the State of out-of-balance situations; and
- Time frames for correcting out-of-balance situation.

As part of system balancing and reconciliation, the EBT contractor shall determine the total amount of Federal funds by program and the total amount of State funds by program necessary to reimburse its accounts for the total credits due to EBT acquirers. The information generated during system cutoff and balance processing shall be used by the EBT contractor to prepare the daily settlement files. The EBT contractor shall specify procedures for maintaining audit trails throughout the reconciliation and settlement processes.

As the State Accounting Office is responsible for daily reconciliation and reporting to the State Treasurer's Office and FNS, timely resolution of reconciliation issues is essential.

The EBT contractor shall provide 90 calendar day advance notice to the State prior to making any change in reconciliation reports, processes, data displays, etc.

SNAP/TANF/S-EBT Specific Requirements Deliverables

Some deliverables are specific to only the program in question and will be written specific to the needs of that program and delivered to and reviewed by the staff of that program.

The following table presents the deliverables that will be required for the EBT contractor to complete.

4.12.4 S-EBT Accounting and Reconciliation

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

The draw of Federal funds to settle S-EBT benefit transactions is completed directly via U.S. Treasury’s Automated Standard Application (ASAP) system by either the EBT contractor or the S-EBT staff. If funds are being requested from ASAP through the ACH for next business day payment, the request will be made on the same business day in which the client performed the transaction. If funds are received from ASAP through fed wire for same day payment, then the funds request and draw down will occur on the next business day following the transaction. Federal SNAP funds should be deposited into a zero balance clearing account maintained by the EBT contractor for the settlement of EBT transactions. The EBT contractor shall be required to work with S-EBT to develop appropriate procedures and time frames for the next business day settlement of Federal SNAP transactions.

4.12 SNAP/TANF/S-EBT SPECIFIC REQUIREMENTS PROGRAM			
DELIVERABLE NUMBER	DESCRIPTION OF DELIVERABLE	ACTIVITY	STATE'S ESTIMATED REVIEW TIME (WORKING DAYS)
4.12.1	TANF Blocking	4.12.2.1	10
4.12.2	SNAP Accounting and Reconciliation	4.12.2.2	10
4.12.3	TANF Settlement and Reconciliation	4.12.2.3	10
4.12.4	S-EBT Settlement and Reconciliation	4.12.23	10

5.0 COMPANY BACKGROUND AND REFERENCES

5.1 PRELIMINARY PROJECT PLAN

Vendors shall submit a preliminary project plan as part of the proposal, including, but not limited to:

- Gantt charts that show all proposed project activities;
- Planning methodologies;
- Milestones;
- Task conflicts and/or interdependencies;

Estimated time-frame for each task identified in Section 3.2 Technical Requirements, Section 3.3 Functional Requirements Section 4, Scope of Work; and

Overall estimated time-frame from project start to completion for both vendor and State activities, including strategies to avoid schedule slippage.

Vendors shall provide a written plan addressing the roles and responsibilities and method of communication between the contractor and any subcontractor(s).

The preliminary project plan shall be incorporated into the contract.

The first project deliverable is the finalized detailed project plan that shall include fixed deliverable due dates for all subsequent project tasks as defined in **Section 4, Scope of Work**. The contract shall be amended to include the State approved detailed project plan.

Vendors shall identify all potential risks associated with the project, their proposed plan to mitigate the potential risks and include recommended strategies for managing those risks.

Vendors shall provide information on the staff that shall be located onsite in Reno or Carson City. If staff shall be located at remote locations, vendors shall include specific information on plans to accommodate the exchange of information and transfer of technical and procedural knowledge. The State encourages alternate methods of communication other than in person meetings, such as transmission of documents via email and teleconferencing, as appropriate.

5.2 PROJECT MANAGEMENT

Vendors shall describe the project management methodology and processes utilized for:

- Project integration to ensure that the various elements of the project are properly coordinated;
- Project scope to ensure that the project includes all the work required and only the work required to complete the project successfully;

- Time management to ensure timely completion of the project. Include defining activities, estimating activity duration, developing and controlling the project schedule;
- Management of contractor and/or subcontractor issues and resolution process;
- Responding to and covering requested changes in the project time-frames;
- Responding to State generated issues;
- Cost management to ensure that the project is completed within the approved budget. Include resource planning, cost estimating, cost budgeting and cost control;
- Resource management to ensure the most effective use of people involved in the project, including subcontractors;
- Communications management to ensure effective information generation, documentation, storage, transmission and disposal of project information; and
- Risk management to ensure that risks are identified, planned for, analyzed, communicated and acted upon effectively.

5.3 QUALITY ASSURANCE

Vendors shall describe the quality assurance methodology and processes utilized to ensure that the project shall satisfy State requirements as outlined in *Section 4, Scope of Work* of this RFP.

5.4 METRICS MANAGEMENT

Vendors shall describe the metrics management methodology and processes utilized to satisfy State requirements as outlined in *Section 4, Scope of Work* of this RFP. The methodology shall include the metrics captured and how they are tracked and measured.

5.5 DESIGN AND DEVELOPMENT PROCESSES

Vendors shall describe the methodology, processes and tools utilized for:

- Analyzing potential solutions, including identifying alternatives for evaluation in addition to those suggested by the State;
- Developing a detailed operational concept of the interaction of the system, the user and the environment that satisfies the operational need;
- Identifying the key design issues that shall be resolved to support successful development of the system; and
- Integrating the disciplines that are essential to system functional requirements definition.

5.6 CONFIGURATION MANAGEMENT

Vendors shall describe the methodology, processes and tools utilized for:

- Control of changes to requirements, design and code;
- Control of interface changes;
- Traceability of requirements, design and code;
- Tools to help control versions and builds;
- Parameters established for regression testing;
- Baselines established for tools, change log and modules;
- Documentation of the change request process including check in/out, review and regular testing;
- Documentation of the change control board and change proposal process; and
- Change log that tracks open/closed change requests.

5.7 PEER REVIEW MANAGEMENT

Vendors shall describe the methodology, processes and tools utilized for:

- Peer reviews conducted for design, code and test cases;
- Number of types of people normally involved in peer reviews;
- Types of procedures and checklists utilized;
- Types of statistics compiled on the type, severity and location of errors; and
- How errors are tracked to closure.

5.8 PROJECT SOFTWARE TOOLS

Vendors shall describe any software tools and equipment resources to be utilized during the course of the project including minimum hardware requirements and compatibility with existing computing resources as described in *Section 2.4, Current Computing Environment*.

Costs and training associated with the project software tools identified shall be included in *Attachment I, Project Costs*.

6.0 PROJECT COSTS

All proposers for this RFP are required to submit their price proposal using the Cost Schedules embedded as an Excel spreadsheet in *Attachment I, Project Costs*. The Cost Schedules must be completed in their entirety. If needed, the proposer may include a narrative to explain their pricing approach or components.

All proposal terms, including prices, shall remain in effect for a minimum of 180 days after the proposal due date. In the case of the awarded vendor, all proposal terms, including prices, shall remain in effect throughout the contract negotiation process.

Nevada SNAP/TANF/S-EBT Programs hope to achieve economies of scale by bringing increased caseload and transaction volumes to the selected EBT Contractor. NevadaSNAP/TANF/S-EBT Programs remain committed to these objectives and place significant evaluation weight on pricing.

The selected EBT Contractor will provide all system components, hardware, software, interfaces, professional services and any other services necessary to meet this RFP's requirements at the prices specified in their offer. The State will incur no additional fees.

6.1 COST SCHEDULES

The cost for each deliverable shall be complete and include all expenses, including travel, per diem and out-of-pocket expenses as well as administrative and/or overhead expenses. Each table in the Excel spreadsheet in *Attachment I, Project Costs* shall be completed and detailed backups shall be provided for all cost schedules completed.

7.0 FINANCIAL PAYMENT

Upon review and acceptance by the State, payments for invoices are normally made within 30 days of receipt, providing all required information, documents and/or attachments have been received.

Pursuant to NRS 227.185 and NRS 333.450, the State shall pay claims for supplies, materials, equipment and services purchased under the provisions of this RFP electronically, unless determined by the State Controller that the electronic payment would cause the payee to suffer undue hardship or extreme inconvenience.

7.1 BILLING

There shall be no advance payment for services furnished by a contractor pursuant to the executed contract.

Payment for services shall only be made after completed deliverables are received, reviewed and accepted in writing by the State.

The vendor shall bill the State as outlined in the approved contract and/or deliverable payment schedule.

Each billing shall consist of an invoice and a copy of the State-approved deliverable sign-off form.

7.2 TIMELINESS OF BILLING

The State is on a fiscal year calendar. The contractor will submit an invoice to DSS for reimbursement of services no later than the 20th calendar day of the month following the month service was provided. Invoices will include sufficient documentation and detail to support claimed invoice.

All billings for dates of service prior to July 1 must be submitted to the State no later than the third Friday in July of the same year. A billing submitted after the third Friday in July, that forces the State to process the billing as a stale claim pursuant to NRS 353.097, will subject the contractor to an administrative fee not to exceed \$100.00. This is the estimate of the additional costs to the State for processing the billing as a stale claim and this amount will be deducted from the stale claims payment due the contractor.

7.3 HOLD BACKS

The State shall pay all invoiced amounts, less a 10% hold back, following receipt of the invoice and a fully completed project deliverable sign-off form.

The distribution of the hold backs shall be negotiated with the contractor.

Actual payment of holdbacks shall be made with the approval of the project Steering Committee.

AGENCY / PROJECT SPECIFIC TERMS AND CONDITIONS

All contractor personnel assigned to the contract shall have a fingerprint background check from the Federal Bureau of Investigation pursuant to NRS 239B.010. All fingerprints shall be forwarded to the Central Repository for Nevada Records of Criminal History for submission to the Federal Bureau of Investigation. This includes any employee who shall require access to DSS data and/or system access. All costs associated with the background check shall be at the expense of the awarded vendor. The awarded vendor shall provide the agency the results of all employee background checks prior to being granted any access. Positive findings will be reviewed by the agency, in consultation with the State Chief Information Security Officer, and may result in removal from the project.

Each vendor shall include in its proposal a complete disclosure of any contract that ended before its term for any reason, and/or of any alleged significant prior or ongoing contract failures, contract breaches, any civil or criminal litigation or investigations pending which involves the vendor or in which the vendor has been judged guilty or liable. Disclosure shall include prior names, subsidiaries, locations, affiliations, ownership, or other business relationships for the last 10 years.

The vendor's existing solution must have the requirements listed. If aspects of the requirements are lacking in the proposal, the vendor must have the capability to design and develop such requirements or find a third-party contractor that will design and develop such.

In accordance with Executive Order (EO) 13873 "Securing the Information and Communications Technology and Services Supply Chain" (dated May 15, 2019) and EO 14117 "Preventing Access

to Americans' Bulk Sensitive Personal Data and United States Government-Related Data by Countries of Concern" (dated March 5, 2024), which reinforce Executive Order 14028, "Executive Order on Improving the Nation's Cybersecurity":

When developing a connection from the State system to a Federal system the Contractor shall staff the project with personnel capable of successfully planning and executing the requirements and tasks outlined in the procurement solicitation. In addition, all Contractor personnel must meet all the following conditions:

1. The subject must be physically located within the United States or its official territories or holdings (i.e., not located in a foreign nation state).
2. The subject must have current legal immigration status in the United States; and,
3. The subject's immigration status must provide a legal work authorization (work eligible visa category or US Citizenship and Immigration Services work authorization) in the United States.