

Texas Health & Human Services Commission



Albert Hawkins, Executive Commissioner

Request for Offers

For

Texas Electronic Benefits Transfer (EBT)

Call Center Services

RFO No. #529-06-0096

Date of Release: _____

Texas Health & Human Services Commission

RFO No. 529-06-0096

Date of Release: December 02, 2005

Notice of Intent to Offer

Any vendor that intends to submit an offer is required to submit this form.

Name of Respondent or Joint Respondents: _____

Contact Person: _____ Title: _____

Mailing Address: _____

Telephone: _____ Fax: _____

E-mail Address: _____

Please return no later than 5:00 P.M. (Central Time) December 19, 2005 to:

Texas Health and Human Services Commission

c/o Ms. Debbie Arbuckle

909 West 45th Street, Mail code 2020

Austin, TX 78751

(512) 206-5468

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Section 1 – General Information

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1 GENERAL INFORMATION

1.1 *Mission Statement*

The Texas Electronic Benefits Transfer (EBT) System delivers services to Food Stamp and Temporary Assistance for Needy Family (TANF) State of Texas clients. One of the components of the EBT System is to provide call center services to assist in the delivery of Texas EBT services. HHSC's mission in this procurement is to procure best quality and value call center services for the Texas Electronic Benefits Transfer (EBT) System.

1.2 *Mission Objectives*

HHSC's objectives in this procurement are to engage a vendor to:

- Provide client call center services for Texas EBT clients twenty four hours a day, seven days a week
- Provide support for retailers requesting manual voucher authorizations twenty four hours a day, seven days a week
- Provide uninterruptible service during the transition from the current contractor to the new contractor
- Provide uninterrupted call center services for Texas EBT clients and Texas EBT retailers
- Provide call center services that integrate with the central processing and retailer management components of the Texas EBT system
- Leverage the Texas Information and Referral Network, HHSC's 2-1-1 network, for single access point. The 2-1-1 system is the HHSC program responsible for the development, coordination and implementation of a statewide information and referral network
- Interface with HHSC Texas Integrated Eligibility Redesign System (TIERS), New Eligibility System (also referred to as the Integrated Eligibility and Enrollment System ("IEE"), Integrated Benefit Card (IBC), and Medicaid Integrity Program (MIP).

HHSC will select the Respondent whose solution represents the best value for the State of Texas.

1.3 *Background*

1.3.1 Overview of the Health and Human Services Commission

HHSC was created in 1991 to oversee and coordinate the planning and delivery of health and human services programs in Texas. It is established pursuant to Chapter 531, Texas Government Code, and is responsible for oversight of Texas Health and Human Services agencies (HHS agencies). The

chief executive officer of the Commission is Albert Hawkins, Executive Commissioner of Health and Human Services. House Bill 2292 of the 78th Legislature directed Texas Health and Human Services agencies to consolidate organizational structures and functions, eliminate duplicative administrative systems, and streamline processes and procedures. Restructuring of Health and Human Services agencies was completed September 1, 2004. This procurement continues the State’s effort to deliver services to Texans effectively and in the most efficient means possible.

1.3.2 Overview of Texas Electronic Benefits Transfer (EBT)

The Texas Department of Human Services (DHS) received Federal approval to conduct planning related to EBT in early 1992. Development of the Texas EBT program, known as Lone Star, began in February 1994 when the agency awarded a seven (7)-year contract to TRANSACTIVE Corporation. The full-service contract was for the design, development, implementation and operations of an EBT system. After successful testing and a "shakedown" period, statewide implementation began in February 1995 and was completed by November 1995. The contract with TRANSACTIVE expired on February 28, 2001.

The State purchased an upgraded version of the EBT application software and divided the EBT system into three separate functional components operated by distinct vendors to provide central processing, retailer management and call center services. The Central Processor vendor provides the software and hardware for EBT data processing and supports the EBT application software. The Retailer Management vendor provides support for retailers (including settlement and reconciliation for third party processors, state-supported retailer point-of-sale (POS) devices and transaction processing) and card and Personal Identification Number (PIN) issuance services. The EBT Call Center vendor provides services to clients such as the handling of Lone Star card issues and disputes and providing manual voucher authorizations for retailers. The Lone Star Technology team, within the HHSC Office of Family Services, acts as the prime integrator of the contractor teams.

The new system was known as the Texas EBT-2 system and became operational on March 1, 2001. Refer to the chart below for key Texas EBT component functions.

Table 1: Contract Functions

Central Processing	Retailer Management	Call Center
<ul style="list-style-type: none"> ▪ Data center operations ▪ 24x7 operator support ▪ Batch job processing ▪ Network management ▪ Support for Third Party Processors 	<ul style="list-style-type: none"> ▪ EBT retailer management services ▪ Settlement and reconciliation for third party processors ▪ Retailer training and help desk support ▪ Card and PIN management services (card manufacturing, vault card 	<ul style="list-style-type: none"> ▪ 24 hour live operator phone support ▪ Automated support via Interactive Voice Response Unit (IVR) ▪ Call Center software

Central Processing	Retailer Management	Call Center
<ul style="list-style-type: none"> ▪ Database maintenance and administration ▪ Project management for system enhancements and new features ▪ Software design, development, implementation and maintenance 	<ul style="list-style-type: none"> inventory, card issuance, card replacements) ▪ POS terminal management including: deployment for state-supplied retailers, support, repair and replacement services ▪ Support and operation of the point-of-sale network processing transactions for the state-supported POS terminals 	<ul style="list-style-type: none"> system - interface to the Texas EBT System ▪ Ad-hoc software development projects

This RFO is soliciting responses to provide call center services, which are described below. Refer to the Texas EBT Function Diagrams for a complete understanding of the EBT-2 processing environment (Appendix D).

1.3.3 Project Overview

Lone Star Technology, part of the Lone Star Business Services within the HHSC Office of Family Services, manages and operates the Texas Electronic Benefits Transfer (EBT) System. The EBT system uses the state’s Lone Star Card to electronically distribute food stamp and Temporary Assistance for Needy Families (TANF) benefits to over 1,300,000 cardholders at approximately 11,000 retailer locations across Texas – 24 hours a day, 7 days a week. Each month, more than 8,000,000 transactions, totaling over \$240,000,000 are processed through the Texas EBT system.

From early efforts to develop one of the nation's first EBT systems for the Food Stamp and Temporary Assistance for Needy Families (TANF) Programs, Texas has attempted to make the delivery of services more efficient and to make those services more accessible to citizens that depend on them.

Existing EBT Contract Expiration Dates :

The Call Center and Retailer Management contract dates listed below are contingent upon contract extensions, which are pending execution. Pursuant to the contract extensions, the existing EBT contracts are scheduled to expire as follows:

- Call Center contract expires September 30, 2006
- Retailer Management contract expires February 28, 2007
- Central Processor contract expires August 31, 2007

1.3.4 Texas Electronic Services Delivery (TESD) Report

In January 2001, the Texas Electronic Services Delivery (TESD) report was developed to explore strategies and develop a road map for expanding the state's current Electronic Benefit Transfer (EBT) system leveraging the state's investment in the EBT infrastructure for supporting additional programs. The report made specific recommendations for supporting potential future programs and services including:

- Administrative and Operational Functions
- Women Infants and Children (WIC)
- Medicaid Identification
- Childcare Time and Attendance Tracking
- Child Support Payments
- TANF Access to ATMs
- Foster Care
- Campus Cards
- Driver License
- Inter/Intranet
- Administrative and Operational Structure
- Multiple Technology Cards
- State Employee Card
- Benefits Transfer Card
- Texas Workforce Commission/Unemployment Insurance Direct Deposit

See <http://www.window.state.tx.us/specialrpt/tesd/index.htm> for more details.

1.3.5 Related Projects

HHSC is currently planning and evaluating options for the Medicaid Integrity Pilot (MIP) and the Integrated Benefits Card (IBC) projects and implementing the New Eligibility System solution that have potential for merging technology, contracts and processes in the future.

The **Medicaid Integrity Pilot (MIP)** replaces the current paper Medicaid identification card (Med ID) with a plastic smart card for eligibility verification and on-card biometric finger image matching, which will reduce costs for monthly production and mailing of the paper cards, as well as reducing client and provider fraud in the Medicaid program.

The **Integrated Benefits Card (IBC)** project will implement an integrated benefits card and system for client authentication and distribution of benefits and access to services for multiple programs. The

project will involve integration of benefits and services, programs and consolidated operations utilizing one card to obtain multiple benefits and/or services.

The **New Eligibility System** (also referred to as the Integrated Enrollment and Eligibility System (“IEE”)), project will transform the HHSC business processes from a local office processing model to a call center model for the purpose of improving client access to state services and reducing administrative costs. Clients will now be able to submit applications and related information required for eligibility determination by phone, fax, and email. The IEE will build upon and enhance the existing TIERS infrastructure. The EBT system will continue to utilize the established TIERS interfaces for communicating benefit information.

Based on these developing projects, the vendor selected to manage and operate the EBT Call Center will be required to support any necessary changes to software, hardware, networks and/or processes to accommodate the needs of these parallel projects. If additional functional responsibilities need to be added to the selected vendor, the state will negotiate terms and possible pricing for added services. Additional programs may be added to the EBT System in the future.

1.3.6 Access to Benefits

Eligibility for Food Stamps and TANF is determined by HHSC. Clients deemed eligible are issued a Lone Star Card. Client accounts are established by the EBT Central Processing Vendor receiving the necessary client information from HHSC benefit systems (SAVERR/TIERS) or through the EBT Administrative Terminal (AT). Clients purchase goods and services or withdraw cash at authorized retailers. The Central Processing mainframe operates twenty-four (24) hours-per-day, seven (7) days per-week. At a designated cutoff time (2:30 p.m. Central Time) each day, the Central Processing Vendor, in cooperation with the Retailer Management Vendor, closes out the current processing day and starts the next processing day. At that time, the EBT System balances the daily transaction activity. The balancing process is an automated function controlled and maintained by the Central Processing Vendor.

The Lone Star Card is scanned for payment in the same way that a commercial card, such as Visa or MasterCard, is scanned. The client enters his or her Personal Identification Number (PIN), which protects the card from use by unauthorized people. The transaction is carried from the point-of-sale device through a third-party processor's network connection to the EBT host system, where the system locates that client's benefits and the purchase amount is immediately encumbered. A response authorizing the purchase is generated and returned in a matter of seconds.

The encumbered purchase amount is stored on the host, along with the amounts of other purchases made that business day, and is processed that night. A file is generated which requests funds from the federal and state funding sources and transfers them to the third-party processors. The processors then transmit payment for that day's purchases to the individual retailers.

EBT operates 24 hours a day, 7 days a week, with its primary goal remaining that of consistent, rapid issuance and safe, simple, continuous access to benefits for Texas clients.

1.3.7 Scope of Procurement

This procurement is for Texas EBT Call Center services. A Texas EBT Retailer Management Request for Offer (RFO) will be released approximately two months following the Call Center RFO. Respondents may bid on either or both RFOs.

The EBT Central Processing contract ends on August 31, 2007. The awarded Call Center vendor must cooperate with the transition of the new contract by testing interfaces with the Central Processor and Retailer Management EBT vendors and HHSC interfaces such as TIERS and the IEE. The Call Center vendor will also be required to participate in trial runs when a new Central Processor vendor is awarded in 2007.

1.4 *Strategic Elements*

1.4.1 Contract Term

HHSC intends to award one contract for call center services for a five-year period. HHSC will have the option to renew or extend the term of the contract for a period of up to five additional years in any combination of months or years as necessary to complete the mission of this procurement. The maximum term of this contract may total ten (10) years.

1.4.2 Contract Price/Type/Catalogue Information System Vendor (CISV)

HHSC will award one Call Center contract to the successful proposing corporation, firm, or entity. This is both a fixed and variable price contract.

This RFO solicits Offers from the Offeror's published Catalogue Information Systems Vendor (CISV) catalogue. To receive a contract award pursuant to this RFO, an Offeror must be on the Texas Building and Procurement Commission's (TBPC) Centralized Master Bidder List (CMBL) and an approved CISV prior to contract award.

Respondents that intend to propose on both the Call Center and Retailer Management RFOs, must provide two separate RFO proposals as required by each RFO. Respondents must clearly show additional cost savings and operational benefits and efficiencies to HHSC for awarding two contracts to the same vendor.

HHSC will award a contract based on best value for the State of Texas. Call Center costs are expected to be less than the current contract costs due to use of state of the art telephony.

1.4.3 HHSC's Uniform Contract Terms and Conditions

HHSC's Uniform Contract Terms and Conditions, Version 1.3.1 (EBT RFO) will apply to the contract awarded as a result of this procurement. See Attachment 1 for the Uniform Terms and Conditions.

One or more of the "Special Terms" located in Article 16 of the Uniform Contract Terms and Conditions may apply to the contract awarded as a result of this procurement. HHSC reserves the right to negotiate additional contract terms and conditions.

1.5 ***Basic Philosophy: Contracting for Results***

HHSC's fundamental commitment is to contract for results. A successful result is defined as the generation of defined, measurable, and beneficial outcomes that support HHSC's Missions and Objectives and satisfy the contract requirements. This RFO describes what is required of the contractor in terms of performance measures and outcomes, and places the responsibility for how it is accomplished on the contractor.

1.6 ***External Factors***

Respondents should be aware that external factors may affect the project, including budgetary and resource constraints. HHSC's IEE, IBC and MIP projects may impact this EBT Call Center contract. Any contract resulting from this procurement is subject to the availability of state and federal funds. As of the issuance of this RFO, budgeted funds are available to reasonably fulfill the requirements of this RFO. If, however, funds become unavailable, HHSC reserves the right to withdraw this RFO or terminate the resulting contract without penalty. In the event the contract is terminated for this reason HHSC will pay for approved work in progress.

1.7 ***Legal and Regulatory Constraints***

1.7.1 Delegation of Authority

Respondents should be aware that state and federal law generally limits HHSC's ability to delegate certain decisions to a contractor. Specifically, HHSC may not delegate certain functions to a contractor, including but not limited to:

- (A) Policy-making authority; and
- (B) Final decision-making authority regarding acceptance of contracted services.

1.7.2 Conflicts of Interest

Respondents shall not have personal or business interests that would present an actual, potential, or apparent conflict of interest with respect to this procurement and the performance of the resulting contract. For purposes of this RFO, a conflict of interest is any set of facts or circumstances that, in HHSC's determination, compromises or appears to compromise the Respondent's fairness, independence or objectivity.

Respondents must disclose any actual or potential conflicts of interest that exist with respect to this procurement and the resulting contract. If selected for contract award, the Respondent will be under a continuing duty to notify HHSC of any actual or potential conflicts of interest that may develop during the course of the contract and may not engage in conduct that will create an appearance of impropriety.

HHSC is obligated by state and federal law to ensure a level playing field in the award of the contract. HHSC has implemented an aggressive policy concerning actual or potential conflicts of interest to ensure fair and open competition, and has included language concerning actual and potential conflicts of interest in Article 12 of its Uniform Terms and Conditions Version 1.3.1 (EBT RFO). Respondents must carefully review and understand this language when developing offers.

1.7.3 Former Employees of a State Agency

Respondents must comply with state and federal laws and regulations relating to the hiring of former state employees (see e.g., Texas Government Code §572.054 and 45 C.F.R. §74.43). Such "revolving door" provisions generally restrict former agency heads from communicating with or appearing before the agency on certain matters for two years after leaving the agency. The revolving door provisions also restrict certain former employees from representing clients on matters that the employee participated in during state service or matters that were within the employees' official responsibility.

As a result of such laws and regulations, a Respondent must certify that it has complied with all applicable state and federal laws and regulations relating to the hiring of former state employees. Furthermore, the Respondent must disclose any relevant past employment of its employees and agents, or its subcontractors' employees and agents, by HHSC or another Texas Health and Human Service agency, including a description of:

- (A) the nature of the previous employment with HHSC or the other agency;
- (B) the date the employment terminated; and
- (C) the annual rate of compensation for the employment at the time of termination.

1.7.4 Interpretive Conventions

Whenever the terms “shall,” “must,” or “is required” are used in this RFO in conjunction with a specification or performance requirement, the specification or requirement is mandatory on the potential vendor. A Respondent's failure to address or meet any mandatory requirement in its offer will be cause for rejection of the offer.

Whenever the terms “can,” “may,” or “should” are used in this RFO in conjunction with a specification or performance requirement, the specification or performance requirement is a desirable, but not mandatory, requirement. Accordingly, a Respondent's failure to address or provide any items so referred to will not be the cause for rejection of the offer, but will likely result in a less favorable evaluation of the offer.

Whenever the term “vendor” is used in this RFO in conjunction with a specification or performance requirement, the specification or performance is a requirement of the awarded vendor.

1.8 HHSC Point of Contact

The sole point of contact for inquiries concerning this RFO is:

Ms. Debbie Arbuckle
Texas Health and Human Services Commission, ECPS
909 West 45th Street, Mail Code 2020
Austin, TX 78751
(512) 206-5468
Fax (512) 206-5475
Debbie.Arbuckle@hhsc.state.tx.us

The physical address for overnight, commercial and hand deliveries is:

c/o Ms. Debbie Arbuckle
Texas Health and Human Services Commission, ECPS
4405 North Lamar Blvd, Room 107E
Austin, TX 78751

All communications relating to this RFO must be directed to the HHSC contact person named above. All other communications between a Respondent and HHSC staff concerning this RFO are prohibited. In no instance is a Respondent to discuss cost information contained in an offer with the HHSC point of contact or any other staff prior to evaluation. Failure to comply with this section may result in HHSC's disqualification of the offer.

1.9 Procurement Timeline

Table 2: Call Center Procurement Schedule	
RFO Release Date	12/02/05
Vendor Conference	12/15/05
Notice of Intent to Offer Due	12/19/05
Vendor Questions Due	1/03/06
HHSC Responses to Vendor Questions Posted	1/20/06
Deadline for Withdrawal of Offers	2/28/06
Vendor Offers Due	3/01/06
Vendor Demonstrations/Oral Presentations	3/09/06 - 3/15/06
Site Visits (if necessary)	March 2006
FNS Review and Approval	4/06/06-5/5/06
Tentative Award Announcement	4/05/06
Anticipated Contract Start Date	5/05/06
CC Transition of Contracts	5/5/06-9/28/06

1.10 Communications Regarding This Procurement

HHSC will post all appropriate communications regarding this procurement on its website, including the notice of tentative award. In addition, HHSC reserves the right to amend this RFO at any time prior to the offer submission deadline. Any changes, amendments, or clarifications will be made in the form of responses to vendor questions, amendments, or addendum issued by HHSC. Respondents should check HHSC’s website frequently for notice of matters affecting the procurement. The URL is as follows: http://www.hhsc.state.tx.us/about_hhsc/BusOpp/BO_home.html

1.11 RFO Cancellation/Non-Award

HHSC reserves the right to cancel this RFO, or to make no award of a contract pursuant to this RFO, if HHSC determines that such action is in the best interest of the State of Texas.

1.12 Right to Reject Offers or Portions of Offers

HHSC may, in its discretion, reject any and all offers, or portions of offers, submitted in response to this RFO.

1.13 Vendor Protest Procedures

Texas Administrative Code, Title 1, Chapter 392, Subchapter C outlines HHSC's vendor protest procedures. A respondent may protest HHSC's tentative award of a contract. Such protest must be in writing and signed by the protestant or the protestant's authorized representative.

The protest must state the protestant's name and the specific award that is being protested, the legal and factual basis for the protest with specific supporting information and when applicable, how the protestant alleges the award or tentative award violated HHSC's rules, state or federal laws, or regulations governing the procurement. The protest must state an explanation of the facts in disagreement and the subsequent action the protestant is requesting.

The protest must be submitted to the HHSC's official point of contact no later than seven (7) calendar days following the announcement of the tentative award of the contract on HHSC's website. The protest must be delivered by hand, certified mail return receipt requested, facsimile or other verifiable delivery service and be limited to matters relating to the protestant's qualifications, the suitability of the goods or services offered by the protestant, or alleged irregularities in the procurement process. Failure to comply with the foregoing timeframe will result in HHSC's dismissal of the protest.

The HHSC division that conducted the procurement will review the protest and the Division Director will make an initial recommendation to the Executive Commissioner. The Executive Commissioner will review the protest and Division Director's recommendations, and then issue a final determination regarding the protest. HHSC will provide the protestant with a written copy of the final determination within thirty days of receiving the protest, or as soon thereafter as practicable. The Executive Commissioner's final determination will be HHSC's final action on the protest, and the protestant will have no further administrative recourse.

2 MISSION RESULTS/SCOPE OF WORK

2.1 Project Scope

2.1.1 Overview

The Call Center Vendor shall operate and maintain an EBT Call Center as required by state and federal regulations. The function of the EBT Call Center is to provide customer service to clients and retailers participating in the Lone Star Electronic Benefit Transfer (EBT) program. The Call Center consists of two help desk functions, the Client Help Desk and the Retailer Help Desk. The Client Help Desk receives, answers, and/or routes calls from clients contacting the EBT Call Center for information, to report or resolve a problem, or for general inquiry purposes. The Retailer Help Desk provides manual voucher authorizations and general assistance to retailers as related to manual voucher authorizations.

The Texas EBT Call Center Vendor must follow Food Stamp Rules (regulations), which are published by the Federal Register in the Code of Federal Regulations 7 C.F.R., Parts 271 through 283 and State of Texas laws.

For the purpose of responding to this RFO, historical information on the types, average length, and numbers of calls that are handled by both Help Desks is presented in Appendix F and costing Tables A & B within the Cost Proposal section 3.11.2 Part 2.

Every month, clients receive a benefit allotment that is accessible on the same day each month – no matter if that day falls on a weekend or a holiday. In Texas, food stamp and cash benefits are distributed every day of the month up to the day of cutoff. Monthly cutoff is determined by the state and is typically after the 15th of the month. The ongoing caseload receives its Food Stamp Program (FSP) benefits staggered over the first fifteen (15) days of the month. TANF cash benefits are distributed over the first three (3) days of the month. The day clients receive their benefits is based on the last digit of their case number.

All services offered by the Help Desks must be accessible by touch-tone, pulse, and rotary dial telephones. In addition, the Help Desks must accept calls from hearing impaired services, such as Relay Texas. The Call Center Vendor shall maintain the State owned toll-free numbers. Currently, one (1) number (1-800-777-7328) connects callers to a Client Help Desk and one (1) number (1-800-418-8000) is for retailer support. The third number (1-800-765-3458) is the TDD (telecommunication

device for the deaf) number. These toll-free numbers may no longer be used when HHSC transitions to its 2-1-1 system.

The 2-1-1 system is the HHSC program responsible for the development, coordination and implementation of the statewide and referral network. The vendor will coordinate with and leverage the Texas Information and Referral Network, HHSC's 2-1-1 network, for single access point. The respondent's proposal must address the feasibility and cost impact of using 2-1-1 as the entry point for the call center. There will be a Department of Information Resources presentation on 2-1-1 at the vendor conference.

2.1.2 Access

(A) Operational Availability

Both the EBT Client and the Retailer Help Desks must be available seven (7) days per week, twenty-four (24) hours per day for select services. The Vendor must maintain staffing levels on each Help Desk so that clients and retailers are able to reach a live associate seven (7) days per week, twenty-four (24) hours per day (reference table on pages 24 - 26). See Appendices E and F for statistics on client and retailer calls.

(B) Language Support

EBT Call Center services, whether obtained through the Interactive Voice Response (IVR) units or from a Customer Service Associate (CSA), shall be available in English and Spanish (Spanish as it is spoken in Texas). Additional languages may be added in the future at the request of HHSC. Respondents should state the cost of each additional language. If there will be additional costs, include this cost as a separate line item, as required by the cost proposal. The most common non-English languages spoken in Texas include: Spanish, Vietnamese and German.

(C) Information Confidentiality

The EBT Call Center Vendor must ensure the confidentiality of client and retailer information obtained in the routine course of business. The Food Stamp Program (FSP) regulation for retailer information is 7 CFR § 278.1(q). The FSP regulation for client information is 7 CFR § 272.1(c).

(D) Telecommunications Redundancy

The EBT Call Center Vendor shall provide and maintain a fully redundant telecommunications network capable of supporting fluctuating call volumes. In addition, the awarded vendor must supply

telecommunication lines to link the EBT Call Center to the primary EBT host system and the backup data center. The Call Center must be located in the continental United States with a back-up Call Center at a minimum of 500 miles from the primary Call Center.

(E) Backup Operations/Disaster Recovery

Vendor must maintain back-up operations to allow for the continued operation of the EBT Call Center, as required by Section 2 of this RFO. Respondents shall address their backup and disaster recovery capabilities. The backup facility shall be operational and taking associate calls in a maximum of sixty (60) minutes and the IVR must be operational in a maximum of ten (10) minutes of the loss of any segment or function of the Call Center. At a minimum, the vendor must test all backup operations annually.

2.1.3 Operational Requirements

Respondents must describe their processes and methodology for ensuring all calls received at the Help Desks are answered, recorded, logged, prioritized, routed, tracked, reported, resolved, and closed. The awarded Call Center Vendor must provide call center software and hardware at the vendor's expense.

Client and retailer calls shall be handled according to call procedures approved by HHSC. The Awarded Vendor shall submit for approval a Client and Retailer Call Procedures Manual. The manual will be submitted to HHSC in soft and hard copies no later than 30 calendar days from the Contract Execution Date. Detailed in the manual will be all procedures for handling each type of call including specific circumstances wherein the Help Desk shall refer clients to the HHSC local offices. In addition, the manual will clearly describe escalation procedures to ensure all client and retailer problems, concerns, and/or issues are resolved in a timely, efficient, and courteous manner. Closure on a call occurs when the call has been correctly resolved according to the Call Procedures Manual. Included in the Call Procedures Manual shall be processes to allow for ongoing quality assurance and joint continuous improvement efforts through client/retailer call monitoring, training and performance reporting.

All calls will be audio-recorded and will be logged. The tape or electronic recording of each call shall be maintained and remain accessible for a period of six (6) months. Recorded calls shall be archived after three (3) months. Archived call retrieval time shall be no more than five (5) business days. Recorded calls must be available for HHSC on-line access for a minimum of three (3) months.

Archived calls must be submitted to HHSC upon request in a usable format. Respondents must provide a complete description as to the exact method by which calls will be retrieved.

On-line access by HHSC staff to EBT Call Center operations (real time staffing levels, client/retailer queues, historical performance statistics) is desirable, but not mandatory. In their response, Respondents are encouraged to discuss the options available to HHSC for on-line access. HHSC requires the ability to monitor Call Center performance and validation of performance reporting.

HHSC requires functionality that would allow temporary messages to be added to the system greeting in special situations, such as, disaster information, new program or service information.

Respondents shall address their ability to add special or temporary messages to the system greeting.

The Respondent must describe their processes and methodology for handling unexpected and expected high call volumes or handling calls during peak periods such as on benefit issuance days. As noted in Section 2.1.1 Project Scope Overview, issuance of food stamp benefits is based on the last digit of the food stamp case number and issued within the first fifteen (15) days of each month. TANF benefits are issued within the first three (3) days of each month. Hence call volume is highest within the first several days of each month. For a historical representation of calls during peak periods refer to the HHSC Weekly Call Summary Reports in Appendix F: Call Center Management Reports.

Due to unforeseen service interruptions, call volumes may, at times, be heavier than anticipated. To ensure that all clients and retailers receive services in a timely and cost-effective manner, the Call Center Vendor must have as an option in their Interactive Voice Response (IVR) and Customer Service Associates (CSA) procedures, a method of establishing and implementing a call priority answering hierarchy. This hierarchy of calls consists of the following:

- Lost or stolen cards - (twenty four (24) hours per day, seven (7) days per week)
- No card number entered (call routed to CSA) - (twenty four (24) hours per day, seven (7) days per week)

The Call Center Project Manager must be based in Austin, Texas or be present in Austin within 48 hours of HHSC's request.

The Call Center Vendor must cooperate with HHSC in integration testing with other EBT vendors and with programs such as the IEE and IBC, as well as the trial runs necessary when a new central processor is implemented.

In addition to describing their business processes and methodology, Respondents must identify their relevant resources for supporting the Texas EBT Call Center. At a minimum, Respondents must identify and/or describe the following.

- The number of proposed Customer Service Associates (CSA)
- Of the proposed CSA staff, identify the number of CSA's dedicated to this project*
- Of the proposed CSA staff, identify the number of CSA's shared with other projects
- Describe hardware environment, including telephony, telecom switch, backbone, LAN and WAN
- Describe software environment, including predictive dialing and automatic call distributor
- Describe method of Telecommunication forecasting
- Describe queuing system method
- Describe workforce management software, if used
- Describe approach to contract management (quality control, subcontract management, interface with other vendors)
- Describe plan for interacting with other Texas EBT vendors

*HHSC makes no representation that dedicated CSA's are mandatory, but recognizes their value.

HHSC must approve all proposed changes to vendor's key personnel.

HHSC reserves the right to approve all vendor subcontracts to the EBT Call Center contract.

2.1.4 Interactive Voice Response Unit

To ensure that all calls are answered in a time-sensitive and cost-effective manner, Respondents must provide Interactive Voice Response (IVR) service that initially answers all calls. The client and retailer IVRs must provide callers with options for service in both English and Spanish (Spanish as spoken in Texas). Depending on the type of service requested, the call can be serviced through the IVR or by a Customer Service Associate (CSA). The IVR must respond to "keyed" commands from clients and retailers using touch-tone phones. The IVR is not required to respond to voice commands. Respondents may describe their capabilities and pricing for responding to voice commands.

The IVR must prompt the caller to indicate if the caller is using a touch-tone telephone. If the caller is not using a touch-tone telephone, the call must be routed to a Customer Service Associate. If the

caller is using a touch-tone telephone, the IVR will prompt and provide services in either English or Spanish (Spanish as spoken in Texas).

For the purpose of responding to this RFO, representative samples of Call Center prompts are presented in Appendix G. Awarded vendor must follow the scripts, which will be provided by HHSC after contract award. The vendor may recommend improvements, which may be approved by HHSC. IVR reporting will include but is not limited to the number of total IVR calls and the number of calls received for each type of call request (e.g. PIN selection).

2.1.5 EBT Software Copyright Ownership and Procurement Standards

HHSC and the Call Center Vendor will comply with the software and automated data processing (ADP) equipment ownership rights prescribed under 7 CFR Chapter II, Section 277.13 and Section 277.18(1), FNS, USDA. HHSC and the Call Center Vendor will also comply with the procurement standards prescribed under Section 277.18(j) of the same chapter. Under service agreements, the procurement equipment and services that will be utilized in a Food Stamp Program EBT system, will be conducted in accordance with the provisions set forth under Section 277.18(f) of the same chapter.

2.1.6 System Interfaces

The Awarded Vendor must maintain direct, high capacity technology links to the EBT Central Processing Vendor's primary and backup facility at the awarded vendor's expense. In addition, the EBT Call Center Vendor must design, develop and implement interfaces to the EBT system that speeds information gathering (e.g., include screen-pop technology utilizing Remote Procedure Call (RPC) interface with the EBT System), facilitates problem resolution, and maintains data integrity. The Call Center must have the scalability to interface with other Health and Human Services (HHS) departments and systems currently in use as well as the new EBT vendors and other possible programs or vendors in the future.

The EBT Call Center must establish and maintain business process procedures and/or interfaces with Operations/Network Management/Central Processing software and the Retailer Management Settlement and Reconciliation Unit. These procedures/interfaces will be established and maintained to facilitate problem resolution and coordination among the various vendors.

Detailed information on the complete catalogue of RPCs will be provided by HHSC to the vendor before the signing of the EBT Call Center contract.

2.1.7 Maintenance and Enhancements

The Call Center Vendor will maintain at optimized levels all hardware and software of the call center system at no additional cost to HHSC.

Software maintenance is defined as maintenance of EBT application products, including interfaces. At a minimum, maintenance must include correcting bugs or hardware and software defects; patch implementation; adapting software to handle changes in the environment such as in the operating system or database management system; and perfecting the products' functionality, usability, reliability, performance, or security. Software maintenance does not include major rewrites of the product that substantially change the product's functionality.

Software enhancement is defined as a software development initiative that improves and/or adds functionality to a component of the Texas EBT System including, but not limited to the EBT host, network, reconciliation retailer and call center components. The scope and responsibilities for software enhancements are managed through the HHSC Lone Star Technology change approval process. Costs of Call Center software enhancements greater than a 100-hour effort per project will be reimbursed by HHSC at a maximum cost of \$125/hour.

After an enhancement has been implemented and accepted by HHSC, it will become a maintenance item and maintained at no additional cost to HHSC.

Any changes to the Call Center will require HHSC approval through the Lone Star Technology Change Management process. All components of the Help Desks and IVR shall be fully tested and approved by HHSC prior to going "live" to ensure capacity, functionality, and interface requirements are met.

2.1.8 Help Desk Service

(A) Client Help Desk Services

Clients calling the Help Desk shall be greeted by the IVR and shall be required to enter their 19-digit card number to enter the system. After successful entry and receipt of the card number, the IVR shall provide clients with options to get additional information or assistance.

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Clients without a card or unable to enter the card number shall default to a Customer Service Associate (CSA). Prior to a CSA providing any account information to a client, the associate must verify the authentication of the client. HHSC will provide the necessary data elements for authentication to the awarded vendor.

General Help Desk services and the hours that services are to be available to clients through the client IVR or client CSA are set forth in the following table.

Table 3: Client Help Desk Services

SERVICES	PROCEDURES	SERVICE PROVIDER		HOURS OF OPERATION (CENTRAL TIME)	
		IVR	CSA	8am – 7pm Mon-Fri	7 x 24
Accept report of lost, stolen or damaged card	Perform inquiry on Host EBT system to access client account Disable card on Host EBT system Obtain detailed information on last transaction (e.g., site/location, transaction type, amount, date) Provide client with information on replacement (card processed immediately, and then mailed)		X		X
Client unable to enter card number in IVR	Call routed to CSA		X		X
Provide account balance information	Perform inquiry on the Host EBT system to determine "real-time" balance	X			X

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Client Help Desk Services (continued)

SERVICES	PROCEDURES	SERVICE PROVIDER		HOURS OF OPERATION (CENTRAL TIME)	
		IVR	CSA	8am – 7pm Mon-Fri	7 x 24
Provide transaction history	Perform inquiry on the Host EBT system to determine last 10 transactions for each account (transaction history limited to last two (2) calendar months) If the client requests additional information, complete Settlement and Reconciliation Request and forward request by email to the Retailer Management Vendor (Settlement and Reconciliation)		X	X	
Provide information on card replacements (for cards not received)	Perform inquiry on Host EBT system to access client account Determine when card order was processed Explain process and timeframes for card replacements		X	X	
Provide assistance with secondary cardholder procedure	Explain secondary cardholder procedure and client liability for selecting a secondary cardholder		X	X	
Provide assistance with secondary cardholder application	Enter client request for secondary cardholder application on EBT Call Center System Forward request by email to the Retailer Management Vendor (Settlement and Reconciliation)		X	X	
Provide card registration (activation)	Perform inquiry on Host EBT system to access client account Register card on Host EBT system	X			X

Client Help Desk Services (continued)

SERVICES	PROCEDURES	SERVICE PROVIDER		HOURS OF OPERATION (CENTRAL TIME)	
		IVR	CSA	8am – 7pm Mon-Fri	7 x 24
Accept reports of unauthorized card usage	Perform inquiry on Host EBT system to access account Verify unauthorized usage with client Complete Settlement and Reconciliation Request and forward request by email to the Retailer Management Vendor Report unauthorized use immediately to the Retailer Management Vendor for investigation		X	X	
Accept complaints from clients regarding disputed transactions	Perform inquiry on the Host EBT system to access client account Gather information about the disputed transaction (e.g., date, type, amount, circumstances of complaint) on EBT Call Center system Immediately forward information by email to Retailer Management Vendor		X	X	
Accept complaints from clients on the EBT program	Document EBT complaint Forward information by email to HHSC/LST Program Operations office by close of business		X	X	
PIN selection and change	Personal Identification Number (PIN) selection and change performed through the IVR only	X			X
Provide training assistance	Training on the use of the Lone Star Card	X			X

Respondents are encouraged to offer service improvements.

(B) Secondary Cardholders

Under the Lone Star EBT program, clients have the ability to designate a second person to have access to their account. Referred to as secondary cardholders, these individuals receive a card and PIN and have access to the client’s account. Primary and secondary cards each have a separate PIN.

The EBT Call Center Vendor must respond to client requests for a secondary cardholder. This includes providing general and liability information and forwarding client requests for secondary cardholder applications to the Retailer Management Vendor. The Retailer Management Vendor mails the application to the client.

(C) Retailer Support

Currently, approximately 11,000 retailers participate in the Texas Lone Star EBT program and all have the capability of using manual vouchers when the EBT system is down. This is the only retailer support function required in this contract. Retailers call the Call Center for manual voucher authorization (See Appendix F for sample data). HHSC is currently implementing store and forward capability in accordance with federal regulations, which will lessen the need for the authorizations from the Call Center. The Call Center will be available twenty four (24) hours per day, seven (7) days per week for manual voucher authorizations.

The EBT Call Center does not assist retailers with equipment or communications problems. Retailers will contact their processor if they experience problems with their equipment and/or communications lines, and State-supported retailers will contact the Retailer Management Vendor's third party processor.

2.2 Performance Measures and Associated Remedies

2.2.1 Performance Standards/ Service Level Requirements

Performance standards regarding the number of seconds prior to the call being answered and the average time a caller is on hold will be consistent with the following standards for customer services. These minimum standards include, but are not limited to:

Call Answer Rate (these standards are based on daily performance):

- Ninety-eight (98) percent of all calls (client and retailer IVR and associate-assisted) answered within twenty (20) seconds.
- Ninety-two (92) percent of associate-assisted calls to be answered within thirty (30) seconds of call transfer. Five (5) percent will be answered within one (1) minute. The call abandonment rate shall not exceed three (3) percent.
- One hundred (100) percent of IVR calls to be answered within five (5) seconds of menu selection.

Additional Requirements:

- The Call Center must have the capacity to sustain a minimum of four hundred (400) in-bound call connections at any given time without a busy signal.
- Lost and stolen card requests will be given top priority in the Client Help Desk call wait queue.

A call automatically placed on hold prior to the caller receiving a prompt for caller response does not meet the definition of “answered” for the purposes of this Contract. Respondents must define the action to be taken in the event of a system overload and document their contingency plan in the event of a systems overload.

If the EBT Call Center Respondent proposes standards different than those listed above, the Vendor must provide reasons and documentation for the alternative standards. Final performance standards will be negotiated with the awarded vendor.

Respondents must discuss their plan for meeting the performance requirements. Respondents must include anticipated sizing and configurations in their discussion.

Respondents must provide mechanisms to report on these performance standards. All plans and mechanisms to be used for reporting shall be subject to approval from HHSC and/or the SIMS Unit.

The Call Center vendor must submit periodic Call Management reports as required by HHSC for the purpose of contract monitoring. Sample management reports, data elements, and the frequency requirements for these reports are presented in Appendix F. These reports are considered high impact. Additional reports or report modifications may be required in the future at the vendor's expense.

2.2.2 Management Plans

Management Plans are operating tools for the life of the contract. The awarded Vendor must have strong management practices. The Vendor must submit, implement and maintain management plans as specified by HHSC. The initial drafts of the plans are due to HHSC with the Respondent's offer. The final drafts of the management plans are to be submitted to HHSC for approval within the timeframes specified below. The awarded Vendor will submit the plans to HHSC in hard copy and in soft copy. The awarded Vendor will review and update the plans as needed, but at least on an annual basis. Final plans and updates to the plans must be completed, submitted, and approved by HHSC prior to being implemented.

The complete set of management plans include:

- Project Management Plan
- Implementation Plan
- Acceptance Testing Plan
- Quality Management Plan
- Change Management Plan
- Risk Management
- Problem Management
- Integration Management
- Security Management
- Configuration Management Plan
- Training and Communication Plan
- Disaster Recovery/Business Continuity Plan
- Disaster Response Plan
- Transition Plan

(A) Project Management Plan

The Vendor must establish a comprehensive Project Management Plan to track the project team's progress regarding project tasks, deliverables, milestones and the management of risks.

The Project Management Plan shall include defined expectations for the content and format of the contract deliverables and a schedule for key activities and milestones associated with all management plans required by HHSC and total staffing and resource allocation by skill set.

The initial draft of the Project Management Plan is to be submitted with the Respondent's offer. The final draft is to be submitted to HHSC for approval within thirty (30) calendar days after contract execution.

(B) Implementation Plan

The Implementation Plan must describe the Respondent's plan for implementing their solution, and describe how the transition of functions, facilities, and processes will transition from the current EBT Call Center vendor to the awarded vendor. The incoming Call Center vendor will be the lead in coordinating and facilitating all transition activities and the outgoing vendor must be responsive and cooperative.

The Implementation Plan must include but is not limited to the following:

- Project schedule with key milestones
- Outline of procedures to be followed during the implementation period
- Identification of key issues that need to be addressed during the implementation period
- Roles and responsibilities as they relate to Texas EBT Call Center functions for the incoming vendor, the outgoing vendor, HHSC and additional stakeholders
- Method of documenting and transferring assets developed by the outgoing vendor during the course of the previous contract (nature, type, stage of delivery, location, etc.).
- Point of contact and procedures for managing problems or issues during the changeover period
- Implementation test plan, including a minimum of two successful test exercises
- Contingency plan for failed transition of services to new vendor.

The initial draft of the Implementation Plan is to be submitted with the Respondent's offer. The final draft is to be submitted to HHSC for approval within thirty (30) calendar days after contract execution.

(C) Acceptance Testing Plan

The Acceptance Testing Plan shall define the responsibilities of the Vendor and HHSC, as well as all other parties involved with EBT Call Center functions. FNS may elect to participate in testing.

Acceptance testing shall be conducted on-site at the awarded vendor's Call Center facility. The

Acceptance Testing plan shall include, but not be limited to the following:

- The Acceptance Test Work plan: Define the activities associated with the acceptance test, when they will begin and end, responsible parties.
- Stakeholder Responsibilities: Describe the activities for which the various stakeholder groups are responsible. (i.e., creating test scenarios, performing the tests, and validating the results)
- Acceptance Criteria: Define Acceptance testing criteria (metrics).

The initial draft of the Acceptance Testing Plan is to be submitted with the Respondent's offer. The final draft is to be submitted to HHSC for HHSC and FNS approval within thirty (30) calendar days after contract execution.

(D) Quality Management Plan

The Quality Management plan provides the framework for a comprehensive, continuous, and measurable quality assurance program. The plan must embody the Respondent's endorsement of the fundamental importance of quality by promoting, reinforcing, and acknowledging quality management activities. The plan must include strategies and processes to promote quality and procedures to periodically measure and report quality performance to the State throughout the contract period. The plan must specify how often the Vendor conducts internal audits and engages external auditing firms to conduct audits of its operations, and must include a requirement that the Vendor shall supply to HHSC, as and when received by the Vendor, copies of all internal and external quality assurance audit reports.

The initial draft of the Quality Management Plan is to be submitted with the Respondent's offer. The final draft is to be submitted to HHSC for approval within thirty (30) calendar days after contract execution.

(E) Change Management Plan

This plan must provide a comprehensive strategy to manage change and control scope of the operation. The plan must provide a formalized methodology including how changes will be proposed, reviewed, tracked, and approved. The methodology must also address how change requests will be

analyzed and presented, identifying the impact of the change to the schedule, quality, and cost structure.

The Call Center Change Management Plan must be consistent with the LST Change Management Plan (Appendix H) and include specifics regarding training and communication procedures, protocols, and feedback systems to facilitate coordination of daily operational activities between the State, other Vendors, subcontractors, stakeholders, and trading partners.

The initial draft of the Change Management Plan is to be submitted with the Respondent's offer. The final draft is to be submitted to HHSC for approval within sixty (60) calendar days after contract execution.

(F) Risk Management

This plan must include a comprehensive strategy and methodology for identifying, assessing, reporting, managing, and mitigating risk.

The initial draft of the Risk Management Plan is to be submitted with the Respondent's offer. The final draft is to be submitted to HHSC for approval within sixty (60) calendar days after contract execution.

(G) Problem Management

The Problem Management Plan must include a comprehensive strategy and methodology for identifying, assessing, reporting, managing, and resolving problems.

The initial draft of the Problem Management Plan is to be submitted with the Respondent's offer. The final draft is to be submitted to HHSC for approval within sixty (60) calendar days after contract execution.

(H) Integration Management

The Integration Management Plan must document the planned approach for how business activities will be coordinated and managed with the State, other Vendors, subcontractors, stakeholders and/or trading partners.

This plan must also include system integration coordination activities to ensure technological compatibilities among hardware, software, system interfaces, and telecommunications infrastructures.

The initial draft of the Integration Management Plan is to be submitted with the Respondent's offer. The final draft is to be submitted to HHSC for approval sixty (60) calendar days after contract execution.

(I) Security Management

The Security Management Plan must include methods for resolving the following major security concerns for each component of the system: environmental security, physical site security, computer hardware security, computer software security, data access and storage, client/user security, telecommunications security and network security.

The Security Plan must comply with the FNS EBT System Security Guidelines of February, 2004. Also, the current Food Stamp Program (FSP) regulations 7 CFR § 277.18 (p) and the Computer Security Act of 1987 and the USDA Automated Data Processing (ADP) security regulations must be used.

The initial draft of the Security Plan is to be submitted with the Respondent's offer. The final draft is to be submitted to HHSC for approval sixty (60) calendar days after contract execution.

(J) Configuration Management Plan

This plan must include processes and procedures to track the hardware and software inventories installed and the combination of hardware and software residing on each component of equipment. The approach should use an automated system.

The initial draft of the Configuration Management Plan is to be submitted with the Respondent's offer. The final draft is to be submitted to HHSC for approval within thirty (30) calendar days after contract execution.

(K) Training and Communication Plan

The Training and Communication Plan must provide a comprehensive strategy to train and communicate to internal and external stakeholders. HHSC must approve all training and communication materials.

The plan must include but is not limited to the following:

- audiences to be trained (internal as well as external)

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- description of the types of training and communications that will be developed and delivered
- description of the methods of delivery that will be used
- specifics regarding communication procedures, protocols, and feedback systems to facilitate coordination of daily operational activities between HHSC, other vendors, subcontractors, stakeholders, and trading partners
- methods for training course evaluation and feedback and how that feedback will be used
- methods for identifying ongoing training and communication needs
- tasks, deliverables and milestones

The initial draft is to be submitted with the Respondent's offer. The final draft is to be submitted to HHSC for approval sixty (60) calendar days after contract execution.

(L) Disaster Recovery/Business Continuity Plan

This plan must include processes and procedures to provide for uninterrupted service delivery. Additionally, the plan must include courses of action to address potential and probable issues or problems that could occur during operations. The location of all Disaster Recovery operations must also be identified and approved by HHSC.

The initial draft of the Disaster Recovery Plan is to be submitted with the Respondent's offer. The final draft is to be submitted to HHSC for approval within thirty (30) calendar days after contract execution.

(M) Disaster Response Plan

This plan must include the business processes and methodology for responding to a disaster or emergency that indirectly affects HHSC and its client base. The Respondent must describe its ability to respond to an unforeseen need to increase relevant resources (increase staffing, IVR script changes, public information and message control procedures, etc.) in support of the HHSC mission as identified in this RFO. Additionally, the plan must include procedures and preparedness for implementing emergency changes in coordination with HHSC disaster assistance efforts.

The initial draft of the Disaster Response Plan is to be submitted with the Respondent's offer. The final draft is to be submitted to HHSC for approval within sixty (60) calendar days after contract execution.

(N) Transition Plan

The Transition Plan must describe the Vendor's role and responsibilities during an EBT Transition period to a new vendor such as the end of the contract or contract default. The incoming Call Center vendor will be the lead in coordinating and facilitating all transition activities and the outgoing vendor must be responsive and cooperative.

The Transition Plan must include but is not limited to the following:

- (1) issues that need to be addressed during a transition period
- (2) vendors' roles and responsibilities as they relate to Texas EBT Call Center functions
- (3) HHSC's roles and responsibilities as they relate to Texas EBT Call Center functions
- (4) additional stakeholders' roles and responsibilities as they relate to the transition of Texas EBT Call Center functions
- (5) an outline of key milestones during the transition period
- (6) an outline of procedures to be followed during the transition period
- (7) the Vendor's method of identifying, documenting and transferring assets developed (nature, type, stage of delivery, location, etc.) during the course of the contract that are subject to the transition plan
- (8) a contact person and procedures for managing problems or issues during the changeover period.
- (9) Requiring support for at least 2 test cycles prior to transition to new vendor
- (10) Contingency for failed transition of services to new vendor. Components of this requirement must include the vendor's decision-making process and a plan for continuation of services

The initial draft of the Transition Plan is to be submitted with the Respondent's offer. The final draft is to be submitted to HHSC for HHSC and FNS approval within sixty (60) calendar days after contract execution.

2.2.3 Monitoring

HHSC will monitor the contract performance requirements on a regular basis. HHSC will perform on-site and desk reviews to monitor contract requirements on a regular basis. Monitoring will be based upon RFO contract deliverables/requirements and performance measures as defined in the contract. HHSC may use Independent validation and verification techniques in addition to monitoring.

2.2.4 Liquidated Damages

The State of Texas expects the Call Center Vendor to perform its responsibilities and tasks as specified in this Contract. This expectation is reasonable, within normally acceptable business practices, and in the best interests of the State, its electronic payment beneficiaries, and its citizens.

To emphasize this approach, the critical dates for major project milestones and project deliverables specified within this Contract will be negotiated with the EBT Call Center Vendor.

The State has chosen to address the majority of the project "risks" related to Call Center Vendor performance through the assignment of liquidated damages. The "liquidated damages" provisions described below represent the projected financial loss and expenditures that may occur as a result of the Call Center Vendor non-performance, including financial loss (reduced cost savings) as a result of project delays.

The Call Center Vendor must acknowledge that:

- If the Call Center Vendor does not fulfill its obligations under the Contract, HHSC will be damaged.
- Establishing the precise amount or value of such damage would be difficult to quantify.
- The liquidated damages provided for in these Terms and Conditions represent a good faith effort to establish a reasonable estimate of the damages that will be incurred by the HHSC in the circumstances or situations described.
- Liquidated damages will start to accumulate immediately following the end of the cure period; and cure periods begin upon the Call Center Vendor's discovery or receipt of notification that a deficiency has occurred.
- Liquidated damages stop accumulating upon written acceptance by HHSC of vendors corrective action.

The time set forth in the Contract for the completion of work is an essential element of the Contract. The EBT Call Center Vendor's failure to complete work within the timeframes prescribed by the Contract will cause damage to the State and possibly to the other vendors. If the Call Center Vendor is responsible for impacting the timelines of the other vendors, the Call Center Vendor will be held accountable as determined by the representative designated by HHSC. Therefore, should the Call Center Vendor fail to complete the work within the agreed upon times, the State will assess and/or collect liquidated damages in the amounts set below. The State's failure to assess liquidated damages in one or more of the particular instances described below shall in no event waive the right of the State to assess additional liquidated or actual damages. HHSC reserves the right to pursue recovery of actual losses resulting from the failure of the Call Center Vendor to perform, in addition to the specific liquidated damages noted below.

Should any of the following listed events occur during the Contract, HHSC will assess liquidated damages against the Call Center Vendor in the amounts specified below. HHSC shall notify the Call

Center Vendor in writing for any default specified herein, and such liquidated damages shall be paid by the Call Center Vendor within thirty (30) calendar days of the HHSC notice. HHSC shall have the right to deduct the amount of any liquidated damages assessed by HHSC against the Call Center Vendor from amounts otherwise payable to the Call Center Vendor under the Contract.

Except where noted otherwise, expectations and activities described within this document will be evaluated as having the general impact criteria described below for the purposes of liquidated damages. HHSC will evaluate both the accuracy and timeliness of expectations and activities in order to determine potential liquidated damages. HHSC will provide written notice ten (10) days prior to the assessment of any liquidated damages. This notice will allow the opportunity for a written response to HHSC within the ten (10)-day period regarding any considerations that may be applicable to the liquidated damages being considered. Except as noted otherwise:

- calendar day versus business day rules apply; and
- liquidated damages will not be assessed during the specified “cure period,” which is intended to allow correction of the accuracy and/or timelines deficiency.

(A) Project Delays

If the project is delayed through action or inaction by the Call Center Vendor such that the project implementation deadline, outlined in the Contract, cannot be achieved by the EBT Call Center Vendor, the Call Center Vendor will be in material breach of the Contract.

Should a project delay event occur and not be remedied by the EBT Call Center Vendor, within a cure period, HHSC shall notify the Vendor in writing of the occurrence of a project delay event. After written notice from HHSC of the occurrence or existence of such project delay event, HHSC shall have the right to assess liquidated damages in the amounts specified below for each day that such unremedied project delay event exists after expiration of the applicable cure period:

- Failure to have the 1-800 client number and IVR scripts functional, due to the Call Center Vendor fault, in the amount of \$1000 (one thousand) per day, after a five (5)-day cure period.
- Failure to have the 1-800 retailer number and IVR scripts functional, due to the Call Center Vendor fault, in the amount of \$1000 (one thousand) per day, after a five (5)-day cure period.
- Failure to generate accurate EBT Call Center management reports as scheduled, in the amount of \$500 (five hundred) per day, per report, after a five (5)-day cure period.

Failure of the Call Center Vendor to submit the following required Management Plans in a final version to HHSC, will result in liquidated damages in the amount of \$500 (five hundred) per plan per day after a five (5)-day cure period. Liquidated damages also apply to Management Plans that are changed due to any future updates that may be required by HHSC.

Table 4: Management Plans

Management Plan	Initial Draft Due	Final Draft Due Days from contract execution
Project Management	Submitted with offer	Thirty (30) calendar days
Implementation	Submitted with offer	Thirty (30) calendar days
Acceptance Test	Submitted with offer	Thirty (30) calendar days
Quality Management	Submitted with offer	Thirty (30) calendar days
Change Management	Submitted with offer	Sixty (60) calendar days
Risk Management	Submitted with offer	Sixty (60) calendar days
Problem Management	Submitted with offer	Sixty (60) calendar days
Integration Management	Submitted with offer	Sixty (60) calendar days
Security Management	Submitted with offer	Sixty (60) calendar days
Configuration Management	Submitted with offer	Thirty (30) calendar days
Training and Communication	Submitted with offer	Sixty (60) calendar days
Disaster Recovery/Business Continuity	Submitted with offer	Thirty (30) calendar days
Disaster Response Plan	Submitted with Offer	Sixty (60) calendar days
Transition	Submitted with offer	Sixty (60) calendar days

The State has identified certain instances of default or non-performance that, should they continue to occur over extended periods of time, will cause extreme financial losses to and hardship for the State. Should such conditions of default continue, however, the State intends to pursue recovery of actual losses resulting from the EBT Call Center Vendor's failure to perform, and expressly reserves this right. The State's failure to assess liquidated or actual damages in one or more of the particular instances described below shall in no way modify or waive the right of the State to assess additional liquidated or actual damages relating to other similar occurrences.

(B) Performance

Liquidated damages will be assessed if the Call Center Vendor fails to meet Contract performance standards as defined by the Call Answer Rate in Section 2.2.1. The Call Center Vendor must report all instances of non-performance to the State as soon as the non-performance issue is detected by submitting an initial incident summary report. The initial incident summary report must be submitted in writing and via e-mail (including text message, pager, etc) to HHSC within 24 hours of the incident. A detailed incident report must be submitted in writing and via e-mail to HHSC within seven (7) calendar days of the incident.

- If the Call Center vendor fails to meet the Call Answer Rate in Section 2.2.1, HHSC will assess liquidated damages in the amount of \$5000 (five thousand) per day after a one (1) day cure period.
- If the Call Center causes or contributes to non-performance within the Texas EBT system and is the fault of the Call Center Vendor, HHSC shall have the right to assess liquidated damages in the amount of \$5000 (five thousand) per day after a one (1) day cure period.

(C) Reports

Liquidated damages will be assessed if the Call Center Vendor fails to produce required reports. Calendar days are applicable unless otherwise noted. (See sample reports in Appendix F)

- High Impact Reports – in the amount of \$500 (five hundred) per day per report after a three (3)-day cure period.

(D) Activity

General Liquidated Damage criteria per incident:

- High Impact Activity– in the amount of \$500 per day after cure period as specified in the following table
- Medium Impact Activity - in the amount of \$200 per day after cure period as specified in the following table
- Low Impact Activity - in the amount of \$100 per day after cure period as specified in the following table

The following table of activities and expectations provides additional specific criteria regarding liquidated damages.

Table 5: Activity Cure Periods

ACTIVITY	FREQUENCY	IMPACT	CURE PERIOD
Provide IVR services; RFO Section 2.1.4	Daily	High	1 day
Provide associate-assisted calls; RFO Section 2.1.8 A	Daily	High	1 day
Provide manual authorizations to retailers; RFO Section 2.1.8 C	Daily	High	1 day
Follow the HHSC hierarchy of calls; RFO Section 2.1.3	Daily	High	2 days
Provide call center services in English and Spanish (Spanish as spoken in Texas); RFO Section 2.1.2 B	Daily	High	2 days
Maintain call center software and hardware at optimized levels ; RFO Section 2.1.7	Daily	High	1 day
Maintain confidentiality of client and retailer information; RFO Section 2.1.2 C	Daily	High	1 day
Telecommunication redundancy; RFO Section 2.1.2 D	Daily	High	1 day
Disaster/backup operations: RFO Section 2.1.2 E	As needed	High	1 day
Maintain interface with EBT host; RFO Section 2.1.2 D, Section 2.1.6	Daily	High	1 day

2.3 Project Schedule

The Call Center Project Schedule is listed in three (3) phases as follows. Note that all dates are calendar days unless otherwise noted. The current EBT Call Center contract expires on September 30, 2006.

2.3.1 Phase I: Call Center Procurement

Target Milestone	Duration	Start	Finish
Call Center Procurement	155 days	12/2/05	5/5/06
Posting of RFP	90 days	12/2/05	3/1/06
Submission of Bids	1 day	3/1/06	3/1/06
Evaluation of Bids	15 days	3/1/06	3/15/06
Negotiations, Contract Development, and HHSC Approvals	30 days	3/16/06	4/14/06
FNS Review and Approval	30 days	4/6/06	5/5/06
New contract executed	1 day	5/5/06	5/5/06

2.3.2 Phase II: Outgoing Call Center Vendor Transition

Target Milestone	Duration	Start	Finish
Outgoing Vendor Transition	141 days	5/5/06	9/22/06
Transition/Cut Over Plan	50 days	3/31/06	5/19/06
Contract Award to New Vendor	1 day	5/5/06	5/5/06
Transfer Utilization of AVR Scripts to HHSC	15 days	3/31/06	4/14/06
Transfer Utilization of RPCs to EBT Host processing	15 days	5/5/06	5/19/06
Interface Transfers	98 days	5/5/06	8/10/06
Interface with EBT Host	98 days	5/5/06	8/10/06
Interface with Retail Vendor	29 days	5/5/06	6/2/06
Transfer of 1-800 Numbers	77 days	6/1/06	8/16/06
Data Transfer	11 days	5/5/06	5/15/06
Problem Resolution and Support	43 days	8/16/06	9/27/06
Knowledge Transfer	131 days	5/15/06	9/22/06
Documentation	21 days	9/8/06	9/28/06
Completion of pending/unresolved tasks	21 days	9/8/06	9/28/06
Final Close out of Call Center Reports	30 days	8/31/06	9/29/06
Concurrent Operation w/ new vendor	7 days	9/22/06	9/28/06
Close out process	30 days	8/30/06	9/28/06
Termination of EBT CC Contract	1 day	9/30/06	9/30/06

Section 2 – Mission Results/Scope of Work

2.3.3 Phase III: Incoming Call Center Vendor transition

Target Milestone	Duration	Start	Finish
New Vendor Implementation	147 days	5/5/06	9/28/06
Transition Plan for Cut Over from Previous Vendor	30 days	5/5/06	6/3/06
Establish new operational processes/procedures	30 days	5/5/06	6/3/06
Develop Graphical User Interface for Associates	98 days	5/5/06	8/10/06
Develop and Test AVR Scripts	98 days	5/5/06	8/10/06
Develop and Test RPCs to EBT Host Processor	98 days	5/5/06	8/10/06
Develop and Test Interface with EBT Host	98 days	5/5/06	8/10/06
Develop and Test Interface with Retail Vendor	97 days	5/5/06	8/9/06
Establish new operational processes/procedures with Central Processing and Retailer Management Vendors	60 days	6/5/06	8/3/06
Establish Security procedures/regulations	98 days	5/5/06	8/10/06
Establish 1-800 Number for Clients	90 days	5/19/06	8/16/06
Establish 1-800 Retailer Number	90 days	5/19/06	8/16/06
Develop Monthly usage reports	90 days	5/5/06	8/2/06
Knowledge Transfer with outgoing vendor	131 days	5/15/06	9/22/06
Associate Training	60 days	7/28/06	9/25/06
Two Trial Runs	15 days	8/24/06	9/7/06
FNS Acceptance Testing (and re-testing if necessary)	15 days	9/7/06	9/21/06
Concurrent Operations with Outgoing Vendor	7 days	9/22/06	9/28/06
Cutover	7 days	9/22/06	9/28/06

3 GENERAL INSTRUCTIONS AND RESPONSE REQUIREMENTS

3.1 Notice of Intent to Offer

A prospective vendor must submit a Notice of Intent to Offer (see page 2) to the HHSC Point of Contact identified in Section 1.8 no later than December 19, 2005, 5:00 PM Central Time. This is a mandatory requirement. A vendor that does not submit a notice of intent to offer **may not** submit an offer; however, a vendor that submits a notice of intent to offer is not required to submit an offer.

3.2 Vendor Conference

HHSC will hold a vendor conference on December 15, 2005 from 1:00 PM to 5:00 PM (Central Time) in room number 164 at the Texas Health and Human Services Commission Building #2, located at 909 West 45th Street, Austin Texas. Attendance at the conference is strongly recommended, but is not required.

Vendors may e-mail questions for the conference to the HHSC Point of Contact (see Section 1.8) no later than five (5) days before the conference. HHSC will also provide vendors the opportunity to submit written questions at the conference. All questions submitted by email or at the conference must reference the appropriate RFO page and section number. Although HHSC may provide tentative responses to questions at the conference, responses are not official until they are posted on the HHSC website.

3.3 Vendor Questions and Comments

All questions and comments regarding this RFO must be submitted electronically to the e-mail address contained in Section 1.8 (HHSC Point of Contact). All questions must reference the appropriate RFO page and section number. In order to receive a response, vendor questions and comments must be received no later than the deadline set forth in Section 1.9 (Project Timeline). Inquiries received after the due date may be reviewed by HHSC but will not receive a response. Any clarifications, addenda, or amendments, whether made as a result of a potential vendor's written question or otherwise, will be posted on the HHSC website.

A Respondent must inquire in writing as to any ambiguity, conflict, discrepancy, exclusionary specification, omission or other error in this RFO prior to submitting an offer. If a Respondent fails to notify HHSC of any error, ambiguity, conflict, discrepancy, exclusionary specification or omission, the Respondent shall submit an offer at its own risk and, if awarded the contract, shall have waived any claim that the RFO and contract were ambiguous and shall not contest HHSC's interpretation. If no

error or ambiguity is reported by the deadline for submitting written questions, the Respondent shall not be entitled to additional compensation, relief or time by reason of the error or its later correction. The costs for bid response preparation is the responsibility of the Respondent.

HHSC will post answers on its website to all written questions received by the deadline for submitting written questions. HHSC reserves the right to amend answers prior to the offer submission deadline.

3.4 *Modification or Withdrawal of Offer*

Offers may be withdrawn from consideration at any time prior to the offer submission deadline. A written request for withdrawal must be made to the HHSC Point of Contact (Section 1.8).

A Respondent has the right to amend its offer at any time and to any degree by written amendment to the HHSC Point of Contact prior to the offer submission deadline. HHSC reserves the right to request an amendment to any part of the offer during negotiations.

HHSC reserves the right to waive minor informalities in an offer and award a contract that is in the best interests of the State of Texas. A minor informality may include, but is not limited to, a minor irregularity or error such as a clerical error in the production of copies of the offer. When HHSC determines that an offer contains a minor informality, HHSC shall notify the Respondent of the irregularity or error and shall provide the Respondent the opportunity to correct.

3.5 *News Releases*

A Respondent may not issue press releases or provide any information for public consumption regarding its participation in this procurement without specific, prior written approval of HHSC.

3.6 *Incomplete Offers*

HHSC will reject without further consideration an offer that does not include a complete, comprehensive, and total solution as requested by this RFO.

3.7 *State Use of Vendor Ideas*

HHSC reserves the right to use any and all ideas presented in any offer unless the Respondent presents a legal case citing ownership of the Respondent's intellectual property. A Respondent may not object to the use of ideas that are not the Respondent's proprietary information and so designated in the offer that:

- were known to the State before submission of the offer;

- were in the public domain through no fault of the State; or
- became properly known to the State after submission of the offer through other sources or through acceptance of the offer.

3.8 Property of HHSC

All products produced by a Respondent as a result of this RFO or a resulting contract, including without limitation, plans, designs, software and other deliverables, will become the sole property of HHSC.

3.9 Additional Information

By submitting an offer, the Respondent grants HHSC the right to obtain information from any lawful source regarding: (i) the past business history, practices, conduct and ability of a Respondent to supply goods, services and requirements; and (ii) the past business history, practices, conduct and ability of the Respondent's directors, officers and employees. By submitting an offer, the Respondent generally releases from liability and waives all claims against any party providing information about the Respondent at HHSC's request. HHSC may take such information into consideration in evaluating offers.

3.10 Instructions for Submitting Offers

3.10.1 Number of Copies

Submit one (1) original and 15 copies of the offer. The original must be signed in ink by an authorized representative of the Respondent. In addition, submit one electronic copy of the offer on a floppy disk or compact disk compatible with Microsoft Office 2000. If there are any disparities between the contents of the printed RFO and the electronic RFO, the contents of the printed RFO will take precedence.

3.10.2 Submission

Submit all copies of the RFO to the HHSC Contact Point of Contact (Section 1.8) no later than 5:00 p.m. on March 1, 2006.

3.10.3 Additional Requirements

All offers must be:

- Clearly legible;
- Sequentially page-numbered;

Section 3 – General Instructions and Response Requirements

- Organized in the sequence outlined in Section 3.11;
- Bound in a notebook or cover;
- Responsive to the requirements of this RFO;
- Typed, double-spaced on 8½" x 11" paper;
- In Arial or Times New Roman font, size 12 for normal text, no less than size 10 for tables, graphs and appendices.
- Offers should include the Respondent's name at the top of each page, and should not include unrequested materials or pamphlets.

3.11 Format and Content

In responding, the Respondent shall provide all information that it believes would be helpful to HHSC in establishing its ability to perform the requirements. The Respondent must clearly explain how it will fulfill all needs and requirements contained in the specific section to which it is responding. Mere recitation of state and vendor requirements will not be considered as an adequate response. Responses that only represent, acknowledge, or reiterate the requirements of the RFO will be considered non-responsive.

The offer must consist of three parts:

- Part 1 – Business Proposal; (include references and work history)
- Part 2 – Cost Proposal, and
- Part 3 – Identification of Proprietary Information

A table of contents must be included in the RFO with respective page numbers for each section of the RFO.

3.11.1 Part 1 -- Business Proposal

Part 1, Business Proposal, must include:

- Section I – Transmittal Letter;
- Section II – Executive Summary;
- Section III – Corporate Background and Experience;
- Section IV – Project Scope and Requirements;
- Section V – Assumptions;
- Section VI – Appendices;
- Section VII – HUB Subcontracting Plan;

Section 3 – General Instructions and Response Requirements

- Section VIII – Certifications, Requested Forms and Attachments;
- Section IX – Financial Capacity and Bonding.

Cross Referencing

The Respondent must not address any of the requirements from one section in another section of their offer. All offers must correspond to and numerically reference the appropriate section.

The offer must contain a chart of cross-reference identifying where in the offer HHSC may locate the response to RFO Sections 1 through 3. Inclusion of the specific page number is mandatory.

A commitment made to comply with a specific section of the RFO must not be amended in a later section of the RFO response. Failure to comply with these requirements may result in disqualification of an offer. Conciseness and clarity of content must be emphasized.

Section I -- Transmittal Letter

Respondents must include a transmittal letter printed on official company letterhead. The letter must be signed in ink by an individual authorized to legally bind the Respondent.

The transmittal letter must include:

- Disclosure of all pending, resolved, or completed litigation, mediation, arbitration, or other alternate dispute resolution procedure involving the Respondent (including subcontractors, subsidiaries, or affiliates) within the past 24 months.
- A description of any personal or business interest that may present an actual, potential or apparent conflict of interest with the performance of the contract (see Section 1.7(b)), and an explanation of how the Respondent can assure HHSC that these relationships will not create a conflict of interest.
- A description of the past employment by HHSC or another Texas State agency in accordance with the requirements of Section 1.7(c).
- A complete list of all exceptions, reservations and limitations to the terms and conditions of the RFO, including HHSC's Uniform Contract Terms and Conditions.

Section II -- Executive Summary

In this section, the Respondent should condense and highlight the content of the Business Proposal to provide HHSC with a broad understanding of the Respondent's approach to meeting the RFO's business requirements. The summary must demonstrate an understanding of HHSC's goals and objectives for this procurement. The Executive Summary must be no longer than eight (8) pages.

Section III -- Corporate Background and Experience

This section details the Respondent's corporate background and experience. If the Respondent proposes to use subcontractor(s), it must describe any existing ongoing relationships with such subcontractor(s), including project descriptions. The section should include the following information.

Contact Information:

- Respondent's full organization, company or corporate name;
- Headquarter address;
- Type of ownership (e.g. partnership, corporation);
- If Respondent is a subsidiary or affiliate, the name of parent organization;
- State where the Respondent is incorporated or otherwise organized to do business;
- Federal taxpayer identification;
- Name and title of person who will sign the contract; and
- Name and title of person responsible for responding to questions regarding the RFO, with telephone number, facsimile number and e-mail address (including subcontractors).

Corporate Background and Experience.

Describe the Respondent's corporate background as it relates to projects similar in scope and complexity to the project described in this RFO. If the offer includes the use of subcontractors, include a similar description of the subcontractor's corporate background.

Include a description and at least three (3) references from projects performed within the last five (5) years that demonstrate the Respondent's ability to perform the required RFO services. Include contract dates and customer points of contact, address, telephone number and e-mail,

if available, from whom HHSC can obtain confirmation of Respondent's performance. The Respondent must explain whether work was performed as a prime contractor or subcontractor. If the work was performed as a subcontractor, the Respondent must describe the scope of subcontracting activities.

Resumes.

Identify and describe the Respondent's proposed labor skill set and provide resumes of all proposed Key Personnel (as defined by the Respondent). Resumes must demonstrate experience germane to the position proposed. Resumes should include work on projects cited under the Respondent's corporate experience, and the specific functions performed on such projects. Each resume should include at least three (3) references from recent projects. References may not be Respondent's employees.

Section IV – Project Scope and Requirements

Describe the Respondent's proposed processes and methodologies for providing the Mission Results/Scope of Work, including the Respondent's approach to meeting the Project Schedule.

The awarded Call Center Vendor must provide the following services and goods (as fully described in Section 2 of this RFO):

Section 2.1 Project Scope

Section 2.1.1 Overview

The Call Center Vendor shall operate and maintain an EBT Call Center as required by State and federal regulations.

Section 2.1.2. Access

(A) Operational Availability

Both Client and Retailer Help Desks must be available seven (7) days per week, twenty-four (24) hours per day for select services.

(B) Language Support

EBT Call Center services, whether obtained through the Interactive Voice Response (IVR) units or from a Customer Service Associate (CSA), shall be available in English and Spanish (Spanish as it is spoken in Texas). Additional languages may be added in the future at the request of HHSC.

(C) Information Confidentiality

The EBT Call Center Vendor must ensure the confidentiality of client and retailer information obtained in the routine course of business.

(D) Telecommunications Redundancy

The EBT Call Center Vendor shall provide and maintain a fully redundant telecommunications network capable of supporting fluctuating call volumes.

(E) Backup Operations/Disaster Recovery

Vendor must maintain back-up operations to allow for the continued operation of the EBT Call Center.

Section 2.1.3. Operational Requirements

Respondents must describe their processes and methodology for ensuring all calls received at the Help Desks are recorded, logged, prioritized, routed, tracked, reported, resolved, and closed. Respondent must also include relevant resources.

Section 2.1.4. Interactive Voice Response Unit

To ensure that all calls are answered in a time-sensitive and cost-effective fashion, Vendor must provide Interactive Voice Response (IVR) service that initially answers all calls coming into each Help Desk. The client and retailer IVRs must provide callers with options for service in both English and Spanish (Spanish as spoken in Texas).

IVR reporting will include the number of total IVR calls and the number of calls received for each call request. For example, PIN selection.

Section 2.1.5 EBT Software Copyright Ownership and Procurement Standards

Section 3 – General Instructions and Response Requirements

The awarded Vendor must comply with the software and automated data processing (ADP) equipment ownership rights prescribed under Federal Regulations.

Section 2.1.6 System Interfaces

The Awarded Vendor must maintain direct, high capacity technology links to the EBT Central Processing Vendor's primary and backup facility.

Section 2.1.7 Maintenance and Enhancements

The Call Center Vendor is expected to maintain all components of the call center system including software at no additional cost to HHSC.

Section 2.1.8 Client Help Desk

Clients calling the Help Desk shall be greeted by the IVR and shall be required to enter or speak their 19-digit card number to enter the system. After successful entry and receipt of the card number, the IVR shall provide clients with options to get additional information or assistance.

(A) Client Help Desk Services

General Help Desk services and the hours that services are to be available to clients through the client IVR or client CSA are set forth in the Client Help Desk Service table in Section 2.1.8. Respondents are encouraged to offer service improvements.

(B) Secondary Cardholders

Under the Lone Star EBT program, clients have the ability to nominate a second person to have access to their account. Referred to as secondary cardholders, these individuals receive a card and PIN and have access to the client's account. The EBT Call Center Vendor must respond to client requests for a secondary cardholder.

(C) Retailer Help Desk

Currently, approximately 11,000 retailers participate in the Texas Lone Star EBT program. Retailers call the Call Center Vendor for manual voucher authorization.

Section 2.2 Performance Measures and Associated Remedies

Section 2.2.1 Performance Standards/ Service Level Requirements

Section 3 – General Instructions and Response Requirements

Call Answer Rate (these standards are based on daily performance):

- Ninety-eight (98) percent of all calls (client and retailer IVR and associate-assisted) answered within twenty (20) seconds.
- Ninety-two (92) percent of associate-assisted calls to be answered within thirty (30) seconds of call transfer. Five (5) percent will be answered within one (1) minute. The call abandonment rate shall not exceed three (3) percent.
- One hundred (100) percent of IVR calls to be answered within five (5) seconds of menu selection.

Additional Requirements:

- The Call Center must have the capacity to sustain a minimum of four hundred (400) in-bound call connections at any given time without a busy signal.
- Lost and stolen card requests will be given top priority in the Client Help Desk call wait queue.

Section 2.2.2. Management Plans

The awarded vendor must have strong management practices. The vendor must submit, implement and maintain Management Plans as specified by HHSC. Plans include:

- Project Management Plan
- Implementation Plan
- Acceptance Testing Plan
- Quality Management Plan
- Change Management Plan
- Risk Management
- Problem Management
- Integration Management
- Security Management
- Configuration Management Plan
- Training and Communication Plan
- Disaster Recovery/Business Continuity Plan
- Disaster Response Plan
- Transition Plan

Section V -- Assumptions

Section 3 – General Instructions and Response Requirements

State any business, economic, legal, programmatic, or practical assumptions that underlie the Respondent's response to the Business Proposal.

Section VI -- Appendices

Include any appendices to the Respondent's Business Proposal.

Section VII -- HUB Subcontracting Plan

Attach the Respondent's HUB Subcontracting Plan. Instructions for completing this requirement are included in Section 4.

Section VIII – Certifications and Other Required Forms

In addition to the HUB Subcontracting Plan, Respondents must complete the following required forms:

- Child Support Certification;
- Debarment, Suspension, Ineligibility, and Voluntary Exclusion for Covered Contracts;
- Federal Lobbying Certification;
- Nondisclosure Statement; and
- Certification Letter.

The required forms are located on HHSC's website, under the "Business Opportunities" link. HHSC will not evaluate offers that do not contain completed copies of the required forms. HHSC encourages Respondents to carefully review all of these forms and submit questions concerning their completion prior to the deadline for submitting questions relating to this RFO (see Section 1.9).

Respondents must certify compliance with the following FNS required provisions:

- Compliance with Executive Order 11246 related to "Equal Employment Opportunity"
- Compliance with Copeland "Anti-Kickback Act" (18 U.S.C. 874)
- Compliance with Section 306 of the Clean Air Act
- Compliance with Section 508 of the Clean Water Act

- Compliance with the Anti-Lobbying Act
- Compliance with debarment (suspension) requirements
- FNS has royalty-free rights to use software and documentation developed

Section IX – Financial Capacity and Bonding

Respondents must submit evidence of adequate financial stability. If the Respondent is a subsidiary, affiliate, or creation of one or more entities, and the proposing entity presents or relies upon the experience, financial stability or other qualifications of the parent or other entity(ies), the Respondent must also include the most recent detailed financial report of the parent or other entity(ies) and a statement that the parent or other entity(ies) will unconditionally guarantee performance by the vendor in each and every term, covenant, and condition of any contract as executed by the parties.

The Respondent must submit a current financial statement plus two years of audited financial reports, including the United States Securities and Exchange Commission, Form 10K, Annual Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934, if applicable. If any change of ownership of the company is anticipated during the 12 months following the RFO due date, the vendor must describe the circumstances of such change and indicate when the change is likely to occur.

Evidence of Financial Solvency - The Respondent must provide a certified public accountant's statement of tangible net worth statements during the term of the Contract between September 1 and September 30 of each State Fiscal Year. Included in the statement must be a description of any uncertainties and the potential impact of such uncertainties on tangible net worth. Tangible net worth is defined as net worth less intangible assets. Net worth can include a parent company's assets if these assets have been pledged under the conditions below if a subsidiary is the Vendor.

Security for Awarded Vendor's Performance

A contract awarded under this RFO will not be executed until after the awarded Vendor has submitted, in a timely manner, appropriate assurances acceptable to HHSC that the awarded Vendor will be able to perform, and that the state will be able to continue to operate and maintain the subject matter of this procurement in the event of a failure to perform. Such assurances may consist of a performance bond or other financial instrument or mechanism to protect the state against losses in the event of the awarded Vendor's failure to perform. Notwithstanding any other provision of this RFO, failure to timely provide the appropriate assurances may result in HHSC's election to revoke the award.

3.11.2 Part 2 -- Cost Proposal

The Cost Proposal must be placed in a separate, sealed package, clearly marked with the Respondent's name, the RFO number, and the RFO submission date. The Cost Proposal must be signed in ink by an individual authorized to legally bind the Respondent.

Respondents must base their Cost Proposals on the Mission Results/Scope of Work described in Section 2. This section must include any business, economic, legal, programmatic, or practical assumptions that underlie the Cost Proposal.

Respondents must separately identify cost-savings and cost-avoidance methods and measures and the effect of such methods and measures on the Cost Proposal and Scope of Work.

Respondents must submit a Cost Proposal in the formats required below. The primary evaluation cost factors for selecting the Call Center vendor is the following cost (as required in Table A and Table B):

- Price per minute (price per minute or partial minutes) for Interactive Voice Response (IVR) answered calls
- Fixed price per Associate-assisted call
- Tier costing for both Interactive Voice Response (IVR) answered calls and Associated answered calls at greater and lesser volumes, as identified in Tables A and B.
- IVR Call cost must be rounded to the nearest minute

The Start-up and Implementation cost proposal (Table D) and the Operating Cost Information cost proposal (Table E) are also evaluation factors in the selection of the Call Center vendor.

HHSC estimates a call volume of 3,300,000 calls per month with a 25% variable, of which approximately 98% are IVR calls. HHSC makes no representation of actual call volume and call volume may be affected by circumstances outside the control of HHSC, such as disaster assistance calls.

Vendor shall bill HHSC within the first three (3) days of each calendar month for services rendered and associated with Table A (IVR calls) and Table B (CSA calls) for the prior calendar month. Start-up and Implementation costs (Table D) will be paid monthly and reimbursed over the initial contract term (five years). Cost proposals must be submitted in the following format, as required by each table.

Table A. Interactive Voice Response (IVR) Calls

REQUIRED FORMAT:

Service Description	Pricing Type	Call Volume per Month	Cost Per Minute
Interactive Voice Response (IVR) Answered Calls	Price per minute	Up to 500,000	\$.XX
Interactive Voice Response (IVR) Answered Calls	Price per minute	500,001 to 2,474,999	\$.XX
Interactive Voice Response (IVR) Answered Calls	Price per minute	2,475,000 – 4,125,000*	\$.XX
Interactive Voice Response (IVR) Answered Calls	Price per minute	4,125,001 – 4,625,000	\$.XX
Interactive Voice Response (IVR) Answered Calls	Price per minute	4,625,001 – 5,125,000	\$.XX
Interactive Voice Response (IVR) Answered Calls	Price per minute	5,125,001 – 6,000,000	\$.XX

**HHSC estimates a baseline call volume of 3,300,000 calls per month with a 25% variable. Estimated length of call is 52 seconds*

Table B. Customer Service Associated (CSA) Answered Calls

REQUIRED FORMAT:

Service Description	Pricing Type	Call Volume per Month	Cost Per Call
Customer Service Associate (CSA) Answered Calls	Fixed price per call	Up to 40,000	\$X.XX
Customer Service Associate (CSA) Answered Calls	Fixed price per call	40,001 – 50,249	\$X.XX
Customer Service Associate (CSA) Answered Calls*	Fixed price per call	50,250 – 83,750*	\$X.XX
Customer Service Associate (CSA) Answered Calls	Fixed price per call	83,751 – 93,750	\$X.XX
Customer Service Associate (CSA) Answered Calls	Fixed price per call	93,751- 103,750	\$X.XX
Customer Service Associate (CSA) Answered Calls	Fixed price per call	103,751- 113,750	\$X.XX

**HHSC estimates a baseline call volume of 67,000 associate answered calls per month with a 25% variable. Estimated length of a CSA call is 2(two) minutes. This does not include hold time.*

Table C. Optional Cost Items:

Respondent may provide a cost for the following optional services. HHSC reserves the right to select some, all, or no options. Should an option or options be selected, HHSC will pay a fixed price per call based on the State’s selection of the option or options provided by the vendor. The inclusion of IVR voice recognition capability within this table does not imply that it is solely an optional function. HHSC recognizes that Respondents may include IVR voice recognition capabilities within their base solution. IVR voice recognition is included in this table for those Respondents that do not offer this capability in their base solution. Respondents must base their Table C optional cost proposals on the baseline call volumes identified in Table A and Table B.

Table C. Optional Costs

REQUIRED FORMAT:

Line Item Costs	Pricing Type	Call Volume per Month	Cost
Additional Languages:			
German	Fixed price per Associate Answered Call	Price must be based on baseline CSA call volume listed in table B	\$X.XX
Vietnamese	Fixed price per Associate Answered Call	Price must be based on baseline CSA call volume listed in table B	\$X.XX
Other: <i>Specify Language</i>	Fixed price per Associate Answered Call	Price must be based on baseline CSA call volume listed in table B	\$X.XX
Other: <i>Specify Language</i>	Fixed price per Associate Answered Call	Price must be based on baseline CSA call volume listed in table B	\$X.XX
Other: <i>Specify Language</i>	Fixed price per Associate Answered Call	Price must be based on baseline CSA call volume listed in table B	\$X.XX
IVR Voice recognition capability	Fixed Price per minute	Price must be based on baseline IVR call volume listed in table A.	\$X.XX

Table D. Start-up and Implementation Cost:

The Start-up and Implementation phase is defined as the Contract Effective date through the Cutover date, at which time the Operations phase begins. Refer to the Project Schedule (Section 2.3) for Target Milestones and associated dates.

Start-up and Implementation costs to meet the RFO requirements will be paid on a fixed fee basis. Start-up and Implementation costs in excess of the final fixed price amount(s) included in the contract resulting from this RFO will not be paid by the State. All expenses incurred by the Vendor after the commencement of the operational phase of the contract resulting from this RFO to complete any start-up, implementation, transition activities, or correct any defects from the Start-up and Implementation Phase must not be recorded as an operational expense and will not be considered an allowable expense for the Operational Phase of the contract.

Implementation costs will be proposed to allow the successful Vendor to assume the responsibilities of each applicable component included in the RFO from the contract effective date through the cutover date. Start-up costs, implementation costs, and any transition costs must be proposed using Table D and will not be paid as an element of operational costs. Start-up and Implementation costs (Table D) will be paid monthly and reimbursed over the initial contract term (five years). Payment of Start-up and Implementation cost shall not begin until an evaluation and acceptance by HHSC of successful performance as required by this RFO and identified during contract negotiation.

Table D provides the framework for Respondents to input all cost factors within the appropriate cost category. Respondents must refer to the instructions for Pass-Through Items listed at the bottom of Table E. Expense types shown within the table are examples only. If a relevant cost factor is not included in the table, Respondents must fully describe and add the item to the appropriate category and subtotal if necessary. The expenses in each component should be aggregated by type. Upon completion by the Respondent, this table should be a comprehensive cost list of all the Respondents Start-up and Implementation cost for supporting the Texas EBT Call Center only. Proposed Start-up and Implementation costs will be included in the pricing evaluation and must be submitted using the following table:

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Table D: Start-up/Implementation Costs

REQUIRED FORMAT:

		Fixed Cost
1.0	Staffing Costs Total	
1.1	Salaries	
1.2	Fringe Benefits	
1.3	% Indirect Rate 1	Costs:
2.0	Telecom Total	
2.1	Telecom (include Telecom Provider minutes, payphone surcharges, etc.)	
2.2	Other Telecom Item 1	
2.3	Other Telecom Item 2	
3.0	Hardware Total	
3.1	Hardware Item 1	
3.2	Hardware Item 2	
3.3	Hardware Item 3	
4.0	Software Total	
4.1	Client Software Licenses (maintenance, upgrades, ongoing cost only)	
4.2	Network Software	
4.3	Telecom/Call Center Software	
4.4	Software Development and Implementation	
4.6	Consultation	
4.7	Other Software Item 1	
4.8	Other Software Item 1	
5.0	Sub-Contractors Total	
5.1	Subcontractor 1	
5.2	Subcontractor 2	
5.3	Subcontractor 3	
5.5	Travel	
5.6	Network Support	
5.7	Admin Support	
6.0	Additional Expenses Total	
6.1	Additional Expense 1	
6.2	Additional Expense 2	
6.3	Additional Expense 3	
6.4	Additional Expense 4	
6.6	% Indirect Rate 2	Costs:
7.0	Pass-Through Expenses Total	
7.1	Capital expenditures (including lease payments, depreciation, and hardware)	
7.2	Facilities	
7.3	Office Rent (inc leasehold improvements & lease pass-through expense)	
7.4	Postage / Delivery expenses	
7.5	Printing expenses	
7.6	Total Pass-through expenses	
7.7	Other Pass-through Item 1	
8.0	TOTAL ALL EXPENSES	

Table E. Operating Cost Information:

Respondent must identify all relevant operating cost for supporting the Texas EBT Call Center as required by this RFO. HHSC makes no representation that it will directly pay for such costs. Respondents must provide operating cost expenses in support of the proposed cost in Table A & Table B. Table E provides the framework for Respondents to input all cost factors within the appropriate cost category. Expense types shown within the table are examples only. If a relevant cost factor is not included in the table, Respondents must fully describe and add the item to the appropriate category and subtotal if necessary. The expenses in each component should be aggregated by type. Expenses listed in Table E are for one-year periods. Respondents must base their Table E operating expenses on the baseline call volumes identified in Table A and Table B. Upon completion by the Respondent, this table should be a comprehensive cost list of all the Respondents operating cost for supporting the Texas EBT Call Center only.

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Table E: Operating Costs

Required Format:

		Year 1	Year 2	Year 3	Year 4	Year 5
1.0	Staffing Costs Total					
1.1	Salaries					
1.2	Fringe Benefits					
1.3	% Indirect Rate 1					
	%					
	Costs:					
2.0	Telecom Total					
2.1	Telecom (include Telecom Provider minutes, payphone surcharges, etc.)					
2.2	Other Telecom Item 1					
2.3	Other Telecom Item 2					
3.0	Hardware Total					
3.1	Hardware Item 1					
3.2	Hardware Item 2					
3.3	Hardware Item 3					
4.0	Software Total					
4.1	Client Software Licenses (maintenance, upgrades, ongoing cost only)					
4.2	Network Software					
4.3	Telecom/Call Center Software					
4.4	Software Development and Implementation					
4.6	Consultation					
4.7	Other Software Item 1					
4.8	Other Software Item 2					
5.0	Sub-Contractors Total					
5.1	Subcontractor 1					
5.2	Subcontractor 2					
5.3	Subcontractor 3					
5.5	Travel					
5.6	Network Support					
5.7	Admin Support					
6.0	Additional Expenses Total					
6.1	Additional Expense 1					
6.2	Additional Expense 2					
6.3	Additional Expense 3					
6.4	Additional Expense 4					
6.6	Indirect Rate 2*					
	%					
	Costs:					
7.0	Pass-Through Expenses Total**					
7.1	Capital expenditures (including lease payments, depreciation and hardware)					
7.2	Facilities					
7.3	Office Rent (inc leasehold improvements & lease pass-through expense)					
7.4	Postage / Delivery expenses					
7.5	Printing expenses					
7.6	Total Pass-through expenses					
7.7	Other Pass-through Item 1					
8.0	TOTAL ALL EXPENSES					

****Instructions for Pass-Through Items**

Actual expenditures for pass-through items made on the State's behalf will be paid without allocation of any indirect charges (general & administrative expenses, overhead, etc.) or profit. The Vendor must utilize Table D and Table E to depict the amount of pass-through expenses that will be paid without indirect charges or profit. Items designated as pass-through items include the following:

- Capital expenditures including lease and/or rental payments, depreciation and capital equipment
- Sales taxes on capital expenditures including lease and/or rental payments on capital equipment
- All postage expenses and/or delivery expenses directly related to the operation of the contract resulting from this RFO
- Software license fees and software maintenance fees
- Office rent (including leasehold improvements and lease pass-through expenses)
- All printing costs including client communications, client handouts, provider manuals, handbooks, bulletins, and similar print materials
- All telecommunication lines, including local lines, toll-free lines, electronic communications lines, fiber optic lines, cell phones, internet connections for external staff, etc.

***Instructions for use of Indirect Rate**

Indirect rate # 1

Should the Respondent add an indirect rate to the salary and fringe costs that is in addition to the general and administrative indirect rate (see indirect rate #2), the respondent should use this line to do so. If the Respondent does not have this indirect rate, then simply leave this line blank.

Indirect rate # 2

Respondent should use indirect rate # 2 if you are including general and administrative cost which cannot be allocated to individual cost line items. If general and administrative costs are not involved in your pricing, then simply leave this line blank.

Respondents shall separate information deemed proprietary in a separate section of the RFO. The proprietary information shall be referenced in the body of the offer but physically kept separate to facilitate Public Information Act requests and web posting of contracts. See 7 CFR 278.1(q).

3.12 Multiple Responses

A Respondent may submit only one offer for the EBT Call Center contract although it is permissible for one Respondent to propose on both the EBT Call Center and the EBT Retailer Management RFOs. If a Respondent intends to propose on both the EBT Call Center and the EBT Retailer Management RFOs, two (2) separate proposals must be submitted in accordance with the requirements of each RFO. A Respondent may submit an offer on its own behalf or submit an offer with one or more Respondents as a joint offer. If a Respondent submits more than one offer for the call center, all the call center offers from that Respondent may be rejected.

This requirement does not limit a subcontractor's ability to collaborate with more than one Respondent.

3.13 Joint Offer

Two or more companies may join together and submit a joint proposal in response to this RFO. A joint proposal must completely define the responsibilities each company proposes to undertake. Also, the joint proposal must designate a primary Respondent who will be responsible for the delivery of all goods, services and requirements as specified in the RFO, and a single authorized official from the primary Respondent to serve as the sole point of contact between HHSC and the joint proposers. Any contract resulting from a joint proposal must be signed by an authorized agent or officer of each company. Each company included in the submission of a joint proposal will be jointly and severally liable during the term of the contract.

3.14 Texas Public Information Act

An offer submitted to HHSC in response to this RFO is subject to public disclosure under the Texas Public Information Act (the Act), Texas Government Code, Chapter 552, unless the offer, or any part of the offer, can be shown to fall within one or more of the exceptions to required public disclosure listed in the Act. If a Respondent believes that parts of an offer are exempted from required public disclosure under the Act, the Respondent must specify those parts and the exception(s) that it believes apply, with specific detailed reasons. HHSC will process any request for information comprising all or part of the Respondent's offer in accordance with the procedures prescribed by the Act. A Respondent should consult the Attorney General's website (www.oag.state.tx.us) for

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information concerning the application of the Act's provisions to offers, proposals and potential proprietary information.

4 Historically Underutilized Business Participation

Note to All Respondents: Texas law provides that an offer filed in response to this RFO that does not contain a historically underutilized business (HUB) subcontracting plan is non-responsive, in accordance with [Texas Government Code § 2161.252](#).

4.1 Introduction

4.1.1 This section sets forth requirements that every offer must meet in order to comply with state laws and HHSC's rules regarding HUBs. Respondents should read HHSC's [Policy on the Utilization of Historically Underutilized Businesses \(HUBs\)](#) and this article carefully before preparing an offer.

HHSC is committed to promoting full and equal business opportunities for all businesses in State contracting in accordance with the goals specified in the State of Texas Disparity Study. HHSC has adopted administrative rules and policies relating to HUBs and encourages the use of HUBs through race, ethnic, and gender-neutral means. Pursuant to HHSC's HUB rules, [Texas Administrative Code Title 1, Chapter 392, Subchapter J](#), and pursuant to [§§2161.181-182, Texas Government Code](#), HHSC is required to make a good faith effort to increase HUB participation in contracts for construction, service (including professional and consulting services), and commodity contracts. HHSC may accomplish the goal of increased HUB participation by contracting directly with HUBs or indirectly through subcontracting opportunities.

4.1.2 In accordance with Texas Government Code, Chapter 2161, Subchapter F, each state agency that considers entering into a contract with an expected value of \$100,000 or more shall, before the agency solicits bids, proposals, offers, or other applicable expressions of interest, determine whether subcontracting opportunities are probable under the contract.

(A) State agencies shall use the following steps to determine if subcontracting opportunities are probable under the contract:

- (i) Use the HUB participation goals in §111.13 of this title (relating to Annual Procurement Utilization Goals); and
- (ii) Research the Centralized Master Bidders List, the HUB Directory, the Internet, and other directories, identified by the commission, for HUBs that may be available to perform the contract work.

Section 4 – Historically Underutilized Business Participation

(B) In addition, determination of subcontracting opportunities may include, but is not limited to, the following:

- (i) contacting other state and local agencies and institutions of higher education to obtain information regarding similar contracting and subcontracting opportunities; and
- (ii) reviewing the history of similar agency purchasing transactions.

4.1.3 The statewide HUB participation goals, set by the Texas Building and Procurement Commission (TBPC) as a result of the State of Texas Disparity Study are classified under the following categories:

- (1) Heavy construction other than building contracts 11.9%;
- (2) Building construction 26.1%;
- (3) Special trade construction contracts 57.2%;
- (4) Professional services contracts 20%;
- (5) All other services contracts 33%; and
- (6) Commodities contracts 12.6%.

HHSC and its contractors shall make a good faith effort to meet or exceed the HUB participation goals listed above for each fiscal year by maximizing the inclusion of certified HUBs in the procurement process.

The goods and/or services requested under this RFO are classified under **“Other Services Contract” and the HUB participation goal is 33.0%.**

4.1.4 HHSC’s policy on the utilization of HUBs businesses is related to all **“Other Services”** contracts with an expected value of \$100,000 or more. HHSC may, at its discretion, require contractors to report HUB utilization in contracts with an expected value of less than \$100,000.

4.2 HUB Subcontracting Plan (HSP) Procedures

4.2.1 The following procedures are specified by HHSC’s administrative rules relating to HUBs, which adopt the TBPC’s HUB rules. If there are any discrepancies between HHSC’s administrative rules and this RFO, the rules shall take priority.

4.2.2 HHSC has determined that subcontracting opportunities are probable under this RFO. Therefore, HHSC requires the submission of a HUB Subcontracting Plan (HSP), at the same time as the RFO response, as a part of each offer. The HSP, if accepted by HHSC, will become a provision of any contract awarded as a result of this RFO. Offers that do not include a HSP, or offers that contain a HSP that HHSC determines was not developed in good faith, shall be rejected as a material failure to

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comply with the specifications set forth in this [RFO \(as related to the Texas Administrative Code, Title 1, Part 5, Chapter 111, Subchapter B, Rule 111.14, \(a\) \(2\)\(B\)](#).

- 4.2.3 To search for potential HUB vendors who may perform subcontracting opportunities, Respondents may refer to the TBPC Centralized Master Bidders List (CMBL) HUB Directory, which is found at www.tbpc.tx.us/cmb/cmbhub.html. Class and item codes for potential subcontracting opportunities under this RFO, include, but are not limited to:

Class:

915 Communications and Media Related Services

Item Number and Commodity Description:

49 High Volume, Telephone Call Answering Services

Class:

920 Data Processing, Computer, Programming, and Software Services

Item Number and Commodity Description:

28 Emergency Back-Up Services

40 Programming Services

91 Training, Computer Based (Software Supported)

Class:

962 Miscellaneous Services

Item Number and Commodity Description:

69 Personnel Services, Temporary

- 4.2.4 In order for HHSC to determine that a good faith effort was made, each Respondent shall send notices to three (3) or more HUBs for each area that the Respondent plans to subcontract. Respondents are not limited to the list of subcontracting opportunities identified above, and may identify additional areas of subcontracting.

- 4.2.5 Upon request, HHSC will provide Respondents with a list of HUB vendors from the TBPC's CMBL or other related listings that may perform the subcontracting opportunities. The listing of potential subcontractors is for informational purposes only. HHSC does not endorse, recommend nor attest to the capabilities of any company or individual listed. This listing of certified HUBs is subject to change, therefore Respondents are encouraged to use the TBPC's website to find the most current listing of

certified HUBs. A complete and more updated list of all TBPC certified HUBs or registered bidders may be electronically accessed through the Internet at <http://www.tbpc.state.tx.us>. HHSC may provide additional information concerning HUB certified vendors at the vendor conference.

4.2.6 As part of the HSP, HHSC requires each Respondent to state in writing whether the Respondent itself is a Texas certified HUB. This information is collected for the purpose of reporting HHSC's HUB utilization. However, being certified as a HUB does not exempt any Respondent from complying with the required HSP.

4.3 If the Respondent Intends to Subcontract Portions of the "Other Services" Contract

4.3.1 Because HHSC has determined that subcontracting opportunities are probable, a Respondent who intends to subcontract any part of the work must include a HSP with its response. For each area identified, the Respondent should provide documentation of the notices sent to three or more HUBs in each of the areas the Respondent plans to subcontract.

4.3.2 HHSC's review of a Respondent's HSP will include evidence of good faith effort in developing a HSP for "Other Services" Contracts, which includes, but is not limited to the following procedures:

- (A) Divide the contract work into reasonable lots or portions to the extent consistent with prudent industry practices. The Respondent should identify each area of the contract work the Respondent plans to subcontract.
- (B) Notify HUBs of the subcontracting opportunities that the Respondent intends to subcontract. The method of notification shall be in writing. The notice shall, in all instances, include 1) the scope of the work; 2) specifications; and, 3) identify a contact person. The notice shall be provided to potential HUB subcontractors prior to submission of the Respondent's response.
 - (i) The Respondent shall provide potential HUB subcontractors reasonable time to respond to the Respondent's notice. "Reasonable time to respond" in this context is no less than five working days from receipt of notice, unless circumstances require a different time period, which is determined by the HHSC and documented in the contract file.
 - (ii) The Respondent shall use the commission's Centralized Master Bidders List, the HUB Directory, Internet resources, and/or other directories as identified by the commission or HHSC when searching for HUB subcontractors. Respondents rely on the services of minority, women, and community organizations, contractor groups, local, state, and federal business assistance offices, and other organizations that provide assistance in identifying qualified

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applicants for the HUB program who are able to provide all or select elements of the HUB subcontracting plan.

- (iii) The Respondent shall provide the notice described in this section to three or more HUBs per each subcontracting opportunity that provide the type of work required for each subcontracting opportunity identified in the contract specifications or any other subcontracting opportunity the Respondent cannot complete with its own equipment, supplies, materials, and/or employees. The Respondent must document the HUBs contacted on the forms provided by the TBPC which is part of this RFO (See Attachment “D”)

(C) Provide written justification of the selection process if a non-HUB subcontractor is selected.

(D) Provide notice to a minority or women trade organization or development center to assist in identifying HUBs by disseminating subcontracting opportunities to their membership/participants. Examples of minority or women trade organization websites are, but not limited to:

- (i) Texas Women’s Chamber of Commerce - www.womenschambertexas.com;
- (ii) Texas Asian Chamber of Commerce - www.txasianchamber.org;
- (iii) Texas Association of Mexican American Chamber of Commerce
<http://www.tamacc.org/chambers/index.html>; and
- (iv) Texas Association of African American Chamber of Commerce <http://www.taaacc.org>

(E) The Respondent must Notify HUBs of the subcontracting opportunities that the Respondent intends to subcontract. The preferable method of notification shall be in writing. The notice shall, in all instances, include the scope of the work, information regarding the location to review plans and specifications, information about bonding and insurance requirements, and identify a contact person. The notice shall be provided to potential HUB subcontractors prior to submission of the Respondent's response.

4.3.3 In making a determination if a good faith effort has been made in the development of the required HUB subcontracting plan, **HHSC requires the Respondent to submit supporting documentation explaining how the Respondent has made a good faith effort. The documentation shall include the following:**

- (A) Evidence that, for each area the Respondent plans to subcontract, the Respondent provided the notice described above to three or more HUBs that perform the type of work. Evidence of notice should include official written documentation, (i.e. phone logs, fax transmittals confirmations, e-

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mail correspondence confirmation, certified mail receipts, etc) to demonstrate compliance with the notice required in this subsection.

- (B) how the Respondent provided notice to a minority or women trade organization or development center to assist in identifying HUBs by disseminating subcontracting opportunities to their membership/participants; and
- (C) how the Respondent's notices contain adequate information about bonding, insurance, the availability of plans, the specifications, scope of work, required qualifications and other requirements of the contract allowing reasonable time for HUBs to participate effectively;

When requested, additional documentation shall include at least the following:

- (A) how the Respondent divided the contract work into reasonable lots or portions consistent with prudent industry practices identifying each area the Respondent plans to subcontract.
- (B) how the Respondent negotiated in good faith with qualified HUBs, not rejecting qualified HUBs who were also the best value responsive bidder;

4.3.4 A Respondent's participation in a Mentor Protégé Program under the Texas Government Code §2161.065, and the submission of a protégé as a subcontractor in the HSP constitutes a good faith effort for the particular area to be subcontracted with the protégé. When submitted, state agencies may accept a Mentor Protégé Agreement that has been entered into by the Respondent (mentor) and a certified HUB (protégé). The HHSC shall consider the following in determining the Respondent's good faith effort:

- (A) if the Respondent has entered into a fully executed Mentor Protégé Agreement that has been registered with the commission prior to submitting the plan, and
- (B) if the Respondent's HUB subcontracting plan identifies the areas of subcontracting that will be performed by the protégé.

4.3.5 In developing the HSP, Respondents are encouraged to identify, as part of the HSP, multiple subcontractors who are able to perform the work in each area that the Respondent is planning to subcontract. Selecting additional subcontractors for each area may assist the awarded contractor in making changes to its original HSP, when needed, and will allow HHSC to approve any necessary changes expeditiously.

4.3.6 The HSP shall include the responses to Section 4.3 and **Attachment "D" which includes the following:**

- (i) certification that Respondent has made a good faith effort to meet the requirements of this section;

- (ii) identification of the subcontractors that will be used during the course of the contract;
- (iii) the expected percentage of work to be subcontracted; and
- (iv) and the approximate dollar value of that percentage of work. The plan shall include goals established pursuant to §111.13 of this title (relating to Annual Procurement Utilization Goals).

4.3.7 A Respondent's participation in a Mentor Protégé Program under the Texas Government Code §2161.065, and the submission of a protégé as a subcontractor in the Respondent's HSP constitutes a good faith effort for the particular area(s) to be subcontracted with the protégé. **When applicable, the Respondent must attach a copy of its Mentor Protégé Agreement that has been approved by a sponsoring state agency and identify each protégé on Attachment "D". (See Sections 4, 8, and 10 on Attachment "D") This form is available through the HHSC website as an HHSC Required Form under the heading HUB Subcontracting Plan Forms (Pre-Award Submissions). Visit the HHSC website at:**
http://www.hhsc.state.tx.us/about_hhsc/Contracting/rfp_attach/attach.html

4.4 If the Respondent Does Not Intend to Subcontract

4.4.1 If the Respondent is able to fulfill any of the potential subcontracting opportunities identified with its own equipment, supplies, materials and/or employees, Respondent must sign an affirmation and provide a statement explaining how the Respondent intends to fulfill each subcontracting opportunity. The Respondent must include a HSP with its response. The Respondent's HSP shall include responses to section 4.4 and **Sections 9 and 10 on Attachment D** attesting that the Respondent does not intend to subcontract any of the services identified by HHSC in this RFO. The Respondent shall provide supporting documentation to substantiate the statement. The Respondent must agree to provide the following if requested by HHSC:

- (A) agree to produce evidence of existing staffing to meet contract objectives'
- (B) agree to supply monthly payroll records showing company staff fully engaged in the contract;
- (C) agree to periodic on site reviews of company headquarters or work site where services are to be performed; and
- (D) agree to produce documentation proving employment of qualified personnel holding the necessary licenses and certificates required to perform the work.

4.5 Evaluation of the HSP

4.5.1 The HUB subcontracting plan shall be reviewed and evaluated prior to contract award and, if accepted, shall become a provision of HHSC's contract. Revisions necessary to clarify and enhance information submitted in the original HUB subcontracting plan may be made in an effort to determine good faith effort. HHSC shall review the documentation submitted by the Respondent to determine if a good faith effort has been made in accordance with this section. If HHSC determines that a submitted HUB subcontracting plan was not developed in good faith, HHSC shall treat the lack of good faith as a material failure to comply with advertised specifications, and the RFO shall be rejected as a material failure to comply with the advertised specification. The reasons for rejection shall be recorded in the procurement file.

4.6 Changes to the HSP After a Contract Has Commenced

4.6.1 If the Respondent is selected and decides to subcontract any part of the contract after the award, as a provision of the contract, the Contractor must comply with provisions of this section relating to developing and submitting a subcontracting plan before any modifications or performance in the awarded contract involving subcontracting can be authorized by HHSC. If the selected Contractor subcontracts any of the work without prior authorization and without complying with this section, the Contractor would be deemed to have breached the contract and be subject to any remedial actions provided by Texas Government Code, Chapter 2161, state law and this section. HHSC may report nonperformance relative to its contracts to the commission in accordance with Chapter 113, Subchapter F of the TAC Code (relating to the Vendor Performance and Debarment Program).

4.6.2 If at any time during the term of the contract, a Contractor desires to make changes to the approved subcontracting plan, proposed changes must be received for prior review and approval by HHSC before changes will be effective under the contract. The HHSC shall approve changes by amending the contract or by another form of written HHSC approval. The reasons for amendments or other written approval shall be recorded in the procurement file.

4.6.3 If HHSC expands the original scope of work through a change order or contract amendment, including a contract renewal that expands the scope of work, the HHSC shall determine if the additional scope of work contains additional probable subcontracting opportunities not identified in the initial solicitation. If the HHSC determines additional probable subcontracting opportunities exist, the HHSC will require the Contractor to submit a HSP/revised HSP for the additional probable subcontracting opportunities.

4.6.4 The HSP/revised HSP shall comply with the provisions of this section relating to development and submission of a subcontracting plan before any modifications or performance in the awarded contract

involving the additional scope of work can be authorized by the HHSC. If the Contractor subcontracts any of the additional subcontracting opportunities identified by the HHSC without prior authorization and without complying with this section, the Contractor would be deemed to have breached the contract and be subject to any remedial actions provided by Texas Government Code, Chapter 2161, state law and this section. HHSC may report nonperformance relative to its contracts to the commission in accordance with Chapter 113, Subchapter F of the TAC Code (relating to the Vendor Performance and Debarment Program.)

4.7 Reporting and Compliance with the HSP

- 4.7.1 After a contract between HHSC and the awarded prime vendor has been executed, HHSC will coordinate a post award meeting with the awarded vendor to discuss the HSP reporting requirements.
- 4.7.2 The contractor/vendor shall maintain business records documenting its compliance with the HUB subcontracting plan and shall submit a compliance report to the HHSC monthly and in the format required by the Texas Building and Procurement Commission and HHSC. **The compliance report submission shall be required as a condition for payment.** During the term of the contract, the HHSC shall monitor the HUB subcontracting plan monthly to determine if the value of the subcontracts to HUBs meets or exceeds the HUB subcontracting provisions specified in the contract.
- 4.7.3 HHSC staff will monitor the Contractor for compliance from the date of award to the completion of the contract. The Contractor shall report HUB subcontracting information to HHSC on a monthly basis (5th day of each month), or as requested. Accordingly, HHSC shall audit and require a Contractor to whom a contract has been awarded to report to the HHSC the identity and the amount paid to its subcontractors in accordance with 111.16 of this title related to State Agency reporting requirements.
- 4.7.4 HHSC shall maintain documentation of the Contractor's efforts in HHSC's contract compliance file. The Contractor shall provide Attachment "E" HSP Prime Contractor Progress Assessment Report". Attachment "E" is the Contractor's Progress Assessment Report (HUB-PAR) Documentation of Work Subcontracted during the reporting period. This attachment is used to report to the Contractor's identification of its subcontractors and the amount paid to certified HUB subcontractors, in accordance with the HSP. Include a copy of the Texas Building and Procurement Commission (TBPC) HUB Certificate. **(This form is for reporting purposes only after award of the contract. Do not submit this document with the HSP.)**

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- 4.7.5 If the Contractor is meeting or exceeding the provisions, HHSC shall maintain documentation of the contractor's/vendor's efforts in the contract file. If the contractor/vendor fails to meet the HUB subcontracting provisions specified in the contract, HHSC contracting division shall notify the Contractor of any deficiencies. The HHSC shall give the Contractor an opportunity to submit documentation and explain to the HHSC why the failure to fulfill the HUB subcontracting plan should not be attributed to a lack of good faith effort by the Contractor.
- 4.7.6 In determining whether the Contractor made the required good faith effort, HHSC may not consider the success or failure of the Contractor to subcontract with HUBs in any specific quantity. HHSC's determination is restricted to considering factors indicating good faith including, but not limited to, the following:
- (A) Whether the Contractor gave timely notice to its subcontractors regarding the time and place of the subcontracted work.
 - (B) Whether the Contractor facilitated access to the work-site, provided electrical power and other necessary utilities.
 - (C) Whether documentation or information was provided that included potential changes in the scope of contract work.
- 4.7.7 If a determination is made that the Contractor failed to implement the HSP in good faith, HHSC, in addition to any other available remedies, may report nonperformance to the Texas Building and Procurement Commission in accordance with 1 Texas Administrative Code, Chapter 113, Subchapter F (relating to "Vendor Performance and Debarment Program"). In addition, if the contractor/vendor failed to implement the subcontracting plan in good faith, the agency may revoke the contract for breach of contract and make a claim against the contractor/vendor.
- 4.7.8 If the Contractor is a HUB, it must perform at least 25% of the total value of the contract with its own or leased employees, as defined by the United States Internal Revenue Service, in order for HHSC to receive 100% HUB credit for the entire contract. The HUB Contractor may subcontract up to 75% of the contract with HUB or non-HUB subcontractors.
- 4.7.9 If a HUB Contractor's HSP identifies that it is planning to perform less than 25% of the total value of contract with its employees, the HUB Contractor must report, to HHSC, the value of the contract that was actually performed by the Contractor and its HUB subcontractors.
- 4.7.10 The Contractor must rectify any deficiencies of the HSP prior to the next reporting period.

Section 4 – Historically Underutilized Business Participation

4.7.11 HHSC shall review their procurement procedures to ensure compliance with this section. In accordance with Texas Administrative Code 111.26 (relating to HUB coordinator responsibilities) HHSC's HUB coordinator and contract administrators should facilitate institutional compliance with this section.

5 Evaluation

5.1 Evaluation of Offers

HHSC will select the successful vendor through a formal evaluation process. HHSC will consider capabilities or advantages that are clearly described in the offer, which may be confirmed by oral presentations, site visits or demonstrations if required, and verified by information from reference sources contacted by HHSC. HHSC reserves the right to contact individuals, entities, or organizations that have had dealings with the Respondent or staff proposed for this effort, whether or not identified in the offer.

HHSC will more favorably evaluate proposals that offer no or few exceptions, reservations, or limitations to the terms and conditions of the RFO, including HHSC's Uniform Contract Terms and Conditions.

5.2 Evaluation Criteria

Call Center offers will be evaluated by the following criteria:

- Meeting RFO requirements
- Cost
- Experience
- Best value to the State of Texas

5.3 Initial Compliance Screening

HHSC will perform an initial screening of all offers received. Offers that do not include all required forms and sections are subject to rejection. This is a pass/fail evaluation.

Additionally, offers that do not demonstrate a good faith effort to comply with the HUB Subcontracting requirements, if applicable, will be rejected without further consideration.

In accordance with Section 3.4, HHSC reserves the right to waive minor informalities in an offer and award a contract that is in the best interests of the State of Texas.

5.4 Oral Presentations and Site Visits

HHSC may, at its sole discretion, request oral presentations, site visits, and/or demonstrations from one or more Respondents admitted to the field of competition. HHSC will notify selected Respondents of the time and location for these activities, and may supply agendas or topics for discussion. HHSC reserves the right to ask additional questions during oral presentations, site visits, and/or demonstrations to clarify the scope and content of the written offer, oral presentation, site visit, or demonstration.

The Respondent's oral presentation, site visit, and/or demonstration must substantially represent material included in the written offer, and should not introduce new concepts or offers.

5.5 *Competitive Field Determinations*

HHSC may determine that certain offers are within the field of competition for admission to discussions. The field of competition consists of the offers that receive the highest or most satisfactory ratings. HHSC may, in the interest of administrative efficiency, place reasonable limits on the number of offers admitted to the field of competition.

5.6 *Discussions with Respondents*

HHSC may, but is not required to, conduct discussions with all, some, or none of the Respondents admitted to the field of competition for the purpose of obtaining the best value for HHSC. HHSC may conduct discussions for the purpose of:

- Obtaining clarification of ambiguities in an offer;
- Requesting modifications to an offer; or
- Obtaining a best and final offer.

HHSC may make an award prior to the completion of discussions with all Respondents admitted to the field of competition if HHSC reasonably determines that the award represents best value.

5.7 *Best and Final Offers*

HHSC may, but is not required to, permit Respondents admitted to the field of competition to prepare best and final offers. For this reason, Respondents are encouraged to submit original offers as best and final offers.

APPENDIX A: GLOSSARY OF TERMS

Term	Definition
Acceptance Testing	The process of testing system components and system functionality to determine whether the system is ready for implementation. This includes: functional requirements testing; error condition testing; destructive, stress, and capacity testing; and regression testing to ensure testing deficiencies are resolved without new deficiencies.
Access Month	The month when benefits are available for clients to use.
Accounts	Financial balances and transaction records that are maintained through the EBT system. Currently, the Lone Star system includes two (2) types of accounts: Food Stamps and Temporary Assistance to Needy Families (TANF) cash.
ACF (Administration for Children and Families)	A Federal agency within the Department of Health and Human Services (HHS) responsible for the supervision of the Temporary Assistance to Needy Families (TANF) Program.
ACH (Automated Clearing House)	Electronic clearing and settlement system for exchanging electronic transactions among participating depository institutions; such electronic transactions are substitutes for paper checks and are typically used to make recurring payments such as payroll or loan payments. The Federal Reserve Banks operate an automated clearinghouse, as do some private-sector firms.
Acquirer	An acquirer is the financial institution that establishes an account with a merchant and processes payment card authorizations and payments. In the context of this RFO, it also refers to the TPP that accepts transactions from the retailer and routes them to the EBT host processor.
Active Account	An account that has had client debit activity recorded within the last three (3) months.
Adjustment	A financial transaction that corrects the amount of a previous financial transaction and results in a debit or credit to the client/retailer's account. Adjustments are manually initiated to correct a problem and are subject to audit and special controls.
AG (Office of the Attorney General)	The legal representative and counsel of all boards and agencies of Texas state government as provided by Texas statutes. It also sits as an ex-officio member of the state committees and commissions, and defends challenges to state laws and suits against both state agencies and individual employees of the State. It is also the state child support enforcement agency.
ALERT (Anti-Fraud Locator)	The USDA FNS subsystem that utilizes data provided by the

Appendix A: Glossary of Terms

Term	Definition
of EBT Retailer Transactions)	EBT processors to identify and analyze suspected fraudulent retailer activity.
AMA (Account Management Agency)	An automated application that supports the activities of the Federal Reserve Bank of Richmond's operations in providing Automated Standard Application for Payments (ASAP) account management activities to the Food and Nutrition Service (FNS) for the EBT Food Stamp program.
ANSI (American National Standards Institute)	The organization responsible for approving U.S. standards in many areas, including computers and communications. ANSI is a member of ISO. ANSI sells ANSI and International Standards Organization (ISO) standards.
APD (Advanced Planning Document)	The State's request to the federal government for written approval of and Federal Financial Participation (FFP) in automation projects.
Applicant	A person who has completed an application for food stamps or TANF benefits.
AR (Authorized Representative)	Any person or agent authorized by a food stamp household or client to receive and expend food stamp benefits on behalf of the household or client.
ASAP (Automated Application for Payments System)	An electronic payment and information system developed jointly by the U. S. Treasury Department Financial Management Service (FMS) and the Federal Reserve Bank of Richmond. The latter, in its capacity as Treasury's fiscal agent, operates the system. ASAP is a system through which grantee organizations receiving Federal funds can draw from accounts pre-authorized by Federal Agencies.
AT (Administrative Terminal)	A personal computer authorized to interface with the EBT system, providing access for field offices or users granted access by HHSC.
ATA (Administrative Terminal Application)	The ATA allows authorized staff to issue and replace Lone Star cards and PIN packets, issue priority benefits, update client biographical data, perform client and processor transaction inquiry functions, and perform client and processor account adjustments.
ATM (Automated Teller Machine)	A device used by bank customers to process account transactions. Typically, a user inserts into the ATM a special plastic card that is encoded with information on a magnetic strip. The strip contains an identification code that is transmitted to the bank's central computer by modem. To prevent unauthorized transactions, a personal identification number (PIN) must also be entered by the user using a keypad. The computer then permits the ATM to complete the transaction. Most machines can dispense cash, accept deposits, and provide information on account balances. Banks

Appendix A: Glossary of Terms

Term	Definition
	have formed cooperative, nationwide networks so that a customer of one bank can use an ATM of another for cash access. Some ATMs will also accept credit cards for cash advances.
Authorization	An affirmative response by, or on behalf of, the Host to a request to permit an EBT Card to be used in a transaction.
Authorized Retailer	Any merchant who has been approved by the FNS to accept Food Stamps as payment for eligible food items and has completed a Retailer Agreement. Authorized retailers include, but are not limited to, retail grocery stores, food chains, farmers markets, roadside vendors, delivery services, and cooperatives.
Availability Date	The date the benefit can be accessed by the household to withdraw cash or purchase goods.
AVR (Automated Voice Response system)	A dial-in inquiry system which provides access to account information via a digital telephone with voice response. Also referred to as an Automated Response Unit (ARU), Voice Response Unite (VRU) or Interactive Voice Response (IVR) system or application.
Balance Inquiry	A non-financial transaction that permits a Client to obtain available balance information.
Banking Holiday	A holiday observed by the Federal Reserve Board and its members.
BIC (Benefit Issuance Center)	Office where clients apply for benefits in person.
BIN (Bank Identification Number)	A set of numbers which identify the Issuer of a Card. These numbers are carefully controlled and appear on the card and in every transaction involving the card.
Benefit Month	The month that benefits placed in a client account become accessible to that client. Same as Issuance Month.
Business Day	Any day of the week except Saturday, Sunday, or a Banking Holiday.
Cancel	The termination of a Transaction prior to Authorization of the Transaction Request.
Card	A system entry device, usually made of plastic and meeting carefully defined standards for size, magnetic coding, etc.
Cardholder	An individual who is authorized to access benefits in the EBT system.
Case	One or more eligible individuals usually sharing family membership and eligibility classification. For the TANF and Food Stamp eligibility category, it includes the eligible parent(s) and child.

Appendix A: Glossary of Terms

Term	Definition
Case Month	One TANF or Food Stamp case's participation in the respective program for one month.
Case Number	The unique nine-digit number assigned by the HHSC eligibility system to each TANF and Food Stamp case.
Cash Back	The disbursement of funds from a Cash Benefit Account transacted through a POS or ATM terminal.
Cash Benefits	Annuity and public assistance benefits to a household or individuals. This includes, but is not limited to, TANF, child support payments, and unemployment benefits.
Check Digit	The final digit of a series of numbers that may be used to test the validity of the series.
Client	Any person who receives TANF or Food Stamp benefits in accordance with the program eligibility requirements.
CMIA (Cash Management Improvement Act)	The CMIA of 1990 calls for efficiency, effectiveness, and equity in the transfer of funds between the Federal and State governments. Under CMIA, federal funds drawn before they are required to meet obligations will be subject to interest liabilities. Should states utilize their funds to meet Federal obligations, the Federal government may be held liable for interest.
Concentrator Bank	A financial institution, or other entity approved by the Federal Reserve Board, designated by the EBT Vendor for settlement via the ACH network.
Contract	A promise, or a set of promises, for breach of which the law gives a remedy, or the performance of which the law in some way recognizes as a duty. It is an agreement between two or more parties creating obligations that are enforceable or otherwise recognizable at law. The term also encompasses the written document that describes the terms of the agreement. For state contracting purposes, it generally describes the terms of a purchase of goods or services from a vendor or service provider; however, the term also encompasses grant arrangements.
Contract Execution	The performance of all acts necessary to render a contract complete and legally binding between two or more parties.
Contract Management	Contract management is a core function that involves the continual monitoring of a contractor's performance to ensure its compliance with terms and conditions of a contract.
Conversion	The process where the state's EBT system is transitioned from one vendor to one or more vendors.
Contractor	A Company or individual who has been awarded a contract to do work for another company or entity.

Appendix A: Glossary of Terms

Term	Definition
Correction	A credit or debit transaction intended to rectify an error in connection with a prior transaction that covers all or part of the amount of such prior transaction.
CPA (Comptroller of Public Accounts)	The Texas Comptroller of Public Accounts (CPA) is the state's chief fiscal officer who collects the state's revenue and monitors and accounts for all state spending. The CPA maintains the State's central fiscal accounts for requesting payment into and out of the funds held by the Texas State Treasury.
Credit Transaction	A transaction that places funds into an account.
CSA (Call Center Service Associate)	A live person who provides assistance to an EBT client or retailer, via a dial-up to a Call Center. Examples of assistance include access to account information, action on reports of lost and stolen cards, and PIN selection, as well as voice authorization of manual vouchers.
Cutoff	The time of day established by the EBT Central Processor in which a Business Day is established for Settlement and Reconciliation.
DEA (Data Encryption Algorithm)	See Data Encryption Standard (DES).
Debit Transaction	A transaction that removes funds from an account.
DES (Data Encryption Standard)	An ANSI-approved algorithm promulgated by the National Bureau of Standards, for encryption of data to allow secure transmission of information between points. The standard employs a 56-bit key, PIN, and Primary Account Number (PAN).
Debit Card	A card that resembles a Credit Card but which debits an account, usually a checking account, with transfer occurring simultaneously with the cardholder's purchase. A debit card may be machine readable, allowing for the activation of an ATM, POS, or other automated payments equipment. The card may be proprietary (issued solely by an entity such as a financial institution), or it can be a regionally or nationally accepted card.
Decline	The denial of a transaction by the Host.
DIR (Department of Information Resources)	The state agency responsible for the procurement of all data processing equipment and services in Texas.
Dormant Account	An account that has had no client debit activity recorded within the last ninety (90) days.
Downtime	The interval during which a functional unit is inoperable. A period of time during which a system is not operational, due to a malfunction or maintenance.

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Term	Definition
EBT (Electronic Benefit Transfer)	An electronic payments system that uses electronic funds transfer, automated teller machines, and point-of-sale technology for the delivery and control of public assistance benefits.
EBT Card	A plastic debit card issued to Clients, Secondary Cardholders, and Authorized Representatives, which allows them access to benefits in the EBT system.
EBT Contract Management	The process by which the covenants and agreements contained in the EBT vendor contract(s) are monitored and evaluated to ensure that they are met.
EBT Contract Manager	The HHSC staff person assigned to manage the EBT contracts.
EBT Re-Procurement Project Manager	The person assigned by HHSC with overall responsibility for managing the EBT re-procurement.
EBT Project Team	HHSC staff charged with developing and implementing the EBT system including defining functional requirements and developing relevant policies, standards, and operational guidelines.
EFT (Electronic Funds Transfer)	The use of techniques and terminals, such as the ACH, ATM, POS terminals, and Fedwire to transfer funds electronically.
EFT Act	The 1978 law that spells out the rights and responsibilities of users and providers of EFT services (except Fedwires).
EFT Network	An interactive combination of Issuers, Acquirers, and a network facility developed for the purpose of completing EFT transactions. Networks have defined participation, liabilities, operations, and operating standards.
EFT Network Bylaws	The document that defines the legal aspects of an EFT Network and sets out requirements for participation, access, and direction of the network.
EFT Network Operating Rules	The guidelines and requirements that describe the day-to-day functions of an EFT Network and the placement of liabilities and responsibilities among the participants.
EFT System	The system designated to facilitate the exchange of monetary value via electronic means. Objectives include expansion of time and location availability of basic financial services, and reduction of paper transactions.
Electronic Voucher Clear	The electronic submission of a Manual Voucher. Voice Authorization must be obtained with respect to each Manual Voucher.
Emergency and Supplemental Issuances	Any payment to a household that is made outside the routine benefit issuance schedule.

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Term	Definition
Emergency AR	Any person or agent, who is authorized temporarily on a one-time basis by the Client to receive and expend Food Stamp benefits on behalf of the household.
Encryption	A data security technique used to protect information from unauthorized inspection or alteration. Information is encoded so that data appears as a meaningless string of letters and symbols during delivery or transmission. Upon receipt, the information is decoded using an encryption key.
Encumbrance	An event when a telephone authorization puts a designated amount of the benefits in an EBT account on hold for future payment.
Expungement	Texas EBT food stamp and TANF accounts are closed after one year of inactivity according to federal regulations and state statutes. Remaining balances (if any) are no longer accessible to EBT cardholders.
Fair Hearing	A meeting conducted by HHSC staff with any applicant or Client who disagrees with and wishes to appeal some action taken on his or her case; or a retailer who wishes to appeal a vendor action.
FAMIS (Family Assistance Management Information System)	The automated state system, also known as SAVERR, meeting federal requirements for automated TANF systems, that contains TANF, Food Stamp, and Medicaid Client eligibility, financial, and demographic information.
Federal Reserve System	The system in which the Federal Reserve Board operates. The central bank of the United States, created by Congress and made up of a seven (7) member Board of Governors in Washington, DC, twelve (12) regional Federal Reserve Banks, and their twenty-five (25) Branches.
Fedwire	Electronic funds transfer network operated by the Federal Reserve. Fedwire is usually used to transfer large amounts of funds and U.S. government securities from one institution's account at the Federal Reserve to another institution's account. It is also used by the U.S. Department of the Treasury and other federal agencies to collect and disburse funds.
FFP (Federal Financial Participation)	The federal share of matching funds for a particular benefit program. The FFP matching rate varies depending on which Federal Title applies. The HHSC has an approved cost allocation plan which allocates expenses to the appropriate Federal Title and the matching rate applicable for the type of service being performed. These rates change periodically.
Field Testing	The process of testing system components and system functionality in order to validate the installation and implementation of a system.

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Term	Definition
Financial Management System (FMS)	The disbursement division of the U.S. Treasury.
Float	The dollar gain, or loss, an entity incurs when funds are received early or late.
Floor Limit	A monetary limit placed on a manual voucher that is processed during a period in which the system is offline and the help desk is not accessible for voice authorization. Limit amount is set by the State and is in effect for the term of contract.
FNS Authorization Number	The number assigned by FNS to a retailer who is certified to participate in the Food Stamp Program.
FNS (Food and Nutrition Service)	An agency of the United States Department of Agriculture, which is responsible for administering the Food Stamp Program.
FNS Regulations	The final rules and regulations as published by the FNS.
Food Stamp Coupons	Federal government printed substitutes for currency with limited use for the purchase of eligible food-related products.
Food Stamp Program	A federal assistance program that issues food stamp benefits to eligible households. Eligibility is determined and benefits are issued by the State.
Formal Qualification Test	A process which allows HHSC to determine whether a software item complies with the requirements of that item.
Functional Testing	The process of testing system components and system functionality in order to validate the separate areas within a given system.
FRB (Federal Reserve Bank)	A Fiscal Agent of the United States that has been delegated by the USDA FNS to perform as an Account Management Agent for the Food Stamp Program accounts.
GWS (Generic Work Sheet)	An automated eligibility certification system within HHSC.
HHSS (Department of Health and Human Services System)	The Health and Human Services System is composed of five agencies. Texas Health and Human Services Commission (HHSC) Texas Department of Aging and Disability Services (DADS) Texas Department of State Health Services (DSHS) Texas Department of Family and Protective Services (DFPS) Texas Department of Assistive and Rehabilitative Services (DARS)
HHSC (Texas Health & Human Services Commission)	The state agency with statutory authority for administering public assistance programs authorized by state and federal laws and regulations.

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Term	Definition
HHSC Staff	Employees of the HHSC, including central office and regional offices.
HHSCN (Health and Human Services Consolidated Network)	A statewide telecommunications cooperative between state agencies and private enterprise that connects and manages networks from the data center to the desktop, driven by the requirements of high service levels and the entities' need to share data, network costs, and services. The Department of Information Resources (DIR) is the managing partner of HHSCN.
Hold	A transaction that restricts other transactions from being performed on an account. There may be different levels of restrictions depending on the type of "HOLD" that is put on an account.
Host	The central EBT processing system (hardware, software, and data) that processes transactions and maintains client and retailer accounts.
"Hot Carding"	The process of deactivating an EBT card that a client or authorized cardholder has reported lost or stolen.
Household	An entity in the Food Stamp benefit system for whom eligibility is determined. A Household may consist of one or more Clients.
IBC (Integrated Benefits Card)	HHSC's effort to establish a method for integrating benefits issuance and recipient identification for Health and Human Services programs into a single integrated benefits issuance card.
IEE (Integrated Eligibility and Enrollment)	HHSC eligibility system that allows Texans to apply for state services in person, through the Internet, over the phone and by fax or mail. Four call centers have been established to receive and process applications, and consumers will be able to track the progress of their applications through an automated phone system.
IIN (Issuer Identification Number)	The number assigned by the American Bankers Association that identifies a specific Issuer for the purpose of interchange of transactions.
Inactive Account	An account that has had no client debit activity recorded within the last three (3) months.
Inquiry	A request for information pertaining to an Account.
Interchange	The passage of authorization requests, transaction records, or information between an Issuer and an Acquirer through an Intermediate Network Facility (INF).
Interchange Fee	The money paid to an Intermediate Network Facility/Switch for its services. Services include passage of authorization

Appendix A: Glossary of Terms

Term	Definition
	requests, transaction records, or information between an Issuer and an Acquirer through the Intermediate Network Facility. The term is also used for the Acquirer Fee (money paid to the Acquirer for use of its terminals and services).
Interface	The data transfer between two or more System Components.
Interface Testing	The process of testing system components and system functionality in order to validate the data transfer between 2 or more system components.
Intermediate Network Facility (INF)	See Switch.
Interoperability	A system that enables a Food Stamp benefit, other public assistance benefit (e.g., TANF) or payment issued through an Electronic Benefit Transfer Card to be redeemed in any of the fifty states.
ISO (International Standards Organization)	The organization responsible for coordinating international standards, including those used for financial processing.
ISO Independent Sales Organization	A firm or organization that offers the service to process credit card transactions. An ISO represents the processor and markets the service in exchange for transaction fees or a percentage of sales that the ISO retailers pay through the processor. There are many different levels of ISO's available to merchants. Many are only agents of an ISO while others have a direct relationships with the processor.
Issuance Month	The month when benefits placed in an EBT Client Account are accessible to the client.
Issuer	A depository institution that has entered into an agreement with a government entity or prime contractor to undertake the responsibilities of an Issuer under the Quest Operating Rules.
IVR (Interactive Voice Response)	Interactive Voice Response (IVR) is a software application that accepts a combination of voice telephone input and touch-tone keypad selection and provides appropriate responses in the form of voice, fax, callback, e-mail and perhaps other media. IVR is usually part of a larger application that includes database access. An IVR application provides pre-recorded voice responses for appropriate situations, keypad signal logic, access to relevant data, and potentially the ability to record voice input for later handling. Using computer telephony integration (CTI), IVR applications can hand off a call to a human being who can view data related to the caller at a display.
Key Entry	The manual entry of data via a data entry device.

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Term	Definition
LAN (Local Area Network)	A LAN is a network of interconnected workstations sharing the resources of a single processor or server within a relatively small geographic area. Usually, the server has applications and data storage that are shared in common by multiple workstation users.
LAR (Legislative Appropriation Request)	The HHSC formal request for funding for a biennium. The document is submitted to the Legislative Budget Board (LBB) and the Governor's Budget and Planning Office.
Leased Line System	Leased lines are telecommunications network links between two or more points that are leased by an organization, from a telecommunication service provider. Leased lines are permanently open connections, unlike conventional telephone connections which are not open unless a call is manually initiated.
LBB (Legislative Budget Board)	A ten-member board composed of the Lieutenant Governor as the chairperson, the speaker of the House as the vice-chairperson and four members each of the Texas Senate and House of Representatives.
Live Demonstration	A system presentation utilizing production data, to demonstrate the accuracy and completeness of a system.
Magnetic Stripe	A stripe of magnetic material affixed to the back of a Credit or Debit Card at the time of its manufacture. When encoded, it contains cardholder and account information to facilitate completion of financial transactions.
Manual Voucher	A paper document used to execute an offline EBT transaction. The document contains client and retailer information and client signature.
Manual Voucher Transaction	An EBT program transaction affected manually (i.e., not via a POS Terminal), and includes a Manual Voucher.
Medicaid	A program of medical care authorized by Title XIX of the Social Security Act and the Texas Human Resources Code. Medicaid is a state-administered program utilizing a combination of state and federal dollars to purchase medical care of categorically needy and medically indigent individuals.
Medicaid Integrity Pilot (MIP)	Pilot program to test fraud reduction in addressing provider fraud, abuse and waste, as well as appropriate cases of third party and recipient fraud or abuse.
NACHA (National Automated Clearing House Association)	The national association that establishes the standards, rules, and procedures that enable depository financial institutions to exchange ACH payments on a national basis.

Appendix A: Glossary of Terms

Term	Definition
Non Traditional Retailers	A person, company or organization authorized by FNS to accept food stamp benefits in exchange for eligible food items that does not operate like a normal retail enterprise. Usually this means that the retailer does not have access to a phone line or electricity at the point of sale and therefore is unable to use a standard POS device to authorize the transaction (e.g., farmers' markets and route vendors). Others, such as group homes, treatment centers, food cooperatives and communal dining facilities have special circumstances that require a variety of unique accommodations in order to continue FSP participation in the EBT environment.
NPA (Non-Public Assistance) Household	A food stamp household in which no one receives TANF or only some of the members receive TANF.
NSF (Non-Sufficient Funds)	A condition that indicates insufficient funds in the Client's account for the Host to approve a transaction.
ODFI (Originating Depository Financial Institution)	A participating financial institution that originates ACH credit and debit entries, at the request of, and by agreement with, its customers. These institutions must abide by the provisions of the NACHA Operating Rules and Guidelines.
On-Line	An EBT transaction in which authorization of individual purchases requires telecommunication between the POS/ATM and a central database in which data on account balances is maintained. Interactive as opposed to batch. Accessible via a computer (or terminal), rather than on paper or other medium.
OIG (Office of Investigator General)	The division within the HHSC responsible for monitoring benefit program integrity and investigating fraud.
Originator	An entity that has authorized an ODFI to initiate ACH credit or debit entries to the account of a receiver with an RDFI. In EBT, an Originator refers to the EBT Vendor when authorizing the Concentrator Bank (ODFI) to initiate credits to the Authorized Retailer Banks (RDFIs) or the Texas State Treasury when authorizing the state bank (ODFI) to initiate credits to the Concentrator Bank (RDFI).
PA (Public Assistance) Household	A Food Stamp household in which all members receive TANF or SSI and TANF.
PAN (Primary Account Number)	A number that identifies the Issuer and the cardholder, which is fully embossed and encoded on a card.
PMS (Payment Management System)	The grant payment system, operated by the HHS and utilized by the ACF and various federal agencies ordinarily through the ACH system, which provides funds the next business day following the day of funds request.

Appendix A: Glossary of Terms

Term	Definition
PIN (Personal Identification Number)	A four (4)-digit alphanumeric code selected by or assigned to the Client and used to verify identity of a cardholder when performing an on-line transaction at ATMs or POS terminals.
PIN Pad	A device that enables the Client to enter a PIN at a POS or ATM terminal to initiate an EBT transaction.
Plucker	An electronic queuing system used by HHSC in which eligibility and case transactions are placed in a queue and processed in the order in which they were received.
Point-Of-Sale (POS) Terminal	A range of devices deployed at Authorized Retailers and used to initiate the electronic debit of Client accounts and credit to retailer accounts as a purchase is being made.
Positive File	A file containing, at a minimum, the current balance for each active Client account. Depending on the specific system, it may also contain Client privileges, PINs, etc.
Posting Date	The date that a transaction in "posted," or reflected on an account.
Pre-notification (Prenote)	A zero-dollar entry sent through the ACH network by the ODFI to the Receiving Depository Financial Institution (RDFI). It contains the same information, with the exception of the dollar amount and transaction code, that will be carried on "live" entry and it allows the RDFI to verify the accuracy of the account data.
Presentment	Approval by Issuer of authorization requests and Settlement of that transaction.
Proposal	Binding offer submitted by a respondent in response to a Request for Proposals (RFP).
Protective Payee	A person appointed by the HHSC to receive TANF benefits on behalf of the household or client.
Quality	The degree to which a system, component, process, or service meets a user's specified requirements and user's needs or expectations.
QUEST	Operating rules for interoperable EBT transactions, as developed by NACHA, the National Automated Clearing House Association.
QUEST Operating Rules	Set of rules developed by the NACHA Electronic Benefits and Services (EBS) Council that set forth the requirements for the distribution of government benefits under the Quest service mark.
Quest Mark	The Quest design mark and such other service marks as may be adopted from time to time in accordance with the Quest Operating Rules.

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Term	Definition
RDFI (Receiving Depository Financial Institution)	Any financial institution qualified to receive ACH debit and credit entries through its regional ACH. All RDFIs agree to abide by the NACHA Operating Rules and Regulations.
Receipt	A hard copy description of an EBT transaction that took place at an ATM or POS terminal.
Receiver	An entity that has authorized an Originator/ODFI to initiate ACH credit or debit entries to the Receiver's account with an RDFI. In EBT, a Receiver refers to the Authorized Retailers, via the Retailers' banks, when receiving credits initiated by the Concentrator Bank (ODFI) or the EBT Vendor, via the Concentrator Bank, when receiving credits initiated by the state bank (RDFI).
Reconciliation	Activities in the EBT system for the: accountability for the movement of funds; complete balancing of all credits and debits in the system; reporting of transaction data; presence, proof and verification of audit trail(s); and validation of internal HHSC control.
REDE (Retailer EBT Data Exchange)	The automated exchange of retailer data between FNS and EBT processors for notification of additions, deletions, and changes affecting retailers participating in the Food Stamp Program.
Refund	The return of the value of a transaction to a customer.
Regulation E	The regulation, all amendments thereto and official interpretations thereof (12 CFR Part 205) promulgated by the Federal Reserve Board implementing Title IX (EFT Act enacted in 1978 by the Congress) of the Consumer Credit Protection Act. It establishes the basic rights, liabilities, and responsibilities of the consumers who use EFT services and financial institutions that offer these services. The regulation is intended to carry out the purposes of the Act, including, primarily, the protection of individuals engaging in EFT transactions. The Act dictates such requirements as mandated disclosures, receipt requirements, and dispute resolution time frames, etc.
Respondent	A Vendor responding to an RFO. See RFO.
Retailer Agreement	A written agreement between a retailer and the entity designated by HHSC (e.g., an EBT Vendor) to participate in the EBT program. The agreement defines operational and legal relationships between the parties.
Retailer Bank	A financial institution designated by the Authorized Retailer for the purpose of EBT Settlement.
Return Entry	An entry which cannot be processed by a RDFI due to conditions related to the receiver's account number and must

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Term	Definition
	therefore be routed back to the ODFI.
Reversal	A transaction which revokes the full amount of a previously authorized transaction and contains data elements referencing the original transaction.
RFO (Request for Offer)	A solicitation for catalog information systems requesting the submittal of an offer in response to the required scope of services, including a cost proposal. Negotiations are allowed between Respondents and the issuing agency.
RPC (Remote Procedure Call)	Database query integrated with the main processing system.
SAVERR (System for Application, Verification, Eligibility, Referral and Reporting)	The computer system operated by the HHSC that maintains all Client- and Case-related data; records and maintains case actions and information; and produces Client notices. The system includes the Client database used by all other sub-systems operated by the HHSC.
Settlement	The exchange of information that results in the transfer of funds from one entity to another to complete a financial transaction. In EBT, these include the flow of funds between the EBT Vendor/Concentrator Bank and Authorized Retailers/Retailer Banks; the U.S. Treasury/Federal Reserve and the Texas State Comptroller Treasury/State Bank; and the Texas State Comptroller Treasury/State Bank and the EBT Vendor/Concentrator Bank.
Settlement Day	The day on which Settlement occurs.
SIMS (Systems Integration and Management Services)	HHSC staff responsible for planning, organizing, directing, and controlling all activities that are required to implement EBT-2. The SIMS unit is responsible for ensuring that the functional areas are integrated.
Smart Card	Credit card-sized plastic card with a special integrated circuit (IC) chip embedded in the surface of the card. The IC chip stores information in an electronic form. Two principal kinds of smart cards are microprocessor and memory. The IC chip in the card provides intelligence sufficient to protect its information from theft or damage.
Smartlink	The front-end communication linkage to the Payment Management System (PMS).
SSI (Supplemental Security Income)	A needs-tested program administered by the Social Security Administration providing monthly income to aged, blind, and disabled individuals.
Staggered Issuance	The formula by which the HHSC issues Food Stamp benefits across each calendar month.
Stakeholders	Parties who have an interest in EBT programs.

Appendix A: Glossary of Terms

Term	Definition
STARS (Store Tracking and Redemptions Subsystem)	The FNS database of retailers participating in the Food Stamp Program. STARS supports FNS field offices, regional offices, and the national office to assure conformance to regulations by store.
State Auditor's Office	The agency responsible for monitoring compliance and accountability for the State of Texas under the Federal Single Audit Act.
State Bank	The financial institution that the Texas State Comptroller designates for the purpose of Settlement.
Store and Forward	Texas EBT Retailers may be certified for Store and Forward (Back-Up System) approvals an alternative to manual vouchers. Also known as 'stand-in' processing, retailers provide approvals during temporary outages and then submit these transactions electronically when online service is restored. Retailers assume the liability for denied and/or rejected Store and Forward transactions.
Subcontractor	Any person not in the employ of the contractor or any organization not owned by the contractor, performing work that is the responsibility of the contractor under a contract resulting from this RFP.
Switch	A computer and associated software that allows completion of interchange transactions in an EFT Network. It keeps track of all transaction activity, the flow of funds among participants, and access to the network. It keeps track of all Issuers and sends their transactions to the proper Processor of each Issuer.
Switch Fee	The money paid to the Switch for its services. The term Interchange Fee is also used. The Switch Fee is a portion of the Interchange Fee.
System Certification	The point at which a system receives approval to move from the development to implementation phase.
TANF (Temporary Assistance for Needy Families)	A State-Federal public assistance program that issues cash benefits to eligible households with minor and dependent children. Eligibility is determined and benefits are issued by the State.
TBPC (Texas Building and Procurement Commission)	Agency commissioned to procure services and issue purchase orders for the State of Texas.

Appendix A: Glossary of Terms

Term	Definition
TCP/IP (Transmission Control Protocol / Internet Protocol)	TCP/IP (Transmission Control Protocol/Internet Protocol) is the basic communication language or protocol of the Internet. It can also be used as a communications protocol in a private network (either an intranet or an extranet). TCP/IP is a two-layer program. The higher layer, Transmission Control Protocol, manages the assembling of a message or file into smaller packets that are transmitted over the Internet and received by a TCP layer that reassembles the packets into the original message. The lower layer, Internet Protocol, handles the address part of each packet so that it gets to the right destination.
Texas Workforce Commission (TWC)	The State employment security agency that provides employers with assistance in locating employees, provides the public with assistance in locating employment, handling unemployment insurance and provides various special programs for target populations.
Third Party Processor (TPP)	An entity, other than the EBT Vendor, that drives and maintains Authorized Retailer POS terminals, routes EBT transactions to the Host EBT System, and settles Authorized Retailer accounts.
TIERS	The Texas Integrated Eligibility Redesign System (TIERS) is a multiyear project designed to create a state-of-the-art, web-based eligibility determination system for HHS programs. TIERS will provide HHS eligibility workers with a single, integrated system that will be used in delivering food, cash assistance, medical, and community care services to Texans in need. It also will support data sharing with 20 state agencies.
TPP Certification	A determination made through a series of tests concerning a Third Party Processor's (TPP's) fitness to participate in the Texas EBT Project and interface with the Host.
Triple DES Encryption (TDES)	The triple Data Encryption Standard (DES) algorithm is used with two or three randomly generated keys to protect the personal identification number (PIN) utilized by cardholders. The National Institute of Standards and Technology (NIST) recommends the Triple Data Encryption Algorithm (TDEA) at a minimum for the protection of Federal information.
Transaction	The set of input data that initiates a specific action, such as a debit or inquiry, in the EBT system. A type of computer processing in which the computer responds to user requests. Each request is considered to be a <i>transaction</i> . Automatic teller machines for banks are an example of transaction processing.
Transaction Audit Trail	Detailed record of a Transaction from origin to Settlement.
Transit/Routing (ABA) Number	A set of numbers, consisting of eight digits and a check number, that identifies a specific financial institution.

Appendix A: Glossary of Terms

Term	Definition
UCC (Uniform Commercial Code)	A set of laws governing financial contracts adopted, with or without modification, by individual states. It is designed to provide some consistency among the states' commercial laws.
U.S. Treasury	The federal government's fiscal agent for establishing and managing federal accounts.
USDA (United States Department of Agriculture)	The cabinet level department, which oversees the Food Stamp Program.
Vendor	An entity that may be selected through the state's procurement and solicitation process to perform EBT-related services.
Voice Authorization	An affirmative response to a Retailer request for approval of a Manual Voucher Transaction. This request is made via the EBT Help Desk.
Void	The cancellation of an erroneous transaction.
WIC (Women, Infants, and Children)	A federally-funded program administered in Texas by the Department of State Health Services (DSHS) designed to provide food supplements for women, infants, and children.

APPENDIX B: CASELOAD DATA*

HHSC Food Stamp and TANF Caseload Data Monthly State Totals *

MONTH	FOOD STAMPS	TANF	MONTHLY TOTALS
Sep-05	1,078,848	75,666	1,154,514
Aug-05	957,090	75,570	1,032,660
Jul-05	943,696	75,403	1,019,099
Jun-05	934,101	79,129	1,013,230
May-05	930,988	79,639	1,010,627
Apr-05	935,335	81,861	1,017,196
Mar-05	940,879	84,177	1,025,056
Feb-05	945,355	87,278	1,032,633
Jan-05	954,349	92,851	1,047,200
Dec-04	954,591	95,131	1,049,722
Nov-04	950,349	96,933	1,047,282
Oct-04	942,432	98,863	1,041,295
Sep-04	934,712	98,736	1,033,448
Aug-04	924,304	99,736	1,024,040
Jul-04	907,643	97,744	1,005,387
Jun-04	893,344	96,841	990,185
May-04	881,053	99,204	980,257
Apr-04	877,616	99,756	977,372
Mar-04	876,348	103,453	979,801
Feb-04	868,285	106,047	974,332
Jan-04	865,045	112,306	977,351
Dec-03	852,905	115,192	968,097

Appendix B: Caseload Data

Nov-03	850,416	117,703	968,119
Oct-03	851,300	122,937	974,237
Sep-03	839,949	119,761	959,710
Aug-03	817,168	140,100	957,268
Jul-03	792,704	137,725	930,429
Jun-03	761,083	136,840	897,923
May-03	737,432	136,336	873,768
Apr-03	723,404	134,776	858,180
Mar-03	714,571	135,387	849,958
Feb-03	708,424	136,876	845,300
Jan-03	712,511	139,203	851,714
Dec-02	702,108	138,946	841,054
Nov-02	693,071	138,002	831,073
Oct-02	656,324	138,263	794,587
Sep-02	627,717	134,206	761,923
Aug-02	613,924	131,964	745,888
Jul-02	602,974	130,323	733,297
Jun-02	595,040	129,405	724,445
May-02	591,415	129,794	721,209
Apr-02	584,395	130,960	715,355
Mar-02	581,561	132,436	713,997
Feb-02	578,638	134,028	712,666
Jan-02	580,705	136,035	716,740
Dec-01	571,718	134,434	706,152
Nov-01	570,718	133,286	704,004
Oct-01	557,704	133,180	690,884

Appendix B: Caseload Data

Sep-01	540,559	128,481	669,040
Aug-01	537,045	127,338	664,383
Jul-01	525,886	125,234	651,120
Jun-01	518,702	123,874	642,576
May-01	513,339	124,075	637,414
Apr-01	508,247	124,324	632,571
Mar-01	507,730	126,071	633,801
Feb-01	505,994	128,379	634,373
Jan-01	508,788	130,333	639,121

* Source: HHSC Center for Strategic Decision Support (Food Stamp and TANF Focus Reports)

HHSC Food Stamp households that are also receiving TANF:

MONTH	FOODSTAMP HOUSEHOLDS ALSO RECEIVING TANF
Jun-05	68,937
May-05	69,997
Apr-05	71,518
Mar-05	73,767
Feb-05	76,993
Jan-05	80,854
Dec-04	82,961
Nov-04	86,121
Oct-04	85,361
Sep-04	85,795

Source: HHSC Decision Support & Forecasting

APPENDIX C: FNS REGULATIONS

4.1 United States Department of Agriculture

Food and Nutrition Service

7 CFR PARTS 271 through 283

Information on the Food and Nutrition Service program is available on the Internet. Refer to the following web sites for more details:

<http://www.fns.usda.gov>

1. On the Food, Nutrition, and Consumer Services web page, click “Food and Nutrition Services.”

2. On the Food and Nutrition Service web page, click the following hypertext links to learn more about each FNS initiative:

Women Infants and Children Program/Farmers’ Market

Food Stamp Program

Electronic Benefits Transfer (EBT)

Full text of the FNS Regulations is available at the following web site:

<http://www.access.gpo.gov/nara>

U.S. DEPARTMENT OF AGRICULTURE

Certification Regarding Lobbying

Applicable to Grants, Sub grants, Cooperative Agreements, and Contracts Exceeding \$100,000 in Federal Funds.

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

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

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

(2) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal grant or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying", in accordance with its instructions.

(3) The undersigned shall require that the language of this certification be included in the award documents for all covered subawards exceeding \$100,000 in Federal funds at all appropriate tiers and that all subrecipients shall certify and disclose accordingly.

Name/Address of Organization

Name FNS Grant/Cooperative Agreement

Name/Title of Submitting Official

Signature

Date

U.S. DEPARTMENT OF AGRICULTURE

**Certification Regarding Debarment, Suspension, and Other Responsibility Matters -
Primary Covered Transactions**

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

(BEFORE COMPLETING CERTIFICATION, READ INSTRUCTIONS ON FOLLOWING PAGE)

- (1) The prospective primary participant certifies to the best of its knowledge and belief, that it and its principals:
- (a) are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any Federal department or agency;
 - (b) have not within a three-year period preceding this proposal been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State or local) transaction or contract under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;
 - (c) are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (Federal, State or local) with commission of any of the offenses enumerated in paragraph (1) (b) of this certification; and
 - (d) have not within a three-year period preceding this application/proposal had one or more public transactions (Federal, State or local) terminated for cause or default.
- (2) Where the prospective primary participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal.

Organization Name

PR/Award Number or Project Name

Name and Title of Authorized Representative

Signature

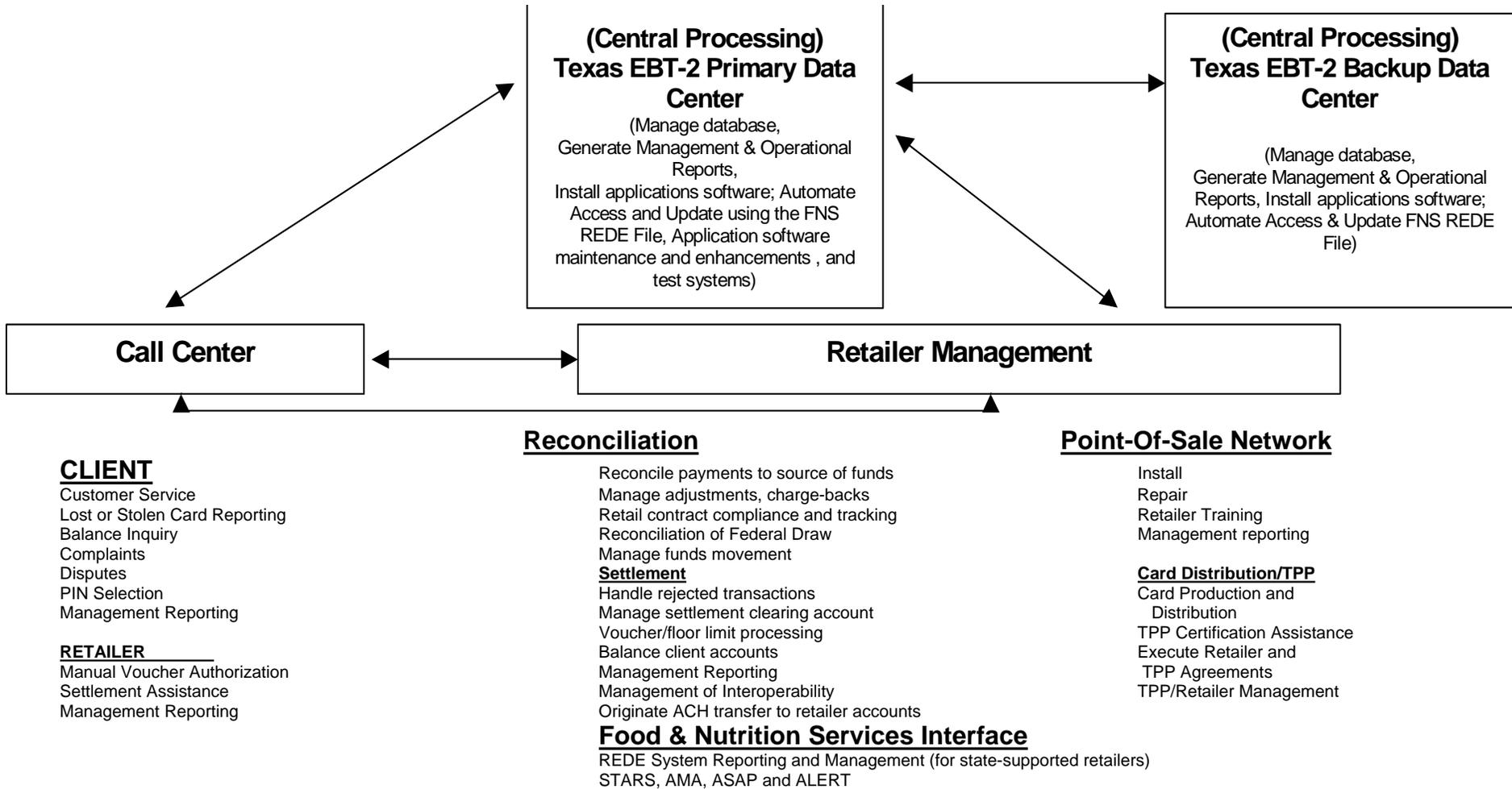
Date

INSTRUCTIONS FOR CERTIFICATION

1. By signing and submitting this form, the prospective primary participant is providing the certification set out on page 1 in accordance with these instructions.
2. The inability of a person to provide certification required below will not necessarily result in denial of participation in this covered transaction. The prospective participant shall submit an explanation of why it cannot provide the certification set out on this form. The certification or explanation will be considered in connection with the department or agency's determination whether to enter into this transaction. However, failure of the prospective primary participant to furnish a certification or an explanation shall disqualify such person from participation in this transaction.
3. The certification in this clause is a material representation of fact upon which reliance was placed when the department or agency determined to enter into this transaction. If it is later determined that the prospective primary participant knowingly rendered an erroneous certification, in addition to other remedies available to the Federal Government, the department or agency may terminate this transaction for cause or default.
4. The prospective primary participant shall provide immediate written notice to the department or agency to whom this proposal is submitted if at any time the prospective primary participant learns that its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.
5. The terms "covered transaction," "debarred," "suspended," "ineligible," "lower tier covered transaction," "participant," "person," "primary covered transaction," "principal," "proposal," and "voluntarily excluded," as used in this clause, have the meanings set out in the Definitions and Coverage sections of rules implementing Executive Order 12549. You may contact the department or agency to which this proposal is being submitted for assistance in obtaining a copy of those regulations.
6. The prospective primary participant agrees by submitting this form that, should the proposed covered transaction be entered into, it shall not knowingly enter into any lower tier covered transaction with a person who is debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by the department or agency entering into this transaction.
7. The prospective primary participant further agrees by submitting this form that it will include the clause titled "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion - Lower Tier Covered Transactions," provided by the department or agency entering into this covered transaction, without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions.
8. A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that it is not debarred, suspended, ineligible, or voluntarily excluded from the covered transaction, unless it knows that the certification is erroneous. A participant may decide the method and frequency by which it determines the eligibility of its principals. Each participant may, but is not required to, check the Nonprocurement List.
9. Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and information of a participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.
10. Except for transactions authorized under paragraph 6 of these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to other remedies available to the Federal Government, the department or agency may terminate this transaction for cause or default.

APPENDIX D: TEXAS EBT FUNCTION DIAGRAMS

Texas EBT-2 Function Diagram



APPENDIX E: TEXAS EBT-2 CALL CENTER CALL VOLUME

Month	Associate - Assisted Calls	IVR calls	TOTAL
Apr-01	54,901	2,117,139	2,172,040
May-01	56,349	2,247,089	2,303,438
Jun-01	54,775	2,280,956	2,335,731
Jul-01	53,232	2,384,750	2,437,982
Aug-01	55,242	2,683,633	2,738,875
Sep-01	48,437	2,491,140	2,539,577
Oct-01	55,425	2,499,539	2,554,964
Nov-01	49,012	2,459,502	2,508,514
Dec-01	45,794	2,463,829	2,509,623
Jan-02	48,119	2,271,897	2,320,016
Feb-02	41,236	2,214,766	2,256,002
Mar-02	42,226	2,274,370	2,316,596
Apr-02	45,952	2,383,690	2,429,642
May-02	50,406	2,593,750	2,644,156
Jun-02	49,484	2,501,313	2,550,797
Jul-02	56,548	2,762,493	2,819,041
Aug-02	55,815	3,013,486	3,069,301
Sep-02	52,342	2,877,490	2,929,832

Appendix E: Texas EBT-2 Call Center Call Volume

Oct-02	62,199	3,231,198	3,293,397
Nov-02	58,799	3,060,679	3,119,478
Dec-02	57,668	2,915,552	2,973,220
Jan-03	55,869	2,855,242	2,911,111
Feb-03	47,223	2,563,014	2,610,237
Mar-03	53,550	2,772,868	2,826,418
Apr-03	57,243	2,872,127	2,929,370
May-03	58,382	3,016,528	3,074,910
Jun-03	63,248	3,033,052	3,096,300
Jul-03	69,320	3,288,372	3,357,692
Aug-03	66,385	3,247,502	3,313,887
Sep-03	69,286	3,424,427	3,493,713
Oct-03	74,418	3,329,820	3,404,238
Nov-03	68,651	3,364,705	3,433,356
Dec-03	74,798	3,220,084	3,294,882
Jan-04	75,567	3,163,605	3,239,172
Feb-04	60,998	2,828,699	2,889,697
Mar-04	66,525	2,986,721	3,053,246
Apr-04	64,633	3,067,901	3,132,534
May-04	62,516	3,152,462	3,214,978
Jun-04	69,690	3,252,592	3,322,282

Appendix E: Texas EBT-2 Call Center Call Volume

Jul-04	69,657	3,311,647	3,381,304
Aug-04	74,518	3,472,739	3,547,257
Sep-04	72,085	3,677,110	3,749,195
Oct-04	70,190	3,449,768	3,519,958
Nov-04	69,056	3,362,753	3,431,809
Dec-04	68,011	3,444,166	3,512,177
Jan-05	63,904	3,225,372	3,289,276
Feb-05	57,086	2,839,739	2,896,825
Mar-05	63,679	3,091,043	3,154,722
Apr-05	62,183	3,144,371	3,206,554
May-05	64,291	3,298,410	3,362,701
Jun-05	66,780	3,336,524	3,403,304
July-05	65,433	3,251,945	3,317,378
Aug-05	74,078	3,509,369	3,583,447
Sep-05	101,978	3,994,553	4,096,531
TOTAL	3,295,192	159,577,491	162,872,683

* Lone Star Technology Facts and Figures

APPENDIX F: CALL CENTER SAMPLE MANAGEMENT REPORTS

TEXAS EBT II			
TOTAL CALLS ->	May-2-04	Through	May-8-04
CLIENT SECTION --			

	SUNDAY May-2-04	MONDAY May-3-04	TUESDAY May-4-04	WEDNESDAY May-5-04	THURSDAY May-6-04	FRIDAY May-7-04	SATURDAY May-8-04	TOTAL FOR WEEK
Total VRU Calls Received	114,970	193,842	149,628	167,825	155,446	145,648	87,661	1,015,020
Total VRU Calls Cleared	114,384	188,823	145,497	164,285	152,127	142,291	87,096	994,503
Total ACD Calls Received	581	5,007	4,117	3,522	3,302	3,349	556	20,434
Total ACD Calls Answered	565	4,748	3,886	3,295	3,153	3,176	547	19,370
Total ACD Calls Abandoned	16	259	231	227	149	173	9	1,064
Total ACD Calls Abandoned Less - 30 (ss)	7	241	231	204	97	67	6	853
Total ACD Calls Abandoned Greater - 30 (ss)	9	18	0	23	52	106	3	211
ACD Average Wait Time Before Answer -ss	14	9	8	13	12	22	6	12
TDDY Calls Received	5	12	14	18	17	8	9	83
TDDY Calls Answered	5	12	14	18	16	8	9	82
TDDY Total Calls Abandoned	0	0	0	0	1	0	0	1
Percent: ACD Calls Answered / ACD Calls Received	97.2%	94.8%	94.4%	93.6%	95.5%	94.8%	98.4%	94.8%
Percent: ACD Calls Abandoned / ACD Calls Received	2.8%	5.2%	5.6%	6.4%	4.5%	5.2%	1.6%	5.2%
Percent: ACD Calls Abandoned Less -- 30 (ss)	1.2%	4.8%	5.6%	5.8%	2.9%	2.0%	1.1%	4.2%
Percent: ACD Calls Abandoned Greater -- 30 (ss)	1.5%	0.4%	0.0%	0.7%	1.6%	3.2%	0.5%	1.0%

CALL CATEGORY/RESOLUTION

Accounting								
- Balance Inquiry	13	52	41	46	30	41	9	232
- Reconciliation	1	39	28	23	13	23	0	127
Card Activations in Call Centers	1	103	46	49	98	108	4	409
Card Replacements								
- Lost Card/Found by Stranger	293	1,038	799	696	684	557	281	4,348
- Stolen Card	65	147	108	91	100	80	33	624
- Damaged Card	12	101	57	52	62	39	5	328
- Defective Card	0	22	17	16	11	8	1	75
- Replace Frozen Card	14	137	96	100	101	90	29	567
Sub total Cards	384	1,445	1,077	955	958	774	349	5,942
PIN Replacements	Forgot/Compromised							
- PIN Resets	0	2	0	1	1	0	0	4
Second Card	1	112	63	69	67	69	0	381
- Addition	1	4	1	1	2	2	1	12
- Deletion	0	1	2	1	0	1	0	5
Coupon Conversions	0	0	0	0	0	0	0	0
General Inquiry	225	3,748	3,391	2,428	2,324	2,712	262	15,090

NOTES:

1) An Average Wait Time Before Answer of "0" indicates a wait time of less than 1 Second.

Appendix F: Call Center Sample Management Reports

TEXAS EBT II									
TOTAL CALLS ->		May-2-04	Through	May-8-04					
RETAILER SECTION --									
	SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY	TOTAL FOR	
	May-2-04	May-3-04	May-4-04	May-5-04	May-6-04	May-7-04	May-8-04	WEEK	
Total VRU Calls Received	221	480	322	572	610	800	123	3,128	
Total VRU Calls Cleared	185	416	281	489	525	652	100	2,648	
Total ACD Calls Received	36	64	41	83	85	148	23	480	
Total ACD Calls Answered	36	53	39	78	77	142	23	448	
Total ACD Calls Abandoned	0	11	2	5	8	6	0	32	
Total ACD Calls Abandoned Less - 30 (ss)	0	8	2	3	6	5	0	24	
Total ACD Calls Abandoned Greater - 30 (ss)	0	3	0	2	2	1	0	8	
ACD Average Wait Time Before Answer -ss	3	8	2	3	12	17	3	10	
Percent: ACD Calls Answered / ACD Calls Received	100.0%	82.8%	95.1%	94.0%	90.6%	95.9%	100.0%	93.3%	
Percent: ACD Calls Abandoned / ACD Calls Received	0.0%	17.2%	4.9%	6.0%	9.4%	4.1%	0.0%	6.7%	
Percent: ACD Calls Abandoned Less -- 30 (ss)	0.0%	12.5%	4.9%	3.6%	7.1%	3.4%	0.0%	5.0%	
Percent: ACD Calls Abandoned Greater -- 30 (ss)	0.0%	4.7%	0.0%	2.4%	2.4%	0.7%	0.0%	1.7%	

CALL CATEGORY/RESOLUTION

Manual Authorization	14	10	13	19	21	31	3	111
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NOTES:

1) An Average Wait Time Before Answer of "0" Seconds indicates a wait time of less than 1 Second.

Appendix F: Call Center Sample Management Reports

TDHS WEEKLY CALL SUMMARY REPORT									
TOTAL CALLS ->		May-2-04		Through		May-8-04			
CLIENT & RETAILER SECTION --									
	SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY	TOTAL FOR	
	May-2-04	May-3-04	May-4-04	May-5-04	May-6-04	May-7-04	May-8-04	WEEK	
Sub Total Clients									
Total VRU Calls Received	114,970	193,842	149,628	167,825	155,446	145,648	87,661	1,015,020	
Total VRU Calls Cleared	114,384	188,823	145,497	164,285	152,127	142,291	87,096	994,503	
Total ACD Calls Received	581	5,007	4,117	3,522	3,302	3,349	556	20,434	
Total ACD Calls Answered	565	4,748	3,886	3,295	3,153	3,176	547	19,370	
Total ACD Calls Abandoned	16	259	231	227	149	173	9	1,064	
TDDY Calls Received	5	12	14	18	17	8	9	83	
TDDY Calls Answered	5	12	14	18	16	8	9	82	
Total TDDY Calls Abandoned	0	0	0	0	1	0	0	1	
Sub Total Retailers									
Total VRU Calls Received	221	480	322	572	610	800	123	3,128	
Total VRU Calls Cleared	185	416	281	489	525	652	100	2,648	
Total ACD Calls Received	36	64	41	83	85	148	23	480	
Total ACD Calls Answered	36	53	39	78	77	142	23	448	
Total ACD Calls Abandoned	0	11	2	5	8	6	0	32	
GRAND TOTAL									
Total VRU Calls Received	115,191	194,322	149,950	168,397	156,056	146,448	87,784	1,018,148	
Total VRU Calls Cleared	114,569	189,239	145,778	164,774	152,652	142,943	87,196	997,151	
Total ACD Calls Received	622	5,083	4,172	3,623	3,404	3,505	588	20,997	
Total ACD Calls Answered	606	4,813	3,939	3,391	3,246	3,326	579	19,900	
Total ACD Calls Abandoned	16	270	233	232	158	179	9	1,097	

NOTES:

1) An Average Wait Time Before Answer of "0" Seconds indicates a wait time of less than 1 Second.

Appendix F: Call Center Sample Management Reports

TEXAS EBT II								
TOTAL CALLS ->		May-9-04		Through		May-15-04		
CLIENT SECTION --								
	SUNDAY May-9-04	MONDAY May-10-04	TUESDAY May-11-04	WEDNESDAY May-12-04	THURSDAY May-13-04	FRIDAY May-14-04	SATURDAY May-15-04	TOTAL FOR WEEK
Total VRU Calls Received	94,188	115,540	149,782	148,944	133,658	94,130	101,103	837,345
Total VRU Calls Cleared	93,729	111,939	146,570	145,830	130,764	91,576	100,518	820,926
Total ACD Calls Received	455	3,578	3,193	3,097	2,882	2,543	578	16,326
Total ACD Calls Answered	451	3,486	2,942	2,929	2,709	2,422	569	15,508
Total ACD Calls Abandoned	4	92	251	168	173	121	9	818
Total ACD Calls Abandoned Less - 30 (ss)	4	66	171	160	138	96	2	637
Total ACD Calls Abandoned Greater - 30 (ss)	0	26	80	8	35	25	7	181
ACD Average Wait Time Before Answer -ss	6	7	24	11	15	11	13	13
TDDY Calls Received	4	23	19	17	12	11	7	93
TDDY Calls Answered	4	21	19	17	12	10	6	89
TDDY Total Calls Abandoned	0	2	0	0	0	1	1	4
Percent: ACD Calls Answered / ACD Calls Received	99.1%	97.4%	92.1%	94.6%	94.0%	95.2%	98.4%	95.0%
Percent: ACD Calls Abandoned / ACD Calls Received	0.9%	2.6%	7.9%	5.4%	6.0%	4.8%	1.6%	5.0%
Percent: ACD Calls Abandoned Less -- 30 (ss)	0.9%	1.8%	5.4%	5.2%	4.8%	3.8%	0.3%	3.9%
Percent: ACD Calls Abandoned Greater -- 30 (ss)	0.0%	0.7%	2.5%	0.3%	1.2%	1.0%	1.2%	1.1%

CALL CATEGORY/RESOLUTION

Accounting								
- Balance Inquiry	12	39	33	38	47	35	19	223
- Reconciliation	0	45	27	26	37	32	0	167
Card Activations in Call Centers	1	87	51	61	75	66	1	342
Card Replacements								
- Lost Card/Found by Stranger	249	896	792	772	664	568	296	4,237
- Stolen Card	50	129	95	73	80	68	27	522
- Damaged Card	8	51	52	33	59	33	9	245
- Defective Card	0	18	12	16	14	7	2	69
- Replace Frozen Card	10	93	103	100	89	98	21	514
Sub total Cards	317	1,187	1,054	994	906	774	355	5,587
PIN Replacements								
Forgot/Compromised PIN	0	4	1	2	2	0	0	9
- PIN Resets	1	103	63	91	88	73	1	420
Second Card								
- Addition	0	4	4	0	2	0	0	10
- Deletion	0	0	1	1	0	0	0	2
Coupon Conversions	0	0	0	0	0	0	0	0
General Inquiry	145	2,560	2,092	2,168	2,103	1,893	293	11,254

NOTES:

1) An Average Wait Time Before Answer of "0" indicates a wait time of less than 1 Second.

Appendix F: Call Center Sample Management Reports

TEXAS EBT II			
TOTAL CALLS ->	May-9-04	Through	May-15-04
RETAILER SECTION -- BOCA & AUSTIN			

	SUNDAY May-9-04	MONDAY May-10-04	TUESDAY May-11-04	WEDNESDAY May-12-04	THURSDAY May-13-04	FRIDAY May-14-04	SATURDAY May-15-04	TOTAL FOR WEEK
Total VRU Calls Received	185	353	640	594	646	492	256	3,166
Total VRU Calls Cleared	155	313	558	531	561	430	227	2,775
Total ACD Calls Received	30	40	82	63	85	62	29	391
Total ACD Calls Answered	27	40	76	61	78	60	25	367
Total ACD Calls Abandoned	3	0	6	2	7	2	4	24
Total ACD Calls Abandoned Less - 30 (ss)	3	0	4	2	3	2	1	15
Total ACD Calls Abandoned Greater - 30 (ss)	0	0	2	0	4	0	3	9
ACD Average Wait Time Before Answer -ss	3	4	17	10	6	7	32	10
Percent: ACD Calls Answered / ACD Calls Received	90.0%	100.0%	92.7%	96.8%	91.8%	96.8%	86.2%	93.9%
Percent: ACD Calls Abandoned / ACD Calls Received	10.0%	0.0%	7.3%	3.2%	8.2%	3.2%	13.8%	6.1%
Percent: ACD Calls Abandoned Less -- 30 (ss)	10.0%	0.0%	4.9%	3.2%	3.5%	3.2%	3.4%	3.8%
Percent: ACD Calls Abandoned Greater -- 30 (ss)	0.0%	0.0%	2.4%	0.0%	4.7%	0.0%	10.3%	2.3%

CALL CATEGORY/RESOLUTION

Manual Authorization	3	11	14	10	10	13	3	64
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NOTES:

1) An Average Wait Time Before Answer of "0" Seconds indicates a wait time of less than 1 Second.

Appendix F: Call Center Sample Management Reports

TDHS WEEKLY CALL SUMMARY REPORT									
TOTAL CALLS ->		May-9-04		Through		May-15-04			
CLIENT & RETAILER SECTION -- BOCA & AUSTIN									
	SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY	TOTAL FOR	
	May-9-04	May-10-04	May-11-04	May-12-04	May-13-04	May-14-04	May-15-04	WEEK	
Sub Total Clients									
Total VRU Calls Received	94,188	115,540	149,782	148,944	133,658	94,130	101,103	837,345	
Total VRU Calls Cleared	93,729	111,939	146,570	145,830	130,764	91,576	100,518	820,926	
Total ACD Calls Received	455	3,578	3,193	3,097	2,882	2,543	578	16,326	
Total ACD Calls Answered	451	3,486	2,942	2,929	2,709	2,422	569	15,508	
Total ACD Calls Abandoned	4	92	251	168	173	121	9	818	
TDDY Calls Received									
	4	23	19	17	12	11	7	93	
TDDY Calls Answered									
	4	21	19	17	12	10	6	89	
Total TDDY Calls Abandoned									
	0	2	0	0	0	1	1	4	
Sub Total Retailers									
Total VRU Calls Received	185	353	640	594	646	492	256	3,166	
Total VRU Calls Cleared	155	313	558	531	561	430	227	2,775	
Total ACD Calls Received	30	40	82	63	85	62	29	391	
Total ACD Calls Answered	27	40	76	61	78	60	25	367	
Total ACD Calls Abandoned	3	0	6	2	7	2	4	24	
GRAND TOTAL									
Total VRU Calls Received	94,373	115,893	150,422	149,538	134,304	94,622	101,359	840,511	
Total VRU Calls Cleared	93,884	112,252	147,128	146,361	131,325	92,006	100,745	823,701	
Total ACD Calls Received	489	3,641	3,294	3,177	2,979	2,616	614	16,810	
Total ACD Calls Answered	482	3,547	3,037	3,007	2,799	2,492	600	15,964	
Total ACD Calls Abandoned	7	94	257	170	180	124	14	846	

NOTES:

1) An Average Wait Time Before Answer of "0" Seconds indicates a wait time of less than 1 Second.

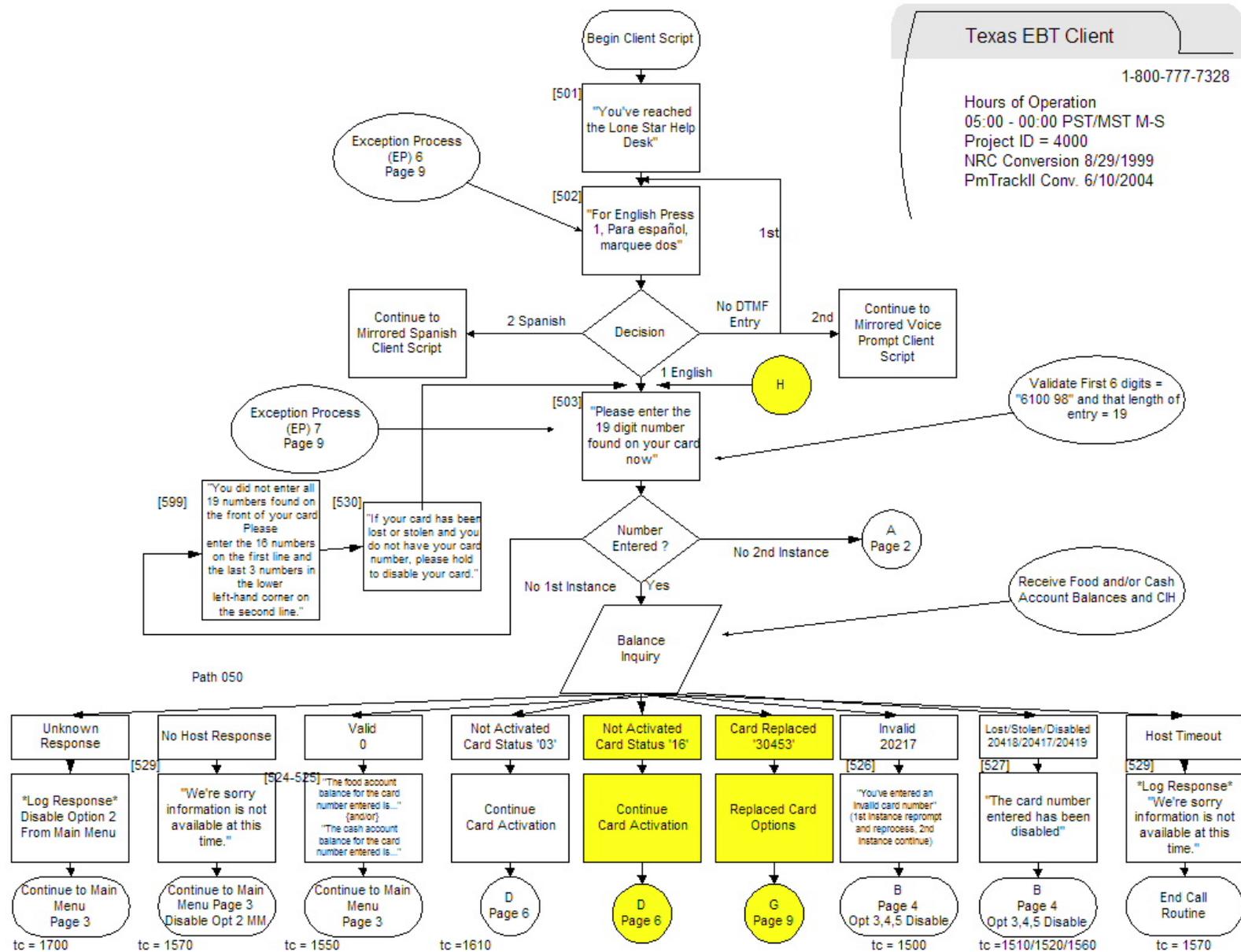
APPENDIX G: LANGUAGE MENU & CARD PROMPT (SAMPLE ONLY)



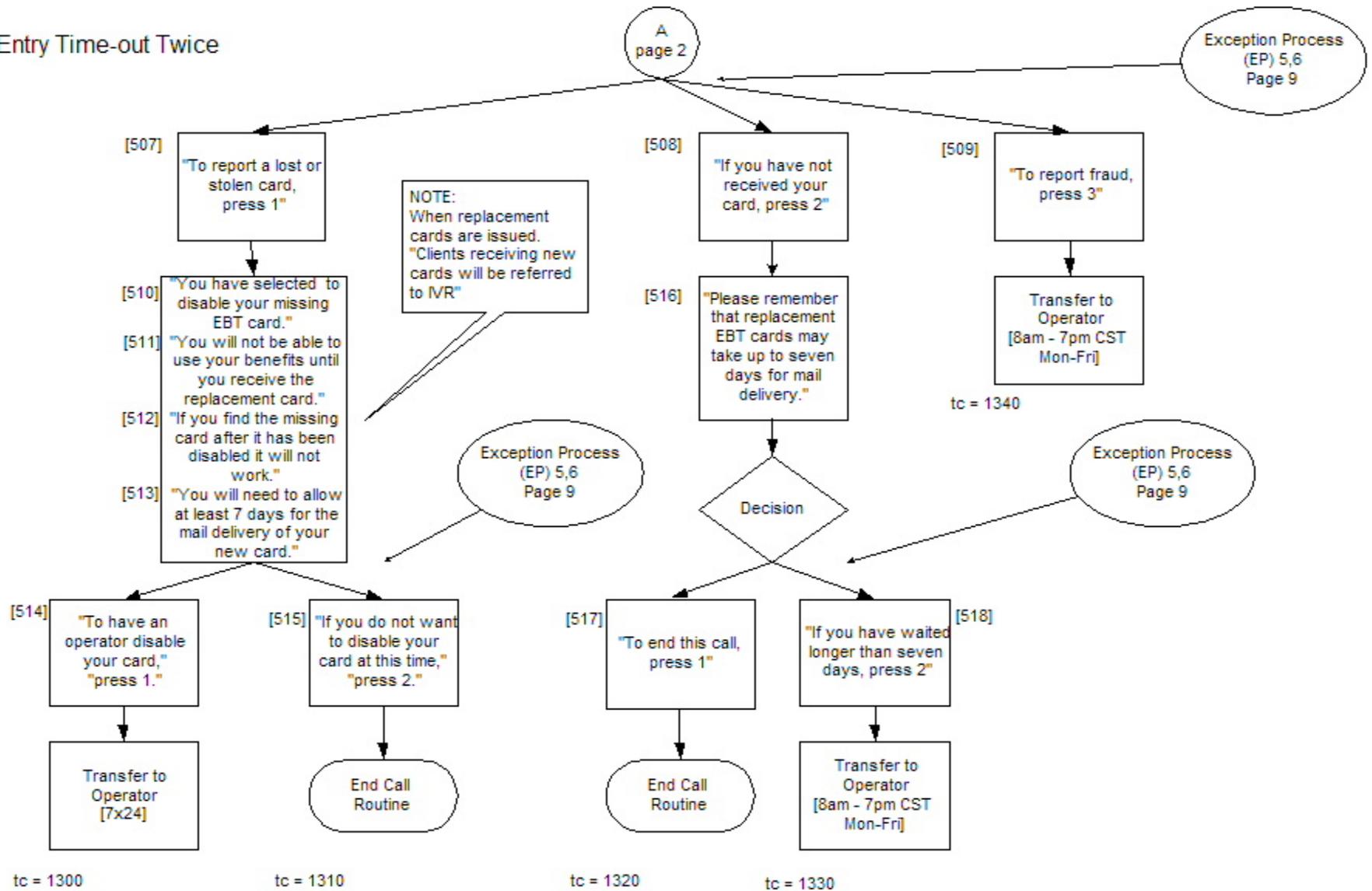
Lone Star Technology
Health and Human Services Commission

Call Center Scripts

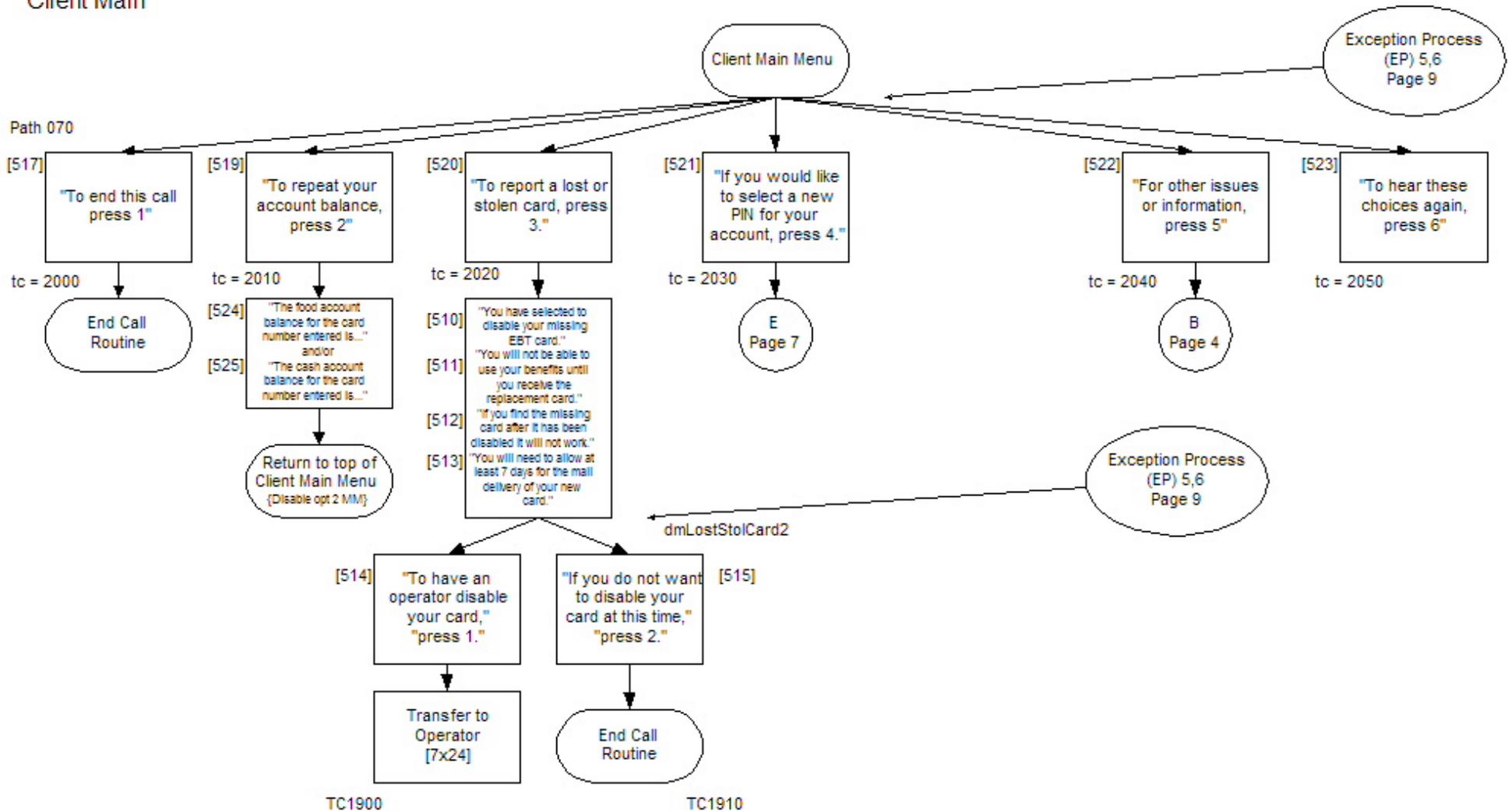
Appendix G: Call Center Scripts



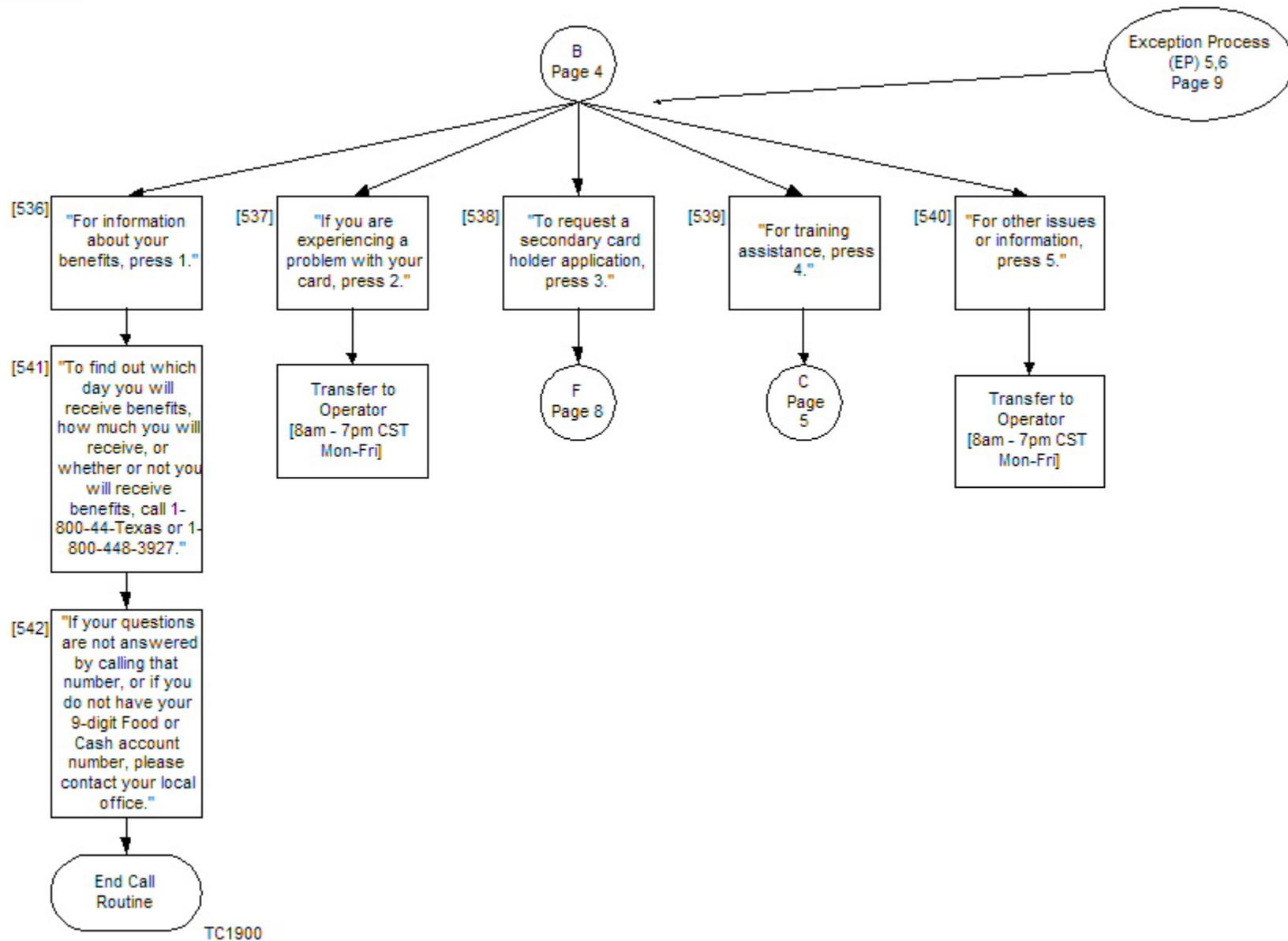
PAN Entry Time-out Twice



Client Main

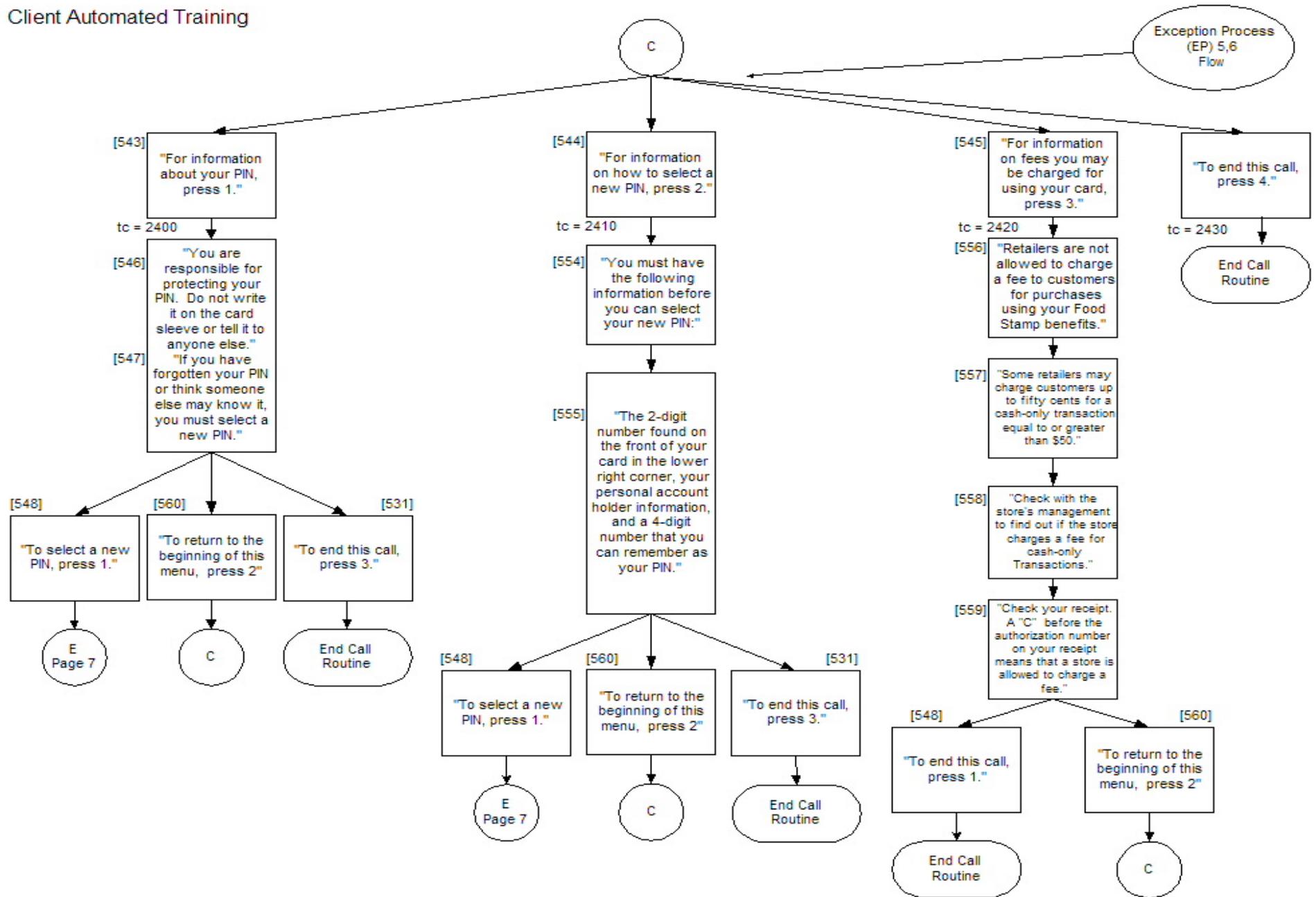


Other Issues or Information



Appendix G: Call Center Scripts

Client Automated Training

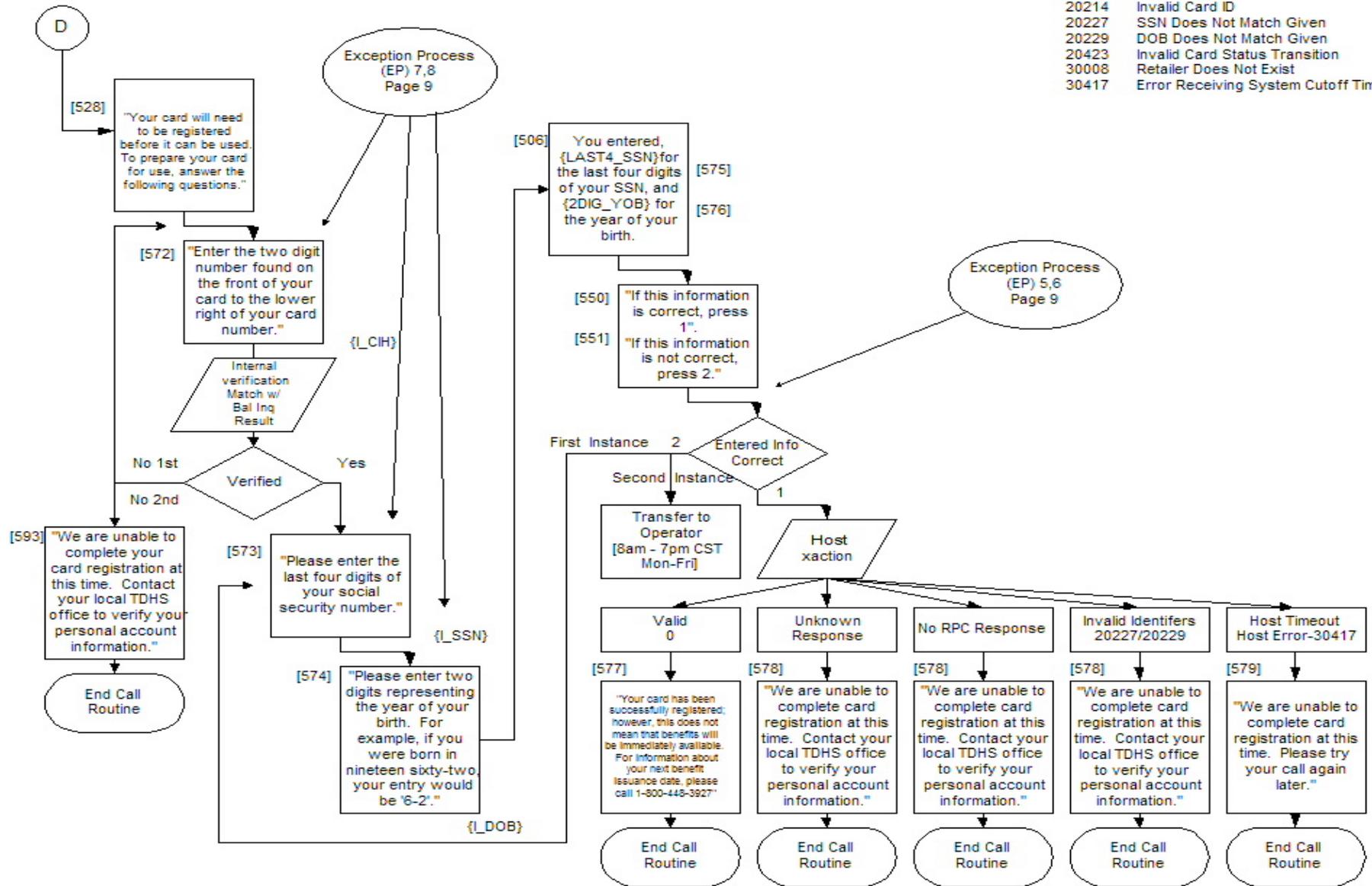


Appendix G: Call Center Scripts

Client Card Registration

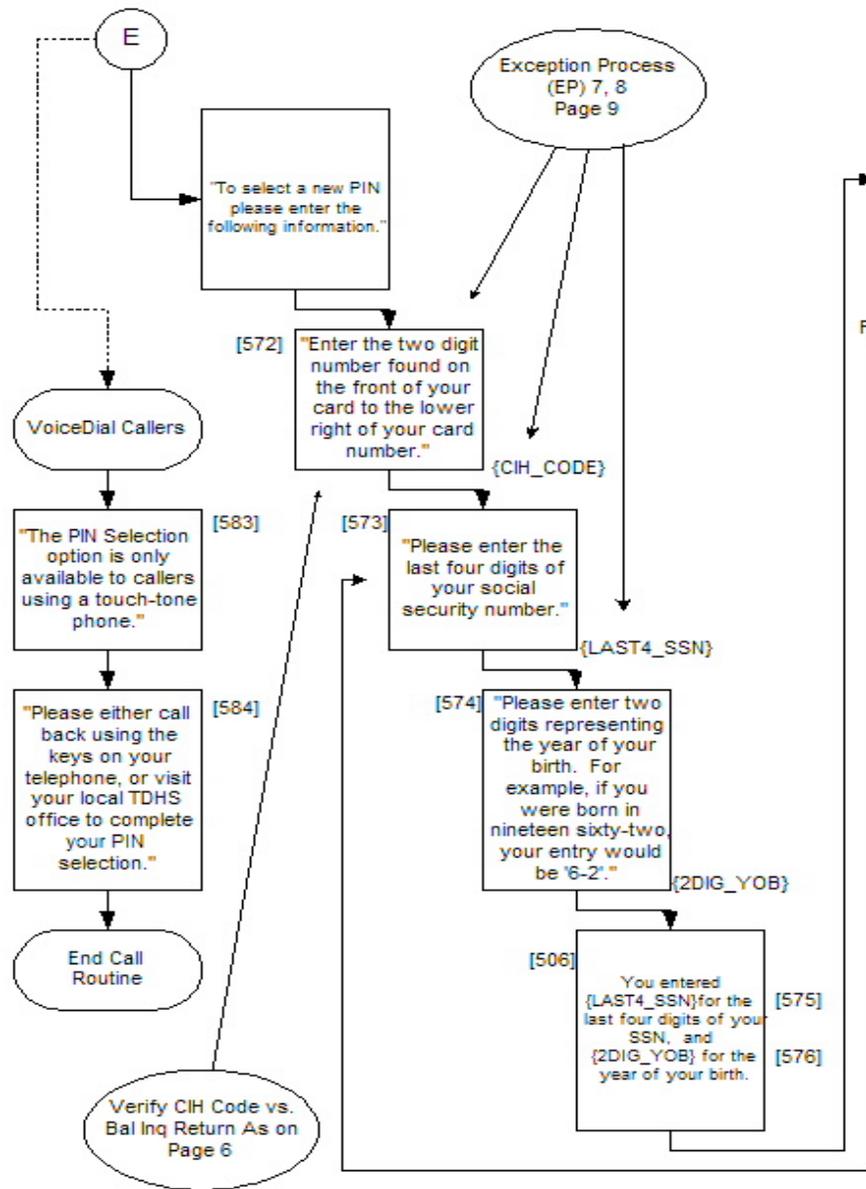
Possible Host Responses

0	Transaction Approved
20214	Invalid Card ID
20227	SSN Does Not Match Given
20229	DOB Does Not Match Given
20423	Invalid Card Status Transition
30008	Retailer Does Not Exist
30417	Error Receiving System Cutoff Time



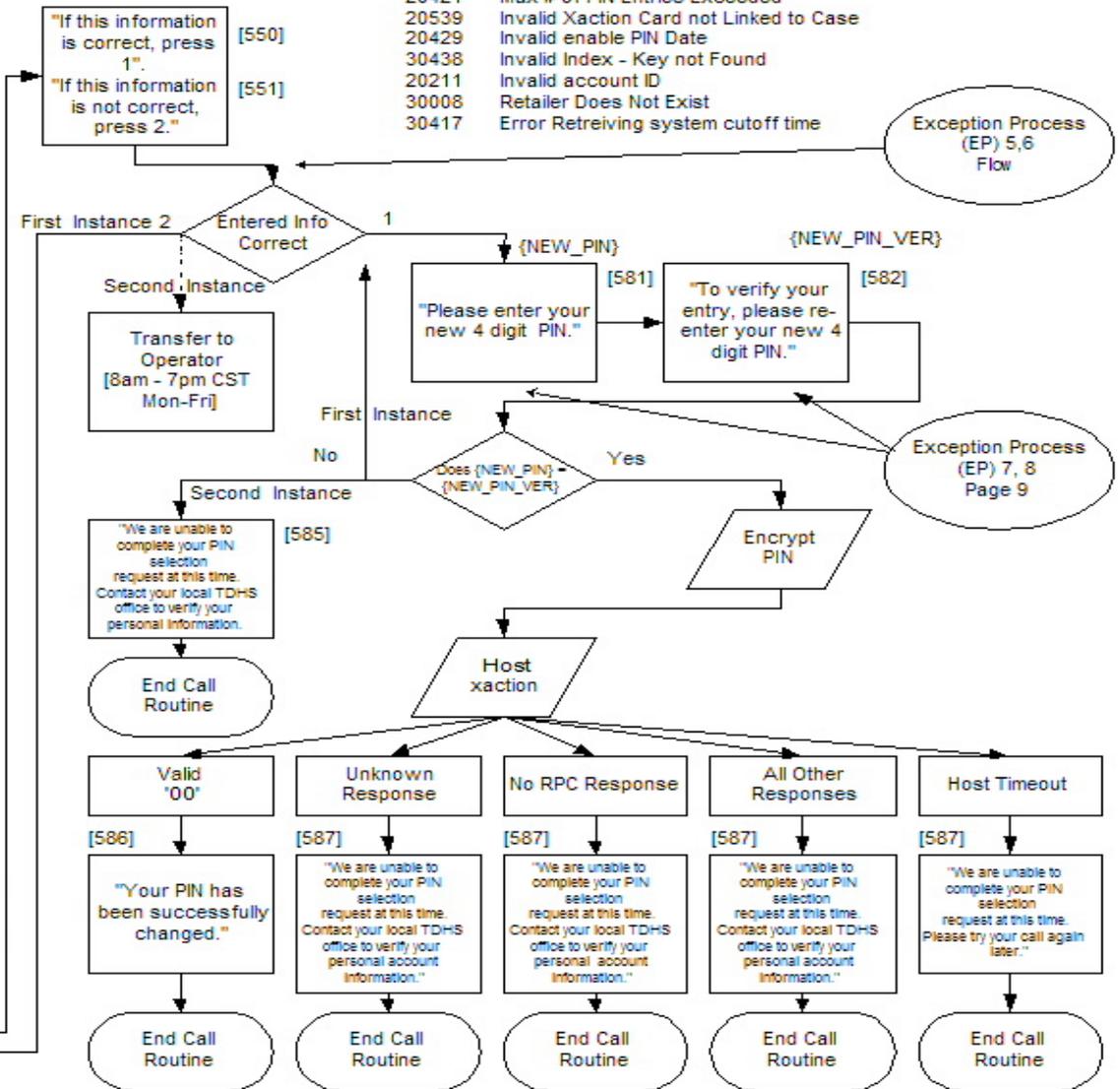
Appendix G: Call Center Scripts

Client PIN Selection



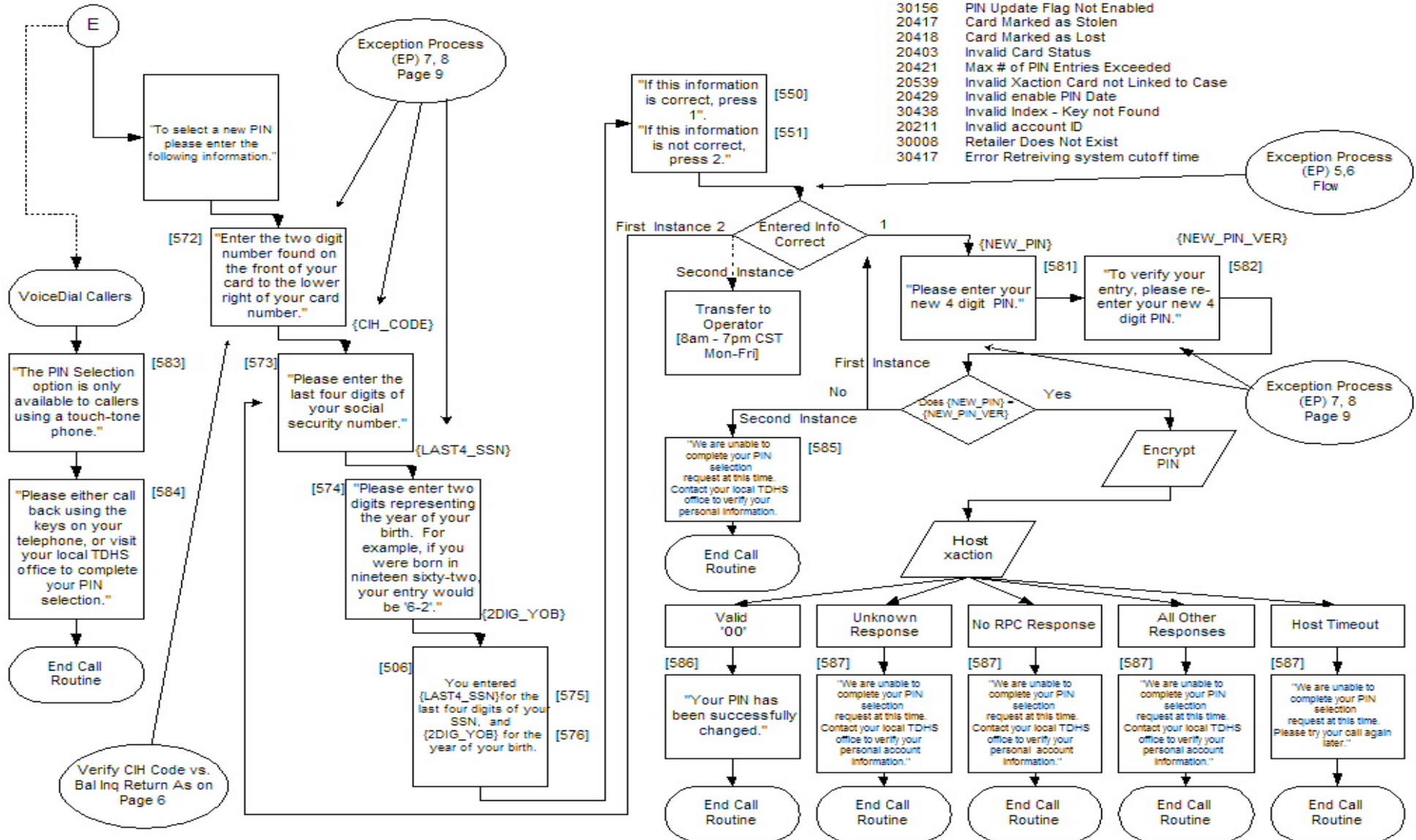
Possible Host Responses

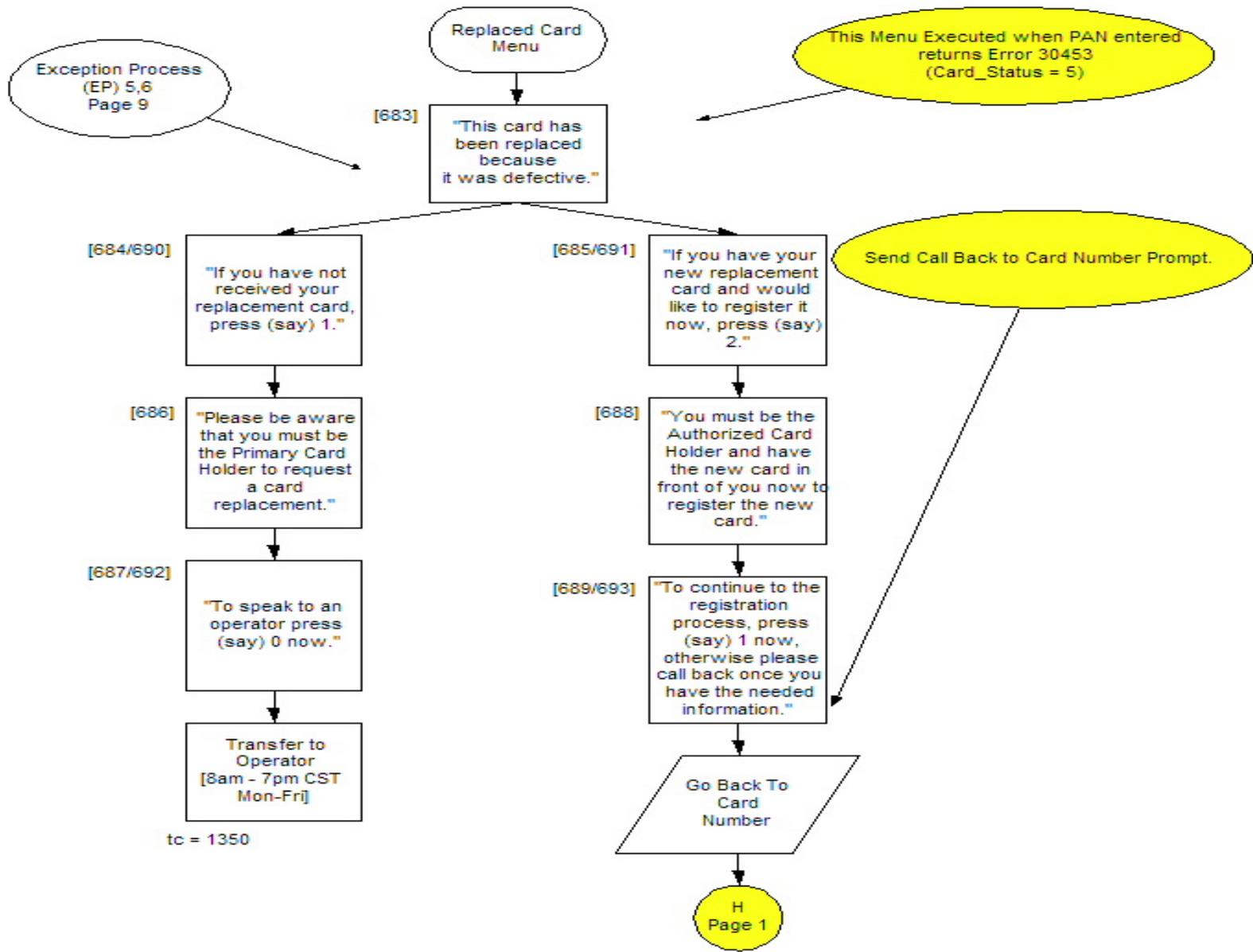
- 0 Transaction Approved
- 30156 PIN Update Flag Not Enabled
- 20417 Card Marked as Stolen
- 20418 Card Marked as Lost
- 20403 Invalid Card Status
- 20421 Max # of PIN Entries Exceeded
- 20539 Invalid Xaction Card not Linked to Case
- 20429 Invalid enable PIN Date
- 30438 Invalid Index - Key not Found
- 20211 Invalid account ID
- 30008 Retailer Does Not Exist
- 30417 Error Retrieving system cutoff time



Appendix G: Call Center Scripts

Client PIN Selection





Exception Processing

1. Menu - More than the allowed amount of time (5 seconds) elapses while waiting for the caller selection.

Play messages and re-prompt:

[552] "We're sorry, we did not receive your selection."
[553] "Please try again."

1. On second error set {TRANSFER_CODE} and transfer to operator.

2. Menu- Customer makes an entry not available on the current menu.

Play messages and re-prompt:

[566] "We're sorry, your menu selection was invalid"
[553] "Please try again."

1. On second error set {TRANSFER_CODE} and transfer to operator.

3. AFN- Caller makes an invalid entry.

Play messages and re-prompt:

[552] "We're sorry, your entry was invalid."
[553] "Please try again."

1. On second error set {TRANSFER_CODE} and transfer to operator.

4. AFN - More than the allowed amount of time (5 seconds) elapses while waiting for the caller input.

Play messages and re-prompt:

[561] "We're sorry, we did not receive your entry."
[553] "Please try again."

1. On second error set {TRANSFER_CODE} and transfer to operator.

5. Menu- More than the allowed amount of time (5 seconds) elapses while waiting for the caller selection.

Play messages and re-prompt:

[563] "We're sorry, we did not receive your menu selection."
[553] "Please try again."

1. On second error set {TRANSFER_CODE} and play the following.
2. On second error set {TRANSFER_CODE}.
[567] "We're sorry, we did not receive your menu selection again."
[564] "Please call back later and make the correct selections"
3. End Call

6. Menu- Customer makes an entry not available on the current menu.

Play messages and re-prompt:

[566] "We're sorry, your menu selection was invalid"
[553] "Please try again."

1. On second error set {TRANSFER_CODE}, and play the following
[566] "We're sorry, your menu selection was invalid again."
[569] "Please call back later and make the correct selections"
2. End Call

7. AFN- Caller makes an invalid entry.

Play messages and re-prompt:

[570] "We're sorry, your entry was invalid."
[553] "Please try again."

1. On second error set {TRANSFER_CODE}, and play the following.
[571] "We're sorry, your entry was invalid again."
[569] "Please call back later and make the correct entries"
2. End Call

8. AFN - More than the allowed amount of time (5 seconds) elapses while waiting for the caller input.

Play messages and re-prompt:

[561] "We're sorry, we did not receive your entry."
[553] "Please try again."

1. On second error set {TRANSFER_CODE}, and play the following
[561] "We're sorry, we did not receive your entry again."
[569] "Please call back later and make the correct entries"
2. End Call

APPENDIX H: LONE STAR TECHNOLOGY CHANGE MANAGEMENT PLAN



Lone Star Technology
Health and Human Services Commission

Introduction

This Change Management Plan describes the process that the Lone Star Technology (LST) follows for managing changes associated with the EBT-2 system.

Purpose

The purpose of this plan is to provide a description of the formal change process that LST uses with its EBT-2 vendors. This plan allows proposed changes to be evaluated, facilitates the efficient implementation of changes, provides a history of proposed and accepted changes, improves communication regarding changes, and minimizes disruptions to the project and environment.

Scope

All changes will be tracked through the change management process described in this plan. This process addresses all types of changes, which are defined as corrections, enhancements, modifications, additions, and replacements to software, hardware, network, infrastructure, policies, procedures, training, management, facilities, or vendors, whether or not the change directly impacts (positively or negatively) EBT stakeholders, including retailers, clients, state or local offices, or any EBT-2 vendor. In addition, this process may also be used to address any activity that requires additional costs, contract modifications, or amendments to the way TDHS does business, as well as changes to state or federal policies, regulations, or statutes.

This plan defines the LST change management process, which includes the following steps:

- proposing changes
- communicating changes to impacted parties
- assessing/testing changes, including estimating the associated costs
- planning for the implementation of changes
- prioritizing and scheduling changes
- documenting changes
- approving changes

The change management procedures in this plan are designed to address all changes that materialize during current operations as well as during the implementation of new programs under the EBT-2 contracts. New program integrations and other high-impact changes will also require preliminary and final approval from the LST Change Management Board. Any changes to the EBT-2 system, hardware, software, data, operational procedures or processes must be approved by LST. LST also evaluates and establishes priorities for all changes.

In the event of emergency situations, the EBT-2 Vendor may not be able to follow the change management process in its entirety. In these cases, the EBT-2 Vendor will act as deemed necessary to support essential EBT-2 operations with

appropriate efforts to contact LST personnel; however, notification and review of the emergency change will be conducted as soon as possible and comprehensive documentation will follow.

The change management process at times intersects the problem management process, which is documented in the Problem Management Plan.

ROLES AND RESPONSIBILITIES

EBT-2 Vendor Responsibilities

The EBT-2 Vendor Change Manager manages the vendor change management team. As the vendor Change Manager, this person is responsible for monitoring the progress of each change through the entire process. The vendor Change Manager is responsible for the following specific tasks:

- Assigning a vendor tracking number to change requests and matching to LST change request number
- Coordinating assessment/testing of the change, including estimation of the associated costs, and documenting the results
- Communicating the potential change to all impacted parties
- Documenting the implementation methods and requirements
- Coordinating and documenting the proposed implementation date/window
- Completing appropriate change management forms
- Coordinating approval of the change from LST and all impacted parties
- Maintaining a change management history
- Reviewing the Change Management Plan annually and providing assistance in updating the plan as needed throughout the life of the EBT-2 project

Other EBT-2 Vendor Change Management Team members share responsibilities in the change management process, including the Project Manager, the section leads, subcontractors, other EBT-2 vendors, and the TDHS SIMS Unit. These team members assist as appropriate in documenting, assessing, testing, scheduling, approving, and implementing changes.

LST Responsibilities

The LST Change Manager (SIMS Manager) leads the LST Change Management Team. As the LST Change Manager, this person is responsible for monitoring the progress of each change through the entire LST process. The LST Change Manager is responsible for ensuring the completion of the following specific tasks:

- Assigning an LST change number to change requests
- Assigning an LST project manager to the change request
- Routing change request through the LST Change Advisory Board and to the LST Change Board
- Providing written request for estimate/proposal for change
- Communicating the potential change to all impacted parties via a Project Alert

Appendix H: Change Management Plan

- Documenting requirements for change
- Coordinating and documenting the proposed implementation date/window
- Completing appropriate change management forms
- Coordinating approval of the change from LST Change Board
- Acknowledging completion of a change and authorization for payment, if billable
- Maintaining a change management history
- Reviewing the EBT-2 Vendor Change Management Plan annually and updating the plan as needed throughout the life of the EBT-2 project

Other LST Change Management Team members share responsibilities in the change management process, including Project Managers, SIMS Leads, operations, business development, contracts and budget. These team members assist as appropriate in documenting, assessing, prioritizing, testing, scheduling, approving, and implementing changes.

CHANGE MANAGEMENT PROCESS

Overview

The change process begins with an EBT stakeholder making a request for a change or enhancement to the Texas EBT-2 system, processes or procedures. The process ends with implementation and evaluation of the change to the system, processes or procedures. If a change request is denied, then the process ends with the documented decision not to implement the change.

The following is a high-level description of the LST change process:

Change Initiation

- Change Request Submitted
- LST Change Board Initial Review
- Internal LST Stakeholder Meetings
- Vendor consultation (optional)
- External Stakeholder Meeting
- Posting and notification of Project Plan
- Project notification broadcasts
- HHSC Project Filter Board Review (if necessary)
- Project Alert
- Project Requirements (PRD)
- Vendor Proposal/Quote
- Change Request Authorization (LST Change Board authorization to start development)

Change Development

- Vendor Develops Design Document
- LST SIMS and Project Manager approves the vendor Design Document
- Vendor begins development/work
- Vendor Unit Testing
- Joint Testing (Vendor & LST SIMS)
- Federal Acceptance Testing if required
- Implementation Approval
- Implementation
- Acknowledgement of completion

Change Evaluation

Evaluation Criteria is analyzed by LST Project Manager (PM)

PM gathers feedback from stakeholders

PM documents project evaluation results

Internal Stakeholders Meeting

The Project Manager (PM) supervisor will setup an Internal Stakeholders meeting to review change requests and request input on change requests being reviewed. This meeting provides an opportunity to gather input from internal stakeholder on proposed changes. From this meeting the following should be identified for each change request being reviewed:

- Identification of impacted external stakeholders
- Goals, purpose and benefits of implementing change
- Possible policy, rules and handbook issues and strategies for overcoming issues
- Potential risks and risk mitigation strategies
- Integration considerations and strategies for external interfaces and processes

The PM supervisor may call these meeting on an ad-hoc basis or establish a regular schedule. The PM supervisor will invite LST staff including projects, systems integration, policy, budget, contracts and operations and business development to participate in the internal stakeholders meeting. Other LST resources may be included as appropriate.

SIMS / PM Meeting

The Project Manager will have a meeting with the appropriate SIMS Lead to discuss project plan, stakeholder requirements, technical solution options and identification of any technical limitations. The PM and the SIMS lead will determine if there is need to schedule a vendor conference.

Vendor Consultation Meeting

The Project Manager and the SIMS Lead may determine that a consultation meeting with a vendor and/or vendor subcontractor to discuss the technical and functional aspects of a particular project. The purpose of this meeting is to provide an opportunity for the vendor early input into the development of the project by providing solution options and identifying technical considerations. This is an optional meeting that the SIMS Manager will request and setup between the PM, SIMS Lead, SIMS manager and vendor team members.

External Stakeholders Meeting

The Projects Supervisor will setup and lead a meeting to present the proposed project and gather input from external stakeholders. This is the official meeting with external stakeholders prior to finalizing the project plan. Note that the external stakeholders may be contacted on an individual as needed basis in developing the preliminary project plan.

Project Plan

The LST project manager will finalize and post the project plan to the LST Intranet server and then send a broadcast to internal stakeholders that the Project Plan has been posted. The primary purpose of the project plan is to describe the goals, purpose and timelines for the project. Based upon the complexity of the project,

Appendix H: Change Management Plan

the project plan may also include business level requirements, interfaces, timelines, potential contracts or agreements that may be necessary, related regulations, mandates, standards, potential risks and risk mitigation strategies.

Project Alert

The LST project manager will issue a project alert to all project stakeholders. The timing for this notification is up to the discretion of the project manager based on the requirements of the project.

Agency Project Filter Board Review (if necessary)

For projects that may have a TIERS/SAVERR impact or impact to other agency areas, projects may require submittal to the HHSC project filter board. The HHSC filter board will assist in coordinating the project across various areas and/or departments of HHSC. If a project requires agency filter board approval, then the LST project will follow appropriate protocols and processes for communication and approvals.

Project Requirements

The SIMS Lead is responsible for developing the Project Requirements Document (PRD), which will clarify the project by defining functional, procedural, interface and technical requirements for the project. The PRD will also identify any implementation constraints or considerations that must be considered. The SIMS Lead is responsible for working with the PM in considering solution options. The SIMS lead may consult with vendor resources for preliminary feedback on the project. The PRD is the official primary document by which the goals, purpose and expected outcomes are communicated to the vendor for the project. Note that the PRD's level of detail may vary based on the nature of each project.

The SIMS Lead must meet with the PM to get consensus on the proposed PRD. If there are unresolved issues with the PRD, the SIMS Manager will be contacted to resolve the issues.

The SIMS Manager is responsible for sending the vendor the official PRD and requesting the corresponding vendor proposal.

Vendor Proposal

The vendor assesses the PRD and develops a vendor Proposal/Quote for the change. The EBT-2 Vendor may coordinate the development of the proposal with appropriate approved subcontractors.

LST Review of Vendor Proposal/Quote

After a vendor Proposal/Quote is received by the SIMS Manager, the SIMS Manager will request feedback on the proposal from the SIMS Lead, the PM, budget and contracts and any other stakeholders as appropriate.

LST Change Board Approval

The LST internal change board will review the change request, consider stakeholder (e.g. TDH, OIG, OAG, other states, etc.) input and then make the decision to approve or reject the CR for further evaluation. The change board may also choose to place the request on hold until a later specified time. If a CR is approved,

then a LST project manager is assigned and will manage the project throughout the change management process.

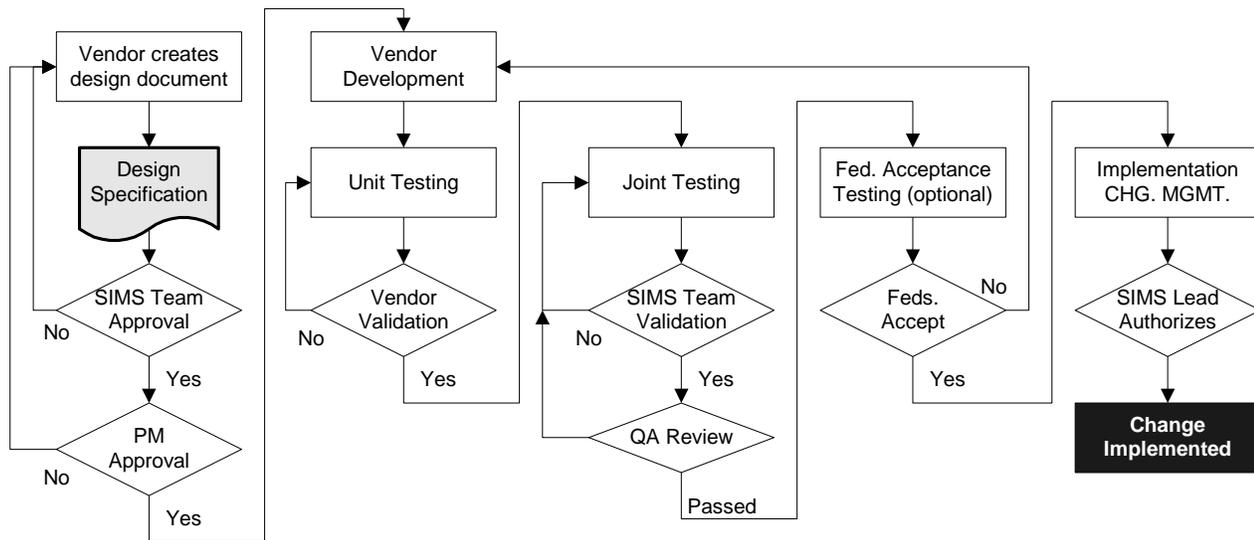
The Change Board will also be responsible for assessing and setting priorities for changes requests.

The membership of the LST Change Board is dynamic based on the needs of the department as accessed by the LST Director. The LST Change Board is composed of the LST Director and any other members appointed by the LST Director. Note that the board may consist of only the LST Director.

Change Request Authorization

If LST Change Board approves the Proposal, the Change Manager will route a Change Request Authorization (CRA) form for signatures within LST. The Change Manager will then provide a signed Change Request Authorization to the EBT-2 Vendor which grants the vendor authorization to start development.

Change Design & Development



Vendor Develops Design Document

A designed document is required for all major development projects unless the LST SIMS Manager waives this requirement in writing.

Design Document Approval

The LST SIMS Lead, the LST Project Manager and the LST SIMS Manager must approve and accept the design document in writing. If the design document is not approved, the Vendor will make the necessary changes and resubmit the design document for approval.

Vendor begins development/work

Vendor begins development after the LST SIMS Manager approves the design document. If there is a needed variance in the design, then the change must be approved by LST SIMS Manager prior to the development of the change.

Vendor Unit Testing

The EBT-2 Vendor is responsible for unit testing of all development changes prior to Joint Testing.

Joint Testing

Joint Testing will be coordinated by the vendor Project Manager and the SIMS Lead. The LST Quality Manager will validate all changes. The SIMS Lead is responsible for notifying LST Project Manager of the status and results of

joint testing. Depending on the project the LST Project Manager may request to be involved in Joint Testing if appropriate.

Quality Review

After successful joint testing, but before implementation, the vendor will facilitate a quality review of software, hardware, interfaces and processes associated with a change. An independent evaluator should complete the quality review. The quality review methodology and results must be presented to and accepted by the SIMS Lead and SIMS Manager.

Federal Acceptance Testing if required

For major changes to the EBT-2 system, federal acceptance testing may be required. The appropriate LST SIMS Lead(s) will be responsible for coordination of vendor resources via the vendor project manager, LST resources and federal partner resources.

Implementation Approval

When a change is ready for implementation, the vendor Change Manager will provide completed change management form to the SIMS Lead. This form authorizes the vendor to implement the change. This form will include at least the following: a description of the change being implemented, the date and time for implementation and back-out procedures. The SIMS Lead will notify the Project Manager that a change is ready for implementation. The SIMS Lead and the Project Manager will agree upon and set the implementation date based upon implementation considerations identified in the PRD.

Implementation

After the appropriate LST Lead has signed the change management form (CIA form, see section IV.H), then the vendor is authorized to implement the change at the time designated. The vendor will coordinate the implementation date with the SIMS Lead. If problems arise which prevent implementation from occurring at the designated time, the vendor will notify the SIMS lead. Written notification (i.e. email) should also be provided to the SIMS lead for successful implementation as well. The SIMS Lead will then notify the Change Manager and the Project Manager of the success or failure of implementation of the change.

Acknowledgement of Completion

Upon validation of completion of a change, the SIMS Manager will sign the bottom of the Change Request Authorization form acknowledging that the change has been completed and is accepted. This signature indicates that the change is complete and is eligible for payment, if billable.

Project Evaluation

Evaluation Criteria is analyzed by LST Project Manager (PM)

After a change has been implemented, the LST Project Manager will evaluate the success/effectiveness of the change based upon the evaluation criteria identified in the Business Requirements Document for the project.

PM gathers feedback from stakeholders

The LST PM is responsible for gathering feedback from stakeholders as to the success of meeting the previously identified needs and requirements.

PM documents project evaluation results

The LST PM will document evaluation of a change based upon the evaluation criteria and feedback from affected stakeholders. Based upon this evaluation, the LST PM may submit a new Change Request to made further improvements to the implemented change.

Key Documents

Change Request (CR)

The Change Request is the initial request for a change, enhancement or identification of a problem. LST has a standard change request form that captures the basic details of the request. However, a change request may be submitted to LST by email, phone, executive mandate, etc. When a new change request is received, the LST Change Manager assigns a CR number and adds the item to the CR Log. The LST Change Manager files the Change Request and the CR log in a central repository that is available to all LST staff. A copy of a change request form is included in the Appendix section A.

Project Plan (PP)

The project manager is responsible for developing the Project Plan, which captures the high-level functional requirements and goals for the change requestor and affected stakeholders. The project manager will work closely with the Business Development team to develop the functional requirements for new business projects. This document should identify the primary purpose and goals, stakeholders, specific high-level functional requirements, identify interfaces with other systems, user interface requirements, risks, regulations, assumptions and any scheduling requirements. This document will provide the foundation for information used to develop the Project Requirements Document.

The Project Manager will gather the needed resources from all areas of the department to develop the Project Plan. The Project Plan will be reviewed and accepted by the project team supervisor, the SIMS team and the SIMS Manager. Upon completion, the project plan will be posted and a notification will be sent to internal stakeholders.

Project Alert

The Project Alert is primarily a tool for communicating to all stakeholders about a new project that is starting. The Project Manager is responsible for filling out the Project Alert and requesting approval from the Change Manager to distribute the Project Alert. If a project affects SAVERR or TIERS, it must be sent to the DHS Project Filter Board via the LST liaison to the board. The Project alert should include: the goals and objectives of a project, schedule requirements/deadlines, regulations, and general business requirements for the project.

Project Requirements Document (PRD)

The PRD defines the goals and objectives of a change, stating the interests of the stakeholders/customers, and clearly defining any specific business requirements for the project. The PRD will also identify the desired

implementation date and any related milestones that are required for the change. The PRD is the vehicle for LST to request a proposal/quote from a vendor or vendors for a potential change.

Vendor Proposal

The vendor will evaluate and assess the change based upon the PRD. The vendor may develop the proposal with its approved subcontractors. The proposal must include: the solution proposal, pricing details by function for each vendor and/or subcontractor, hardware costs and proposed timelines for design, development, testing and implementation of the change. The vendor will submit the proposal to the LST Change Manager for approval. LST may request further details as necessary.

Change Request Authorization (CRA) Form

When the LST team (SIMS Lead, Project Manager and Change Manager) accepts a proposal, then the LST Change Manager will route a Change Request Authorization (CRA) form for signatures. Note: prior to routing the CRA, LST contracts will provide contract citation for inclusion on the form. The CRA is routed for signature from the Budget, Contracts, Project Manager, SIMS Lead and the SIMS Manager/Change Manager. Final signature is required from the LST Change Board (LST Director). The signed CRA form will be provided by LST to the vendor stating the approved pricing, schedule and any other special considerations for development, testing and implementation.

After a change is completed, has been validated by SIMS, the SIMS Manager will sign the acknowledgement of completion on the bottom of the CRA form. This signature indicates that the change is complete and is eligible for payment, if billable.

Design Document

A design document describes the vendor implementation plan for the approved vendor proposal. The design document should include detailed descriptions of creation or modification of user interfaces, database scripts (SQRs, SQT's, etc.), stored procedures, remote procedure calls, database tables, reports, data files, processes and/or procedures. The design document must be delivered to the LST SIMS Lead prior to commencement of development. For small or simple projects, the Change Manager may waive the requirement for a design document.

Change Implementation Authorization (CIA) Form

The Change Implementation Authorization (CIA) form authorizes the implementation of a change to software, hardware, data or operational procedures to the production environment. (See Section III.C.7-8 for procedural details)

Appendix: Forms

Example forms only. These forms will be updated periodically by LST as needed.

LST Change Request Form

LSTD Change Request Form



Name of Requestor:	Date: 4-24-2002
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Change Description:

Expected Benefit(s):

Risk(s) Associated with the Change (+/-):

Change Request Initiated as a Result of:

<input type="checkbox"/> Legislative Mandate	<input type="checkbox"/> Policy Clarification	<input type="checkbox"/> Field Request
<input type="checkbox"/> Vendor Request	<input type="checkbox"/> Executive Directive	<input type="checkbox"/> Lawsuit
<input type="checkbox"/> Advisory Council	<input type="checkbox"/> Other: _____	

Affected Areas (mark all that apply):

<input type="checkbox"/> Software	<input type="checkbox"/> Hardware	<input type="checkbox"/> Network	<input type="checkbox"/> Infrastructure
<input type="checkbox"/> Policy	<input type="checkbox"/> Training	<input type="checkbox"/> Vendors	<input type="checkbox"/> Procedures
<input type="checkbox"/> Facilities	<input type="checkbox"/> Management		

Type of Change (*indicate type of software/hardware change, if applicable):

<input type="checkbox"/> Software* (<input type="checkbox"/> Correction) (<input type="checkbox"/> Enhancement) (<input type="checkbox"/> Modification) (<input type="checkbox"/> Addition) (<input type="checkbox"/> Replacement)	<input type="checkbox"/> Policy	<input type="checkbox"/> Hardware* (<input type="checkbox"/> Addition) (<input type="checkbox"/> Replacement)	<input type="checkbox"/> Training
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Impact (indicate subcontractor, if applicable):

<input type="checkbox"/> TDHS	<input type="checkbox"/> GTECH	<input type="checkbox"/> Client	<input type="checkbox"/> Retailer
<input type="checkbox"/> TPP	<input type="checkbox"/> NGTSI (<input type="checkbox"/> TPS)	<input type="checkbox"/> ACS (<input type="checkbox"/> Card Services) (<input type="checkbox"/> Hypercom) (<input type="checkbox"/> Horizon) (<input type="checkbox"/> Personix)	

Priority (use scale below to set priority rating):

<input type="checkbox"/> 5 – Critical (Legislative Mandate, Lawsuit, System Down/No Work Around)
<input type="checkbox"/> 4 – Semi-Critical (Some Areas of System/Offices are Down, Transactions Cannot be Processed through POS or Service is Degraded/No Work Around, Major Field Workload Impact, Major Client Service Impact)
<input type="checkbox"/> 3 – Severe (Manual Workarounds are Available, Significant Policy Correction, Significant Field Workload Impact)
<input type="checkbox"/> 2 – Moderate (Automated Workarounds are Available, Policy Clarification, Field Staff Request, Minor Client Service Impact)
<input type="checkbox"/> 1 – Non-Critical (Enhancements, Cosmetics, Minor Policy Corrections)

EBT-2 CHANGE REQUEST AUTHORIZATION					
GENERAL INFORMATION					
CR#: 03-000025	ITSM#: 2003-00447	Requestor: Name	Priority: High	Date Submitted: 06/11/2003	Due Date: 7/25/2003
Change Title:		Title			
Change Description:		Description...			
Reason for Change:					
Affected Areas:		<input type="checkbox"/> Engines <input type="checkbox"/> Database <input type="checkbox"/> GTMS <input type="checkbox"/> Operators <input type="checkbox"/> NCRPM <input type="checkbox"/> ATA <input type="checkbox"/> Other			
Special Requirements:					
Comments:					
Contract References:					
APPROVAL					
Approval Date: 6/19/2003		Hours Maximum: 0		Expense Maximum: \$0	
Signatures					
<i>All signatures must be dated.</i>					
LSTD Change Board:		LSTD SIMS Manager:		LSTD SIMS:	
LSTD Project Manager:		LSTD Contract:		LSTD Budget:	
Vendor Rep: NGTSI				TDHS Legal:	
COMPLETION					
<i>Signature acknowledges the completion and acceptance of change.</i>		SIMS Integration Manager			
<i>Signature required for payment.</i>					
Lone Star Technology Department 06.11.2003		Change Request Authorization		Form Date:	

ATTACHMENT 1: UNIFORM TERMS AND CONDITIONS