A. COST PROPOSAL

I. Expectations

1. For all services, components, and start up costs, related to Food Supplement Program (FSP) prices shall be firm and shall include all costs for the entire length of the contract.
2. Cost is considered the entire system cost (turnkey), including all hardware, software, 3rd party licenses and costs, operational processing, cards, card issuance and processing, card delivery, EBT-only terminals, any other equipment placed at retailers, AVR and IVR system and equipment, end-of-contract transition services, etc.
3. Pricing is being sought for a number of programs including Food Supplement Program (FSP), Temporary Assistance for Needy Families (TANF) and Special Supplemental Nutrition Program for Women, Infants and Children (WIC). At the time of RFP issuance, the State's EBT program is operational for FSP. The TANF and WIC components may be added at the State's discretion at a later date of its choosing, at the prices proposed by vendors in response to this cost proposal template. Vendors should indicate in their pricing schedule for TANF and WIC the timeframe for which the price schedules are valid.
4. In the context of the Food Supplement and TANF programs, "cases" and "households" are interchangeable in meaning.
5. Payment will be based on the total number of active cases. An active case is one that received a benefit (Food Supplement, TANF) during the calendar month. Accounts with debit activity only (no credits) in a month are not defined as active cases.
6. Cases will be billed to the State based on the month when benefits become available, rather than when the benefits are authorized.

Remainder of this page left intentionally blank.

II. Statistical Snapshots

	December 2008	December 2009
TANF*		
Number of families receiving grants (cases)	5,207	5,833
Number of recipients (adults + children) receiving grants	11,442	13,053
Total payments	$1,422,313	$1,926,072
Food Supplement Program		
Number of households receiving assistance (cases)	37,492	50,603
Number of recipients	85,026	105,837
Total benefits issued	$9,227,561	$13,490,219

Source: Delaware DHSS/Division of Management Services Data

*Represents TANF in totality (TANF only and TANF + other benefit combinations)

III. Pricing table for EBT Services/Requirements

CPCM = Cost Per Case Month

Vendor: _____

Option A:

Total # of Active Cases	**CPCM: FSP Only Cases**
80,001 and higher	$
75,001 - 80,000	$
70,001 - 75,000	$
60,001 - 65,000	$
55,001 - 60,000	$
50,001 - 55,000	$
45,001 - 50,000	$
40,001 - 45,000	$
30,001 - 35,000	$
25,001 - 30,000	$
20,001 – 25,000	$
Less than 20,000	$

Note: Vendors should not include any start-up costs in the CPCM schedule above. Start-up costs are to be included in Schedule F1

Vendor: _____

Option B:

Total # of Active Cases	**CPCM:** **TANF Only Cases***
5,001 and higher	$
4,501 – 5,000	$
4,001 – 4,500	$
3,501 – 4,000	$
3,001 – 3,500	$
2,501 – 3,000	$
2,001 – 2,500	$
1,501 – 2,000	$
1,001 - 1,500	$
501 – 1,000	$
Less than 500	$

Note: Given the lower degree of complexity of managing TANF the State expects that vendors will respond aggressively. TANF may or may not be included in the final contract depending on the aggressiveness of the pricing and overall solution proposed.

* While total number of families receiving TANF grants ranges from 5,000 to 6,000, TANF only case volumes, within the current definition of active billable case, averages approximately 1,200 cases per month. Under the definition of active cases described in section I above, an assumption is made that the number of active cases will be lower than 1,200.

Note: Vendors should not include any start-up costs in the CPCM schedule above. Start-up costs are to be included in a separate table that follows on subsequent pages.

Vendor: _____

Option C:

Total # of Active Cases	**CPCM:** **FSP and TANF Combined**
7,001 or higher	$
6,001 – 7,000	$
5,001 – 6,000	$
4,001 - 5,000	$
3,001 - 4,000	$
2,001 – 3,000	$
1,001 – 2,000	$
Less than 1,000	$

Note: Vendors should not include any start-up costs in the CPCM schedule above. Start-up costs are to be included in a separate table that follows on subsequent pages.

Vendor: _____

Option D:

Total # of Active Cases	**CPCM: WIC Only Cases**
30,001 and higher	$
25,001 - 30,000	$
20,001 - 25,000	$
15,001- 20,000	$
10,001- 15,000	$
5,001- 10,000	$
Less than 5,000	$

Note: Vendors should not include any start-up costs in the CPCM schedule above. Start-up costs are to be included in a separate table that follows on subsequent page

Vendor: _____

Option E:

Total # of Active Cases	**CPCM:** **FSP and WIC combined**
12,001 and higher	$
10,001 - 12,000	$
8,001 - 10,000	$
6,001- 8,000	$
4,001- 6,000	$
2,001- 4,000	$
Less than 2,000	$

Note: Vendors should not include any start-up costs in the CPCM schedule above. Start-up costs are to be included in a separate table that follows on subsequent page

Vendor: _____

Option F:

Total # of Active Cases	**CPCM:** **TANF and WIC combined**
5,001 and higher	$
4,501 – 5,000	
4,001 – 4,500	
3,500 – 4,000	$
3,001 -3,500	$
2,501 - 3,000	$
2,001 - 2,500	$
1,501- 2,000	$
1,001- 1,500	$
501- 1,000	$
Less than 500	$

Note: Vendors should not include any start-up costs in the CPCM schedule above. Start-up costs are to be included in a separate table that follows on subsequent page

Vendor: _____

Option G:

Total # of Active Cases	**CPCM:** **FSP, TANF and WIC combined**
9,001 and higher	$
7,001 - 9,000	$
5,001- 7,000	$
3,001 - 5,000	$
1,001 – 3,000	$
Less than 1,000	$

Note: Vendors should not include any start-up costs in the CPCM schedule above. Start-up costs are to be included in a separate table that follows on subsequent page

Vendor: _____

IV. Start-up pricing for EBT Services/Requirements

Vendor: _____

A. TANF Program

On this page, the Vendor should include all one-time costs that are necessary during the design, development, and testing phases of the TANF Program. One-time costs may include the costs related to and during transition/conversion, such as transition project team, and including: project/risk management, task execution team to complete system interfaces, database conversion, retailer conversion (if needed), system testing, and training in accordance with the FNS Transition Guide. Upon State acceptance and go-live, start-up services are considered complete.

Start-Up Costs related to TANF Program

Development/Testing Stage (phases as defined in RFP)	**$**
- Phase 1 - Phase 2 - Phase 3 - Phase 4 - Phase 5	
Milestone – Phase 1	**Estimated Time to Completion**
Milestone – Phase 2	**Estimated Time to Completion**
Milestone – Phase 3	**Estimated Time to Completion**
Milestone – Phase 4	**Estimated Time to Completion**
Milestone – Phase 5	**Estimated Time to Completion**
Total Start-Up Costs	**$**

Note: Vendor must attach detail to support each stage or category of start-up costs.

B. WIC Program

On this page, the Vendor should include all one-time costs that are necessary during the design, development, and testing phases of the WIC program. One-time costs may include the costs related to and during transition/conversion, such as transition project team, and including: project/risk management, task execution team to complete system interfaces, database conversion, retailer conversion (if needed), system testing, and training in accordance with the professionally accepted conversion/transition standards. Upon State acceptance and go-live, start-up services are considered complete.

Start-Up Costs related to WIC

Development/Testing Stage (phases as defined in RFP)	**$**
- Phase 1 - Phase 2 - Phase 3 - Phase 4 - Phase 5	
Milestone – Phase 1	**Estimated Time to Completion**
Milestone – Phase 2	**Estimated Time to Completion**
Milestone – Phase 3	**Estimated Time to Completion**
Milestone – Phase 4	**Estimated Time to Completion**
Milestone – Phase 5	**Estimated Time to Completion**
Total Start-Up Costs	**$**

Note: Vendors must attach detail to support each stage or category of start-up costs.

Vendor: _____

HOURLY RATE FOR ADDITIONAL EBT SERVICES

A. Food Supplement, TANF and WIC Programs

On this page, the Vendor shall state a firm, fixed hourly rate for professional services that are beyond the scope of this RFP, or in addition to the required services listed in the RFP. This hourly rate shall apply to State-initiated Change Requests above and beyond RFP requirements during the first year after go-live, and problem resolution. This rate does not apply to repair of flaws within the system or code, or vendor initiated changes that are executed in wide scope (not unique to Delaware) in the interests of improving overall company and business processes.

Description	Hourly Rate
Pricing for Professional Services related to Change Requests and Problem Resolution	$

_____

POS TERMINAL LEASING COSTS:

1. What is the monthly lease charge the Vendor proposes to charge for each POS terminal leased by the State? (Retailers)

Vendor's Response: $_____ per month.

2. What type (brand name and #) of POS equipment is the Vendor proposing to install and use for retailers?

Vendor's Response: _____

USAGE FEES - TANF ONLY (where applicable)

Vendor Name :		**Fee Assessed To**		**Fee Occurrence**
Cardholder Usage Fees		**State**	**Cardholder**	**Monthly, Annually, etc.**
1	ATM Cash Withdrawal Fee			
2	ATM Surcharge at Member and Non-Member banks (provide range)			
3	ATM Balance Inquiry			
4	ATM Denial Fee			
5	Replacement Card Fee			
6	Additional Card Replacement Fee			
7	Other			
8	Other			
9	Other			
10	Other			

NOTE: Vendors are required to attach details of the number, location, and names of ATMs in their proposed network.