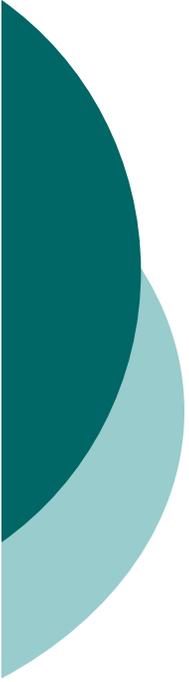




Small and WIC-Only Grocer Commercial Systems

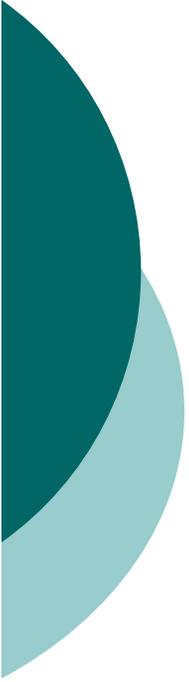
Asad Salahuddin

The Peachtree Group: Hire Productivity, Inc.



Why Replace the Texas and New Mexico Stand-beside Systems?

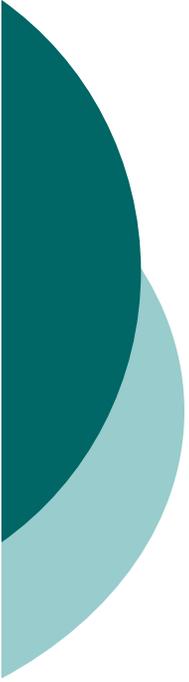
- Texas' support contract with Sagem Morpho expires November 2005; New Mexico's support contract with First Data Government Services is already expired.
- Small stores may opt to install a small grocer commercial system, configured either as a stand-beside or integrated system design.
- An integrated solution eliminates the need for a separate system in the check out lane: POS terminal, scanner, wiring, etc.
- An integrated solution...
 - Simplifies the checkout process for the clerk.
 - Allows the grocer to customize functionality for in-lane and reporting functions so that training and service support is simplified (because it is just another tender supported by the grocer's system).
 - Simplifies host settlement and reconciliation reporting, eliminating the need to reconcile two systems.



Texas WIC EBT Grocer System Conversion/Replacement Policy

- The State will reimburse grocers for the replacement of its kWICpos system. Reimbursement will be 1:1 for State-equipped lanes.

Example: A grocer operates a 4-lane store. In June 2004, WIC reimbursed the grocer for 2 lanes WIC EBT equipage; the grocer purchased additional equipment to achieve full lane coverage. The State will reimburse only the costs to convert to a 2-lane system.
- In Texas, system HW and devices are the property of the grocer. At a Texas grocer's option, kWICpos system hardware, wiring and other devices may be used (or not used) as part of the future commercial system (provided that the selling vendor agrees that the equipment can work and be used in their system, and that the final install system performs all levels of certification).
- Texas WIC will uninstall kWICpos software at the time a new system is certified (Level III Certification).



Texas WIC EBT System: Reimbursement Policy

- The State will pay the actual cost of the Commercial ECR System or a system cost not to exceed:
 - \$ 11,000 for one lane
 - \$ 18,000 for two lanes
 - \$ 25,000 for three lanes
 - \$ 33,000 for four lanes
- Reimbursements for applicable sales tax will be in addition to these amounts.



Texas WIC EBT System: Commercial Systems Features

- What services are included?
 - 3-years sales support, training, warranty and maintenance. After 3 years, the cost of system maintenance and replacement is the responsibility of the grocer.
- Dial up or internet?
 - System design: both.
 - Lessons Learned
 - Internet is best for commercial systems.
 - Dedicated phone line is strongly recommended.
 - The cost of either an Internet Service Provider (ISP) or dedicated telephone line is the responsibility of the grocer.



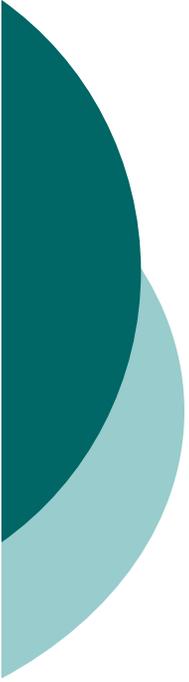
Texas WIC EBT System: Commercial Systems Features

- What reports are generated by the new commercial systems?

Reports vary by system manufacturer. The core requirement is for commercial systems to display the Auto-Reconciliation File (ARF) as a report: date, claim amount submitted, claim amount paid, adjustment(s), adjustment reason code.

- Is training required or optional? What training is needed for the commercial systems?

Training is mandatory, and is included within the price of each system offering. State training requirements specify mandatory management, bookkeeper and clerk training to be provided by the selected system provider. The State will conduct mandatory training for manager and bookkeeper personnel.

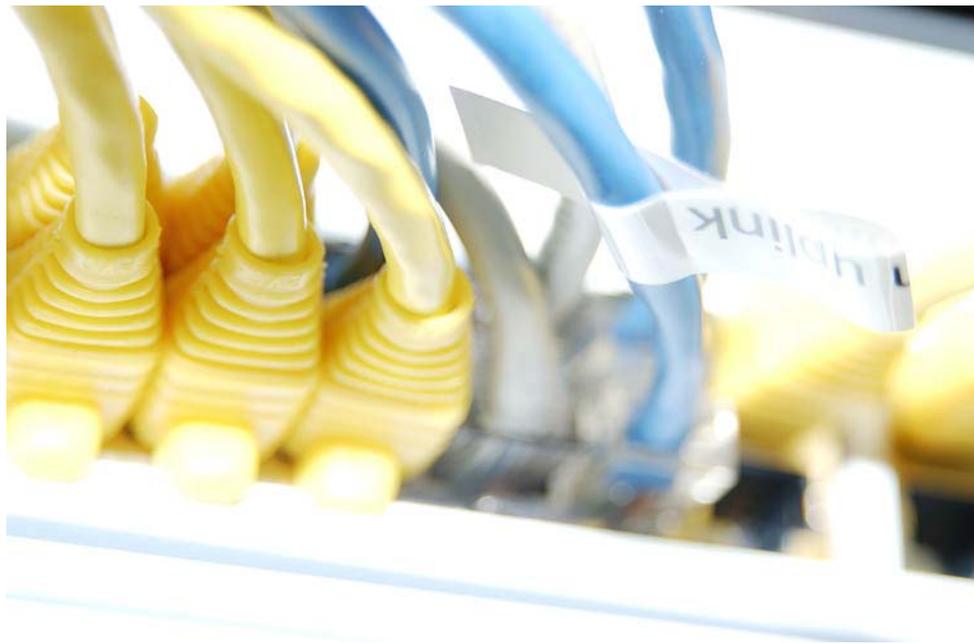


Texas WIC EBT System: Commercial Systems Features

- What are the levels of system certification? Who is involved in Level III Certification?
 - Level I and Level II system certifications occur in the laboratory. State-certified systems have completed Level I and II certifications.
 - Level III occurs in the store. Level III certification tests a store system “end-to-end”:
 - A WIC purchase is transacted in a store lane;
 - The system generates a claim file and transmits it to the State host for processing;
 - The State host reviews the file and does not reject it;
 - The State host processes the file and authorizes payment through the Comptroller of Public Accounts;
 - The store receives payment electronically to its bank;
 - The system receives and reports the Auto-reconciliation File (ARF).

Vendors

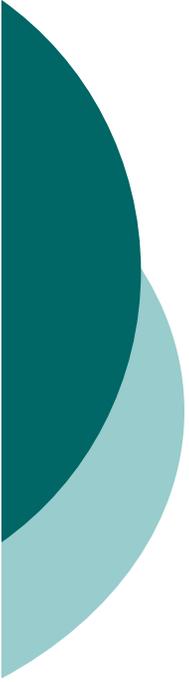
Systems and Pricing





CRS Inc/ICL Fujitsu

	1-LANE	2-LANES	3-LANES	4-LANES
Single Tender WIC Only	\$9892	\$ 14,301	\$ 19,202	\$ 24,873
Government Only	\$ 10,930	\$16,053	\$21,669	\$28,055
Multi-Tender Option #1	\$ 13,974	\$19,529	\$25,576	\$32,393
Multi-Tender Option #2				
Multi-Tender Option #3				



WIC EBT Commercial Systems CRS Contact Information

David Fuller

Cash Register Services, Inc.

1601 16th Street

Lubbock, Texas 79401

Phone: (806)-792-2885

Dfuller@crstx.com



IBM/Malloy's

	1-LANE	2-LANES	3-LANES	4-LANES
Single Tender WIC Only	N/A	N/A	N/A	N/A
Government Only	N/A	N/A	N/A	N/A
Multi-Tender Option #1	\$ 11,902	\$ 18,411	\$ 23,879	\$ 42,748
Multi-Tender Option #2	N/A	N/A	N/A	N/A
Multi-Tender Option #3	N/A	N/A	N/A	N/A



WIC EBT Commercial Systems IBM/Malloy's Contact Information

Michael Hoyer or Dennis Malloy
Malloy's Cash Register Services Inc.
2101 Polk Street
Houston, Texas 77003
Phone: (713)-224-9528
Toll Free: 800-288-9429
Cellular: (713)-320-7939
dmalloy@malloys.com
mike@malloys.com

JPMA Inc.

	1-LANE	2-LANES	3-LANES	4-LANES
Single Tender WIC Only	N/A	N/A	N/A	N/A
Multi-Tender Option # 1	\$ 10,440	\$ 17,206	\$ 25,556	\$ 32,322
Multi-Tender Option # 2	\$ 11,077	\$ 18,427	\$ 25,777	\$ 33,127
Multi-Tender Option # 3	\$ 12,024	\$ 18,790	\$ 25,556	\$ 32,322
Multi-Tender Option # 4	\$ 12,607	\$ 19,957	\$ 27,307	\$ 34,657
Multi-Tender Option # 5	\$ 13,679	\$ 22,101	\$ 30,523	\$ 38,945
Multi-Tender Option # 6	\$ 14,001	\$ 22,745	\$ 31,489	\$ 40,233
Multi-Tender Option # 7	\$ 14,538	\$ 23,819	\$ 33,100	\$ 42,381



WIC EBT Commercial Systems JPMA Inc. Contact Information

Jim Magee

JPMA Inc.

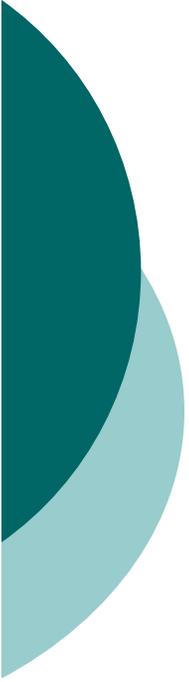
1626 Cole Blvd., Building 7, Ste. 250

Lakewood, Colorado 80401

Phone: (303)-232-3700

Fax: (303)-232-4325

jmagee@jpma.com



WIC EBT “Small Grocer Systems” Demonstrations

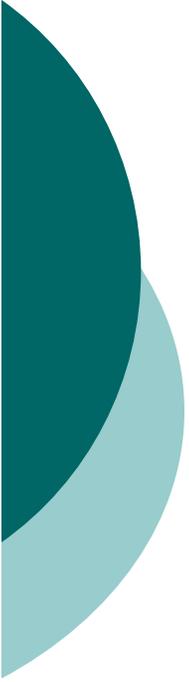
- IBM – Malloy's Cash Register Systems, Houston, Texas
- ICL-Fujitsu – Cash Register Systems – Lubbock & El Paso Cash Register Systems
- JPMA Inc. - Denver, Colorado



Next Steps: Who, What, When and How?

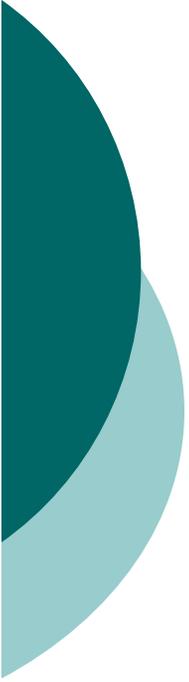
Hank Lundberg

Texas WIC EBT Planning



Grocer System Conversion Checklist

	<u>Target: 9/1</u>	<u>Target: 11/1</u>
Select Vendor and System:	7/19/05	7/22/05
Sign Contract with Vendor:	7/23/05	8/01/05
Site Survey Complete:	8/1/05	8/10/05
Installation Site Ready By:	8/5/05	8/15/05
Equipment Installed By:	8/10/05	9/22/05
Equipment WIC Enabled By:	8/5/05	9/28/05
Update APL/Shelf Prices By:	8/10/05	10/01/05
Complete Staff Training By:	8/21/05	10/15/05
Level III Certification By:	9/1/05	11/1/05



Important Dates and Deadlines

- Grocers should select a commercial system vendor as soon as possible, and must inform the state of its choice by **July 22, 2005**.
- The State highly recommends that commercial systems are installed and certified by **September 1, 2005**.
- Commercial systems must be installed and certified no later than **November 1, 2005**.

WIC EBT

The "Smart" Way to do WIC

