

AMENDMENT 9  
STATEMENT OF WORK

DEPARTMENT OF THE ATTORNEY GENERAL  
TAX & CHARITIES DIVISION

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ONLINE CHARITY REGISTRATION

Version 1.00

Document Number: AG.FY2019.001.A9

STATE OF HAWAII

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**OVERVIEW**

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This Statement of Work (“SOW”) Amendment 9 document identifies the responsibilities between the Department of Attorney General, (“STATE”) and the Hawaii Information Consortium, LLC (“HIC”), the Internet Portal provider for the State of Hawaii. This document is subordinate to the requirements stated in RFP-08-11-SW, Internet Portal Manager and Service Provider, HIC’s Proposal and the contract between the State of Hawaii and HIC dated December 3, 2007 (collectively referred to as the “CONTRACT”).

The SOW is subordinate to the Service Level CONTRACT (“SLA”) between the STATE and HIC signed and dated on July 8, 2008. This SOW is subject to all terms and conditions thereof unless specifically designated as exceptions in this document.

This is an amendment to the following document(s):

- 1) Original Statement of Work (SOW) document entitled Online Charity Registration dated on November 11, 2008 and signed between the STATE and HIC.
- 2) Charity Registry SOW Amendment 1 document entitled Online Charity Registration dated on December 10, 2008 and signed between the STATE and HIC.
- 3) Charity Registry SOW Amendment 2 document entitled Online Charity Registration dated on May 21, 2014 and signed between the STATE and HIC.
- 4) Charity Registry SOW Amendment 3 document entitled Online Charity Registration dated on July 7, 2014 and signed between the STATE and HIC.
- 5) Charity Registry SOW Amendment 4 document entitled Charity Registration Retrieval System dated on October 23, 2014 and signed between the STATE and HIC.
- 6) Charity Registry SOW Amendment 5 document entitled Online Charity Registration dated on February 1, 2016 and signed between the STATE and HIC.
- 7) Charity Registry SOW Amendment 6 document entitled Online Charity Registration dated on March 11, 2016 and signed between the STATE and HIC.
- 8) Charity Registry SOW Amendment 7 document entitled Charity Registration Retrieval System dated on September 7, 2017 and signed between the STATE and HIC.
- 9) Charity Registry SOW Amendment 8 document entitled Online Charity Registration dated on June 3, 2018 and signed between the STATE and HIC.

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**TERM AND TERMINATION**

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This SOW shall begin on the date it is signed by all parties (hereinafter referred to as “Effective Date”) and shall continue in effect until the expiration/termination of the CONTRACT. Termination of this SOW shall not operate to terminate any other SOW between the parties, and such termination shall not, by itself, operate to terminate the CONTRACT.

This SOW may be terminated pursuant to the terms and conditions in the AG’s General Conditions.

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## CURRENT PROCESS

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To submit a registration or an annual financial report with the state of Hawaii a charitable organization must complete the required forms with the IRS. Once complete the IRS sends the submission to the Charity Retrievals System where it is reviewed by the partner. If approved, the partner imports the organization into the Charity Registry and then it is accessible to the public.

The current form fields on the registration and annual report are being streamlined and any unnecessary fields are being removed. These form changes require changes to the schemas that are sent to the Charity Retrievals System. Therefore, updates will be required for the retrievals system and charity registry to accept the new schemas.

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## PURPOSE STATEMENT

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The purpose of this SOW Amendment 9 is to make the following changes:

1. New Schemas - the charity retrievals and charity registry will require changes to accommodate the new schemas.

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## DEFINITIONS

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**Acceptance:** Acceptance refers to the STATE's written approval of the functionality delivered in the production environment.

**CMS (Content Management System) site:** the front-end user interface that allows a user, even with limited expertise, to add, modify, and remove content from a website without the intervention of a webmaster; primarily allows the user to perform actions.

**Delivery:** Delivery refers to when HIC delivers the entire functionality per the SOW requirements into the production environment.

**Final Acceptance:** Final Acceptance refers to the STATE's written approval of the entire project.

**Fixed Rate (Business Model):** When transaction fees are not feasible we can still offer services with a fixed rate. In most cases, this funding model is used when an agency wants to develop an online service that has an existing funding model (i.e. federal grants) or the service doesn't generate any revenue but requires significant development and maintenance.

**Hybrid (Business Model):** A hybrid approach is using both the self-funded and time & materials models together. There are development costs, however, they are discounted as there is also a self-funded component to the application.

**Self-funded (Business Model):** HIC absorbs the risk and cost of developing & maintaining the service in return for future revenue over the lifecycle of the service. HIC generates revenue through portal fees that

are added on to the online services we build. These fees can be passed to the fee payer or absorbed in part or whole by the STATE.

**Services:** Web site and application development; Web site and application maintenance; Web site and application hosting; Marketing; Customer service; Payment portal and account management; Portal development and maintenance; Mobile web applications. See SPO Vendor List Contract No. 08-13 for entire list of services.

**Software:** Web applications, CMS websites and APIs. For purposes of clarity, the following off-the-shelf, SaaS solutions are developed, owned and maintained by HIC affiliates and expressly excluded from the definition of “Software”: (1) payment processing services and subscriber billing; (2) the Gov2Go® Platform and related services; (3) a proprietary application development platform referred to as “Application Engine,” which enables expedited application design services; and (4) any other enterprise SaaS solutions developed outside of the CONTRACT and provided for STATE use under the CONTRACT.

**Web application or application:** a client–server software application in which the client (or user interface) runs in a web browser; primarily allows the user to perform actions.

**Work plan:** a work plan provides a timeline of the deliverables outlined in the SOW that is developed by HIC and approved by the STATE.

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#### SCOPE OF WORK AND DELIVERABLES

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Specifications for the project are attached as Exhibit A and made a part of this SOW.

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#### DELIVERY, ACCEPTANCE AND FINAL ACCEPTANCE

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##### DELIVERY

Prior to launch of the service, HIC will provide the STATE with an Authorization to Deploy Letter describing that the service has been built to the STATE requirements. The STATE shall sign and return the Authorization to Deploy Letter to HIC within 5 business days.

After receiving the signed Authorization to Deploy Letter, HIC will deploy the entire functionality per the SOW requirements into the production environment on the date specified in the Authorization to Deploy Letter.

##### ACCEPTANCE (Deliverables)

The STATE shall not exceed fifteen (15) working days to review each deliverable and to either notify HIC of acceptance, or to provide HIC a detailed list of deficiencies that must be remedied prior to payment being made. In the event the STATE notifies HIC of material, non-compliance with the functional specifications,

HIC shall correct the error within a period not to exceed fifteen (15) working days or a time period mutually agreed upon between HIC and STATE.

### FINAL ACCEPTANCE

STATE should notify HIC of any errors or bugs when discovered during testing in the 90-day post-launch period. HIC shall fix any specifications not met by the project completion date specified in the Work Plan, plus the 10 business days to fix all issues at no extra cost or charge to STATE, or any longer time specified as mutually agreed upon in writing.

Once all the errors and bugs, if any, have been fixed and the Software or service has been retested, or at the end of the 90-day post-delivery period, whichever occurs later, HIC shall provide an acceptance letter to STATE with a checklist of the deliverables/specifications for approval. STATE shall sign and return the acceptance letter to HIC within 5 business days at which time the maintenance period begins.

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### **MAINTENANCE AND SUPPORT**

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The annual maintenance and hosting shall be provided to the STATE, irrespective of any changes or enhancements to the system, as described under Maintenance and Support Fees in Exhibit A.

#### Schedule of Maintenance

HIC will provide support for the proper installation and ongoing general maintenance and operation of the application including the following:

- Customer Service Support including phone, email, and chat support Monday through Friday 7:45 AM to 4:30 PM, excluding state holidays.
- Database and file storage
- Daily database backups at 10:00 PM; STATE will be notified if the time changes
- Daily file backups at 12:00 AM; STATE will be notified if the time changes
- Maintenance of the web application and hosted environment
  - annual application scan within a year of the anniversary of service launch date
  - server, system, and security updates upon release of new patches/updates by third-party vendors
  - monitoring of the application and hosted environment 24/7

Notification to STATE to be posted of any changes or maintenance at least 48 hours prior.

After the application is delivered, as defined in the DELIVERY and FINAL ACCEPTANCE section, HIC will provide support for the proper installation and ongoing general maintenance and operation of the application. HIC shall immediately provide troubleshooting to correct any errors in the application and issues reported by STATE.

Upon receipt of notice of an error, HIC will assign a priority level to the error or issue in accordance with the following criteria:

- Priority A – An error that results in the service being substantially or completely nonfunctional or inoperative. These issues shall be resolved within 6 business hours. If an issue cannot be resolved within the 6 business hours or a work-around is the immediate solution, a resolution plan must be presented by HIC to the STATE within the 6 business hours and the HIC General Manager will be notified. If the service is unavailable a message will immediately be posted by HIC to web users that the site is temporarily down.
- Priority B – An error that does not impact the performance or operation of the site, but correction of the error will result in improved user experience or application efficiency. HIC will investigate and resolve within 10 business days. If the issue cannot be resolved within the 10 business days or a work-around, decided by both parties, is the immediate solution, a resolution plan must be presented by HIC to the STATE within the 10 business days.
- Priority C – A simple text or graphic (non-design) change. The change will be completed within 15 business days unless a mutually agreed upon timeline is stated in writing.

During state business hours, 7:45 a.m. – 4:30 p.m., Monday through Friday, the STATE will contact the Partner Liaison if there are any issues with the service. During non-business hours, the HIC support team can be contacted at 808-695-4627.

HIC server systems are constantly monitored for seamless operation 24x7x365 days a year using NAGIOS network monitoring software. The software checks the status of HTTP, SSL, and SFTP/FTP services every three minutes. If there is an issue, the software automatically sends an e-mail to the Systems Administrator's and Director of Development's (DOD) cellular telephone. The Systems Administrator and/or Director of Development will then respond as appropriate to the problem, and the Partner Liaison will contact the STATE immediately. There are numerous additional monitoring scripts that are also programmed to e-mail the HIC DOD if the file transfer operations are not handled in the proper fashion.

In the event of a system-wide service issue, HIC will immediately notify the Office of Enterprise Technology Services (ETS) via email, [ets.notifyus@hawaii.gov](mailto:ets.notifyus@hawaii.gov). For all other service issues impacting a single service, HIC will immediately notify the State Portal Program Manager and the STATE Project Manager by email and phone (See Exhibit A for contact information).

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#### FEES

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All fees shall be reviewed periodically by the STATE and the Access Hawaii Committee (AHC), and adjusted after review via an amendment to the SOW upon mutual agreement of HIC, the STATE, and the AHC. The AHC will review and approve any and all Portal charges for fairness, reasonableness, and appropriateness in furthering the goals of this CONTRACT.

#### **HIC RATES**

RATE CHART – RFP 08-011

| Job Specialty   | Hourly Rate |
|---|-------------|
| General Manager                                       | \$240.00    |
| Software Architect                                    | \$120.00    |
| Senior Project Manager                                | \$120.00    |
| Project Manager                                       | \$80.00     |
| Senior Business Analyst                               | \$100.00    |
| Business Analyst                                      | \$70.00     |
| Senior Developer                                      | \$100.00    |
| Developer   | \$80.00     |
| Web/Creative Designer                                 | \$60.00     |
| Print Designer  | \$75.00     |
| Marketing Executive                                   | \$80.00     |
| Marketing Associate                                   | \$50.00     |
| Financial Management/Billing Specialist/Support Staff | \$70.00     |
| Database Administrator                                | \$100.00    |
| Security Administrator                                | \$100.00    |
| Systems Administrator                                 | \$100.00    |

**DEVELOPMENT FEES**

**OPTION 1: Fixed cost for dev costs**

FIXED COST: The project development cost plus Hawaii General Excise Tax (GET) shall be stated in Exhibit A. HIC will invoice PARTNER according to a payment schedule set forth in Exhibit A.

**OPTION 2:** If there are no dev costs, include the following general statement.

NO DEVELOPMENT COST: This option is N/A for this project.

**OPTION 3:** Hybrid model that combines both fixed cost and no-cost options.

HYBRID: This option is N/A for this project.

### **MAINTENANCE AND SUPPORT FEES**

This project shall not incur maintenance & support and hosting fees for the duration of the service.

### **TRANSACTION FEES**

**OPTION 1:** There are no associated transaction fees.

This option does not apply for this project.

**OPTION 2:** There are transaction fees.

For all transactions completed, there will be a Transaction Fee due and payable to HIC.

This SOW does not change any existing transaction fees for the Charity Registration service. The current transaction fee of \$4.00 per transaction, plus 3% of each transaction processed will remain as is.

Any costs incurred by HIC associated with unsuccessful contest of a charge-back, cancellation, or insufficient funds will be invoiced to STATE as explained below.

#### **Credit Card Chargebacks**

HIC will make an initial effort to collect on all returned payments, credit card chargebacks, etc. HIC's customer service staff will endeavor to satisfy merchant bank requests. In the event that HIC is unable to successfully contest a credit card chargeback, HIC will invoice STATE the original transaction amount plus a \$25.00 chargeback fee.

#### **ACH Returns (consolidated ACH via HIC only):**

Some eCheck (ACH) transactions may be returned due to insufficient funds or because the bank account information was entered incorrectly by the customer. HIC will attempt to make initial collections on returned payments. If HIC is unable to collect the funds within 7 business days, HIC will invoice STATE the original transaction amount plus a \$25.00 return fee.

Any and all fees and payment policies may be altered by mutual agreement in writing between STATE and HIC via an SOW Amendment.

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### **INVOICE AND PAYMENT SCHEDULE**

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Upon acceptance of HIC deliverables, HIC will send an original invoice to STATE. The STATE has 30-days to pay from the receipt of a valid invoice.



See Exhibit A for details of Invoice and Payment Schedule.

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**RESPONSIBILITIES OF THE STATE**

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STATE will designate a Project Manager with responsibility and authority for review and approval of deliverables under this SOW.

To accomplish the tasks outlined in this SOW and provide the deliverables defined in the Deliverables/Milestones section of this document, STATE Project Manager will work with HIC Project Manager/Project Liaison to establish a project plan/timeline in conjunction with Deliverables/Milestones, HIC will require the following from STATE by the agreed upon dates in the Work Plan. If STATE does not provide any of these items by the required date, delivery dates for HIC deliverables will be revised accordingly. HIC will not be held responsible for delays in the timetable due to unavailability of data or resources from STATE.

- STATE will provide timely authorization for the project and for each approval required during the project.
- STATE will provide written functional requirements for all system components.
- STATE agrees to designate content-knowledgeable reviewer(s) to review each deliverable prior to acceptance to ensure that acceptance represents an informed commitment.
- STATE will provide knowledge transfer of necessary IT knowledge, environment and business processes. Verbal walkthroughs and documentation will satisfy this responsibility.
- STATE will provide content information to be presented on the website.
- While building the website, it is the STATE's responsibility to ensure all pre-existing PDF documents meet the August 25, 2010 State Comptroller's Memorandum 2010-28 on Policy Guidance on Web Site Accessibility, which is incorporated herein by reference. This includes adding tags to each document to ensure they are easily read by screen readers.
- After 90-days post launch, STATE is responsible for maintaining ADA compliance.
- STATE will perform testing and give approval of acceptance
- See additional responsibilities in Exhibit A

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**RESPONSIBILITIES OF THE HAWAII INFORMATION CONSORTIUM**

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HIC will provide a Project Manager to serve as the primary point of contact and coordination with the STATE project team for the duration of the implementation of this project. STATE will require the following from HIC by the agreed upon dates. If HIC does not provide any of these items by the required date, delivery dates, then STATE will not be held responsible for delays in the timetable due to unavailability of data or resources from HIC. HIC will provide all the HIC deliverables detailed in the Deliverables section and will:

- Host the application over the course of its lifecycle
- Present a resolution plan for Priority A prior to project commencement

- Create and submit a Continuity plan to the STATE 5 business days prior to launch
- Provide day-to-day management of the project work plan
- Host periodic team meetings to review the status of project activities against the plan
- Provide Project Plan Updates
- Provide Executive Briefing as needed
- Provide the STATE with transaction reports and money transfers on a schedule mutually agreed to by HIC and the STATE
- Provide a consistent look and feel for related applications under development
- Provide ongoing monitoring of system efficiency and effectiveness and correct deficiencies in a prompt manner
- Provide resources to design, create, test, and implement the service
- Perform system maintenance and upgrades
- Run database backups and recovery routines
- Provide services as specified in the SOW
- Ensure website accessibility compliance per the August 25, 2010 State Comptroller's Memorandum 2010-28 on Policy Guidance on Web Site Accessibility, which is incorporated herein by reference. Accessibility of content added by the STATE post-production launch is at the responsibility of the STATE.
- Includes acceptance testing criteria and process
- See additional responsibilities in Exhibit A

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#### REMEDIES

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##### **Failure to Perform**

If HIC substantially fails to perform the SOW, STATE will give HIC written notice describing such failure. Thereafter, HIC shall have 10 days (or a longer period of time if set forth in the written notice) to remediate such failure. If HIC has not remediated such failure within the allotted time period, STATE may terminate this SOW.

Pursuant to section 9.16.2 of the CONTRACT, substantial failure of HIC to perform the SOW may cause the STATE to terminate the SOW. In this event, the STATE may require HIC to reimburse the monies paid (based on the identified portion of unacceptable work received) and may seek associated damages.

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#### MODIFICATIONS AND AMENDMENTS

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This SOW may be modified, amended or extended only by mutual agreement signed by both parties.

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**STAKEHOLDERS**

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**Department of the Attorney General**

**Tax & Charities Division**

425 Queen Street

Honolulu, HI 96813

**Hawaii Information Consortium, LLC.**

201 Merchant Street Suite 1805

Honolulu, HI 96813

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**CHAIN OF COMMAND**

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**Department of Attorney General**

Russell Suzuki, Attorney General

Gary Sukanuma, Supervising Deputy Attorney General

Stacie Nakamura, Deputy Attorney General

**HIC**

Bertrand Ramos, General Manager

Janet Pick, Director of Portal Operations

Zheng Fang, Director of Development

Megan Nichols, NIC Partner Liaison

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**SIGN OFF**

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I, the undersigned, have the authority to make binding decisions and have the authority to sign on behalf of my respective agency/department regarding projects in collaboration with HIC.

Date:

Date:

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Gary Suganuma  
Supervising Deputy Attorney General  
Department of the Attorney General

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Bertrand Ramos  
General Manager  
Hawaii Information Consortium, LLC

REVIEWED AND APPROVED:

Date:

ACCESS HAWAII COMMITTEE

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By: Douglas Murdock  
Chief Information Officer  
Office of Enterprise Technology Services  
State of Hawaii