

EXHIBIT A

SOW-DLNR-BOC-Online Payments

State/County Agency: DLNR Bureau of Conveyance
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Application Name: BOC Online Payments
Business Model: Transaction Based
Estimated Deployment Date: March 8, 2021

SCOPE OF WORK AND DELIVERABLES

Scope:

NIC Hawaii ("NIC HI") will provide the Department of Land and Natural Resources Bureau of Conveyances ("STATE") with a payment gateway service utilizing both NIC HI's Payment Platform and Kala payment processing to integrate with the new Bureau of Conveyances (BOC) Land Record Management System (LRMS) that is scheduled for a March 8, 2021 launch. This will enable the customer to seamlessly make payments via credit card, electronic check or monthly billing methods.

In addition, NIC HI will assist in the migration of current STATE subscribers to a monthly billing option that allows the STATE to upload a billing file to the NIC HI Payment Platform and enables these customers to receive a monthly electronic notification, search for their account, and make a payment.

Delivery:

The STATE shall have fifteen (15) working days to review each deliverable and to either notify NIC HI of acceptance, or to provide NIC HI a detailed list of deficiencies that must be remedied prior to payment being made. In the event the STATE notifies NIC HI of material, non-compliance with the functional specifications, NIC HI shall correct the same within fifteen (15) working days, unless the STATE consents in writing to a longer period of time.

Milestone Schedule							
Task Duration	Description	Deliverable	Role	Hours	Rate (h)	Total	Payment Schedule (includes GET)
TBD	Signed Statement of Work	Signed SOW	N/A	N/A	N/A	N/A	
Kickoff Meeting	Determine Start of Project Work	Work Plan with dates for each deliverable presented					
2 working days after Kickoff Meeting	Design prototype	Design prototype (Image mockups of key pages)	Sr Dev	5	\$100	\$500	
			Software Architect	3	\$120	\$360	
2 working days after design prototype completed	Approval to proceed	Sign off					
1 week after design prototype approved	Beta deployment	Payment services deployed in TEST environment	Sr Dev	5	\$100	\$500	
			PM	10	\$80	\$800	
2 working days after website deployed in test environment	Approval to proceed	Sign off					20% payment (\$0)
2 weeks after site deployed to TEST prototype approved	Testing, training & review	1 training session for personnel	PM	80	\$80	\$6,400	
2 working days after testing website deployed in test environment	Approval to proceed	Sign off					20% payment (\$0)
3 days after testing approval	Website live	Payment services deployed in PROD environment	PM	8	\$80	\$640	

		Systems Administrator	2	\$100	\$200		
2 working days after website deployed in PROD environment	Approval to proceed	Sign off				20% payment (\$0)	
N/A	Post Launch	Final invoice sent 90-days post launch				40% payment (\$0)	
			Work Totals	113		*\$9,400	\$0.00

* The amount above is for reference only. This service is funded via transactions.

NOTES:

Items that may affect delivery dates, risks, dependencies include:

1. Delays with the STATE and/or the STATE LRMS vendor team review and/or approval steps

Work Plan/Deliverables:

NIC HI is to provide a detailed description of all the tasks that are to be completed to accomplish each of the deliverables in the table above. This will serve a road map for the project.

The following is the work plan determined at the time of SOW creation. An updated work plan will be provided to the STATE within 2 days after project kickoff meeting.

1. Project Kickoff Meeting (February 3) - Complete
2. Payment Services Adjustments (February 4 - 7) - Complete
 - a. Design Prototype
 - b. NIC HI review
 - c. Review prototype with STATE
3. Obtain STATE signoff on prototype (February 8 - 12) - Complete
 - a. Development and TEST Deployment)
 - b. Deployment to TEST environment
4. Testing, Training, and Launch (February 15 – March 8)
 - a. NIC HI / STATE application and payment testing
 - b. Adjustments Round 1, if needed
 - c. STATE testing – test adjustments
 - d. Adjustments Round 2, if needed, and final STATE testing and approval
 - e. Production prep (March 1)
5. Deployment to production environment (March 8)

NIC HI shall, at the commencement of project discussions, also identify and define all dependencies that may occur for each stage of the project and present those dependencies in writing, as part of this section, prior to signing of the SOW.

FEES

1. Development Fees: \$0.00
2. Hosting Fees: \$0.00
3. Maintenance and Support Fees: \$0.00
4. Transaction Fees:

For all transactions completed, there will be a Transaction Fee due and payable to NIC HI by the STATE, comprised of the following components:

(1) For over-the-counter transactions, each real time credit/debit card or eCheck transaction will incur an additional convenience fee as described below:

- a. A fixed fee of \$1.50; plus
- b. Credit/debit card transactions - Transaction processing fee of 2.78%
- c. eCheck transactions - Additional transaction processing fee of \$1.00 per eCheck transaction

Ex. Credit card transaction

Recording Fee (varies) = \$41.00

Transaction Fee = \$1.50 service fee + (\$41.00 + \$1.50) x 0.278 credit card fee = \$2.68

Ex. eCheck transaction

Transaction Fee = \$1.50 service fee + \$1.00 eCheck fee = \$2.50

Projected NIC HI annual revenue:

5,000 transactions per year x \$1.50 service fee = \$7,500.00/yr NIC HI revenue

(2) For online document search transactions, each credit/debit card transaction will incur an additional convenience fee as described below:

- a. Credit/debit card transactions - Transaction processing fee of 12% (2.78% credit card fee + 9.22% convenience fee)

Ex. Credit card transaction

Document Fee (varies) = \$20.00 document fee

Transaction Fee = \$20.00 x 0.12 processing fee = \$2.40

Historical unaudited NIC HI annual fees:

Year	Number of Transactions	NIC HI Fees
2018	15,667	\$35,526.48
2019	16,442	\$35,004.96
2020	14,456	\$33,744.12

For all transactions completed, there will be a Transaction Fee due and payable to NIC HI by the user, comprised of the following components:

- (1) For online invoice payments, each real time credit/debit card or eCheck transaction will incur an additional convenience fee as described below:
 - a. Credit/debit card transactions - Transaction processing fee of 2.78%
 - b. eCheck transactions - Additional transaction processing fee of \$1.00 per echeck transaction
 - c. Paper checks – Additional paper check processing fee of \$5.00 per paper check

Ex. Credit card transaction

\$1,000.00 document fee + (\$1,000.00 x .0278 credit card fee) = \$1,027.80 total user fee

Ex. eCheck transaction

\$1,000.00 document fee + \$1.00 eCheck fee = \$1,001.00 total user fee

Ex. Paper check transaction

\$1,000.00 document fee + \$5.00 paper check fee = \$1,005.00 total user fee

5. Other Fees:

For Monthly Customer Billing, fees will be invoiced as follows*:

- a. Conveyance Image Updates (Monthly Bulk Images) \$1000/month
- b. Conveyance Grantor/Grantee Indexed Data (Monthly Bulk Data) \$500/month
- c. Conveyance Certificates/Documents (Monthly Billing) \$50/month for access plus \$3 per image
- d. Unlimited Conveyance Certificates/Document Images (Monthly Unlimited Download) \$1000/month

*Monthly Billing to Customer and Fee Sharing with STATE

- a. Conveyance Image Updates (Monthly Bulk Images): STATE 70%, NIC HI 30% split
- b. Conveyance Grantor/Grantee Indexed Data (Monthly Bulk Data): STATE 70%, NIC HI 30% split
- c. Conveyance Certificates/Documents (Monthly Billing): STATE 70%, NIC HI 30% split
- d. Unlimited Conveyance Certificates (Monthly Unlimited Download): STATE 70%, NIC HI 30% split

Projected NIC HI monthly revenue:

4 bulk image users x \$1,000.00 / month x .30 split = \$1,200.00 / month

2 bulk data users x \$500/ month x .30 split = \$300.00 / month

11 unlimited download users x \$1,000 / month x .30 split = \$3,300 / month

ADDITIONAL RESPONSIBILITIES OF STATE

List set of responsibilities for the STATE that are specific to this project.

1. Provide NIC HI the billing file format details.
2. Requirements for all Reports needed as part of this project.

ADDITIONAL RESPONSIBILITIES OF NIC HI

1. NIC HI will disburse funds to the STATE bank account(s) via ACH on a 3 day lag for both Credit Card and eCheck payments received.
2. NIC HI will provide Customer Service and Finance Support at no additional cost

CHECKLIST OF SERVICES NIC HI WILL PROVIDE

Idea Development

- Analysis of existing processes, workflows and systems
- Roadmap creation
- Workflow process re-engineering
- Alternative solution exploration

Customer Service

- Customer service via phone, web chat, and email during state business hours
- Monthly customer service statistics
- Technical support for users

Strategic Marketing

- Business cards and postcards
- Email and text notifications and reminders
- Posters and multimedia presentations
- Content modifications for online and offline collateral
- Social media integration

Project Management

- Agile process and experienced project teams
- Requirements collection and development
- Workflow reengineering
- Solution estimating
- Alternative approach planning and development

Web Design and Development

- Accessibility and 508 compliance
- Customer service technical support

- Java application development
- Mobile applications (Android and iOS)
- Responsive web design
- User feedback data pipelines
- User centered design
- User experience, user interface, and visual design
- Web Content Management Systems

3rd Party Merchant Processing

- Level-3 PCI DSS compliance
- Secure configuration with external PCI scans
- Credit card and electronic check payments
- ACH and manual disbursements
- Chargeback and refund support
- Collection and frontline customer support for all payments
- Reporting modules