

STATEMENT OF WORK AMENDMENT 1

DEPARTMENT OF EDUCATION

Commerce Platform and Payment System

Version 1.00

Document Number – DOE.FY2022.002.A1

OVERVIEW

This Statement of Work (“SOW”) Amendment 1 document identifies the responsibilities between the Department of Education, (“STATE”) and the Hawaii Information Consortium, LLC dba NIC Hawaii (“NIC HI”), 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, NIC HI’s Proposal and the contract between the State of Hawaii and NIC HI dated December 3, 2007 (collectively referred to as the “CONTRACT”).

The SOW is subordinate to the Service Level Agreement (“SLA”) between the STATE and NIC HI signed on March 17, 2021. This SOW is subject to all terms and conditions thereof unless specifically designated as exceptions in this document.

This is an amendment to the original SOW document entitled “Commerce Platform and Payment System” executed between the STATE, NIC HI, and the State Office of Enterprise Technology Services on June 4, 2021.

PURPOSE STATEMENT

This SOW Amendment covers the changes to the Transaction Fees details in the SOW Exhibit A.

FEES

The following details the amendments to section 4. Transaction Fees from SOW Exhibit A.

Existing Transaction Fees as stated in current SOW Exhibit A

4. Transaction Fees:

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

- (1) Each credit/debit card transaction will incur
 - a. a fixed cost (convenience fee) of \$1.50 plus
 - b. a transaction processing fee of 2.78%
- (2) Each eCheck transaction will incur
 - a. a fixed cost of (convenience fee) of \$1.50 plus
 - b. a transaction processing fee of \$1.00

Depending on the item for sale on the Commerce Platform, the transaction fee will be either absorbed by the STATE or passed on to the end user. This will be determined by the STATE.

Example 1: Credit card payment with fees absorbed by the STATE

\$20.00 school shirt fee = \$20.00 user fee
NIC HI Fee = \$20.00 x 2.78% cc fee + \$1.50 fixed fee = \$2.06 paid by STATE

Example 2: eCheck payment with fees absorbed by the STATE

\$30.00 yearbook fee = \$30.00 user fee
NIC HI Fee = \$1.00 eCheck fee + \$1.50 fixed fee = \$2.50 paid by STATE

Example 3: Credit card payment with add-on fees paid by end user

$\$50.00$ class fee = $\$50.00 + (\$50.00 + \$1.50 \text{ fixed fee}) \times 2.78\% \text{ cc fee} + \$1.50 \text{ fixed fee} = \52.93 user fee

NIC HI Fee = $(\$50.00 + \$1.50 \text{ fixed fee}) \times 2.78\% \text{ cc fee} + \$1.50 \text{ fixed fee} = \2.93 paid by user

Example 4: eCheck payment with add-on fees paid by end user

$\$50.00$ class fee = $\$50.00 + \$1.00 \text{ eCheck fee} + \$1.50 \text{ fixed fee} = \52.50 user fee

NIC HI Fee = $\$1.00 \text{ eCheck fee} + \$1.50 \text{ fixed fee} = \2.50 paid by user

The Transaction Fee shall be deducted from the gross amount collected online before the net amount is remitted to STATE on a set calendar basis. Initially disbursement to STATE will be weekly via paper check until the STATE is ready to move to ACH disbursements. The frequency and method of remittance can be modified upon mutual agreement and signed agreement between NIC HI and STATE.

New Transaction Fees – effective upon execution of this Amendment 1 by all parties

4. Transaction Fees:

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

(1) Each credit/debit card transaction will incur

- a. a ten percent (10%) of the transaction amount (convenience fee) with a maximum limit of \$1.50 plus
- b. a transaction processing fee of 2.78%

(2) Each eCheck transaction will incur

- a. a ten percent (10%) of the transaction amount (convenience fee) with a maximum limit of \$1.50 plus
- b. a transaction processing fee of \$1.00

(3) Each cash transaction will incur

- a. a ten percent (10%) of the transaction amount (convenience fee) with a maximum limit of \$1.50 plus
- b. a transaction processing fee of \$0.00

Depending on the item for sale on the Commerce Platform, the transaction fee will be either absorbed by the STATE or passed on to the end user. This will be determined by the STATE.

Example 1: Credit card payment

$\$10.00$ school shirt fee

NIC HI Fee = $\$10.00 \times 10\% + \$10.00 \times 2.78\% \text{ cc fee} = \1.28 absorbed by STATE

NIC HI Fee = $\$10.00 \times 10\% + ((\$10.00 + (\$10.00 \times 10\%)) \times 2.78\% \text{ cc fee}) = \1.31 passed on to user

Example 2: eCheck payment

$\$30.00$ yearbook fee

NIC HI Fee = $\$30.00 \times 10\% + \$1.00 \text{ eCheck fee} = \$1.50 \text{ max} + \$1.00 = \2.50 absorbed by STATE

NIC HI Fee = $(\$30.00 \times 10\%) + \$1.00 \text{ eCheck fee} = \$1.50 \text{ max} + \$1.00 = \2.50 passed on to user

Example 3: Cash payment

$\$50.00$ class fee

NIC HI Fee = $\$50.00 \times 10\% = \$1.50 \text{ max} = \$1.50$ absorbed by STATE

NIC HI Fee = $\$50.00 \times 10\% = \$1.50 \text{ max} = \$1.50$ passed on to user

The Transaction Fee shall be deducted from the gross amount collected online before the net amount is remitted to STATE on a set calendar basis. Initially disbursement to STATE will be weekly via paper check until the STATE is ready to move to ACH disbursements. The frequency and method of remittance can be modified upon mutual agreement and signed agreement between NIC HI and STATE.

STAKEHOLDERS

Department of Education

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CHAIN OF COMMAND

STATE

Keith T. Hayashi, Interim Superintendent of Education

Camille Masutomi, Chief of Staff, Office of the Superintendent

NIC HI

Bertrand Ramos, General Manager

Janet Pick, Director of Portal Operations

Zheng Fang, Director of Development

SIGN OFF

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 NIC HI.

Date:

Date:

Keith T. Hayashi
Interim Superintendent of Education
Hawaii State Department of Education

Bertrand Ramos
General Manager
Hawaii Information Consortium, LLC
dba NIC Hawaii

APPROVED AS TO FORM:

Date:

Deputy Attorney General

REVIEWED AND APPROVED:

Date:

ACCESS HAWAII COMMITTEE

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