

SOW EXHIBIT A

Department of Labor & Industrial Relations – Payment Processing

State Agency:	Department of Labor & Industrial Relations
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Application Name:	Payment Processing
Business Model:	Transaction Based
Estimated Deployment Date:	March 2027

SCOPE OF WORK AND DELIVERABLES

Scope

The scope of the project

1. **Payment Processing Services**
 Allow Netacent Inc. to securely connect to TYLER payment processing services
 - a. Provide secure connection
 - b. Pass an individual or company Employer Contribution Payment amount due for online credit card or eCheck payments
 - c. Pass an individual or company Employee Overpayment Collection Payment amount due for online credit card or eCheck payments
 - d. Provide a payment interface for user to submit and complete payment information
 - e. Transmit successful payment verification to STATE system
 - f. Establish of transaction reporting and fund disbursement standards

The following tasks have been identified to ensure the vision's success.

Task	Description	Deliverables
1	Review payment processing expectations and approach	Completed requirements, workflow diagrams
2	Provide payment processing implementation documentation and guidance	Implementation documentation and technical support
3	Quality assurance testing and final adjustments	TEST system is available for TYLER and STATE quality assurance

4	Implementation of reports	Creation and finalization of payment processing reports
5	System launch	System is available for public use

TYLER will provide the following software solution components to STATE:

- Tyler Technologies' Payment Processing

Out of Scope: The following deliverables are not included in this SOW.

1. External agency data integration
2. Data export or exchange with external agencies
3. Electronic verification of identification or addresses
4. Hardware (including computers, tablets, peripheral devices and credit card readers)
5. Generation of employer contribution document(s) or electronic signature
6. Generation of employee overpayment document(s) or electronic signature
7. Establishment of universal financial reporting system processes beyond the Tyler payment processing transactions
8. Feature requests will be evaluated on a case-by-case basis

Delivery

The STATE shall have fifteen (15) working days to review each deliverable, unless otherwise specified, and to either notify TYLER of acceptance, or to provide TYLER a detailed list of deficiencies that must be remedied prior to payment being made. In the event the STATE notifies TYLER of material, non-compliance with the functional specifications, TYLER 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	Hour	Rate (h)	Total
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 weeks after kickoff meeting	Payment Configuration	Integration with payment gateway Kala/Payment pages customization	Sr Developer	60	\$140	\$8,400
			PM	40	\$150	\$6,000
15 working days after payment configuration	Approval to proceed	Sign off				
1 week after payment configuration approved	Beta deployment	Website deployed in TEST environment	Sr Developer	10	\$140	\$1,400
			Sys Admin	8	\$130	\$1,400
2 weeks after site deployed to TEST	Testing, training & review	1 training session for personnel	QA	60	\$100	\$6,000
			PM	40	\$150	\$6,000
15 working days after testing website deployed in TEST environment	Approval to proceed	Sign off				
3 days after testing approval	Website live	Website deployed in PROD environment	Sys Admin	10	\$130	\$1,300
			Sr Developer	6	\$140	\$480
			PM	8	\$150	\$1,200
N/A	Post Launch	Final invoice sent 90-days post launch				
			Work Totals	242		\$32,180 + \$1,516.32 GET = \$33,696.32

NOTES

N/A

Work Plan/Deliverables

TYLER 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 as 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 the project kickoff meeting.

	Implementation	Estimated Completion Date
1	Project kick off	June 2026

2	Development	June September 2026
3	TEST system implementation and QA	October 2026
4	Training sessions	November 2026
5	System implementation	February 2027
6	System launch and reports	March 2027

TYLER 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

Include total cost (including general excise tax) and breakdown of all other fees (i.e. development, hosting, maintenance and support, transaction and other fees).

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

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

- 1) Each credit/debit card or eCheck transaction will incur a \$2.50 transaction fee plus an additional fee as described below:
 - a) Credit/debit card transactions - Additional transaction processing fee of 2.5% per transaction; or,
 - b) eCheck transactions – \$1.00 transaction processing fee

Ex 1. Credit card payment for \$100 due
 Transaction Amount = \$100 + \$2.50 + (\$100 payment + \$2.50 fee) x 2.5% transaction processing fee
 = \$102.50 + (\$102.50 x 2.5%) = \$102.50 + \$2.56 = \$105.06

Ex 2. eCheck payment for \$100 due
 Transaction Amount = \$100 + \$2.50 + \$1.00 transaction processing fee)
 = \$102.50 + \$1 = \$103.50

The Transaction Fee will be an add-on fee for each transaction, and therefore will be paid by end users. The STATE will be responsible only for the transaction processing fees associated with eCheck transactions and will not be responsible for any transaction fees associated with credit/debit card transactions.

The net amount is remitted to STATE on a daily basis within 3 banking days via ACH. The frequency and method of remittance can be modified upon mutual agreement and signed agreement between TYLER and STATE.

5. Other Fees: \$0.00

The projected annual transactional revenue for TYLER based on DLIR UP's FY2025 transaction volume is projected at:

- Employer Contribution Payments: 72,700 payments x \$2.50 fee = \$181,750
- Overpayment Collections: 2,400 payments x \$2.50 fee = \$6,000

INVOICE AND PAYMENT SCHEDULE

There is no development cost for this project.

Invoice Schedule

Date	Deliverable	Price	GE Tax	Total
N / A	Payment upon deployment of functional test system and STATE acceptance	\$0.00	\$0.00	\$0.00 (50%)
N / A	Payment at completion of testing, acceptance letter signed by STATE, and deployment to production environment	\$0.00	\$0.00	\$0.00 (40%)
N / A	Payment at 90 days post-production launch	\$0.00	\$0.00	\$0.00 (10%)
TOTAL		\$0.00	\$0.00	\$0.00

ADDITIONAL RESPONSIBILITIES OF STATE

N / A

ADDITIONAL RESPONSIBILITIES OF TYLER

N / A

CHECKLIST OF SERVICES TYLER 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
- 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 or electronic check payments
- ACH and manual disbursements
- Chargeback and refund support
- Collection and frontline customer support for all payments
- Reporting modules