

## IT Contracts Reporting

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### **Frequently Asked Questions (FAQs)**

#### **What is an information technology (IT) contract?**

An IT contract is for goods and/or services as defined in [RCW 43.105.020 sections 6 through 9](#).

#### **Why do we have to report our IT contracts information?**

The IT Contracts Report is required by a proviso in section 149(4) [Engrossed Substitute Senate Bill 5092] of the [2021-23 Operating Budget](#). The proviso requires DES to receive, compile, and submit all state agency IT contracts each year to the legislative fiscal committees.

#### **When is the IT Contracts Report due to DES?**

IT Contracts Reports are due to DES September 1, 2021. DES must analyze, compile the reports and submit a comprehensive report to legislative fiscal committees by October 31, 2021.

#### **Why do we have to report amounts for every fiscal year?**

The proviso requires contract amounts by fiscal year. This includes all fiscal years for an active IT contract.

#### **What is the data in the IT Contract Report being used for?**

The statutory requirement provides critical insight into information technology contracts. The report allows for transparency of information technology spending, terms of contracts, names of vendors, and insight into types of services delivered that informs stakeholders, identifies trends, and allows for analytics.

#### **The template only has fiscal years from 2000 to 2050. My contract starts or ends outside of those dates, do I need to add columns to the template?**

Yes. The proviso requires agencies to report the contract amounts for every fiscal year a contract is active. DES will be checking to ensure there are amounts included for each fiscal year a contract is active. Please include a note in the explanation of contract amount column if there is not an amount for a year a contract is active. Your report may be returned if the amounts do not match the contract dates and a note is not included.

#### **Are we still required to submit a Contract Transparency Report in accordance with RCW 39.26.210?**

Yes. The IT Contacts Report does not substitute or replace the Contract Transparency Report. Both reports need to be submitted every year.

## What is the reporting period?

The reporting period is July 1, 2020 to June 30, 2021.

The proviso reporting period requirements changed in 2021 and now requires agencies to provide a snapshot of their active IT contracts as of June 30 of the reporting year and any contract that was active as of July 1 of the previous reporting year. This means any IT contract that was active during fiscal year 2021 must be included in the 2021 report.

Examples:

If a contract started in 2011 and was active as of June 30, 2021 the contract must be included in your 2021 report.

If a contract started on August 30, 2020, this contract must be included in your 2021 report.

If a contract started on July 1 of 2021, the contract does **not** need to be included.

## Do we have to report amendments as a separate contract similar to Contract Transparency Reporting?

No. There should be one row per contract. Amendments should not be reported separately. Amendment changes should be rolled into one row on the template.

For instance, if an amendment increases the contract amount, add the amount to the total contract amount as well as the appropriate fiscal year.

## Do we need to include tax in the contract cost?

No. Exclude tax from the contract cost; however, if your system is unable to separate tax, report the contract maximum/contract value. A general rule is to err to the side of over reporting rather than under reporting. If tax is included, please include a note in the explanation of contract amount column.

## What are the IT towers?

The [IT towers](#) established by the [Technology Business Management Council](#) and include:

- **Application** (Includes Application Development, Application Support and Operations, and Business Software)
- **Compute** (Includes Servers, Unix, Midrange, Converged Infrastructure, Mainframe, and High Performance Computing)
- **Data Center** (Includes Enterprise Data Center and Other Facilities)
- **Delivery** (Includes IT Service Management, Program, Product and Project Management, Client Management, and Operations Center)
- **End User** (Includes Workspace, End User Software, Mobile Devices, Network Printers, Conferencing and AV, IT Help Desk, and Deskside Support)
- **IT Management** (Includes IT Management and Strategic Planning, IT Finance, and IT Vendor Management)
- **Network** (Includes LAN/WAN, Voice, and Transport)

- **Output** (Includes Central Print)
- **Platform** (Includes Database, Middleware, Mainframe Database, and Mainframe Middleware)
- **Security** (Includes Security, Compliance, and Disaster Recovery)
- **Storage** (Includes Online Storage, Offline Storage, Mainframe Online Storage, and Mainframe Offline Storage)

## **How do I report a contract that falls under more than one IT tower?**

If a contract falls under one or more tower, include the percentage of work for each tower under the appropriate column.

For example, if a contract is 30% Network, 40% Security, and 30% Application, put 30 under the Network column, 40 under the Security column, and 30 under the Application column. The total column should equal 100%.

## **Do we need to report a contract that has an IT component when the IT component is not a majority of the work?**

Yes. Report the percentage of each IT tower and non-IT related work under the appropriate column of the reporting template. For example, if a contract is 20% IT and 80% non-IT, the 20% IT work needs be distributed under the appropriate IT Tower(s) and the 80% non-IT related work will go under the non-IT column. The total column should equal 100%.

## **Where do I submit my report?**

Please [submit your report](#) by using the link and uploading the file. A confirmation receipt will be sent to you via email from [desitcontractsreporting@des.wa.gov](mailto:desitcontractsreporting@des.wa.gov).

**Email submissions will not be accepted.**

## **Should the contract cost be positive or negative figures?**

It depends. Revenue contracts should be reported as negative figures. All other contracts should be reported as positive figures.

## **Do we need to report direct buys?**

It depends. Direct Buys do not need to be reported unless they contain a statement of work.

## **Do we need to report IT purchases made through Master Contracts?**

Yes. DES will provide your agency with the vendor reported sales under every IT Master Contract that was active during fiscal year 2021. Your agency must confirm the towers and amounts are correct and submit the IT Master Contract sales with the remainder of your IT Contracts Report.

## **When will DES send my agencies IT Master Contract purchases for me to confirm?**

April, May, and June sales are not due from vendors until July 31. DES will start compiling the vendor sales immediately after July 31, and you should receive your agency's IT Master Contract sales by mid-August.

## **Should I report leases and purchases through DES?**

Yes, you must report leases and purchases DES has procured on your behalf.

## **Should we include interagency agreements in our report?**

Yes, include all IT contracts.

## **Should we report contracts for central services?**

Do not submit any payments made to OFM, DES, and CTS as part of the central service model or to CTS Fee for Service purchases.

## **Should the total contract amount be the sum of the fiscal year columns?**

Yes. The total column should be the sum of all of the fiscal year amount columns.

## **Do we have to report purchase orders or field orders from contracts that we do not own?**

Unless the agency that owns the contract is reporting your purchases, you must report your IT purchases.

## **Do we have to report purchase order that do not have a statement of work and are not related to a contract?**

No. Only purchase orders for IT goods/services that are directly related to a contract such as a DES Master Contract, should be included in the report. Purchase orders that are not directly related to a contract do not have to be reported.

## **Do we need to report license or software subscriptions?**

Report license and software subscriptions that have been procured through a contract.

## **How do we report the amounts for contracts that are fee for service or do not have a maximum amount?**

For past fiscal years, report the amounts your agency has actually spent on the contract. For future fiscal years, please make estimated budget projections. Reports with \$0 listed under the amount columns during active contract years will not be accepted without a note in the explanation of contract amount column.

## **How do I attribute amounts to fiscal years when there may be multiple statements of work and the potential for additional funding along the way?**

Please coordinate with your budget office teams and project the amounts by fiscal year to the best of your ability. If you are not able to make those projections, parse the known contract amount equally between each active year of the contract. However, if you are dividing it equally

by fiscal year you must make a note to that effect in the notes column and why a more precise projection is not possible. You may also use the explanation of contract amount column for any additional notes.

## **How do I report contracts that don't have an end date?**

If you do not know a contract date or the contract does not have an end date, please enter 99/99/9999 into the date field and you must leave a note in the Contract Date Explanation column. For the amount columns, please enter projections for as many fiscal years as possible and utilize the explanation of contract amount column.

## **What about contracts that go back to the 1950's? AFRS doesn't even go back that far. Do we just put \$0.00?**

No. Go with the newest renewal date for the contract dates and amounts. If you have questions, please contact us at [desitcontractsreporting@des.wa.gov](mailto:desitcontractsreporting@des.wa.gov).

## **Can you explain what "Cooperative" means?**

A cooperative contract is a contract that your agency has access to use without competing the contract yourself.

For instance, DES utilizes NASPO ValuePoint contracts. We call these DES Master Contracts but we did not put out a solicitation for these contracts. We signed a participating addendum to use these contracts instead. Another example would be the US Communities Cooperative. Many schools and higher education institutions use this co-op to make purchases. IT purchases made under any cooperative should be included in your IT Contracts Report.

## **We already put the special coding on all our IT spend, why is that not enough?**

AFRS spend does not give anticipated future spend as required by the proviso. There also is not a good way to collect all the AFRS data and compile with the other report elements to meet the report requirements.

## **Is there a WEBi report for ECMS agencies?**

Yes. The Web Intelligence report for IT Contracts. Please find the instructions for this report [here](#).

## **Last year if a contract ended prior to June 30 (for example if it ended 4/30) information was not to be included on the report. Is that still the case - that there really isn't a reporting period?**

No. The proviso language has changed. The reporting period for this year is July 1, 2020 to June 30, 2021. Please include all IT contracts that were active during this time.

## **Does this apply to small direct buys?**

This report only applies to direct buys that have a statement of work.

## **What is the intent of the report?**

Legislative members require this reporting in statute law. This report provides a comprehensive critical statewide IT contracting report that shows detail to include contract information, prior historical spending, tower information, projected spending by FY, and vendor information.

## **As a Commission, none of our funding comes from the State. Doesn't that skew your spending report?**

No, it doesn't. Just because your funding comes from grants or another funding source, it does not skew the spending report. It's really to get a picture of where the state is spending their money, and where agencies are spending the money and maybe making opportunities for cost savings.

## **Are you doing anything to capture the (old) repetitive data so in future years it is not needed?**

No. DES would have to piece each agencies report together and doing that would create too much room for error. Agencies will have to continue to submit prior fiscal year data each year.

## **Which agency reports interagency agreements?**

The agency receiving the IT good or service should report the contract.

## **How are the agencies reporting Interagency Agreements that require subcontractors?**

Report the interagency agreement with the entity that have the agreement with. You do not need to include the subcontractors.

## **Why isn't Apptio being used to track IT spend for the Legislature?**

Apptio was looked at to fill the requirements of the IT Contracts report. Unfortunately, Apptio does not show projected spend and does not tie to a contract.

## **Our agency has agreements with local governments that share the cost of the service. Do you only want us to report the state spend, or do you want the total amount spent on the contract before the local governments reimburse their share?**

Yes. Report the total amount and put a note in the contract amount explanation column.

## **Who should be contacted if I have questions?**

Business Operations Team

Phone: (360) 407-2214

Email: [DESITContractsReporting@des.wa.gov](mailto:DESITContractsReporting@des.wa.gov)