



"the consolidated technology services agency -RCW 43.105.006"

# OCIO Forum

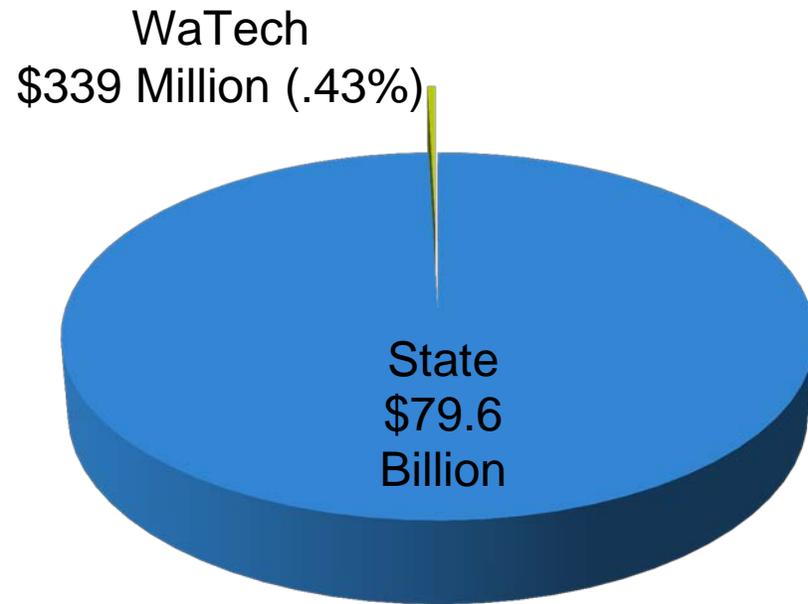
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May 10, 2016

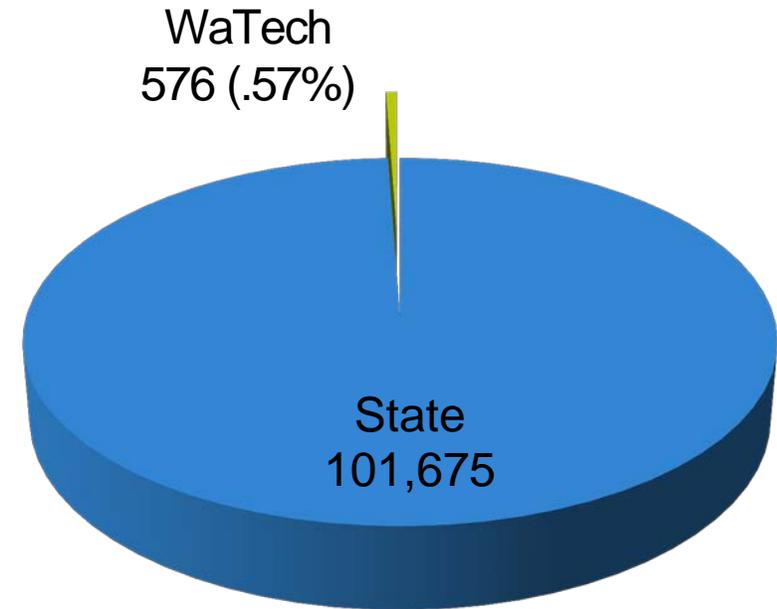


# WaTech Biennial Budget

## Expenditure Authority



## FTE Authority



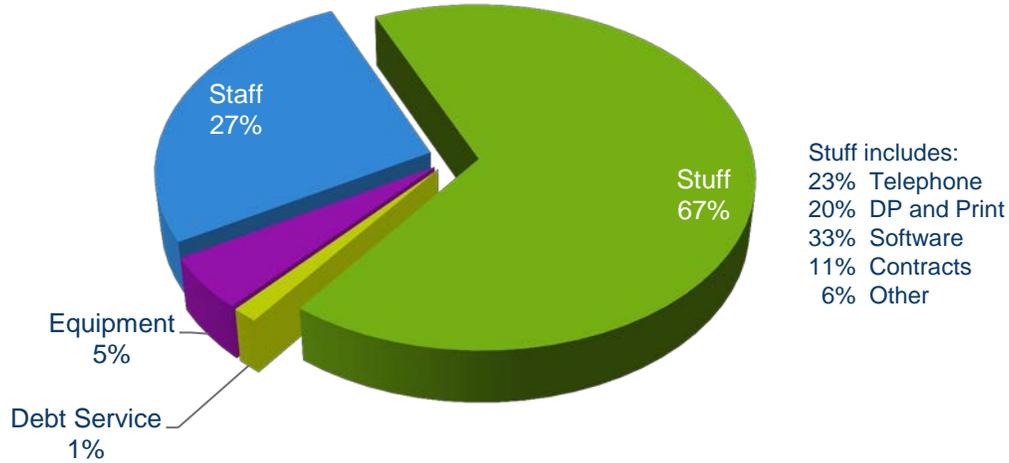
# What We Buy

## July 2015 – March 2016

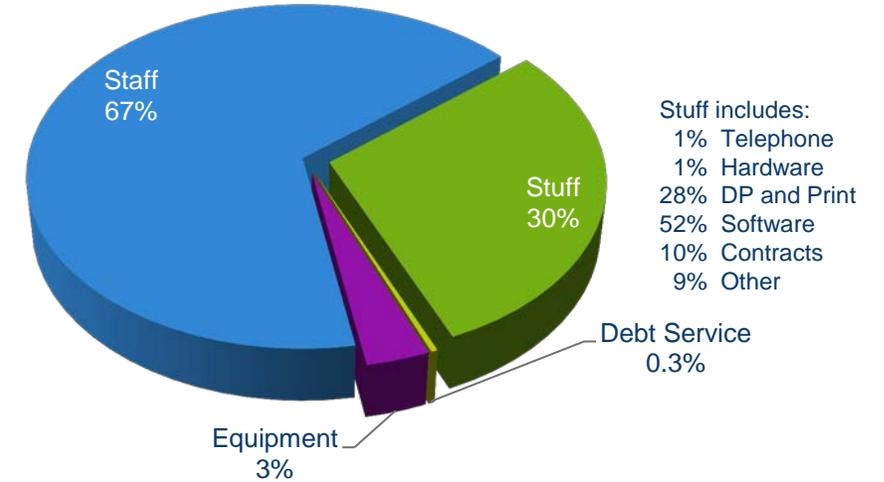
	Infrastructure	Applications	Administration	OCIO	Total to Date
<b>Staff</b>	\$ 17,817,530	\$ 17,436,892	\$ 7,669,917	\$ 1,097,316	\$ 44,021,654
Stuff					
Telephone	\$ 12,958,390	\$ 64,689	\$ 139,341	\$ 11,590	\$ 13,174,010
Hardware	\$ 4,671,897	\$ 64,949	\$ 6,442	\$ -	\$ 4,743,288
Data Processing and Print	\$ 7,395,892	\$ 2,126,304	\$ 1,552,093	\$ 18,309	\$ 11,092,598
Software	\$ 13,827,990	\$ 3,980,795	\$ 638,529	\$ 304,849	\$ 18,752,162
Contracts	\$ 3,899,172	\$ 796,575	\$ 607,734	\$ 677,566	\$ 5,981,046
Other	\$ 1,891,598	\$ 683,565	\$ 520,676	\$ 36,472	\$ 3,132,311
<b>Stuff Total</b>	\$ 44,644,939	\$ 7,716,878	\$ 3,464,814	\$ 1,048,786	\$ 56,875,416
Debt Service					\$ -
Office Building			\$ 9,067,526		\$ 9,067,526
SDC Debt Service			\$ 9,410,027		\$ 9,410,027
Equipment	\$ 920,024	\$ 89,775	\$ -	\$ -	\$ 1,009,799
<b>Debt Service Total</b>	\$ 920,024	\$ 89,775	\$ 18,477,554	\$ -	\$ 19,487,353
<b>Equipment</b>	\$ 3,338,345	\$ 872,186	\$ 514,096	\$ 1,341	\$ 4,725,968
<b>Grand Total</b>	\$ 66,720,838	\$ 26,115,730	\$ 30,126,380	\$ 2,147,443	\$ 125,110,391

# More Stuff than Staff

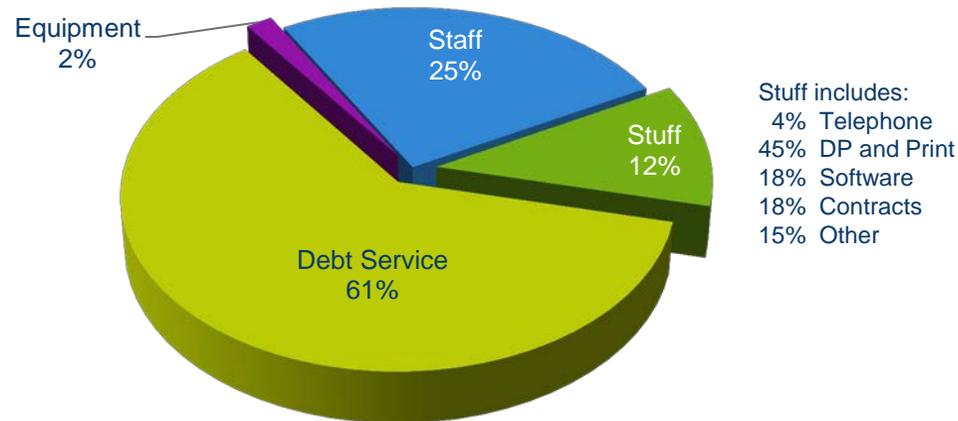
## Infrastructure \$66,720,838



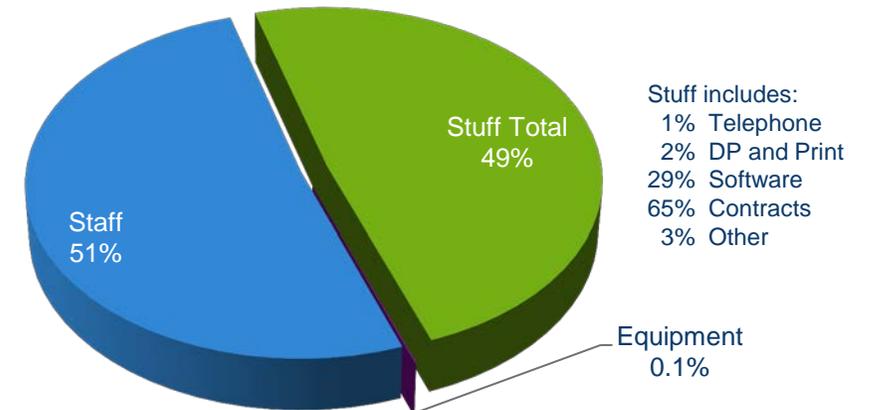
## Applications \$26,115,730



## Administration \$30,126,380



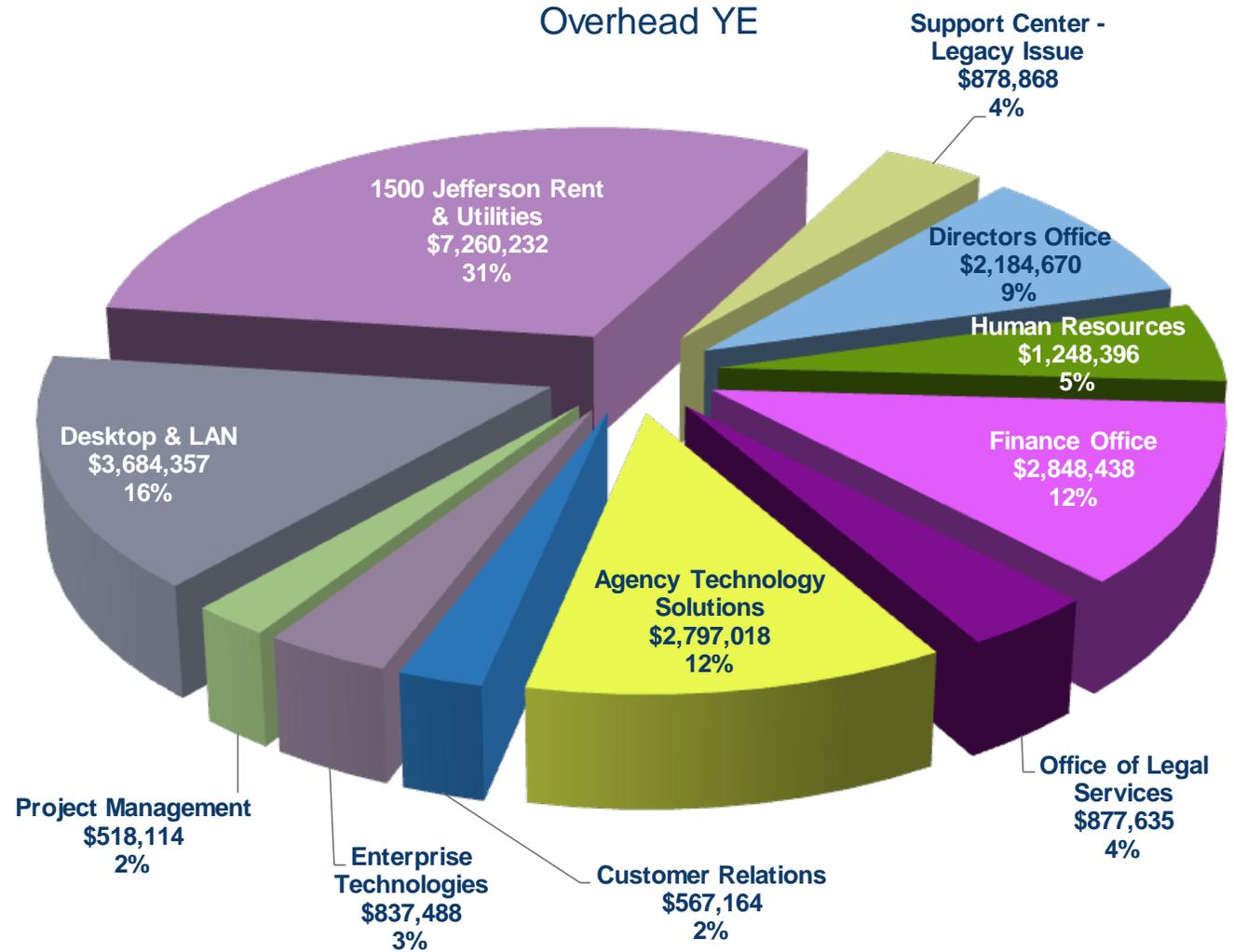
## OCIO \$2,147,442



# Projected Agency Overhead

As of March 2016

Department	FTEs	Overhead \$
Directors Office	14	\$2,184,670
Human Resources	9	\$1,248,396
Finance Office	17	\$2,848,438
Office of Legal Services	8	\$877,635
Agency Technology Solutions	12	\$2,797,018
Customer Relations	4	\$567,164
Enterprise Technologies	5	\$837,488
Project Management	4	\$518,114
Desktop & LAN	18	\$3,684,357
1500 Jefferson Rent & Utilities	0	\$7,260,232
Support Center - Legacy Issue		\$878,868
<b>Total</b>	<b>91</b>	<b>\$23,702,380</b>



# Two Primary Sources of Revenue:

## **Fee-For-Service**

- Content Management
- Data Center Facilities
- DES, CTS, OFM Applications
- Desktop and Network Support
- Disaster Recovery
- Email Communications
- Phone Services
- Server Hosting
- Storage Management
- High Capacity Computing
- Wireless

## **State-wide Allocations (CSM)**

- Access Inside Washington & WABOS
- BC/DR
- CTS Security Gateway
- Enterprise Security Infrastructure
- Enterprise System Rates
- GIS
- JINDEX
- Network
- OCIO
- Production Support
- Secure File Transfer
- Warrants

# Our Financial Goal is Pretty Simple But Not Easy: Cost Recoverability

WaTech is a proprietary agency with no cash balance  
100% of our costs are supported by our customers

Financial strategies to meet the goal of bending the negative balance curve

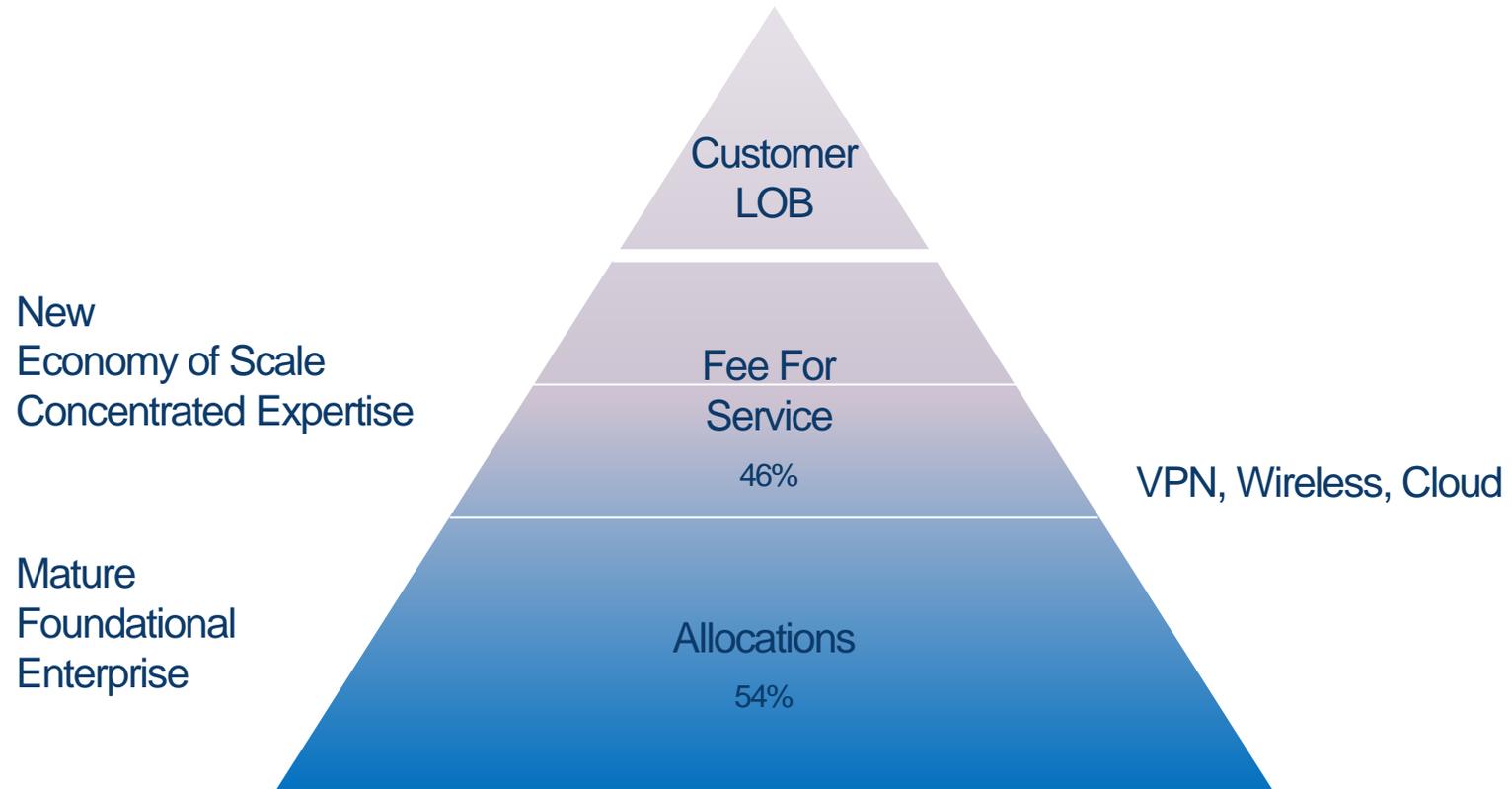
- Pursuing More Allocations
- Securing More SDC Customers
- Maintaining and updating rates at the appropriate times

# Changes in Technology Drive Changes at WaTech

WaTech is evolving from selling:

- Specific technologies (circuit)  
↓
- Selling specific services (connectivity point A to point B)  
↓
- Enabling particular capabilities (secure and mobile Computing, Communication, Storage)

# Financial Strategy



# How WaTech fits into the 2017-19 Budget Process

## Fee For Service

### Rate Plan

- Required by RCW 43.105.006
- OFM Review and Approve Annually
- Due March 31, 2016

### Rate Day

- June 2016
- Prepare for 2017-19 Biennium
- Present Fee For Service Rates

## Allocations

### Governor's budget process

- Decision Packages
- Agency Biennial Budget Request to OFM  
Sept 2016

# Questions?

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