

IM Program FAQs

Last updated 09/10/24

- What is the Innovation and Modernization fund?** The Innovation and Modernization fund was authorized by the Washington state Legislature in 2023, aimed at creating an innovative culture that solves critical business problems with enabling technology and accelerates system modernization for state agencies.
- What is the Innovation Modernization Program?** The Innovation Modernization Program (IM Program) is responsible for the daily operations of the Innovation and Modernization Fund. The IM Program, led by the state chief technology officer, ensures appropriate processes are in place to receive, review and approve agency project proposals.
- The program also provides oversight for approved projects in partnership with WaTech IT Project Oversight and reports progress to the Legislature.
- What is the IT Investment Board (ITIB)?** The IT Investment Board (ITIB) is the governing body responsible for evaluating agency requests for funding. The objective of the ITIB is to ensure proposed project investments align with state and agency business and IT strategic goals, employ sound IT investments that maximize value, have a sustained impact beyond the initial dollars, and deliver agency business and customer outcomes.
- The ITIB reviews agency project proposals and makes recommendations to the Technology Services Board (TSB) on which projects to fund and for what funding level. The TSB is the governing body that decides which projects are funded and the amount of funding an agency should receive.
- How much money is available with the fund?** The Innovation and Modernization Fund was funded at \$1.5 million for fiscal year 2024 and \$3 million for fiscal year 2025.
- How do agencies apply for funds?** Here's how to apply:
- Agencies applying for grants need to submit a completed project pitch deck template. The pitch deck template is available on the [IM Program](#) website. Please be sure to download the most recent pitch deck template. Projects submitted on outdated templates will be returned to the agency.
 - Submit your completed pitch deck to: IMProgram@watech.wa.gov
 - WaTech will evaluate project ideas throughout the duration of the program if funding is available.
 - The IM Program will announce funding rounds on the program webpage and through WaTech's email notification solution. [Subscribe](#) for IM Program updates by visiting the *Subscriber Preferences* page. Select email, input your email address and hit *Submit*. Click on the *Subscriptions* tab, then select *Add Subscriptions* at the bottom. In the

list of topics that appears, select *Innovation and Modernization* from the list of available topics and click on *Submit* (see screenshot below).

Architecture & Innovation ⓘ

Innovation and Modernization Program/Fund ⓘ

- The ITIB will review and score agency proposals using the [ITIB Scoring Criteria](#).
- If your proposal is selected by the board, agencies should be prepared to “pitch” their project proposals in short, 10-minute timeslots.
- Agencies selected to pitch their project proposals will receive an invitation to the pitch meeting from WaTech.
- The Technology Services Board (TSB) is the approving authority for all proposed projects recommended by the ITIB. The IM Program will present recommendations for funding at the TSB Portfolio/Policy Subcommittee meeting.

Who should “pitch” the proposal to the ITIB at the pitch meeting?

The board members require the business owner presents their project proposal at the pitch meeting. If the business owner is unavailable to present, the agency will need to work with WaTech to select an alternate to present the proposal.

Additionally, the board would like to see the executive sponsor, the technical sponsor and the project manager be available at the pitch meeting to answer questions by the board, as needed.

How often can an agency apply for funds?

Agencies can apply when WaTech communicates an open submission period. Submission periods are announced when there are funds to award.

There is no limit on the number of times an agency can apply for funds. WaTech strongly recommends agencies schedule a consult with the IM Program if the proposal was not selected for funding. The consult provides important feedback on the proposal and identifies what the agency can do to strengthen their proposal before the next funding round.

Agencies are also encouraged to schedule consults before submitting a project proposal. These pre-consults help ensure your proposal is on the right track and has the required information the board looks for in every proposal.

What organizations are eligible to receive the IM Grant?

Organizations must be able to send their expenditures to AFRS for posting to the [IT Project Dashboard](#).

You will find information on how to apply for grant funds on the [Innovation and Modernization Program page](#) on WaTech’s website.

If you are unsure whether your agency sends their expenditures to AFRS, check with your financial team. You may also reach out to the IM program, and we can work with OFM to determine if your expenditures could be sent to AFRS.

What if my organization does not currently send expenditure data to AFRS?

Please reach out to the IM program and we can work with OFM to determine if your expenditures could be sent to AFRS.

What if I don't know if my organization sends data to AFRS?

Please reach out to the IM program and we can help you determine if your organization currently sends data to AFRS.

What is an appropriate funding level for Innovation Modernization Fund requests?

Agencies are encouraged to submit funding requests based on their need. However, the IT Investment Board looks to invest the IM funds to benefit the greatest number of projects and opportunities. This may result in more projects with lower dollar amounts receiving funding but should not discourage agencies from submitting their proposals, as each round is different based on the proposals received.

What size funding packages are you looking for?

Lower dollar, shorter duration, high-value projects that introduce innovative technologies or modernized legacy systems to reduce technical debt are ideal candidates for funding. However, each funding round is different based on the proposals received, so agencies are encouraged to submit proposals they think will align with the IT Investment Board's [rating criteria](#).

How much funding will be available for each submission period?

Agencies should be cognizant of the limits of the fund and funding will change based on what the Legislature continues to approve for the fund.

WaTech's goal is to maximize the number of projects that we can fund via the program. However, an objective of the program is to validate the agency demand and produce a healthy backlog to demonstrate the program is viable.

Are there constraints that agencies should keep in mind when considering funding candidates?

We don't currently plan to place any artificial constraints on the amount of funding an agency would be eligible for when requesting funds. However, one objective of the program is to fund as many projects as possible within the set dollar limits. This means agencies may be approved for partial funding rather than the full amount requested.

Is it acceptable to use funding for a pilot, proof of concept (POC) or a feasibility study?

The proviso is for innovation or modernization projects; feasibility studies do not fully meet the proviso definition.

If you feel you have a strong proof of concept project proposal that meets the proviso definition and you would like to submit a proposal, please do. All proposals will be reviewed.

The proviso language can be found in [ESSB 5187, Section 155 \(18\)](#). An excerpt of the proviso language has been provided at the end of this document.

Should we include internal staff costs or indirect costs in our project proposals?

Agencies are asked to list all project costs in their proposal, including internal staff costs and indirect costs. However, the ITIB will require the agency to cover costs that are already part of the agency's operating budget. The ITIB will consider project costs that are not part of the agency's existing budget, such as software, hardware or professional services.

Is the IT Investment Board (ITIB) expecting a fully fleshed out implementation?

The ITIB is looking for well thought-out project proposals that address the implementation and ongoing support costs. Additionally, the ITIB is looking for a project schedule that includes the major milestones for the planned work. Agencies should strive to provide a complete project proposal and include risks or assumptions the agency identified for the project.

What level of detail does the agency need to provide in their project planning before submitting their proposal?

Agencies should be prepared to start the project immediately upon approval by the TSB. This means agencies should have completed enough project planning activities to secure resources, establish agreements with vendors, have a project manager assigned and already working on the project planning activities.

The biggest delays WaTech has seen in projects receiving IM funds is with establishing the agreement or contract with the vendor and securing the vendor resources for the work. To the greatest extent possible, this should be started before submitting your proposal, to minimize the delays to your project schedule.

When will funds be available to agencies whose project has been approved by TSB?

The IM Program will make recommendations at a TSB meeting on which agency projects should be funded. Once approved by TSB, WaTech will execute an Interagency Agreement (IAA) with the specific details of the project and funding.

Agencies with approved projects and a fully executed IAA can submit requests for reimbursement of expenditures soon thereafter.

How do agencies submit for reimbursement of expenditures?

Agencies with approved projects will submit an A-19 to WaTech Finance requesting reimbursement for project expenditures.

WaTech requires agencies to spend/pay for the expenses prior to submitting for the reimbursement. The agencies must spend by 6/30 to be reimbursed and the reimbursement must be processed in the same fiscal year the project was approved for. For example, the agency project is approved for FY24, the agency must spend the funds in FY24 and WaTech must process the reimbursement to the agency in FY24.

In order to reimburse the agency for project expenditures, the scope of the work as outlined in the agency project proposal (pitch deck plus supporting documentation) must be completed in the fiscal year the project was approved for funds.

Additional details will be provided in the IAA document to be signed by WaTech and the agency.

How do agencies know what to include in their project proposals?

The [pitch deck template](#) includes all of the required information the board expects to see in all project proposals. Agencies must include all the information in the pitch deck template in their proposal, or the proposal will be returned to the agency for completion of the missing information.

Additionally, the ITIB has identified [specific criteria](#) they will use to score agency proposals. The criteria cover the following areas:

- Strategic technical alignment.
- Business alignment.
- Agency readiness.

Agency proposals will be scored based on how well the proposal meets each of the criteria.

If our agency is selected to “pitch” their project, how much time will we have to present?

The agency pitch meeting will include all agencies whose projects have been selected by the ITIB to come and “pitch” their proposal.

Each agency will have 10 minutes to present with no more than five minutes for questions from the board members.

Other agencies may attend the pitch meeting as an observer for other agency pitches.

How will I know when there is funding available?

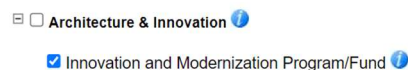
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PROVISO LANGUAGE FROM ENGROSSED SUBSTITUTE SENATE BILL 5187, Section 155, (18) \$1,500,000 of the general fund–state appropriation for fiscal year 2024 and \$1,500,000 of the general fund–state appropriation for fiscal year 2025 are provided solely for innovative technology solutions and modernization of legacy systems within state government.

This funding is to be used for projects at other state agencies to improve the health of the state's overall information technology portfolio.

Submitted projects are subject to review and approval by the technology services board as established in RCW 43.105.285.

The agency must report to the office of financial management and the fiscal committees of the legislature within 90 days of the close of fiscal year 2024 with the following information to measure the quantity of projects considered for this purpose and use of this funding:

(a) The agency name, project name, estimated time duration, estimated cost, and technology service board recommendation result of each project submitted for funding;

(b) The actual length of time and cost of the projects approved by the technology services board, from start to completion; and

(c) Any other information or metric the agency determines is appropriate to measure the quantity and use of the funding in this subsection.