
# FY 23-25 IT Biennial Report

**January 2026**

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# Letter from the State CIO

This report provides an enterprise-level view of how information technology supported government operations and public services during the 2023-25 biennium. It is intended to inform legislative oversight, executive decision-making, and statewide planning across agencies.

While there was meaningful progress during the biennium, the report documents why modernization remains an urgent priority for the state. Residents still encounter fragmented digital experiences and inconsistent service pathways. Agencies continue to rely on legacy systems that constrain modernization and require sustained investment to keep essential agency programs and services running. Workforce time and skills are heavily invested in maintaining legacy systems,  slowing both day-to-day operations and the pace of modernization. Cybersecurity and privacy risks continue to increase as threats evolve and systems age.

In this state's federated environment, modernization depends on coordinated enterprise capabilities and strong agency execution. The IT Biennial Report highlights work underway across the enterprise to improve the experience of state residents through the Digital Experience Program, which partners with agencies to make online services simpler, faster, and more secure. A central part of this effort is the statewide transition from SecureAccess Washington to WA.gov accounts, providing one login and stronger protection that can support more consistent access to services over time.

The report also outlines how portfolio, infrastructure, and investment insights can support a modernization roadmap that clarifies priorities, sequences dependencies, and manages risk across the enterprise while preserving agency flexibility to meet mission needs.

I welcome continued discussion on the findings in this report and the practical steps needed to modernize services in ways that improve outcomes for Washingtonians and strengthen the state's technology foundation.

William S. Kehoe
Director & State Chief Information Officer
Washington Technology Solutions

# Executive summary

This technology performance report provides an enterprise-level view of how information technology is supporting Washington state government and public services. It summarizes key conditions, trends, and activities observed during the 2023–25 biennium and is intended to inform legislative oversight, executive decision-making, and ongoing planning across state agencies.

This report draws on data collected through statewide application and infrastructure inventories, investment and benchmarking analysis, major IT projects, and other performance information reported by agencies. Together, these sources offer insight into how technology resources are distributed, how systems are evolving over time, and how agencies are balancing ongoing operations with modernization efforts.

Consistent with prior biennial reporting, this report focuses on describing current conditions and observed trends rather than evaluating outcomes or forecasting future performance. Where applicable, information from earlier biennia is included to provide context and support trend analysis across multiple reporting periods.

The information presented reflects the federated nature of Washington's technology environment. Agencies retain responsibility for managing and delivering technology solutions that support their missions, while Washington Technology Solutions (WaTech) provides enterprise coordination, managed enterprise services and programs, and coordinates and aligns statewide strategy. This report is intended to support that shared understanding by presenting a consolidated view of technology assets, investments, and activities across state government.

The sections below preview what the report covers and how the pieces fit together, from today's operating environment and strategic direction to portfolio, investment, infrastructure, major projects, and the path to a statewide modernization roadmap.

**Where we are now:** Washington has made progress, but the technology environment is still complex. Many services run through disconnected digital paths, and older systems still require significant investment just to stay operational and support current state services. Cyber threats are growing, and the diversity of agency maturity and staff capacity make consistent security and privacy controls more difficult across a federated environment. These issues reinforce the need to strengthen shared enterprise services and programs.

**Enterprise IT strategic plan:** The Enterprise IT Strategic Plan set the statewide direction for the biennium. Built with cross-agency input, it established shared goals and a way to track and deliver work, including goal teams and quarterly reviews. It gives agencies a common framework for modernization priorities and shared accountability.

**Progress by strategic goal:** The report summarizes progress across the enterprise IT strategic plan's four goals: improving the government experience, strengthening data for better

decisions, enabling innovation with appropriate controls, and building the workforce needed to run current systems while modernizing. Sidebars highlight specific examples and milestones.

**IT portfolio insights:** Statewide application portfolio data illustrates the scale and complexity of systems that support government services. The data highlights continued reliance on both legacy and modern technology solutions, including systems that perform mission-critical functions. It also shows that IT investments are often tied to sustaining legacy solutions, and that agency-level portfolio decisions can affect enterprise-wide progress towards modernization.

**Investment and benchmarking:** Statewide technology investment and spending is examined using the Technology Business Management framework, that benchmarks Washington with other peer states . The analysis shows spending remains concentrated on sustaining existing environments, with less capacity for modernization projects and improved security controls.

**Statewide infrastructure context:** This section looks at the shared platforms and services that support agency applications and the role of enterprise coordination in delivering secure, reliable services at scale. It also notes gaps in inventory collection and consolidation that limit enterprise visibility. The report describes steps underway to improve architecture insight and evaluate tools that could strengthen understanding of dependencies and modernization opportunities.

**Major projects and lessons:** Major initiatives are highlighted to show how business, technology, strategy, governance, funding, and delivery come together in practice. These examples surface recurring lessons about complexity, interdependence, delivery risk and the importance of supporting agency requirements with enterprise capabilities.

**Washington Digital Experience Program:** The Washington Digital Experience Program (DEX) is presented as an example of improving resident experience through a single digital entry point. The program emphasizes a shared vision and roadmap, early resident engagement, and modern, innovative procurement approaches that clarify viable options before long-term commitments. It shows how identity, data management architecture, integration, accessibility, governance, and customer experience best practices are the foundation of modernization.

**Path to a statewide modernization roadmap:** Available data supports a more coordinated action across agencies. A statewide modernization roadmap sets priorities, clarifies dependencies, sequences investments, and manages risk consistently while preserving agency flexibility to meet mission needs.

This 2023-25 IT Biennial Report reflects growing momentum by the state to move in a shared direction while operating within the realities of a large, federated environment. This report brings statewide technology inventory, investment, and project performance information into a single view so leaders can align oversight, governance, and planning around a common set of reference points. By clarifying how technology assets and activities fit together across agencies, it supports informed decisions that strengthen enterprise coordination, reinforce shared foundations, and sustain momentum toward a more coherent modernization approach.

# Where we are now

Washington state has made meaningful progress in how technology supports government services, but the current environment remains complex and disjointed, constraining modernization that improves public services. Residents still experience government through a patchwork of agency-specific systems, processes, duplicate data entry, and multiple websites to get the services they need. While many services are available online, access is not consistent across programs, and navigating services often require residents to understand government structures and specific agency missions rather than seamlessly navigating to the government services that they need.

From a technology perspective, agencies continue to operate a large number of legacy systems that are expensive to maintain and difficult to modernize therefore constraining business and service improvements. Portfolio and infrastructure data show that a significant share of technology spending is directed toward maintaining existing systems rather than advancing new capabilities. This limits the state's ability to respond quickly to changing needs, adopt more modern and flexible platforms and tools, or scale solutions across agencies.

Workforce capacity remains a challenge across the enterprise. Agencies experience difficulty recruiting and retaining skilled technology professionals with experience in the new modern platforms and tools, even as work continues to support existing systems and advance modernization efforts. These pressures affect both day-to-day operations and the pace at which agencies can deliver new or improved digital services.

Security and privacy risks continue to increase as systems age and threats evolve. The state has taken important steps to strengthen cybersecurity and privacy controls and practices, but the size and complexity of the federated technology environment make consistent implementation difficult across agencies. Legacy platforms and uneven modernization increase operational risk and complicate enterprise-wide coordination.

Taken together, these conditions define the current state. The framework[1] below offers a simple way to view these conditions and understand how statewide efforts are focused on strengthening the technology foundation that supports modernization.

[1] This framework is illustrative and intended to provide orientation, not assessment.

*Table 1: Five States of Digital Transformation in Washington State*[2]

| State | What this represents | How it shows up today |
|---|---|---|
| 1. Fragmented services | Government services delivered through agency-specific systems and processes. | Residents navigate multiple websites and programs, often needing to understand what agency they need to engage with and to access services. |
| 2. Legacy technology environment | Aging applications and platforms that are costly to maintain and difficult to update and change to match the requirements and speed of modernization needs.. | Inability to move off of old and outdated technology limits flexibility and slows adoption of modern capabilities and service improvements. |
| 3. Workforce capacity and skill set constraints | Pressure on agencies to recruit, retain, and upskill technology staff. | Teams balance day-to-day operations while also trying to advance modernization efforts. |
| 4. Security and privacy risk | An increasing threat landscape combined with uneven modernization across agencies leads to growing technology debt. | Growing risk exposure across aging and fragmented on-premise and cloud platforms. |
| 5. Enabling statewide modernization | Shared understanding of the modernization components that transforms resident services by builds a strategic partnership between business, and technology. | Customer experience focused with business and IT transformation and utilizing enterprise services such as identity, data management and analytic platforms and tools, governance, and cloud platforms. . |

The work completed during the 2023–25 biennium reflects efforts to strengthen the technology foundation while continuing to deliver critical services. At the same time, the conditions described in the framework (Table 1) reinforce the need for a more coordinated, statewide approach to modernization.

Against this backdrop, the Enterprise IT Strategic Plan for the 2023–25 biennium provided a shared direction for statewide technology efforts.

[2] This framework provides a simplified view of current conditions across Washington's digital services environment and highlights the foundational capabilities required to support more coordinated modernization.

# Enterprise IT strategic plan (2023-25)

The 2023–25 Enterprise IT Strategic Plan was built through broad collaboration across state government. Washington Technology Solutions (WaTech) brought business and technology leaders together from more than 80 agencies in a series of workshops held from March through June 2023. More than 100 participants contributed over 2,000 ideas, which were organized into four enterprise goals that guided how the state approached technology during the biennium.

To ensure the plan reflected the needs of both those who deliver government services and those who rely on them, WaTech convened a Strategic Advisory Group of senior business and IT leaders. The group provided feedback throughout development of the strategic plan, helping shape the goals, values, and guiding principles, and reinforcing shared ownership of the strategy across agencies.

Following adoption of the plan, WaTech focused on moving from strategy to execution. Four cross-agency goal teams were established, each aligned to one of the enterprise goals. These teams brought together representatives from across the state to define objectives, identify initiatives, and track progress in a consistent way.

To support accountability and transparency, WaTech introduced a Quarterly Business Review model that used clear objectives and measurable results to monitor statewide technology efforts. This approach helped agencies stay aligned, used data to inform decisions, and adjust as conditions and priorities changed over the course of the biennium.

The plan was grounded in shared values, including human-centered design, inclusivity, courageous innovation, and service excellence. These values shaped how the strategy was carried out and how state agencies worked, with the shared aim of making government services simpler, more secure, and more connected for the people of Washington.

## Progress by strategic goal

During the 2023–25 biennium, the Enterprise IT Strategic Plan provided a common framework for statewide technology efforts. Progress under each goal reflects how agencies translated shared priorities into action while operating within the constraints of legacy systems, workforce capacity, and evolving security risks.

The work summarized below highlights measurable progress made across the four enterprise goals. It also illustrates how cross-agency collaboration, shared governance, and consistent tracking helped move initiatives forward, even as broader modernization challenges remained. Together, these outcomes show both what was accomplished during the biennium and what the experience revealed about the need for a more coordinated, statewide approach to modernization.

## Goal 1: Create a Government Experience that Leaves No Community Behind

During the 2023–25 biennium, this goal focused on making it easier for residents to interact with state government, regardless of which agency delivers the service. The work emphasized building shared foundations so digital services can become more connected, secure, and accessible over time.

- **Washington Digital Experience Program[3] groundwork established** to support a single, secure, and intuitive digital entry point (website) for residents accessing government services. Work during the biennium included service discovery research, journey mapping, and development of a foundational technical architecture to modernize the state's current resident access environment, including the long-standing SAW platform.
- **Enterprise identity & access capabilities advanced** to support trusted and secure access to digital services. Early progress focused on establishing shared customer identity capabilities that can be used across agencies and integrated with WA.gov, the resident portal, over time.
- **Human-centered design practices expanded** across agencies to improve how digital services are designed and delivered. Training, shared tools, and communities of practice helped embed resident perspectives into service development and decision-making.
- **Accessibility and inclusion strengthened** through updates to statewide digital accessibility standards, including revisions to WaTech's USER-01 Digital Accessibility Policy, and coordination across agency web and communications teams. These

### CASE STUDY: CUTTING RED TAPE

**In 2024, WaTech tested a new way to buy technology aimed at speeding up delivery and encouraging better solutions. Traditionally, the state has spelled out detailed requirements upfront, which can slow timelines, limit innovation, and put heavy design work on state staff.**

**The pilot flipped that approach. Instead of bidding on a predefined product, vendors were given a clear problem statement and asked for a roadmap on how they would solve it, including risks, tradeoffs, and sequencing.**

**This allowed the state to compare multiple approaches early and focus on outcomes. The process also elevated privacy, accessibility, integration, and user experience from the start.**

**The result was a faster, more flexible procurement model that can be reused for other complex projects.**

[3] *To see a live example of challenge-based procurement in practice, visit the Washington Resident Portal Procurement Challenge website.*

efforts supported more consistent and accessible digital experiences for residents, including those using assistive technologies.

- **Cross-agency collaboration reinforced** through engagement with agencies and statewide governance forums, including the Business Management Council made up of agency business leadership. This work emphasized shared ownership of the resident experience and encouraged agencies to identify opportunities for more coordinated service delivery.
- **Integrated eligibility and enrollment planning advanced to** improve how residents access services that span multiple programs. Roadmap development focused on reducing friction for residents while supporting cross-agency coordination.

## Goal 2: Better Data. Better Decisions. Better Government. Better Washington.

During the 2023–25 biennium, this goal focused on strengthening how the state manages, shares, and uses data. This work supported better decision-making, more coordinated services, and greater transparency, while laying the foundation for more consistent and responsible data use across government.

- **Enterprise Data Strategy established** through collaboration with agency Chief Information Officer (CIOs) and data leaders. The strategy set priorities for data governance, data sharing, and analytics and provided a common direction for aligning data efforts across state government.
- **Enterprise Data Platform (EDP) initial capabilities developed** to support secure cross-agency data sharing and integration. Early work focused on connecting workforce system data to improve coordination across programs and support more efficient eligibility checks.
- **Open Data Portal improvements implemented** through updated design, clearer metadata, and stronger accessibility features. These updates improved the usability of public data for residents, researchers, and communities.
- **Geospatial data sharing strengthened** through expanded tools and coordination across agencies. These capabilities supported statewide needs such as emergency response, broadband planning, and infrastructure-related analysis by improving access to reliable location-based data.
- **Statewide data governance framework developed** to clarify roles and responsibilities for managing data in alignment with privacy, security, and public-records requirements. This work promoted more consistent and responsible data practices across agencies.

### CASE STUDY: CLEANER RECORDS, BETTER SERVICE

Many residents interact with more than one state agency, but outdated systems make it hard to line up their records. Different address styles and duplicate data can delay services and lead to inconsistent outcomes.

To address this, the state created the Washington Address Matching and Analytics System (WAMAS). It is a shared service that standardizes, validates, and matches address information.

With a common address-matching capability in place, agencies spend less time reconciling records and collecting the same information again. Data quality improves, reporting becomes more reliable, and agencies can coordinate services more easily when they are serving the same residents.

WAMAS shows that modernization can make public services faster, fairer, and more consistent statewide.

- **Alignment with privacy and security practices strengthened** through collaboration with statewide privacy and cybersecurity partners, helping agencies balance responsible data use with legal, ethical, and security requirements.
- **Cross-agency collaboration reinforced** as the goal team worked with agencies to align data initiatives with enterprise standards and shared approaches, supporting data use that spans programs rather than remaining isolated within individual agencies.
- **Community engagement approaches piloted** to explore how resident input can inform the use of data in policy and program design. These efforts focused on learning how data insights can better reflect community needs and lived experiences.

## Goal 3: Innovative Solutions Create a Better Washington

During the 2023–25 biennium, this goal focused on helping agencies modernize aging systems, test new approaches, and establish structures that support a more adaptable technology environment. The work emphasized practical innovation and modernization intended to reduce technical debt, improve service delivery, and strengthen collaboration across Washington state government.

- **Innovation and Modernization Program (IMP) implemented** to accelerate practical modernization across agencies.[4] Designed for rapid, high-impact work, the program functions as a statewide proving ground for scalable modernization approaches and received national recognition from NASCIO.
- **Challenge-based procurement approaches piloted by** WaTech and the Department of Social and Health Services (DSHS) to encourage innovation and shorten acquisition timelines. These pilots tested alternative procurement models designed to expand solution options and improve agency engagement with industry partners.
- **Enterprise leadership in artificial intelligence (AI) and data maturity advanced and received national recognition.** During the biennium, WaTech's work to establish responsible AI practices and strengthen enterprise architecture was recognized at the

### CASE STUDY: A NEW MODEL FOR FASTER INNOVATION

Washington has traditionally funded technology in two ways: maintaining legacy systems or undertaking large, high-risk replacement projects. This approach leaves little room for incremental modernization, experimentation, or addressing technical debt, often forcing agencies to choose between short-term fixes and costly, all-at-once efforts.

The Innovation and Modernization Program (IMP) was created to fill this gap by providing a repeatable funding model for targeted, time-bound improvements that deliver quick value and inform future investments. Agencies propose clearly scoped projects with defined outcomes, such as piloting new tools or testing approaches that can scale.

One successful example is the Department of Fish and Wildlife's automation of purchase card reconciliation. By using robotic process automation and an online approval workflow, the project eliminated manual coding and paper processes, freeing staff to focus on mission-critical work. Overall, IMP enables steady, lower-risk modernization, supports shared learning, and helps address technical debt without waiting for major replacements.

[4] For additional detail on the Innovation and Modernization Program, including funded projects and outcomes, see "From Legacy to Leading Edge: Innovation and Modernization Program Report," Washington Technology Solutions, 2024.

national level. In 2024, NASCIO named Washington's Chief Technology Officer a State Technology Innovator for advancing enterprise architecture and responsible AI. Washington also earned first place in Data Governance and Use and an overall A-grade in the Center for Digital Government's 2024 Digital States Survey, reflecting measurable progress in statewide data maturity. In response to Executive Order 24-01, WaTech led development of statewide guidance for the procurement, deployment, and oversight of generative AI, documented in the 2024 State of Washington Generative AI Report[5].

- **Innovation culture supported** through engagement with agency leaders to encourage experimentation, informed risk-taking, and value-driven decision making. This work focused on reducing barriers that can slow modernization while maintaining appropriate controls and oversight.
- **Enterprise coordination strengthened** through collaboration in governance forums such as the Technology Management Council. These efforts improved visibility into modernization activity and supported more informed planning across agencies.
- **Innovation tracking incorporated** into the quarterly business review process to improve visibility into modernization efforts. This helped agencies monitor progress over time and provided statewide leaders with better insight into where innovation efforts were underway and where additional support may be needed.

[5] "State of Washington Generative Artificial Intelligence Report," Washington Technology Solutions, 2024, outlines statewide guidance, opportunities, and considerations for the responsible use of generative artificial intelligence.

## Goal 4: Transform How We Work. Best Workforce Ever.

During the 2023–25 biennium, this goal focused on strengthening the state's technology workforce so agencies could support existing systems and advance modernization efforts. The work emphasized recruitment, learning, and workforce development as foundational capabilities needed to sustain reliable and resident-centered digital services.

- **Statewide IT workforce priorities established** by the goal team to support more consistent approaches to recruiting, retaining, and developing IT employees across agencies. This work helped create a shared understanding of workforce challenges and opportunities at the enterprise level.
- **Enterprise learning investments implemented** through the rollout of Pluralsight, a statewide online learning platform that expanded access to training in emerging technologies, cybersecurity, and modern development practices for IT staff across agencies. As of the writing of this report, 2,141 users are enrolled in the training platform and have completed a total of 8,271 hours of training.
- **Mentorship and internship frameworks developed** to support skill development and knowledge sharing within and across agencies. These models provided a starting point for agencies to build more structured workforce development pathways.

### CASE STUDY: MODERNIZING HOW WE WORK WITH AI

As agencies modernize services and operations, artificial intelligence (AI) has increasingly been embedded in applications and platforms across state government. During the 2023–25 biennium, Washington shifted from ad hoc, agency-by-agency adoption toward a more coordinated enterprise approach. WaTech strengthened enterprise architecture practices, brought agencies together for cross-government coordination, and led statewide guidance to support responsible procurement and use of generative AI.

State application portfolio data shows AI-enabled applications rising steadily from 2015 through 2024, with growth accelerating around 2020 and peaking in 2022. Most AI-enabled systems still rely on non-generative capabilities, while generative AI remains a smaller but growing share, often embedded in SaaS and commercial off-the-shelf platforms. As AI becomes part of everyday tools, enterprise coordination helps set consistent safeguards, improve transparency, and build shared understanding of risk, opportunity, and workforce impacts. Guidance and lessons learned are documented in the 2024 State of Washington Generative AI Report.

- **Recruitment processes modernized** through expanded adoption of the NEOGOV hiring system across executive-branch agencies. This work focused on streamlining job postings, improving visibility into hiring pipelines, and reducing administrative friction in the hiring process.


Taken together, progress across the four enterprise goals reflects meaningful effort and collaboration during the 2023–25 biennium. That work also made clear the limits of advancing modernization through agency-by-agency action alone.

# IT portfolio insights – informing our need to modernize

Portfolio and infrastructure information collected during this period provides insight into the underlying conditions shaping technology investment across state government and helps explain why a more coordinated, enterprise approach is needed. Agency IT portfolios[6] provide an enterprise-level view of the state's technology environment. When considered collectively, they illustrate the breadth and complexity of systems that support government operations, as well as the scale of investment required to sustain them. Portfolio data shows that a significant share of technology spending is directed toward sustaining existing platforms, many of which were not designed to support modern service delivery, data sharing, or current security expectations.

Viewed across agencies, portfolio information also highlights how technology decisions made at the agency level can have broader statewide implications. While portfolios improve transparency into individual investments, they also reveal the limits of addressing modernization needs one system or one agency at a time. Without a shared view of priorities and tradeoffs, it becomes difficult to sequence modernization efforts, coordinate investments, or manage risk consistently across the enterprise.

These insights do not reflect a lack of effort or intent. Instead, they point to constraints in how technology has been planned, funded, and modernized. Portfolio information helps clarify why a coordinated, statewide approach is necessary to address aging systems, reduce risk, and align future investments. This perspective sets the stage for examining infrastructure condition and capacity and supports the case for a shared modernization roadmap.

## State enterprise application portfolio overview

During the 2023-25 biennium, the state focused on improving how agencies identify and describe legacy applications to strengthen portfolio visibility. In 2023, the application portfolio policy was updated to simplify data collection and add questions designed to help agencies identify older (legacy) systems within their inventories.

As part of this update, the Gartner TIME model was incorporated into the application inventory to provide a consistent way for agencies to categorize applications based on their current disposition.[7] The model groups applications into four categories**:** Tolerate, Invest, Migrate, and Eliminate. This classification supports a shared, enterprise-level view of application condition across agencies.

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[6] RCW 43.105.341 requires state agencies to maintain information technology portfolios that link business objectives, technology investments, and impacts on statewide infrastructure.

[8] The Gartner® TIME model: Tolerate (keep running with minimal changes), Invest (maintain or improve), Migrate (modernize or move to a new platform), and Eliminate (retire). The model provides a consistent framework for describing application disposition across the enterprise.

As shown in the table below, agencies reported 7,799 applications statewide using the TIME model. Of these, 813 applications are identified as requiring modernization or retirement, including applications categorized as Migrate and Eliminate.

Seventy-nine percent of applications were categorized as Invest, representing systems that continue to support agency programs and services. Approximately 11 percent were categorized as Tolerate, reflecting applications that remain in use with limited change. Eight percent were categorized as Migrate and 2 percent as Eliminate, identifying applications that may require modernization, transition to new platforms, or retirement. Fewer than one percent of applications required additional review at the time of reporting.

Taken together, this distribution provides a statewide view of how agencies have classified applications across the portfolio using a consistent framework.

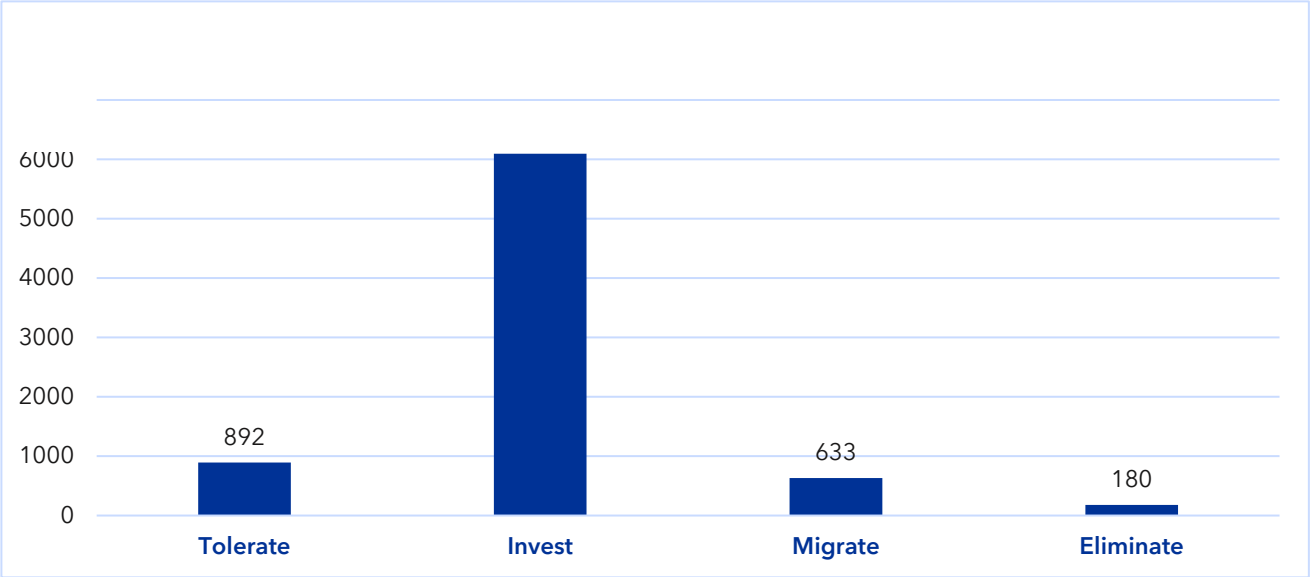



*Table 2: 2025 Gartner Time Model Application Distribution*[8]

The presence of applications across all four categories reflects the range of system lifecycles agencies manage today. Applications categorized as migrate or eliminate represent systems identified for future change or retirement, while applications categorized as invest or tolerate continue to support ongoing program operations.

[8] The Gartner® TIME model provides a consistent way to view application disposition across the statewide portfolio. Applications are categorized as Tolerate, Invest, Migrate, or Eliminate to support a shared understanding of the role and condition of systems across agencies.

## 2025 Applications supporting critical business functions

In addition to application classification, agencies identify the business importance of applications within their portfolios.[9] To support this analysis, agencies categorize applications using four business criticality levels: mission critical, business essential, user productivity, and historical. This classification provides additional context for understanding how applications support agency operations and the delivery of public services.

**Application business criticality definitions**

- **Mission Critical:** If unavailable there is widespread business stoppage with significant revenue or organizational impact; risk to human health/ environment; public, wide-spread damage to organizations reputation.
- **Business Essential:** If unavailable there is direct negative customer satisfaction; compliance violation; non-public damage to organization's reputation; direct revenues impact.
- **User Productivity:** If unavailable there is impact to employee productivity.
- **Historical:** Needed for historical purposes.

The Applications Supporting Critical Business Functions table presents application counts by business criticality and legacy status across state agencies. The table provides a consolidated view of how applications that support core business functions are distributed across legacy, non-legacy, and unknown classifications.

For the purposes of this report, legacy systems refer to applications built on older platforms or technologies that are more difficult to maintain or modernize, non-legacy systems reflect more current platforms or cloud-based solutions, and unknown indicates applications where inventory detail is incomplete.

[9] Application inventory and classification practices support statewide portfolio reporting and planning responsibilities under RCW 43.105.341 and RCW 43.105.230.

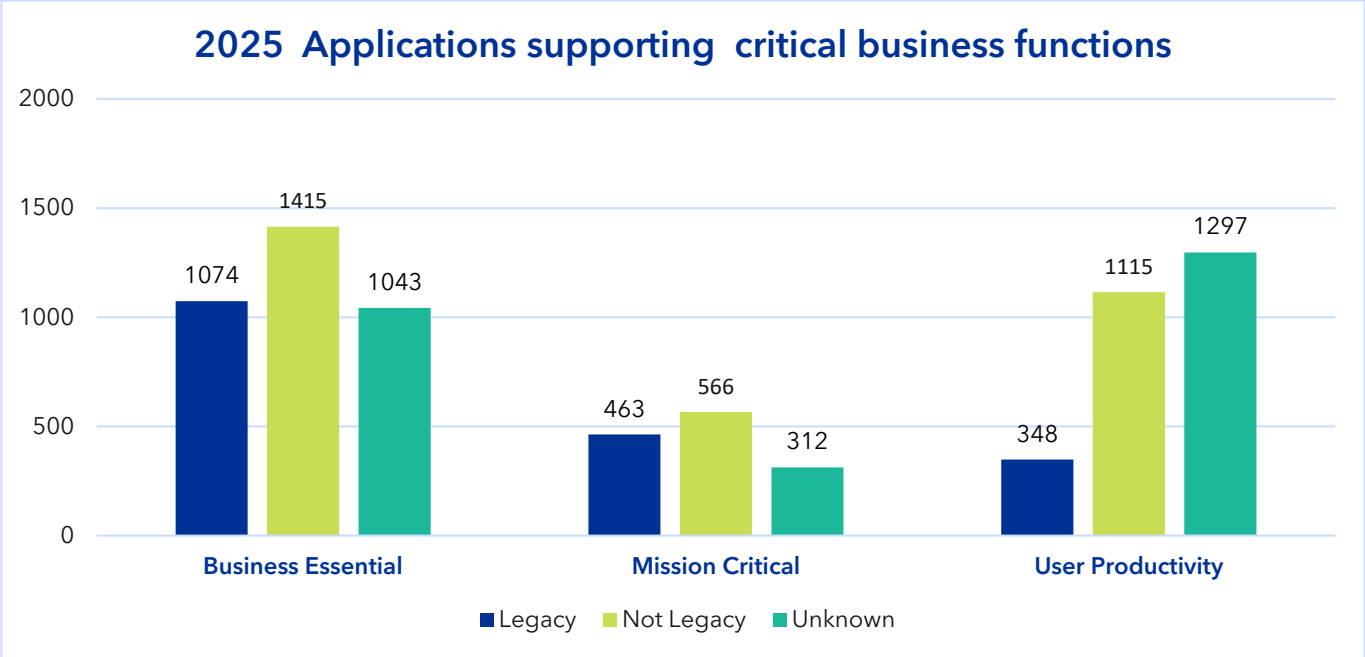



*Table 3: Applications Supporting Critical Business Functions (2025)*

The 2025 application inventory data show applications supporting critical business functions span a mix of legacy, non-legacy, and unknown-status systems across state government. Agencies continue to rely on this mix of carrying out essential operations and delivery services.

- **Business essential applications:** Agencies reported 3,532 applications in this category, including 1,074 legacy applications, 1,415 non-legacy applications, and 1,043 applications with unknown status. These applications support core operational processes across agencies and represent the largest share of the statewide application portfolio.

- **Mission critical applications:** Agencies reported 1,341 applications in this category, including 463 legacy applications, 566 non-legacy applications, and 312 applications with unknown status. These applications support essential public services and programs that agencies rely on to carry out their core missions.

- **User productivity applications:** Agencies reported 2,760 applications in this category, including 348 legacy applications, 1,115 non-legacy applications, and 1,297 applications with unknown status. These applications support internal productivity, collaboration, and day-to-day staff operations.

Across all business criticality categories, application portfolios include a combination of legacy, non-legacy, and unknown-status systems. This distribution reflects the range of

application lifecycles agencies manage while continuing to support essential business functions.

The presence of applications classified as unknown highlights areas where application inventory data may be incomplete. Improving data accuracy and consistency across agency portfolios will strengthen the statewide understanding of how applications support critical business functions and improve the ability to assess modernization needs at the enterprise level.

Taken together, the application development profile and business criticality data provide a clearer picture of the environment agencies are managing today. Applications that support essential and mission-critical functions span a wide range of technologies, lifecycles, and modernization states. While agencies continue to operate and improve these systems, the data shows how deeply modernization efforts are intertwined with ongoing sustainment responsibilities. This mix of legacy and modern applications, combined with differing levels of business importance, shapes how agencies prioritize work and illustrates the complexity of advancing modernization within existing planning and funding structures.

## Application portfolio development profile (Fiscal Years 2020–2025)

Over the 2020–2025, application inventory data reported across three biennial cycles shows how the composition of the state's application portfolio has changed over time. This view focuses on how applications are developed and sourced, including custom-built systems, commercial off-the-shelf solutions (COTS), and cloud-based approaches. While reporting methods and levels of detail have evolved during this period, the data provides a consistent way to understand how agencies describe their application environments and how those patterns have shifted across successive biennia.

During this period, the mix of how applications are developed and sourced has shifted. Custom or in-house built applications declined from about half of the statewide portfolio in 2020 to less than one-third by 2025. Over the same timeframe, commercial off-the-shelf solutions (COTS) accounted for roughly one-third of reported applications in 2020, dipped slightly between years, and then increased steadily reaching 39 percent by 2025. As a result, commercial solutions became the largest single category in the application portfolio by 2025, reflecting a sustained shift toward vendor-supported products.[10]

**COTS vs. SaaS vs. PaaS**

- **COTS (Commercial Off the Shelf)** solutions need to be installed, configured and managed by the agency.
- **SaaS (Software as a Service)** solutions are accessed online through a subscription from a provider rather than bought and installed on agency computers.
- **PaaS (Platform as a Service)** provides on-demand access to a complete, ready-to-use, cloud-hosted platform for developing, running, maintaining and managing applications.

Cloud-based application models have also become a more visible part of the portfolio over time. Software as a Service (SaaS) grew gradually from a low single-digit in 2020 to about 15 percent by 2025, indicating broader adoption of subscription-based platforms for delivering services. Platform as a Service (PaaS) has remained a relatively small portion of the portfolio throughout the reporting period, though its share increased modestly in the most recent years, suggesting limited but growing use of managed development platforms.

Hybrid application models showed comparatively modest use of 5 percent in 2020. By 2025, hybrid applications represented 13 percent of the portfolio, highlighting greater use of integrated approaches that combine custom development, commercial products, and cloud services to meet complex business needs. This growth highlights greater use of integrated approaches that allow agencies to evolve existing systems while incorporating newer technologies, rather than relying on a single development or deployment model.

The table below illustrates these changes across 2020–2025.

[10] Definitions for commonly used technology terms in this report are maintained in the WaTech Glossary of Commonly Used Terms.

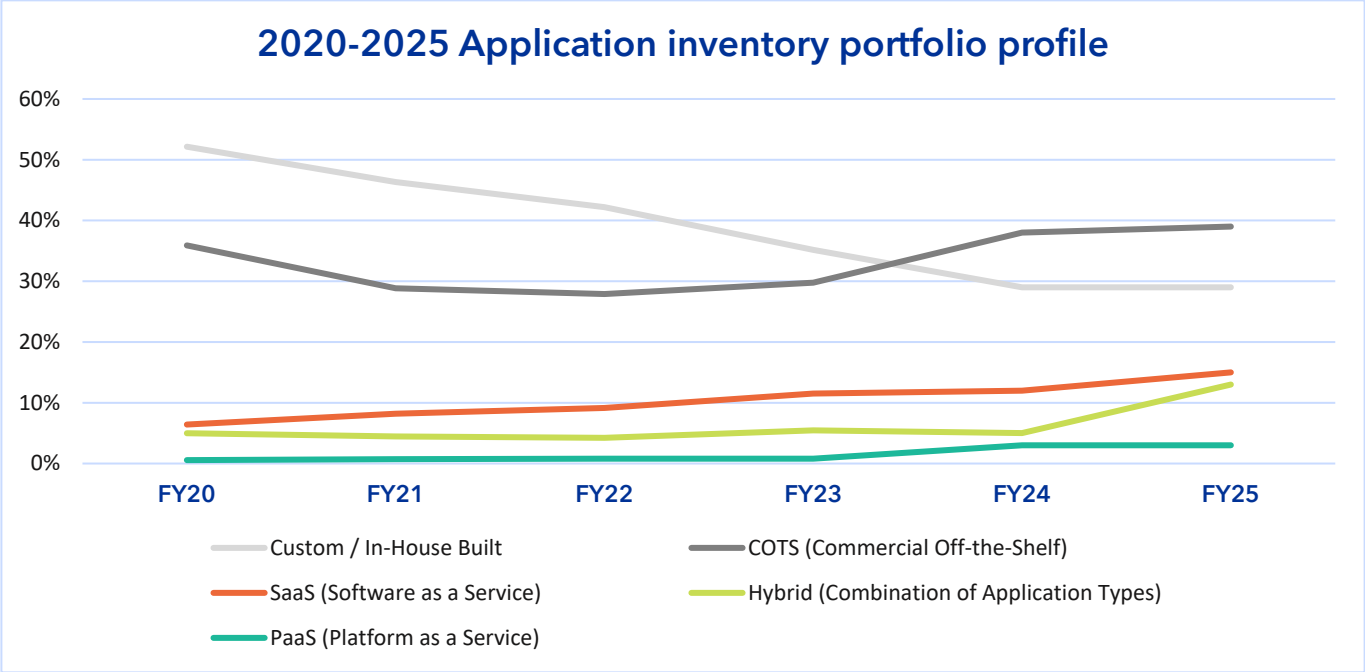



*Table 4 Application inventory portfolio profile trends (2020-2025)*

Taken together, the development profile illustrates a portfolio that is becoming more varied in how applications are built, sourced, and operated. Custom-built applications, commercial products, cloud-based services, and hybrid models are all represented across the reporting period. Rather than converging on a single development or deployment approach, the portfolio reflects a range of application lifecycles and architectures that agencies manage concurrently. This diversity supports different business needs, but it also adds complexity to sustainment, integration, and modernization planning across the enterprise.

## Monitoring statewide IT investment and benchmarking our investment levels

Benchmarking information collected during the biennium provides additional context for understanding statewide infrastructure investment patterns. When compared to peer organizations, the data identifies differences in IT spending. This information is used to support internal planning discussions and to better understand how infrastructure investment aligns with enterprise service responsibilities.

In addition to maintaining application and infrastructure inventories, WaTech tracks statewide information technology investment to better understand how resources are allocated across applications, infrastructure, and enterprise capabilities.[11] This work spans multiple biennia

[11] RCW 43.105.220 directs the state to prepare statewide IT planning and reporting, including analysis of technology investments. WaTech uses the Technology Business Management framework to support consistent financial reporting and benchmarking.

and supports analysis of investment patterns over time, rather than a single point-in-time view. When combined with portfolio data, investment tracking helps explain the conditions that shape modernization capacity across state government.

WaTech uses the Technology Business Management (TBM) framework to analyze total cost of ownership for applications and infrastructure at the enterprise level. TBM provides a standardized, industry recognized taxonomy for categorizing IT spending, allowing investment data to be compared across agencies, across biennia, and against external benchmarks. This approach has been applied consistently since FY20–21, enabling trend analysis across successive reporting cycles.

The TBM Taxonomy organizes IT spending into two complementary dimensions: Cost Pools and IT Resource Towers. Cost Pools describe the type of spending, such as hardware, software, or labor. IT Resource Towers describe the capabilities that spending supports, such as network services, application delivery, or security and compliance. Together, these views provide a structured way to understand not only how much is spent, but where investment is concentrated across the technology environment.

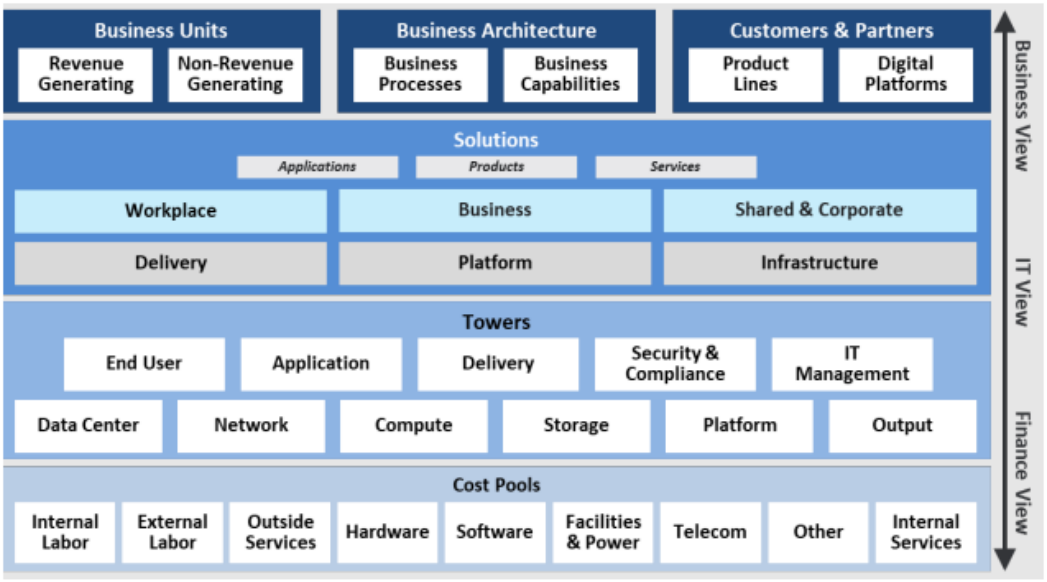



*Figure 1: The TBM Taxonomy Summary View*[12]

This framework is widely used across government and industry and serves as the state's standard for classifying IT spending. TBM data is reflected in statewide financial systems and is also used by other agencies, including the Department of Enterprise Services (DES), to support contract and cost reporting. Using a common taxonomy enables consistent analysis across organizations and over time.

[12] Technology Business Management (TBM) Council. *TBM Taxonomy v4.1*. TBM (Council, 2023)

As part of statewide investment management, WaTech benchmarks Cost Pool and IT Resource Tower data against aggregated peer datasets. When reviewed across multiple biennia, including FY20–21, FY22–23, and FY23–25, benchmarking data shows that the state's relative investment levels have remained below peer averages in several technology areas.

## Cost Pool benchmarking trends

Cost Pool benchmarking shows the state's relative investment levels have trailed peer benchmarks several categories across recent biennia. In FY23, investment levels were below peer average in five of eight Cost Pools, including Software, External Labor, Facilities and Power, Outside Services, and Telecom. In FY24, a similar pattern emerged, with investment below peer average in Hardware, Software, External Labor, Facilities and Power, and Outside Services.

Across biennia, software investment has shown one of the most pronounced gaps. In FY24, software accounted for 13.84 percent of the state's IT spending, compared to an industry average of 28.84 percent and a low benchmark was 12.95 percent. While overall spending levels vary year to year, this pattern is consistent with earlier biennial reports that identified relatively low software investment as a recurring characteristic of the statewide portfolio.

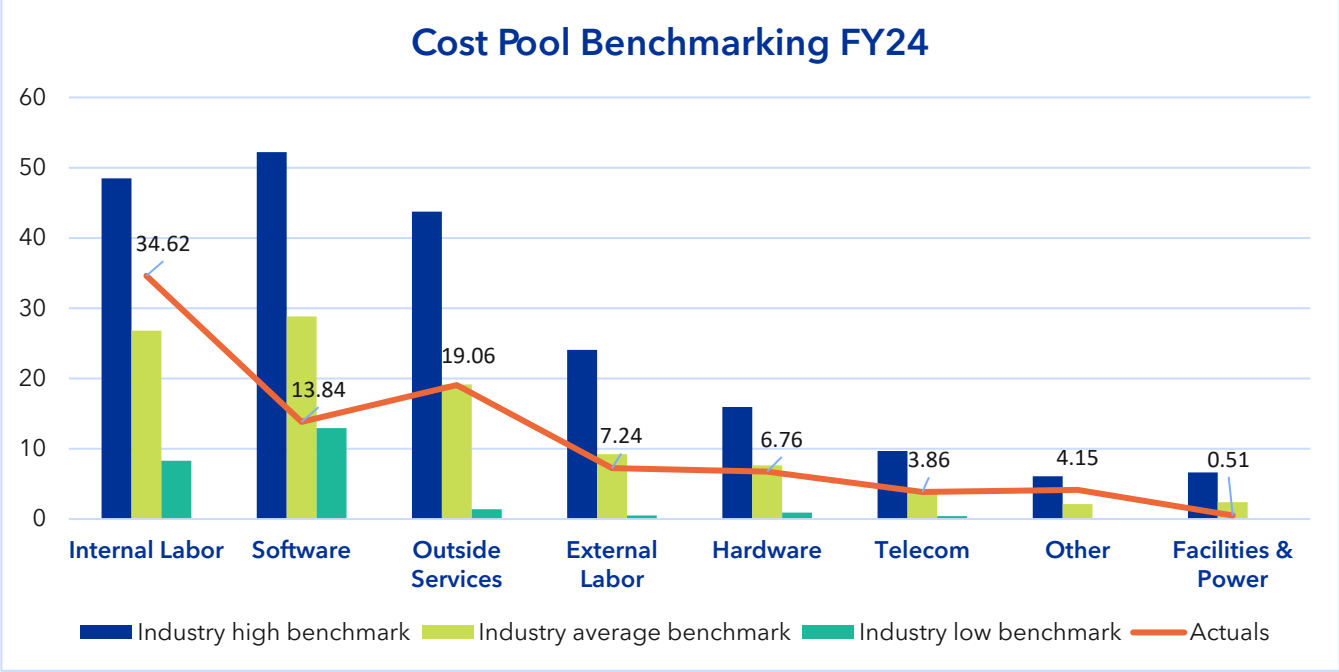



*Table 5: Cost Pool Benchmarking FY24*

## IT Resource Tower benchmarking trends

Benchmarking across IT Resource Towers shows consistent differences in relative investment levels across recent biennia. In FY23, statewide investment was below peer averages in nine of eleven towers, including Compute, Storage, Network, End User, Platform, Application, Delivery, Output, and Security & Compliance. In FY24, investment remained below peer

averages in eight of eleven towers, with continued gaps in Compute, Network, Platform, Application, Delivery, Output, and Security & Compliance.

Several towers show persistent gaps across reporting periods. In the Application tower, statewide investment in FY24 was approximately 30.32 percent compared to a peer average of 40.91 percent. In the Security & Compliance tower, statewide investment was approximately 3.7 percent compared to the peer average of 6.37 percent. While other towers track closer to benchmark ranges, these patterns reflect continued concentration of spending in sustainment-oriented areas rather than in application modernization and security capabilities.

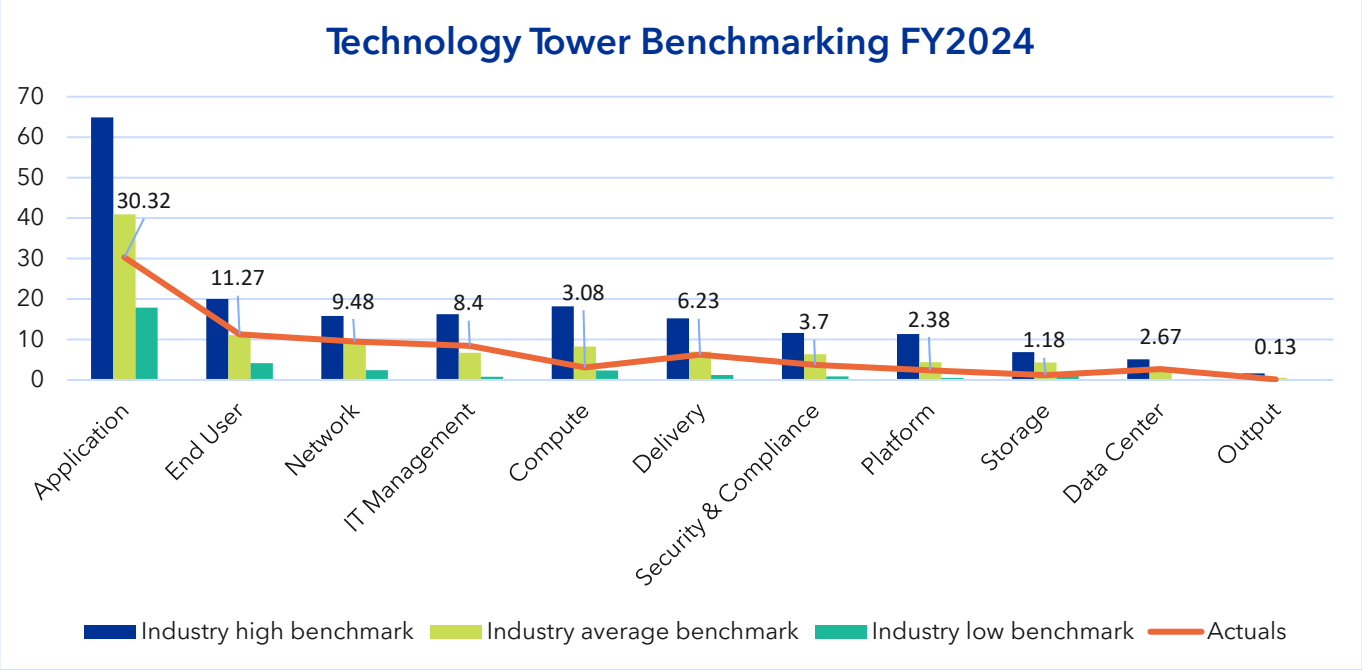



*Table 6: Technology Tower Benchmarking FY2024*

## Enterprise implications

When viewed alongside application portfolio data, benchmarking trends reinforce a consistent picture across biennia. While agencies have made progress modernizing application development approaches and reducing reliance on custom-house built systems, including increased adoption of commercial, cloud-based, and hybrid solutions, statewide investment levels remain concentrated on sustaining existing environments. Many mission-critical and business-essential applications continue to operate on legacy platforms alongside newer solutions, requiring ongoing operational investment as indicated in the 34.62 percent internal labor costs, which is 8 percent above industry average benchmark in internal labor costs.

Taken together, investment and portfolio data illustrate why modernization efforts remain tightly coupled to sustainment responsibilities. Patterns observed across FY20–21 through FY23–25 highlight the importance of enterprise-level coordination in addressing technology

debt, scaling modernization initiatives, and strengthening the technology foundation needed to support future services.

***Source note: The full dataset supporting statewide Technology Business Management benchmarking is available through Data.WA.gov under "WaTech – Technology Business Management (TBM)."***

## Tracking investment in IT at the agency level

In addition to statewide spending analysis, the TBM program supports agency-level visibility into IT costs. Agencies are required to report IT spending at the Cost Pool and IT Resource Tower level. Some agencies choose to extend this reporting by linking application and infrastructure inventories to the TBM cost model, allowing them to understand the total cost of owning and operating specific systems.

WaTech supports cost models that can show IT costs at multiple levels, including applications, infrastructure, and business services. This capability is available to approximately sixty agencies participating in the TBM program. Because participation in deeper levels of analysis is voluntary, agency use varies, which limits the ability to draw consistent enterprise-wide conclusions from application-level cost data.

During the previous biennium, 13 agencies worked with WaTech to identify the full cost of their applications and infrastructure, and 12 of those agencies extended that analysis to business units. For those agencies, this work provided clearer insight into system-level costs, supported comparison of modernization options, and improved planning for upgrades or replacements. These efforts also contributed to more accurate cost estimates for IT projects and system transitions.

As part of ongoing program management, WaTech reviewed the TBM program during FY25 to assess its effectiveness in supporting statewide analysis. That review showed that a relatively small number of agencies account for the majority of statewide IT spending. While state law requires agencies spending more than $10 million a year on IT to participate in TBM, WaTech policy had previously applied a much lower participation threshold. Over time, this resulted in agencies of all sizes being expected to participate at similar levels of detail.

Based on this review, WaTech developed a proposed tiered participation model for TBM reporting. Under this approach, agencies with the highest levels of IT spending would be expected to participate in more detailed cost modeling, while smaller agencies could opt into deeper analysis as appropriate. This model is intended to improve the quality of statewide cost insight while reducing unnecessary reporting burden.

Planning for this approach includes three phases: development of application total cost of ownership models, refinement of infrastructure cost analysis, and alignment of application and infrastructure costs to business services. During FY25, WaTech began work to update

policies and prepare for implementation of this framework, with the goal of improving the usefulness of IT cost data for budgeting, planning, and investment decision-making

## Statewide infrastructure context

Statewide infrastructure information provides essential context for understanding the technology environment reflected in agency portfolios. While applications are cataloged and assessed through portfolio reporting, infrastructure analysis focuses on the shared platforms, services, and cost structures that support those applications across state government. Together, these perspectives describe the condition, capacity, and resilience of the enterprise technology foundation that enables service delivery.

During the 2023–25 biennium, WaTech continued to track statewide technology investment and infrastructure using enterprise reporting and benchmarking practices. This work includes analysis of total cost of ownership across applications and infrastructure through the Technology Business Management (TBM) framework. TBM provides a consistent, industry-recognized taxonomy for categorizing IT spending by cost pools and resource towers, enabling enterprise-level visibility into how technology resources are allocated and what capabilities they support.

Viewed across the enterprise, this information shows that a significant portion of statewide technology investment is directed toward sustaining existing infrastructure and platforms. These investments are necessary to keep critical systems operating and available, but they also reflect the long-term costs associated with maintaining established technology environments. Infrastructure spending patterns help explain how operational requirements shape investment decisions and constrain the pace at which modernization efforts can scale.

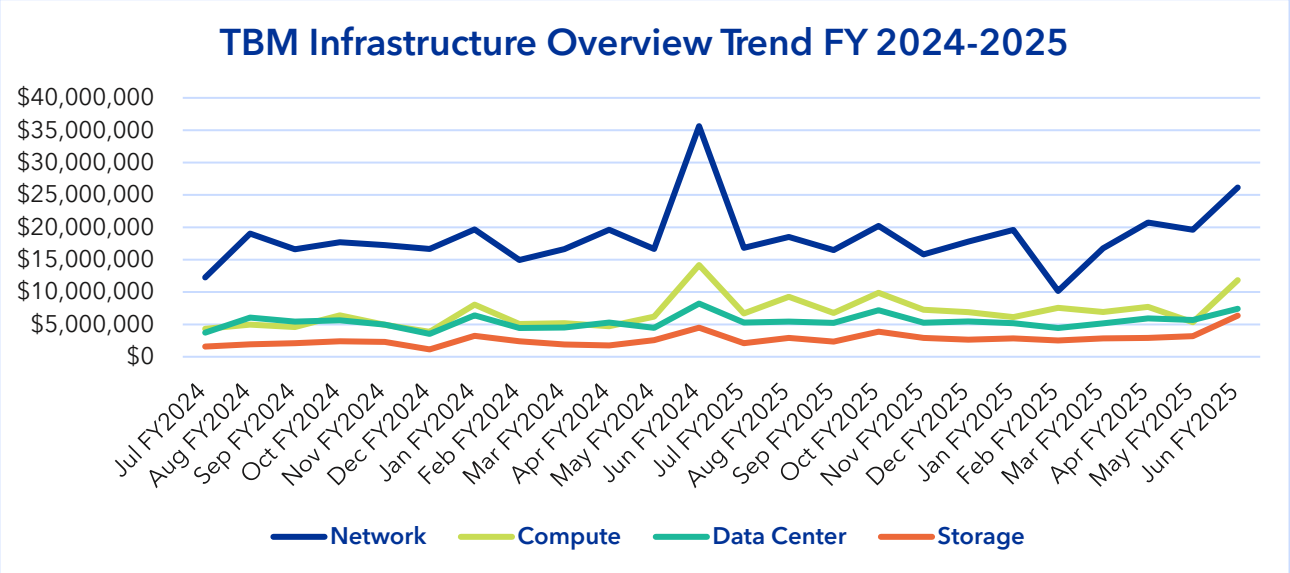



*Table 7: TBM Infrastructure Overview Trend FY 2024-2025*

Across FY 2024 and FY 2025, spending across all IT resource towers shows consistent month-to-month variability with notable fiscal year end spikes in June. Networks services represent the largest share of costs throughout both fiscal years, remaining relatively stable month over month, with pronounced increases at fiscal year close, which aligns to end-of-year licensing true-ups, renewals, and large contractual payments.

Compute and data center costs display moderate volatility, with reoccurring increases as the start and end of fiscal years. Compute spending, in particular, shows sharper peaks in January and June of both fiscal years. Data center costs remain more stable overall, though they also exhibit predictable year-end increases.

Storage is the smallest cost category but shows steady growth over time, with noticeable increases in FY 2025 compared to FY 2024. The significant rise in June FY 2025 suggest accelerating storage demand, potentially driven by data growth, backup requirements, or retention mandates.

Overall, the data reflects predictable seasonal spending patters tied to the fiscal calendar periods, with sustained investment in core infrastructure and increasing pressure on compute and storage resources over time.

Infrastructure data also highlights capacity and sustainability considerations. As demand for digital services continues to grow, shared infrastructure must support higher usage, increased system integration, and stronger security and privacy controls. Managing these demands within platforms that are shared across agencies requires coordination and introduces complexity, particularly when agencies have differing operational needs, technical maturity, and modernization timelines.

At the same time, the state's current approach to collecting and managing application and infrastructure inventory data presents ongoing challenges. Agencies submit inventory information annually as part of the Technology Certification process, but differences in how agencies gather and report data result in inconsistencies, gaps, and limited comparability across the statewide inventory. After submission, agency inventories are manually consolidated, requiring significant staff effort to merge, normalize, and review data. This process is labor-intensive, prone to error, and produces a static snapshot rather than a continuously updated view of the enterprise technology environment.

These limitations reduce the effectiveness of inventory data as a strategic tool. Incomplete or inconsistent information makes it more difficult to identify redundancies, track modernization progress over time, understand interdependencies, or support data-driven planning at the enterprise level. As a result, infrastructure and portfolio insights are often retrospective rather than actionable.

To address these challenges, WaTech initiated a proof of concept for a centralized enterprise architecture software platform during the biennium. The objective of this effort is to evaluate whether a single, cloud-based system can serve as a statewide repository for application and infrastructure data, providing more timely visibility and stronger analytical capability. By

bringing agency inventories into a shared environment, the platform supports improved data consistency, reduces manual processing, and enables richer analysis of how systems connect and where modernization opportunities exist. An initial proof of concept was completed in the 23-25 biennium, and WaTech moved forward with an implementation beginning July 2025. Additional capabilities are being evaluated in the current biennium, including scaling the effort to other agencies. WaTech anticipates realizing time savings in aggregating this data, as well as providing a better experience for our customers in reporting their IT portfolio data to WaTech.

This work aligns with broader organizational changes undertaken during the biennium. WaTech established the state's first Chief Technology Officer role and organized key enterprise technology functions within an Architecture and Innovation Division.[13] This structure supports a more coordinated approach to enterprise architecture, shared infrastructure, data and cloud capabilities, and emerging technologies, strengthening the state's ability to manage technology as an interconnected system rather than a collection of isolated assets.

If the enterprise architecture proof of concept demonstrates value, WaTech will evaluate the feasibility of scaling the platform statewide. Expected outcomes include improved data quality, reduced reporting burden, and enhanced ability for agencies and enterprise leaders to perform on-demand analysis, visualize dependencies, and identify modernization and cost-management opportunities. Over time, these capabilities would strengthen statewide IT governance and provide a more current, reliable view of the technology environment.

Statewide infrastructure information reinforces the portfolio-level picture of a technology environment that prioritizes sustainment of core services while operating within structural constraints. The data underscores why strengthening shared infrastructure, improving enterprise visibility, and maturing architecture practices are foundational to future modernization efforts. A coordinated, statewide approach is necessary to ensure that modernization initiatives can scale, remain secure, and deliver consistent value across agencies.

Taken together, portfolio, infrastructure, and investment data describe the conditions under which agencies plan, fund, and operate technology across the state. These enterprise-level views highlight patterns in sustainment, modernization, and cost distribution, but they do not capture how those dynamics play out within individual initiatives. To complement this analysis, the report turns to selected major IT projects that illustrate how statewide priorities, funding structures, and governance approaches are applied in practice.

[13] RCW 43.105.265.

# Major Projects – the vehicle to driving statewide change

Major project oversight is a core mechanism through which WaTech works with agencies to modernize and renew high-impact state systems. State law directs WaTech to review significant technology investments and ensure that projects comply with statewide policy requirements, follow industry best practices, and are positions to be delivered within reasonable timelines and budget. As part of this role, WaTech reviews agency investment proposals to determine whether formal oversight is required. Projects may also be placed under oversight through the state's budgeting process. Together, these authorities define the portfolio of major projects that WaTech monitors and supports across state government.

Projects subject to WaTech oversight fall into three groups:

- **Gated – IT Pool**: Projects funded through the IT Investment Account in Section 701 of the operating budget.
- **Gated – Non-IT Pool**: Projects funded through agency appropriations that are subject to statutory gating requirements.
- **Non-Gated**: Projects reviewed and monitored outside the operating budget gating process

Across the 2025-25 biennium, 84 projects were subject to WaTech's oversight, with 76 of those projects completing during the biennium. The total planned life-cycle investment for these projects was approximately $917 million. Over three-quarters of the portfolio (65 of 84 projects) was initiated prior to the 2023-25 biennium, reflecting the long-running nature of many of the state's large modernization efforts.

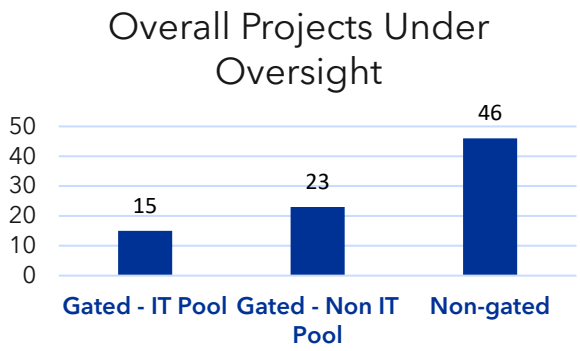



*Table 2: Distribution of major projects under WaTech oversight by funding and gating category, 2023–25 biennium.*

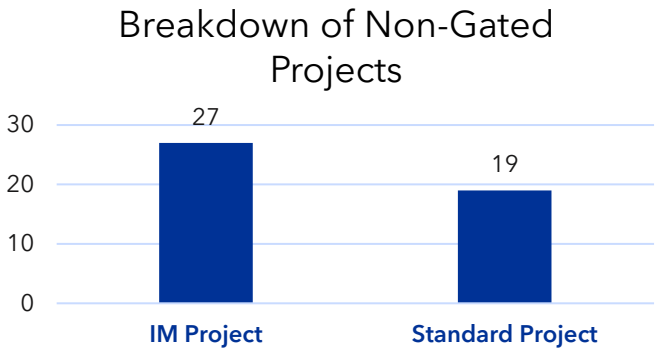



*Table3: Composition of non-gated projects under WaTech oversight, including Innovation and Modernization Program projects.*

The planned investment figure represents the full project life-cycle cost rather than biennium-only expenditures. The table below summarizes budget and actual expenditures occurring during the 2023-35 biennium only, not total life-cycle project cost by agency. Some agencies show budget without corresponding biennium expenditures because funding was appropriated or reserved during this period while implementation or spending is scheduled to occur in a future biennium. Monthly budget-to-actual cost information by TBM Cost Pool is available for each project through the statewide IT project dashboard.

| Agency | Total Budget | Total Cost |
|---|---|---|
| Board for Volunteer Firefighters and Reserve Officers | $2,763,666 | $2,169,147 |
| Board of Industrial Insurance Appeals | $1,300,000 | $2,851,802 |
| Columbia River Gorge Commission | $1,809,518 | $0 |
| County Road Administration Board | $50,400 | $0 |
| Department of Agriculture | $325,000 | $148,649 |
| Department of Archaeology and Historic Preservation (DAHP) | $94,998 | $1,200 |
| Department of Commerce | $939,115 | $6,623,962 |
| Department of Corrections | $10,906,772 | $10,689,320 |
| Department of Ecology | $367,700 | $915,398 |
| Department of Employment Security | $5,004,593 | $3,346,658 |
| Department of Enterprise Services | $433,957 | $0 |
| Department of Fish and Wildlife | $8,533,810 | $9,147,205 |
| Department of Labor and Industries | $3,487,799 | $1,874,746 |
| Department of Licensing | $1,577,000 | $1,922,874 |
| Department of Revenue | $7,051,092 | $2,321,739 |
| Department of Social and Health Services | $72,199,174 | $57,795,176 |
| Department of Transportation | $13,360,616 | $6,501,649 |
| Department of Veterans' Affairs | $639,814 | $608,912 |
| Eastern Washington State Historical Society | $261,001 | $283,339 |
| Human Rights Commission | $1,572,022 | $1,547,101 |
| Liquor and Cannabis Board | $85,768 | $85,766 |
| Office of Financial Management | $6,000 | $0 |
| Office of Minority and Women's Business Enterprises | $877,000 | $709,081 |
| State School for the Blind | $225,000 | $225,000 |
| Superintendent of Public Instruction | $356,000 | $330,805 |
| The Evergreen State College | $1,871,992 | $1,813,406 |
| University of Washington | $43,282,776 | $32,901,050 |

| | | |
|---|---|---|
| Washington Health Benefit Exchange | $1,710,002 | $6,728,551 |
| Washington State Arts Commission | $969,672 | $968,707 |
| Washington State Criminal Justice Training Commission | $1,710,002 | $1,708,247 |
| Washington State Health Care Authority | $10,362,026 | $12,209,575 |
| Washington State Patrol | $1,527,818 | $1,527,658 |
| Washington Technology Solutions | $6,482,936 | $8,273,925 |
| Workforce Training and Education Coordinating Board | $142,700 | $132,014 |
| Grand Total | $209,795,741 | $176,362,662 |

WaTech's oversight portfolio also reflects how modernization is occurring across the enterprise. During the 2023-25 biennium, nearly half of all projects under oversight entered through statutory authority rather than the operating budget process. Within that group:

- 19 projects were funded through agency budgets, and
- 27 projects were funded through the Innovation and Modernization Program.

Because the Innovation & Modernization Program, a statewide fund created to support short-term, high-impact modernization projects, was introduced during this biennium, the number of non-gated projects is higher than in previous reporting periods. This shift reflects the use of targeted, one-time limited funding to accelerate discrete modernization efforts rather than a structural change to the oversight framework itself.

The remaining 38 projects entered oversight through the operating budget gating process.

Together, this portfolio illustrates both the scale of long-running modernization programs and the growing use of shorter-cycle modernization efforts to address discrete technical debt and service improvement needs.

## Cost and schedule change drivers observed across major projects

Across major information technology projects completed during the biennium, recurring drivers of cost and schedule change were consistently documented. While individual projects experienced unique conditions, the drivers below appear across multiple efforts and represent common pressures affecting delivery performance at the enterprise level.

These drivers describe what changed, not why change occurred, and reflect the current operating conditions under which modernization is currently being delivered.

### 1. Scope Change

Scope change (i.e., the agreed work changed after the project was approved) appeared as a frequent driver of both schedule extensions and budget adjustments.

Projects experienced scope changes when new requirements, additional functionality, or expanded business needs were introduced after initial project approval. These changes often required revisiting design assumptions, updating implementation plans, and modifying delivery timelines and budgets to reflect revised expectations.

**Observed effect:**

- Schedule adjustments.
- Budget increases.
- Replanning of delivery approach.

### 2. Budget increase

Budget increases were recorded as a recurring driver of project change.

Projects experienced cost growth when additional funding was required to address expanded scope, extended timelines, technical complexity, or other delivery pressures. In some cases, budgets were revised upward to maintain delivery feasibility or to preserve intended outcomes.

**Observed effect:**

- Revised funding levels.
- Adjusted project schedules.
- Changes to implementation sequencing.

### 3. Budget reduction or reduced funding availability

In contrast to cost growth, some projects experienced reductions in available funding or received less funding than originally requested.

These changes required projects to revise scope, adjust delivery timelines, or change implementation strategies in order to continue delivery within revised financial constraints.

**Observed effect:**

- Scope adjustments.
- Roadmap and Implementation re-planning.
- Schedule extensions.

### 4. Change in implementation approach

Changes in implementation approach were documented as a common response to evolving project conditions.

Projects adjusted delivery strategies to respond to funding changes, procurement timelines, technical constraints, or revised priorities. These changes included altering delivery sequencing, modifying technical architectures, or revising deployment models.

**Observed effect:**

- Schedule realignment.
- Resetting schedules and budgets.
- Adjustments to delivery milestones.

### 5. Missed timeline commitments

Missed or revised timeline commitments appeared consistently across multiple projects.

Projects experienced schedule impacts due to delivery complexity, procurement timelines, resource availability, or changes in project scope and funding. These delays required formal schedule revisions and contributed to extended project durations.

**Observed effect:**

- Extended delivery timelines.
- Revised milestone schedules.
- Delayed benefit realization

### 6. Procurement Delays

Procurement timelines were repeatedly identified as a source of schedule impact.

Delays in contracting, vendor selection, or acquisition processes affected planned delivery start dates, sequencing, and milestone timing. Procurement delays often cascaded into downstream schedule revisions.

**Observed effect:**

- Delayed project initiation or phase transitions.
- Adjusted implementation sequencing.
- Extended overall project timelines.

# Enterprise lessons from major project delivery

Delivery experience across major information technology projects during the 2023–25 biennium produced a consistent set of lessons about what most strongly influences cost, schedule, and delivery outcomes. These lessons are drawn from cross-project retrospectives, oversight observations, and documented delivery challenges. They reflect practices that repeatedly differentiated projects that maintained momentum from those that experienced cost increases, schedule extension, or repeated replanning.

These lessons form a practical view of how large-scale modernization work performs within the state's operating environment and identify delivery practices that materially affect feasibility, cost control, and timeliness across agencies.

### Retrospectives and lessons learned

Projects that conducted structured retrospectives (a step-by-step "look back" meeting) at major delivery milestones demonstrated a stronger ability to identify emerging issues early and adjust delivery approaches before impacts escalated. Doing this at the end of each phase helped teams find gaps in their process, keep the parts that were working, and avoid making the same mistakes again in later phases. Documentation of lessons learned supported broader sharing of delivery practices and strengthened consistency across project teams.

### Work breakdown structure and integrated scheduling

Projects that relied on clearly defined deliverables supported by integrated schedules showed greater reliability in scope control and forecasting. Use of a work breakdown structure (WBS) supported clearer ownership, improved sequencing of work, and more accurate schedule planning. Integration of the WBS into scheduling and risk management processes reduced misalignment between scope, schedule, and resources and helped prevent rework driven by unclear deliverables or sequencing conflicts.

### Planning under fiscal constraints

Projects operating in uncertain fiscal conditions encountered recurring challenges related to procurement timing, funding availability, and staffing capacity. Projects that incorporated adaptive planning approaches, such as modular delivery, contingency planning, and early assessment of funding risk, demonstrated improved delivery stability. These approaches helped maintain progress when budgets, procurement cycles, or staffing conditions shifted during execution.

### Structured decision-making models

Projects that applied structured decision-making models experienced fewer delays caused by unclear authority, stalled approvals, and rework. Defined roles, decision thresholds, and escalation paths reduced ambiguity, accelerated decision cycles, and strengthened

accountability. This proved particularly valuable for cross-agency and multi-stakeholder initiatives where authority and decision ownership were distributed.

**Proactive risk management**

Projects that planned for risk up front demonstrated greater control over emerging issues. Practices such as conducting "what could go wrong" exercises before work began and defining clear warning indicators that would trigger action supported earlier intervention when conditions started to shift. When those indicators appeared, teams were able to respond sooner, reduce escalation cycles, and prevent smaller issues from turning into major cost increases or schedule delays. This approach contributed to more realistic planning and stronger alignment between delivery expectations and day-to-day operating conditions.

**Use of SMART goals**

Projects that defined measurable, time-bound performance goals demonstrated stronger ability to communicate progress, manage scope, and support timely decision-making. SMART goals refer to objectives that are specific, measurable, achievable, relevant, and time bound. This approach provided a shared framework for measuring effectiveness, enabled evidence-based adjustments during execution, and reduced decision delays driven by subjective interpretation of progress or success.

These delivery lessons represent enterprise-level practices that materially influence modernization feasibility, cost control, and schedule reliability. They provide a consistent set of delivery disciplines that can be applied across agencies to strengthen outcomes as modernization activity continues to expand across state government.

## Washington Digital Experience Program

### Rethinking procurement and delivery for a connected government experience

#### Project context and purpose

Washington state residents continue to experience government services through a fragmented set of agency websites, systems, and processes. Accessing services often requires navigating agency structures rather than interacting with government in a unified, resident-centered way. The Washington Digital Experience Program was launched to address this challenge by establishing a single digital entry point (WA.gov) where residents can securely access services across programs and agencies.

Rather than beginning with a predefined technical solution, WaTech designed the effort to first establish a shared vision and roadmap for a statewide resident portal. This approach recognized that long-term success would depend on enterprise alignment, strong governance, and thoughtful sequencing, not simply technology selection.

### Procurement and delivery approach

In April 2024, WaTech launched the Washington Resident Portal Procurement Challenge as a new model for acquiring and delivering digital solutions. Instead of procuring a fixed product, the state invited vendors to propose a strategic roadmap for building a statewide digital resident portal. The challenge emphasized platform architecture, service integration, privacy, accessibility, and user experience. (The Resident Portal project was later renamed the Digital Experience Program)

Up to $550,000 was allocated for this effort, allowing the state to engage industry early, reduce procurement risk, and explore multiple approaches before committing to a long-term implementation path. This procurement model reflected a deliberate shift toward setting enterprise direction first and selecting solutions that could scale across agencies.

### Investment and scope

The procurement challenge resulted in the selection of a winning roadmap, delivered in October 2024. The roadmap established a phased approach for developing a secure, personalized digital gateway to state services. It identified foundational capabilities required to support the portal, including identity, data integration, accessibility, and governance.

Following delivery of the roadmap, WaTech developed a pilot experience for WA.gov, completed in June 2025. The pilot demonstrates key design and functionality concepts and provides a tangible preview of how the resident portal will operate when launched.

### Progress and outcomes to date

Human-centered design and resident engagement have been central to the project. In 2024, more than 3,000 residents participated in surveys, interviews, and usability studies that informed content design, service discovery, and navigation. This feedback has been used to improve content accuracy, findability, and relevance, allowing residents to search for services based on life events or individual needs.

The project has also advanced enterprise customer experience practices. WaTech partnered with the Your Washington initiative to launch a Customer Experience Data Pilot involving 10 agencies. The pilot demonstrated the state's ability to collect, analyze, and act on customer feedback at an enterprise level, supporting more consistent service improvements across agencies.

### Lessons learned and enterprise implications

The Washington Digital Experience Program illustrates how modernization outcomes can be strengthened by rethinking procurement, sequencing, and engagement. Beginning with a shared enterprise vision reduced risk and helped align agencies around common goals. Early resident involvement improved design decisions and reinforced accessibility and usability as core requirements.

The project also highlights the importance of enterprise capabilities such as identity, data integration, and governance as enablers of modernization rather than standalone investments. Lessons from this effort are informing broader discussions about how the state approaches future digital initiatives, including how procurement models, funding mechanisms, and governance structures can better support enterprise-scale modernization.

# Path to a statewide modernization roadmap

During the 2023–25 biennium, Washington state made measurable progress in strengthening how technology supports government services. Agencies got a clearer picture of what systems they have and how they are performing, made more use of shared tools and services, and started building and updating applications in more consistent, modern ways through coordination across state government. Even with that progress, the data compared with earlier biennium reports shows that big, statewide modernization problems are still not fully solved. The good news is the state now has now has the visibility it needs to coordinate IT modernization work across agencies and make real changes.

Across the FY20–FY25 period, patterns observed in application portfolios, infrastructure reporting, and investment data point to a consistent set of enterprise conditions. Agencies have reduced reliance on custom-built applications and increased use of commercial and cloud-based solutions, yet many mission-critical and business-essential functions continue to depend on aging systems. Infrastructure and security investments remain largely focused on sustaining existing platforms, limiting flexibility and slowing the pace of modernization. Viewed over multiple biennia, these trends show progress in how technology is managed alongside structural constraints that are not easily resolved through incremental or isolated action. Delivery patterns observed across major projects further show that modernization is shaped as much by funding structures, procurement timing, and decision processes as by platform age alone.

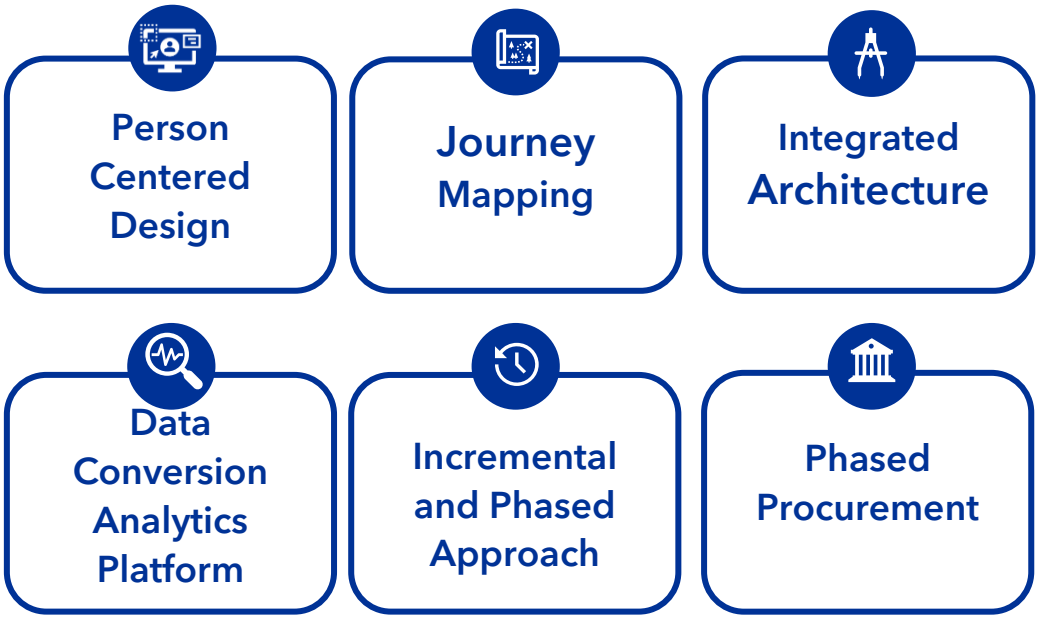
These conditions help explain why modernization efforts that occur one system or one agency at a time face a practical limit. Applications, infrastructure, security controls, and data platforms are increasingly interconnected across state government. In addition, modernization projects now include critical business and IT components, such as business process transformation, changes to service delivery models, and incremental delivery of business capabilities over time rather than single, standalone system replacements. Decisions made within a single agency often depend on shared services, common platforms, or enterprise policies that extend beyond that agency's direct control. As a result, even well-planned modernization initiatives can stall when underlying infrastructure, integration points, or funding mechanisms are not aligned at the enterprise level. This interdependence underscores the need for broader coordination to reduce risk, limit duplication, and support consistent progress.

***A statewide modernization roadmap*** provides a way to address these constraints in a coordinated manner while keeping customer needs at the center of modernization efforts. Rather than treating modernization as a collection of disconnected projects, the roadmap establishes a shared view of priorities, dependencies, sequencing, and delivery planning across agencies. It enables modernization work to be planned with an understanding of how applications, infrastructure, data, identity, and security capabilities interact to support end-to-end customer journeys, not just individual agency systems, at an enterprise level. By making

these relationships visible, a roadmap supports clearer tradeoffs, more informed decision-making, and stronger alignment between investment decisions and statewide service outcomes.

Together, these changes improve access to data, expand the pool of shared technical resources available to agencies, increase the state's ability to respond quickly to change, and support delivery of modern, secure, and seamless integrated digital services.

## Customer Focused Modernization




Customer Focused Modernization represents the core components of a statewide modernization approach centered on the needs of users. Together, the elements illustrate how technology modernization is designed, delivered, and sustained in a coordinated way across government:

- Person Centered Design – Ensures systems and services are built around the needs of residents, businesses, and agency users.
- Journey Mapping – Focuses on end-to-end service experiences across programs and agencies, rather than individual systems.
- Integrated Architecture – Aligns applications, data, infrastructure, and security so systems work together consistently at an enterprise level.
- Data Conversion & Analytics Platform – Enables better data access, migration, and analysis to support decision-making and service improvement.
- Incremental and Phased Approach – Supports gradual modernization that reduces risk, allows learning over time, and accommodates ongoing operations.
- Phased Procurement – Aligns purchasing strategies with incremental delivery, enabling flexibility and better alignment with evolving needs.

Taken together, these elements emphasize modernization as a coordinated, customer-driven effort that balances usability, technical integration, risk management, and long-term sustainability.

The data in this report helps show what a statewide modernization roadmap has to cover. It makes clear how many older systems still run critical services and how much built-up "technical debt" is tied up in them. It also shows that shared platforms, common services, and how money is invested can either speed up or slow down modernization across agencies. Customer-focused modernization depends on these shared capabilities being designed and delivered in ways that enable seamless integration of services and data across programs. Work that spans multiple agencies also points to a few basics that have to be in place for everything else to work well, like secure sign-in and identity, safe data sharing, strong security, and a consistent customer experience. Enterprise architecture is the way to tie all of this together, so platforms, data, and shared services line up, and the state delivers technology in a coordinated way.

Addressing these needs will also require rethinking how modernization is funded and sustained over time. Data presented in this report shows that a significant share of technology investment continues to be directed toward operating and maintaining existing systems. While sustainment work is necessary, it limits the ability to address accumulated technical debt and improve customer experiences through one-time project funding alone. Major project delivery experience shows that one-time funding structures often collide with multi-year modernization efforts, requiring repeated replanning and delayed sequencing. A statewide modernization roadmap provides the structure needed to support phased investments, enterprise-scale planning, and clearer connections between funding decisions and long-term outcomes that improve service quality, reduce maintenance burden, and strengthen system resilience.

Developing this roadmap will require sustained engagement across state government and use of the governance structures that already support enterprise technology coordination. WaTech will work with agencies through established forums to surface modernization priorities, understand operational and delivery constraints, and identify opportunities for shared approaches that prioritize customer needs while supporting agency missions. Portfolio, infrastructure, and investment information will inform these discussions, helping decision-makers weigh risk, cost, and impact in a consistent way while preserving agency flexibility to meet mission-specific needs.

Taken together, the work completed during the biennium and the data collected across portfolios, infrastructure, and investment analysis reinforce the importance of moving from incremental modernization toward a more intentional enterprise approach. A shared roadmap does not replace agency planning or delivery. Instead, it provides a common frame for understanding where modernization efforts intersect, where risks are concentrated, and where coordinated action can deliver greater value. This approach establishes a durable foundation for strengthening the state's technology environment in support of secure, reliable, and accessible government services over time.

# Appendix

## Appendix A: Supporting Reports and Public Artifacts

### Washington Resident Portal Procurement Challenge

Documentation of Washington's challenge-based procurement approach, designed to accelerate acquisition timelines by framing a problem statement and inviting industry partners to propose solution roadmaps rather than prescribing a specific product.

**Public artifact:** *Washington Resident Portal Challenge website*.

**External recognition:** NASCIO *Digital Experience: Enterprise Solutions* case study submission. Washington was named a finalist for the NASCIO State IT Recognition Awards.

- **2025 submission:** *The Blueprint for Belonging: Washington's Resident Portal Roadmap*.

### Innovation and Modernization Program: From Legacy to Leading Edge

Overview of the statewide program established to fund targeted modernization efforts, reduce technical debt, and pilot scalable technology solutions across agencies during the 2023–25 biennium.

**WaTech report:** *Innovation and Modernization Program: From Legacy to Leading Edge*.

**External recognition:** NASCIO *Modernizing the Mission* case study submissions. The Washington state CIO office received NASCIO State CIO Office Special Recognition for its enterprise modernization leadership through the Innovation and Modernization Program.

- **2024 submission:** *Accelerating Modernization through Washington's Innovation & Modernization Fund*.
- **2025 submission:** *Modernizing the Mission: Washington's Innovation & Modernization Program Paves the Future of Statewide Services*.

### Artificial Intelligence Governance and Adoption

Overview of Washington's enterprise approach to responsible artificial intelligence, including governance, risk management, and early adoption of AI capabilities across state agencies.

**WaTech report:** *State of Washington Generative AI Report (2024)*.

**External recognition:** NASCIO Artificial Intelligence case study submission. Washington was named a finalist in the Artificial Intelligence category of the NASCIO State IT Recognition Awards.

- **2025 submission:** *Smart Smoke Signals: AI Vision and Data for Faster Fire Response*.

## Enterprise Geospatial Data and Addressing Capabilities

Overview of Washington's enterprise approach to geospatial data and address standardization, enabling shared services that improve data consistency, analytics, service delivery accuracy, and equitable outcomes across agencies. These capabilities reduce duplication, support cross-agency coordination, and provide a common foundation for programs that rely on location-based data.

**External recognition**: NASCIO State IT Recognition Awards case study submissions recognizing Washington's enterprise geospatial and address standardization capabilities for advancing shared data infrastructure, analytics, and equitable service delivery across agencies.

- **2024 submission:** *Washington State GeoPortal 2.0*
- **2025 submission**: *One Address, One Truth: The Invisible Infrastructure Behind Fairer and Better Public Service Delivery*.

## Enterprise IT Strategic Plan (2023–25)

The Enterprise IT Strategic Plan establishes the statewide technology goals, values, and priorities that guided enterprise IT work during the 2023–25 biennium. The plan provides the strategic foundation against which progress, portfolio trends, and investment patterns described in this report are assessed.

**WaTech Report**: *State of Washington Enterprise IT Strategic Plan (2023–25)*.

## Technology Business Management (TBM) Statewide Dataset

Statewide IT investment data organized using the Technology Business Management (TBM) taxonomy, providing a consistent framework for analyzing total cost of ownership, investment patterns, and benchmarking across applications, infrastructure, and enterprise capabilities. The dataset supports multi-biennial trend analysis and peer comparisons referenced throughout this report.

**Public artifact**: *WaTech – Technology Business Management (TBM) dataset, Data.WA.gov*.

## Statewide Application Portfolio Policy

The statewide policy governing how agencies collect, classify, and report application inventory data, including use of the Gartner® TIME model and business criticality classifications. Updates implemented during the 2023–25 biennium improved consistency, usability, and modernization relevance of application portfolio data referenced in this report.

**Public artifact**: Statewide Technology Portfolio Policy (WaTech).

# Contact

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