75.65
Statewide Project Type Codes

75.65.10
July 1, 2010

Information technology data needs

This policy reflects the increased interest in having better information about state information technology (IT) costs. This subsection defines IT costs in general, and how IT costs should be further classified as:

- Acquisition/new development, and

- Maintenance and operations.

For purposes of this subsection, the following standards apply to the coding of IT expenditures:

The **definition of information technology** includes the electronic capture, collection, storage, manipulation, transmission, calculation, retrieval, and presentation of information.

IT expenditures can be recorded in almost all objects of expenditure. For purposes of using statewide project type codes for IT, expenditures generally follow an IT employee in these functional areas of IT service delivery:

- Customer service (help desk, personal computer support, and portable device support);

- Infrastructure service (database administration, security, server and network administration, data center operations, and network communication services);

- Application service (packaged and custom application support);

- IT planning (research and development, strategic and disaster planning);

- IT administration (asset management, IT procurement, project management, and training); and

- IT application development projects.

75.65.10.a   **Acquisition/new development –** This category includes things like:

- Hardware purchases intended to increase business capacity or expand functionality.

- Application development projects that either meet the software capitalization limit specified in Subsection 30.20.20, or that extend the estimated useful life of the application, or significantly expand functionality of the application.

75.65.10.b   **Maintenance and operations** – This category includes things like:

- Costs for purchases of replacement IT goods and services.

- Internal costs associated with ongoing, routine IT work that maintains current business capacity.

- Costs related to minor system enhancements that do not meet the criteria under acquisition/new development.

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Special provisions for information technology project type coding

Because the field of IT is constantly changing, professional judgment is required in the determination of what is included or excluded from coding as IT. Likewise, professional judgment may also be required in the determination of what is coded acquisition/new development or maintenance and operations.

For guidance on IT cost definitions by subobject code and other issues related to implementing the requirements of this subsection, refer to OFM's Administrative and Accounting Resources website at: http://www.ofm.wa.gov/resources/default.asp.

Notes:

- Chapter 30 capitalization policies differ from the IT coding for acquisitions/new development. The purpose of IT coding is for cost accounting, not capitalization.

- Subobject EL is defined as IT services, but is excluded from the requirement to code as an IT cost with Project Type X or Y.

A deferral for implementation of this requirement is granted to higher education agencies (including both four-year institutions and the community and technical colleges). This deferral expires June 30, 2013, and the IT coding requirement becomes effective for the biennium beginning July 1, 2013.

75.65.30   **Sequential by code number with descriptions**
July 1, 2010

Code	Title and Description
X	Used to indicate IT acquisitions/new development expenditures.
Y	Used to indicate IT maintenance and operations expenditures.