



## STATE OF WASHINGTON

July 2, 2021

**TO:** Select Agency Directors

**FROM:** David Schumacher, Director  
Office of Financial Management

Mark Quimby, Acting Director and State CIO  
Washington Technology Solutions

**SUBJECT: 2021-23 INFORMATION TECHNOLOGY (IT) GATED FUNDING OVERSIGHT**

The enacted 2021-23 operating and transportation budgets place one or more of your agency's information technology (IT) projects under gated funding oversight by the Office of the Chief Information Officer (OCIO) and Office of Financial Management (OFM). Attached is a list of these projects that includes the assigned OCIO oversight consultant and OFM budget analyst.

Section 701 of the operating budget (Chapter 334, Laws of 2021) and Section 701 of the transportation budget (Chapter 333, Laws 2021) prescribe the conditions, limitations and review requirements of this oversight, as well as access to project funds.

The gated funding oversight process is designed with the following goals in mind:

- Providing greater insight into total project costs.
- Mitigating risk to help improve project success and outcomes.
- Increasing accountability and collaboration.
- Enhancing fiscal and technological oversight through the use of best practices, including a gated funding methodology.
- Meeting legislative requirements in the 2021-23 operating and transportation budgets.

We would like to engage with you as soon as possible to discuss the gated funding requirements and support the success of your projects. Agencies will initiate the process by completing an [IT Project Assessment](#) (ITPA) online. The OCIO will then schedule a gated funding kickoff meeting. Your assigned oversight consultant will guide you through the gated funding process.

To ensure the timely processing of gate requests and release of funds, agencies must work with their assigned budget analyst and oversight consultant in advance of the beginning of each gate in the project. Gated funding resources, including a user guide with a glossary and FAQs, will be posted on the [OCIO website](#) in late July.

### Gated Funding Expectations for New Projects

1. An agency may not expend new funds provided by the Legislature until the project has:
  - a. Received approval on the technology budget by both OFM and OCIO using the [new gated funding technology budget template](#).
  - b. Placed project funds received in the agency's budget in unallotted status when submitting the initial allotment packet to OFM.
  - c. Requested certification and release of gate dollars by submitting a [gate certification application](#) to the OCIO.
  - d. Received approval to begin the gate from the OCIO in a gate certification memo.

- e. Completed the 10-day review period by the legislative fiscal committees.
  - f. Received approval to allot funds in a memo sent by the OFM director.
2. An OCIO-approved investment plan is a required deliverable of the project's first gate. To be approved, the investment plan must include an independent quality assurance readiness assessment and the agency's response to any project risks identified in the assessment. Investment plan approval is also required before procuring any software or equipment or signing a contract for implementation of vendor services.
  3. Each project must identify total project planned spend from initiation through closeout as well as five years of estimated maintenance and operations costs. Discrete financial coding, fund source and anticipated deliverables through each gate of the project should be included. Allotments and spending should align with the technology budget.

### **Gated Funding Expectations for Existing Projects**

Existing projects must have an approved technology budget using the [new gated funding technology budget template](#) before applying for the next gate certification.

If your existing approved investment plan does not accurately or completely reflect the project going forward, you must submit an amended investment plan to the OCIO for review and approval. Based on funding received in the biennial budget, your project may require a change (e.g., adding a new phase to the project or adjusting the scope, schedule or budget). An amendment to the investment plan in these instances is required for approval of the next gate of the technology budget. Consult with your assigned OCIO oversight consultant to confirm if your existing project requires an amended investment plan.

Following completion of the first gate and any subsequent gate, agencies are not authorized to expend dollars on projects until the agency has:

1. An OCIO-approved [investment plan](#) for the project.
2. A technology budget, updated as needed, and approved by both OFM and OCIO using the [new gated funding technology budget template](#).
3. Requested certification and release of the gate dollars by submitting a [gate certification application](#) to the OCIO.
4. Received approval to begin the gate from the OCIO in a gate certification memo.
5. Completed the 10-day review by the legislative fiscal committees.
6. Received approval to allot funds in a memo sent by the OFM director.

If you have any questions, please contact your [OFM budget analyst](#) or the OCIO at [OCIO Consultants Pool](#).

### **Attachment**

cc: Michael Bezanson, Staff Coordinator, Senate Ways and Means Committee  
Charlie Gavigan, Staff Coordinator, House Appropriations Committee  
Sarian Scott, Fiscal Analyst, Senate Ways and Means Committee  
Jessica Van Horne, Fiscal Analyst, House Appropriations Committee  
Sue Langen, Deputy Director for Strategy & Management, OCIO  
Derek Puckett, Legislative Director, WaTech  
Select Agency Deputy Directors  
Select Agency Chief Financial Officers  
Select Agency Chief Information Officers  
OFM Budget Analysts  
OCIO Consultants