



Washington State
DEPARTMENT OF
ENTERPRISE SERVICES



OCTOBER 2025

Information Technology Contracts Report

JULY 2024 — JUNE 2025

Contracts & Procurement Division

Report to the Legislature

Agency Overview

The Department of Enterprise Services (DES) provides centralized services to state government agencies; to other public entities such as cities, counties and tribes; and to Washington residents.

DES' mission is to strengthen the business of government for a sustainable and just future.

We do this by creating overall operating efficiencies so our state's government entities can focus on their core missions. Our buying power, economies of scale and years of experience help government get the best value for the products and services we need to support our missions.

Key Services

- Capitol Campus stewardship
- Construction & public works
- Contracts & procurement
- Employee Assistance Program
- Energy efficiency
- Engineering & architectural services
- Facilities management
- Fleet management & EVs
- Parking management
- Print & mail services
- Property management
- Real estate services
- Risk management
- Small agency support
- Surplus property
- Training & workforce development



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Contents

Executive summary	1
Introduction	2
Statutory directive	3
Background	4
Data integrity	4
Methodology	5
Findings/results	6
Data from 2025 Agency IT Contracts Report	6
Long-term and no-end-date contracts	9
IT tower analysis and tables	10
DES IT statewide contracts portfolio summary	6
Information Technology Investments Captured in the Technology Business Management (TBM) Program	14
Recommendations	18
Statewide contract utilization and opportunities	18
Other IT statewide contracts	20
References	20
Appendix A	21

Executive summary

Since 2018, each year the Department of Enterprise Services (DES) collaborates with Washington Technology Solutions (WaTech) to report on state agencies using contracted IT services. ([EESB 5167\(154\)\(4\)](#)).

In this report, we share agency spend on IT contracts, including the top 10 vendors with whom agencies spent the most money within certain categories and the amount of money spent by cost pool and IT tower. We've also shared our recommendations for improving contract utilization and IT procurements for the state.

This year, of the 145 agencies required to report their IT contracts, all agencies except for 11 completed the report.

State agencies must report their use of IT contracts to DES by September 1 so that DES can analyze data, compile this report, and send it to the Legislature by October 31.

DES provides recorded trainings to share an overview of how agencies report their information, and we host a live session for agencies to ask questions about the reporting process.

WaTech provides data from the Agency Financial Reporting System (AFRS) and an IT tower analysis, which we've included in this report. The IT tower analysis uses industry terms to categorize work and costs into "cost pools" and "towers." Cost pool categories align with the state general ledger accounts to group similar types of costs. IT towers organize IT costs and resources based on services and applications.

A full data set of the information DES gathered can be found in Appendix A.

Introduction

As directed by the Legislature, the Department of Enterprise Services (DES) publishes an annual report that focuses on state agency spending on information technology contracts. The fiscal year 2025 report includes information collected from 135 of the required 145 agencies.

Agencies who did not complete the reporting requirement for 2025 are:

- Housing Finance Commission, Washington State (HFC)
- Washington Higher Education Facilities Authority (WHEFA)
- Workforce Training and Education Coordinating Board (WFTECB)
- Washington Charter School Commission (WCSC)
- Cranberry Commission (CRAN)
- Beer Commission (BEER)
- Whatcom Community College (WHC)
- Skagit Valley College (SVC)
- Walla Walla Community College (WLC)
- Bates Technical College (BATES)

Statutory directive

Senate Bill 5167, section 154(4) requires DES to collaborate with Washington State Technology Solutions (WaTech) to provide data and an analysis of agencies' use of information technology contracts.

Senate Bill 5167, section 154(4)

Within existing resources, the department, in collaboration with Washington technology solutions, must provide a report to the governor and fiscal committees of the legislative by October 31 of each calendar year that reflects information technology contract information based on a contract snapshot from June 30 of that same calendar year, and must also include any contract that was active since July 1 of the previous calendar year. The department will coordinate to receive contract information for all contracts to include those where the department has delegated authority so that the report includes statewide contract information. The report must contain a list of all information technology contracts to include the agency name, contract number, vendor name, contract term start and end dates, contract dollar amount in total, and contract dollar amounts by state fiscal year. The report must also include, by contract, the contract spending projections by state fiscal year for each ensuing state fiscal year through the contract term and note the type of service delivered. The list of contracts must be provided electronically in Excel and be sortable by all field requirements. The report must also include trend analytics on information technology contracts, and recommendations for reducing costs where possible.

Background

Starting in 2018, each September, state agencies submit a report to DES sharing their use of contracted IT services. Starting in June of each year, DES begins outreach efforts to inform agencies of the upcoming reporting expectations, requirements, and deadline. Included in these outreach efforts are resources and tools to help agencies as they are completing their required report.

In July 2025, DES provided a recorded overview of IT contracts reporting and posted it on the [IT contracts reporting webpage](#). We held a Q&A session for agencies to ask questions about the reporting process. DES communicated to agencies that they must meet the following criteria for their reports to be accepted:

- Fill out ALL required fields. Do not leave any blanks in the required fields.
- Report the DES statewide contract number for all DES statewide contract purchases.
- Fill in the spending amount columns for every year the contract is active. DES checks if the spending amount columns are filled in for the contract start and end dates entered in the report.
- Only report numerical figures in the spending amount columns. Any notes should be entered into the contract amount explanation field.
- The IT tower fields must be entered as percentages, and the total percentage column must equal 100%.
- Reports are due by Sept. 1.

DES provided an updated template to help agencies reduce rework and improve the accuracy of reporting data. The template uses contract dates to determine the reporting period (fiscal year), and then applies conditional formatting to highlight errors, zeros, or blanks in required columns. The template automatically populates the contract start and end dates along with IT tower percentages for statewide contracts. We instruct agencies to review the tower percentages that autofill and confirm that they align with their use of the statewide contract.

Data integrity

DES requires agencies to use the IT statewide contract number for contracts marked as DES statewide contract purchases and to use the contractor names provided in the template workbook. DES does not have access to agency contract databases, so an audit of the report submissions is not possible. However, DES applies a rigorous review process when accepting agency reports.

If required columns in reports are blank, such as missing contract numbers and/or missing total contract spending amounts, DES rejects the agency submission and requires resubmission. DES reviews each report to make sure agencies complete all required information.

Methodology

Tools

DES provides an IT contract reporting template with conditional formatting that highlights errors, zeros, or blanks entered in required fields. The template also includes formulas to calculate fiscal years (FYs) for each contract based on the start and end dates.

We also include the following in the template workbook:

- A list of IT statewide contracts and any associated cooperatives with those contracts.
- A list of IT statewide contracts and the IT tower percentages associated with those contracts.
- A list of the FY25 contractor names, agency numbers, and names required to complete the report.
- Examples of contract amount explanations.
- Links to additional resources.

DES maintains and updates the [Reporting IT Contracts](#) webpage, which includes a reporting guide and other resources for agencies to reference. It also supplies agencies with a list of IT statewide contracts and vendor-reported spending so they can more easily and accurately report their use of statewide contracts.

DES provided a recorded video training detailing information about the required reporting for agencies to review.

DES has a designated IT contracts reporting inbox that we check daily to answer questions and provide one-on-one support for agencies.

Challenges

There were two main challenges agencies faced when meeting report requirements:

1. DES performs a rigorous review of each report, requiring agencies to use a list of provided contractor names and the DES statewide contract number and term dates for all contracts marked as a statewide contract purchase. These efforts improve the data and reduce the time needed to complete the analysis.
2. Agency submissions were not always able to meet the requirements due to individual agency systems not holding historical data for all active years of a contract.
3. With the final phase two fiscal year closing in early September and the vendor-reported statewide contract sales due July 31, agencies must prioritize the IT contracts report over other work to meet the Sept. 1 deadline.

Findings/results

Data from 2025 Agency IT Contracts Report

The total contract amounts reported by agencies and institutions of higher education in the 2025 IT Contracts Report is **\$7.3 billion** for all fiscal years since 2000.

Agencies reported the following IT contract spend:

- \$479 million projected for FY26
- \$1.1 billion in FY25
- \$1 billion in FY24
- \$1 billion in FY23
- \$1 billion in FY22
- \$677 million in FY21
- \$517 million in FY20

Below we have included a series of tables that display the top 10 vendors when we sort the data by key fields. The data in the following summary tables exclude the agencies that have not turned in completed reports.

Top 10 vendors with the highest total contract value for all fiscal years and the number of agency users

Vendor	All FY spend	Number of contracts	Number of agencies
FYI Properties	\$524,201,395	1	1
Workday Inc	\$329,045,082	5	4
Deloitte Consulting LLP	\$321,323,629	13	7
Fast Enterprises LLC	\$316,950,580	6	4
Bridge Data Solutions	\$315,311,024	6	4
CDW Government Inc	\$278,724,698	72	46
CNSI	\$227,042,583	1	1

Vendor	All FY spend	Number of contracts	Number of agencies
SHI International Corp	\$224,605,806	163	66
Database Solutions Inc	\$200,901,041	1	1
Carahsoft Technology Corporation	\$177,861,771	103	63

Top 10 vendors with the most contracts for all fiscal years

*Data includes future amounts

Vendor	All FY spend	Number of contracts
SHI International Corp	\$224,605,806	163
Carahsoft Technology Corporation	\$177,861,771	103
CDW Government Inc	\$278,724,698	72
Verizon Wireless Services LLC	\$85,292,766	67
Dell	\$170,300,824	59
Right Systems	\$32,416,899	48
Integrated Solutions Group LLC	\$34,616,032	39
South Puget Sound Community College	\$20,059,472	37
Ricoh USA Inc	\$64,886,624	37
Microsoft	\$70,099,893	37

The following tables display the top 10 IT vendors using Fiscal Year 2025 data only.

Statewide contracts leverage the state's collective buying power to help save money, reduce risk, and streamline purchasing. State agencies are required to use statewide contracts. If a statewide contract cannot fulfill a state agency's needs, the agency may purchase from a vendor that is not on contract.

Top 10 vendors by FY25 spend for statewide contracts and non-statewide contracts reports

Vendor	FY25 spend
Carahsoft Technology Corporation	\$72,265,659
SHI International Corp	\$71,626,080
Deloitte Consulting LLP	\$59,862,674
CDW Government Inc	\$59,072,777
Insight Public Sector	\$48,227,250
Workday Inc	\$36,010,201
Dell	\$31,428,220
Accenture	\$30,817,954
Fast Enterprises LLC	\$25,012,985
FYI Properties	\$22,447,995

Top 10 vendors by FY25 spend for statewide contracts only

Vendor	FY25 spend
SHI International Corp	\$65,200,304
Carahsoft Technology Corporation	\$55,930,122
Insight Public Sector	\$48,019,436
Dell	\$25,087,696
Workday Inc	\$19,368,234
Verizon Wireless Services LLC	\$14,918,955
Accenture	\$12,790,459
Integrated Solutions Group LLC	\$11,446,585

Vendor	FY25 spend
CGI Technologies and Solutions Inc	\$11,151,034
Cisco Systems Inc	\$10,691,279

Top 10 vendors by FY25 spend for non-statewide contracts

Vendor	FY25 spend
Deloitte Consulting LLP	\$55,483,240
CDW Government Inc	\$52,549,932
Fast Enterprises LLC	\$25,012,985
FYI Properties	\$22,447,995
Ensono LP	\$19,185,770
Accenture	\$18,027,494
Workday Inc	\$16,641,967
Carahsoft Technology Corporation	\$16,335,537
Epic Systems Corp	\$14,216,076
South Puget Sound Community College	\$12,888,744

Long-term and no-end-date contracts

DES statewide contracts for Information Technology Professional Services (contract 08215) ends Feb. 1, 2099. This statewide contract functions more as a program than a typical statewide contract, with the first tier creating a vendor pool. Agencies and higher education institutions must then perform a second-tier solicitation and execute their contracts with vendors accepted as a part of this program. End dates for those contracts are most likely shorter-term agreements, but agencies were instructed to report their agreements under the statewide contract, using the contract start and contract max term dates as start and end dates.

Contracts with no end date are represented by 99/99/9999 in the "contract end date" column. The report includes a "contract date explanation" column where we asked agencies to explain why a contract does not have an end date.

IT tower analysis and tables

Technology Business Management IT defines the towers, which are types of services provided.

IT towers and sub towers include:

Application

- Application development
- Application support & operations
- Business software

Compute

- Converged infrastructure
- High performance computing
- Mainframe
- Midrange
- Servers
- Unix

Data Center

- Enterprise data center
- Other facilities

Delivery

- IT service management
- Operations center
- Project Management
- Client management

End user

- Workspace
- Mobile devices
- End user software
- Network printers
- Conferencing & AV
- IT help desk
- Deskside support

IT Management

- IT management & strategic planning
- Enterprise Architecture
- IT finance
- IT vendor management

Network

- LAN/WAN
- Voice
- Transport

Output

- Central print

Platform

- Database
- Middleware
- Mainframe database
- Mainframe middleware
- Container orchestration
- Big data

Security

- Security
- Compliance
- Disaster recovery

Storage

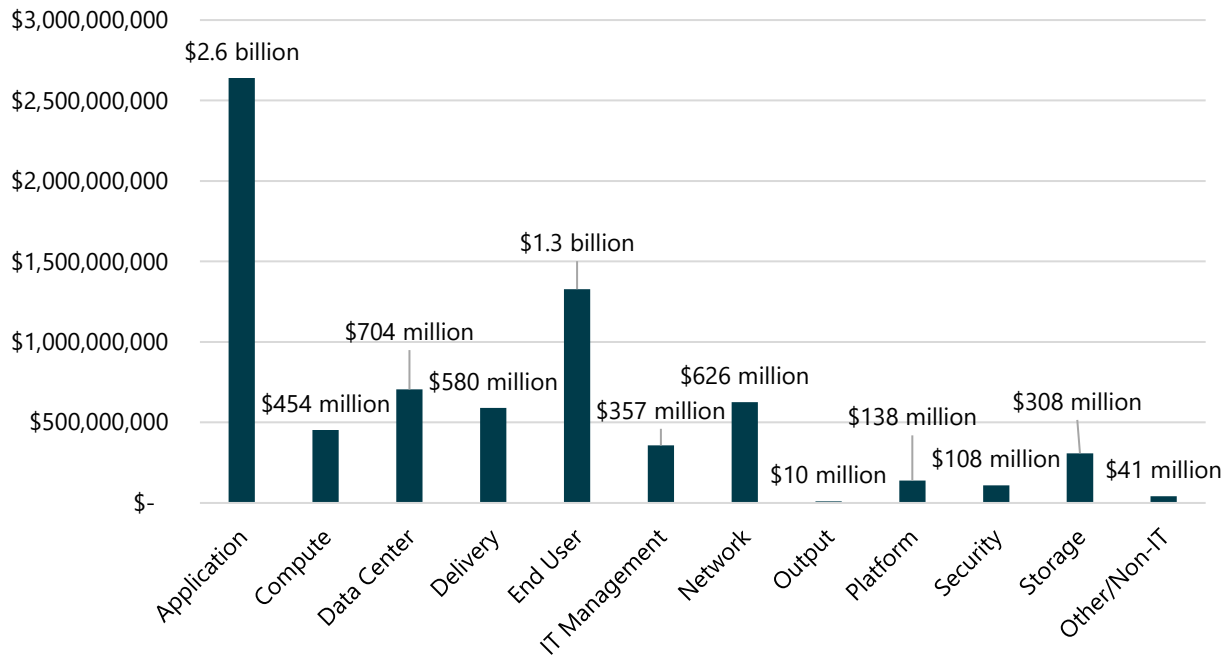
- Online storage
- Offline storage
- Mainframe online storage
- Mainframe offline storage

The following tables, graphs, and charts examine the contract information reported by [IT Tower](#). Like the previous tables, these charts and tables are missing data for the 10 agencies that did not report in 2025.

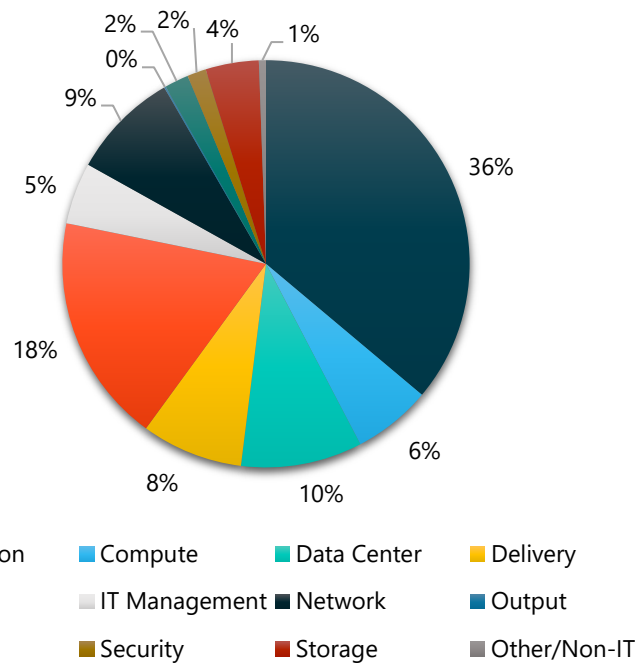
IT tower analysis

IT tower	Total spend all FYs	% of spend all FYs	Total contracts	% of contracts
Application	\$2,641,027,910	36%	2,936	26%
Compute	\$454,072,903	6%	766	7%
Data Center	\$704,999,226	10%	324	3%
Delivery	\$589,454,819	8%	1,259	11%
End User	\$1,328,384,861	18%	1,900	17%
IT Management	\$357,728,116	5%	471	4%
Network	\$627,115,354	9%	1,393	12%
Output	\$9,957,599	0%	50	0%
Platform	\$139,666,121	2%	709	6%
Security	\$109,712,183	2%	553	5%
Storage	\$309,019,784	4%	671	6%
Other/Non-IT	\$41,021,653	1%	340	3%
Totals	\$7,312,160,529	100%	11,372	100%

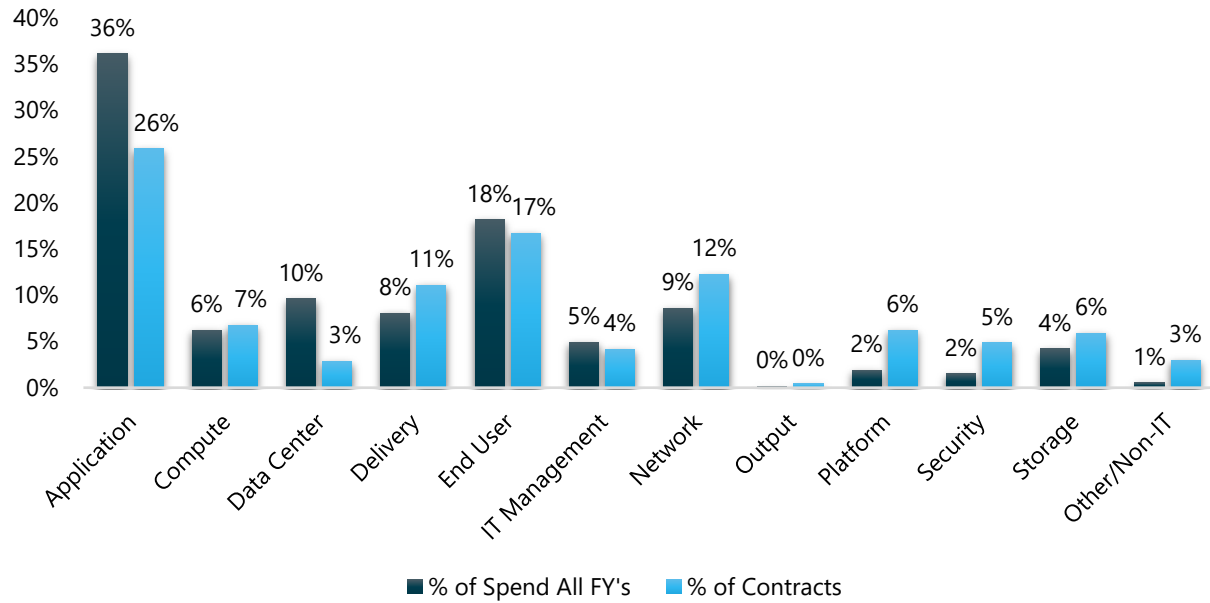
Total spend all FY's by tower



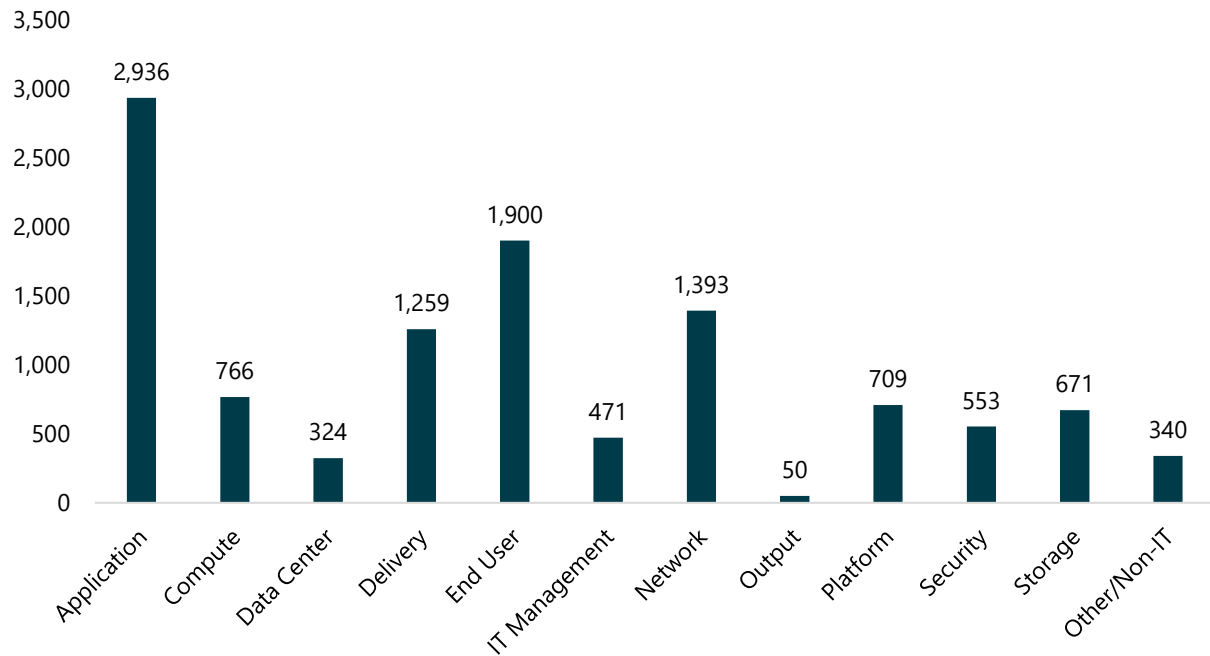
% of spend all FY's by tower

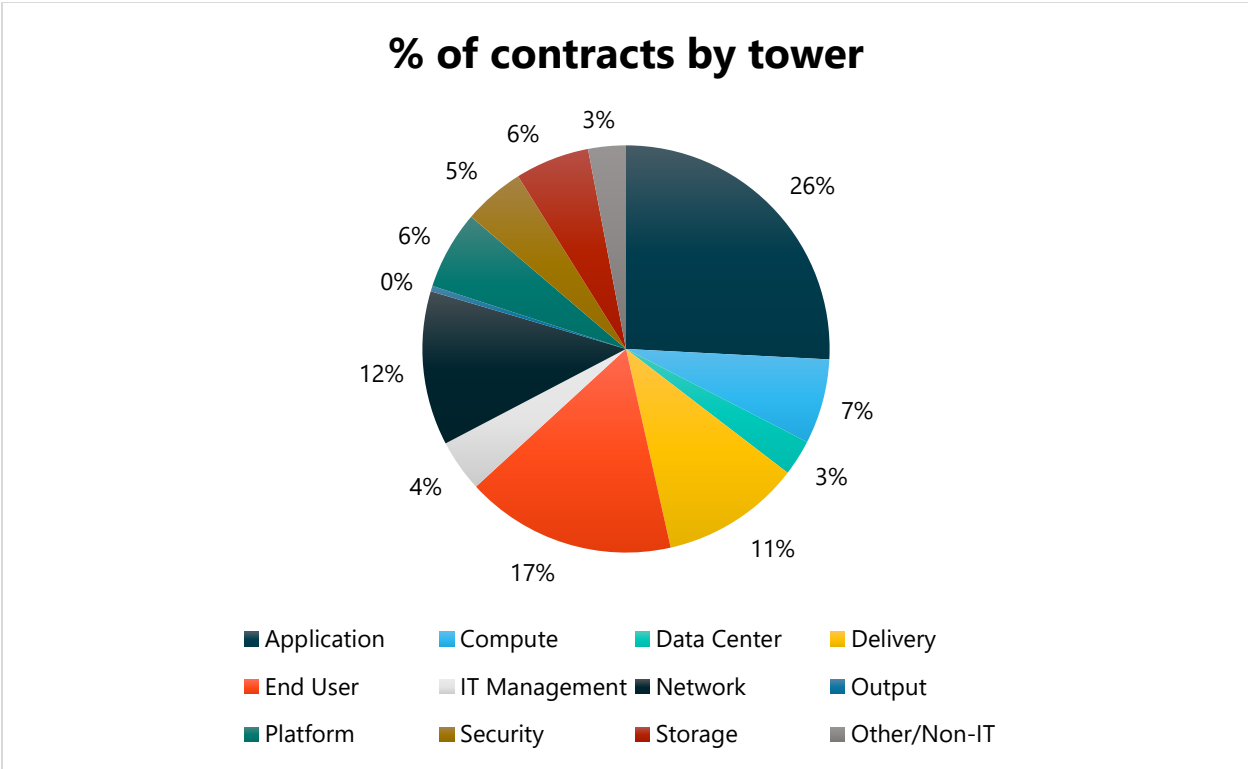


IT tower total spend compared to the number of contracts by tower



Total contracts by tower





More tables regarding spend are in the Excel workbook accompanying this report, found in Appendix A. Tables include:

- Fiscal year totals by tower
- Fiscal year totals by tower and agency
- Number of contracts by IT tower
- Number of contracts by IT tower and agency
- Vendors by tower by spend
- Vendors by tower by contracts
- Agency Financial Reporting System (AFRS) fiscal year 2024 and 2025 comparison
- AFRS fiscal year 2024
- AFRS fiscal year 2025

DES IT statewide contracts portfolio summary

The table below compares what agencies and institutions of higher education reported as total spend, by vendor, to the amounts each vendor reported.

DES IT statewide contracts portfolio summary

Report	FY25 spend
Agency reported IT spend	\$545,833,606
Vendor reported spend	\$461,603,335
Difference	\$84,230,271

FY25 top 10 statewide contracts by spend

DES manages a portfolio of 36 IT statewide contracts. Statewide IT contract spend by all state agencies, institutions of higher education, political subdivisions, and qualified nonprofit organizations for FY25 was approximately \$1 billion. State agencies and higher education institutions are responsible for approximately 58% of this spend.

The tables below represent the FY25 spend, by contract type and by customer grouping.

Notes:

- DES compiled these tables using the FY25 vendor-reported sales for statewide IT contracts managed by DES.
- [NASPO ValuePoint](#) contracts are nationwide contracts that Washington state participates in through a statutorily authorized cooperative agreement.

All customer summary

Contract title	Number of vendors	FY25 statewide contract spend
Cloud Solutions	25	\$247,419,300
Computer Equipment, related Peripherals & Services (NVP)	13	\$187,001,215
Software Value Added Reseller (SVAR) 2022	5	\$142,670,917
NASPO ValuePoint Wireless Data, Voice, and Accessories	5	\$110,056,268
Data Communications (NASPO)	6	\$62,095,216
Information Technology Professional Services	92	\$39,927,781
Public Safety Communications Products, Services & Solutions	21	\$24,505,199
IT Cabling	14	\$20,446,549
IT Project Management Services	28	\$19,105,047
IT Development	29	\$14,038,835

State agency and higher education summary

Contract title	Number of vendors	FY25 statewide contract spend
Cloud Solutions	23	\$204,428,680
Software Value Added Reseller (SVAR) 2022	5	\$86,168,261
Computer Equipment, related Peripherals & Services (NVP)	13	\$62,903,956
Information Technology Professional Services	82	\$36,072,544
Data Communications (NASPO)	6	\$33,939,510
NASPO ValuePoint Wireless Data, Voice, and Accessories	4	\$29,190,900
IT Project Management Services	27	\$16,894,242
IT Development	28	\$13,919,650
Security and Fire Protection Services	7	\$9,947,637
Employment and Income Verification & Public Records Search Services	2	\$7,856,842

Political subdivisions and qualified nonprofits summary

Contract title	Number of vendors	FY25 statewide contract spend
Computer Equipment, related Peripherals & Services (NVP)	12	\$124,097,259
NASPO ValuePoint Wireless Data, Voice, and Accessories	5	\$80,865,368
Software Value Added Reseller (SVAR) 2022	4	\$56,502,656
Cloud Solutions	15	\$42,990,620
Data Communications (NASPO)	6	\$28,155,706
Public Safety Communications Products, Services & Solutions	20	\$18,438,681
IT Cabling	13	\$14,564,981
Copiers and Managed Print Services	6	\$7,605,106
Illumination, Traffic Signal & Intelligent Transportation Systems Equipment	12	\$6,164,074
Multi-Function Devices and Related Software, Services, and Cloud Solutions	7	\$5,520,469

FY25 top 10 customers by IT statewide contracts spend

All customers summary

Customer name	FY25 statewide contract spend
Washington Technology Solutions	\$70,504,211
Dept of Social Health & Services	\$69,450,294
Dept of Transportation	\$58,955,330
Dept of Enterprise Services	\$39,692,998
Dept of Employment Security	\$26,017,613
King County	\$24,066,405
Dept of Corrections	\$22,706,629
Office of the Attorney General	\$20,949,567
Dept of Health	\$19,898,796
City of Seattle	\$19,595,810

State agency and higher education summary

Customer name	FY25 statewide contract spend
Washington Technology Solutions	\$70,504,211
Dept of Social Health & Services	\$69,450,294
Dept of Transportation	\$58,955,330
Dept of Enterprise Services	\$39,692,998
Dept of Employment Security	\$26,017,613
Dept of Corrections	\$22,706,629
Office of the Attorney General	\$20,949,567
Dept of Health	\$19,898,796

Customer name	FY25 statewide contract spend
University of Washington	\$18,529,415
Office of Financial Management	\$15,324,696

Political subdivisions and qualified nonprofits summary

Customer name	FY25 statewide contract spend
King County	\$24,066,405
City of Seattle	\$19,595,810
Seattle School District 1	\$12,844,610
Sound Transit-Seattle	\$11,331,873
State of Washington	\$9,753,410
Port of Seattle	\$9,503,292
City of Tacoma	\$9,455,528
Washington Health Benefit Exchange	\$8,654,523
Clark County	\$7,128,567
Snohomish County	\$6,740,830

FY25 top 10 IT vendors by statewide contract spend
All customer summary

Customer name	FY25 statewide contract spend
SHI International Corp	\$125,171,209
Dell Marketing L.P.	\$110,966,577
Carahsoft Technology Corporation	\$99,601,562
Verizon Wireless	\$84,308,086

Customer name	FY25 statewide contract spend
Insight Public Sector Inc	\$65,517,783
Cisco Systems, Inc.	\$38,950,322
HP Inc	\$31,024,224
CDW Government LLC	\$26,517,137
Lenovo (United States) Inc	\$20,764,893
AT&T Mobility	\$16,352,604

State agency and higher education summary

Vendor name	FY25 statewide contract spend
SHI International Corp	\$95,154,581
Carahsoft Technology Corporation	\$76,380,073
Insight Public Sector Inc	\$49,150,589
Dell Marketing L.P.	\$44,165,788
Verizon Wireless	\$24,181,578
Cisco Systems Inc	\$21,382,410
Accenture	\$13,283,017
CGI Technologies and Solutions Inc.	\$11,151,034
Juniper Networks (US), Inc.	\$8,490,336
Workday Inc	\$8,483,234

Political subdivisions and qualified nonprofits summary

Vendor name	FY25 statewide contract spend
Dell Marketing L.P.	\$66,800,789
Verizon Wireless	\$60,126,508
SHI International Corp	\$30,016,628
HP Inc	\$24,140,191
Carahsoft Technology Corporation	\$23,221,489
Lenovo (United States) Inc	\$19,614,106
CDW Government LLC	\$19,470,962
Cisco Systems Inc	\$17,567,912
Insight Public Sector Inc	\$16,367,194
AT&T Mobility	\$14,104,203

IT statewide contract vs. non-IT statewide contract comparison

The following tables compare IT statewide contract sales to the non-IT statewide contract sales for FY23 through FY25. Of the total sales in FY25, IT statewide contract sales average about 58% for state agencies and higher education, and 43% for political subdivisions and qualified nonprofits.

All customers summary

Contract type	FY23	FY24	FY25
IT Statewide Contract	\$867,870,423	\$841,712,831	\$954,627,713
Non-IT Statewide Contract	\$997,385,663	\$999,497,811	\$1,104,660,046
Total	\$1,865,256,086	\$1,841,210,642	\$2,059,287,759

State agency and higher education summary

Contract type	FY23	FY24	FY25
IT Statewide Contract	\$456,340,639	\$460,945,672	\$545,833,606
Non-IT Statewide Contract	\$448,926,549	\$433,505,501	\$454,862,584
Total	\$905,267,188	\$894,451,173	\$1,000,696,189

Political subdivisions and qualified nonprofits summary

Contract type	FY23	FY24	FY25
IT Statewide Contract	\$411,529,784	\$380,767,159	\$408,794,107
Non-IT Statewide Contract	\$548,459,114	\$565,992,310	\$649,797,463
Total	\$959,988,898	\$946,759,469	\$1,058,591,570

Information Technology Investments Captured in the Technology Business Management (TBM) Program

TBM terms and data in TBM Program software (Apptio)

The state uses industry terms from the Technology Business Management (TBM) Council taxonomy structure to report on technology investment across government. The terms used in this section of the report use common language that helps everyone understand how money is being spent on technology and what value it provides.

The TBM taxonomy structure build on each other:

- **Cost pools** are categories that group expenses by type, such as hardware, software, staff, or outside services. In collaboration with the Office of Financial Management (OFM), the Washington Technology Solutions (WaTech) maps IT spending to cost pools at an enterprise level, following the State's Chart of Accounts. This mapping ensures agencies

report expenses consistently and makes it easier to distinguish between operating costs (day-to-day expenses) and capital costs (long-term investments).

- **Technology towers (and sub-towers)** show how technology resources are organized — for example, infrastructure, applications, platforms, or support services. Towers connect financial data to technical capabilities, making it possible for the state to see how resources are being used, how much they cost, and how they perform.

The figures below show statewide technology investments using **cost pools** and **IT technology towers with sub-towers**, which provide the foundation for understanding solutions and consumers. This approach creates consistent, transparent views of technology spending and ensures accountability for how investments support services for Washingtonians.

Cost pools	IT technology towers
•External Labor •Facilities & Power •Hardware •Internal Labor •Internal Services •Other •Outside Services •Software •Telecom	•Application •Compute •Data Center •Delivery •End User •IT Management •Network •Output •Platform •Security & Compliance •Storage

A weekly data feed from the state enterprise Agency Financial Reporting System (AFRS) into the TBM Program software from Apptio provides information on state agencies technology expenditures.

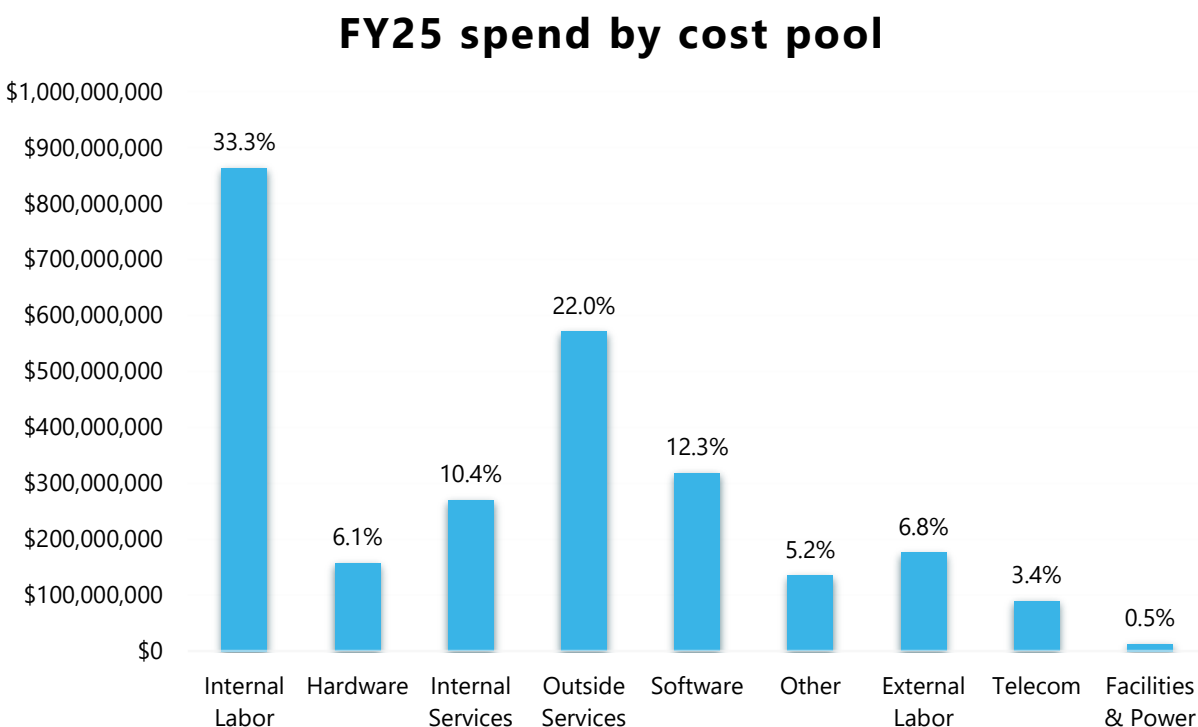
Using the AFRS data in Apptio, WaTech can report FY25 IT expenditures by cost pools for 106 agencies and the IT technology tower expenditures for the 59 agencies in the TBM Program in FY25.

IT expenditures by cost pool

Cost pool categories align with the state general ledger accounts using the sub-object field in AFRS.

There were 106 agencies with reported technology investments in FY25. The following chart includes a breakdown by cost pool. Except for internal labor, the remaining cost pools are associated with payments to vendors, contractors, and service providers.

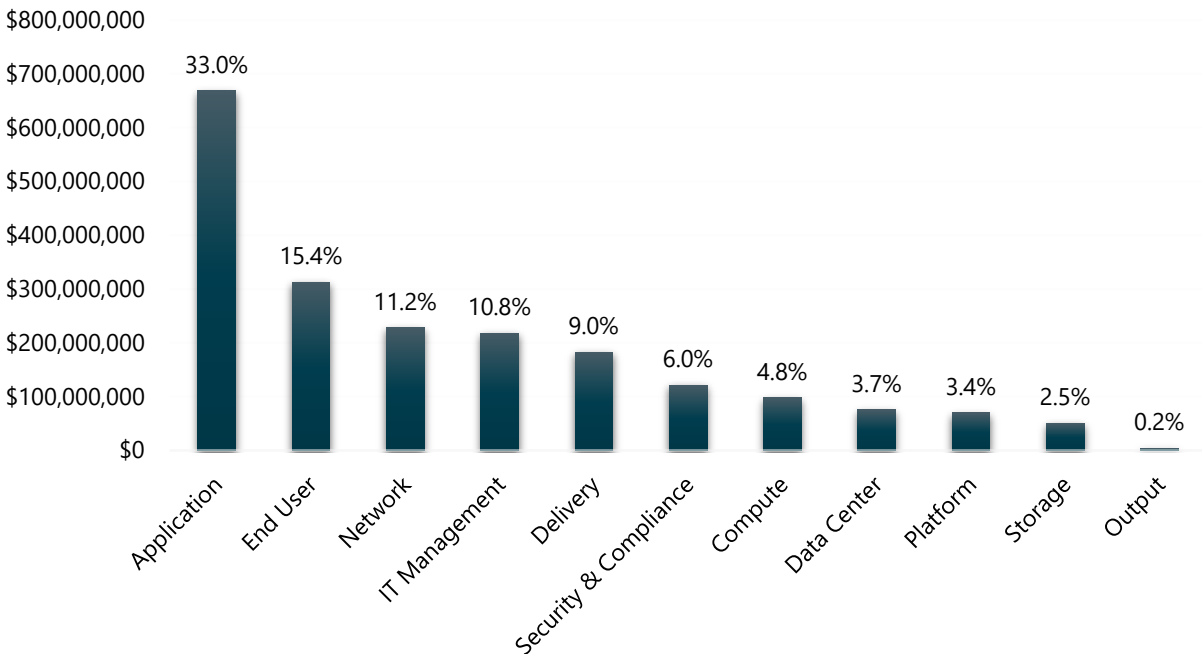
Note: Internal services are expenditures to central service agencies.



IT expenditures by IT technology towers

The 59 agencies in the state TBM Program are required to map their IT expenditures from cost pools to the IT technology towers. The chart below shows an investment breakdown of 59 agencies by IT technology towers, including internal labor and internal services.

FY25 spend by IT tower

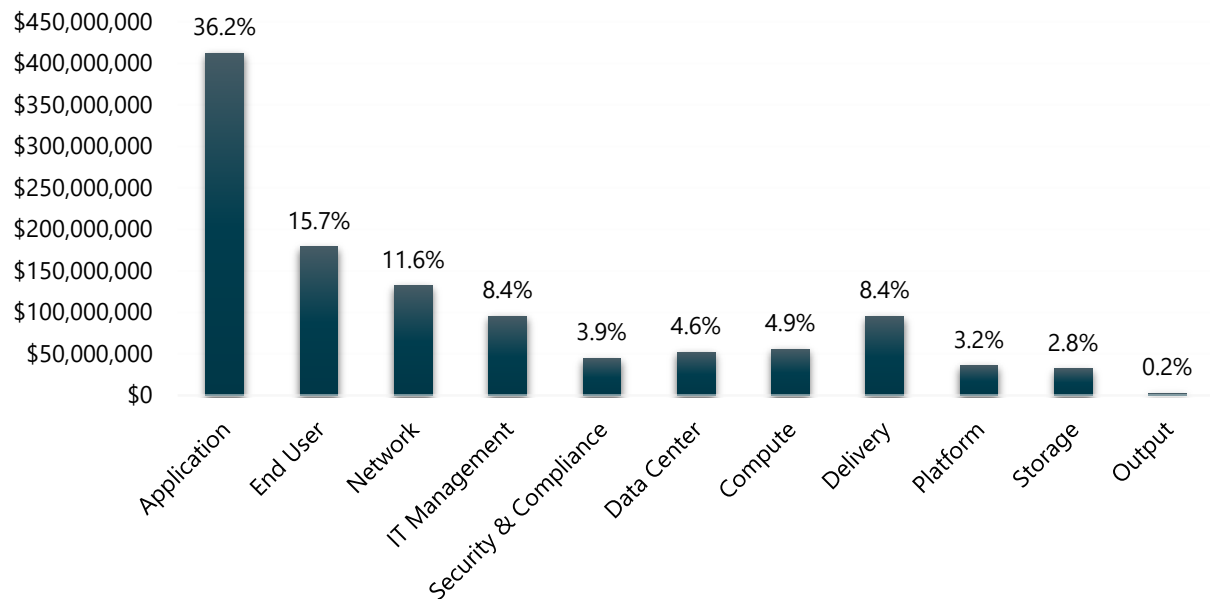


For comparison, we have also included a breakdown of IT technology tower investments for the agencies in the TBM program with the internal labor and internal services removed.

IT expenditures by IT technology tower minus internal labor and internal services

The 59 agencies mapped their internal labor and internal services to the IT technology tower investment. With the internal labor and internal services removed, what remains is the direct expenditures the agencies made for hardware, software, outside services, external labor, facilities, and power. These percentages should align with the contract information the agency reported in their annual report to the Department of Enterprise Services.

FY25 spend by IT tower (minus internal labor and internal services)



Recommendations

Statewide contract utilization and opportunities

The data agencies submitted shows that six of the top 10 vendors are on a statewide contract, which is a decrease of two vendors compared to last year's report. Agencies spent a total of \$224 million with the six vendors on statewide contracts, compared to \$214 million they reported spending in fiscal year 2024.

The following items are focus areas and opportunities DES is exploring in coordination with WaTech and other agencies to achieve maximum value for the state in IT procurement.

Software brokering

DES is working with WaTech to expand this brokering program and leverage economies of scale discounts across other software products. This program seeks to establish new enterprise agreements with other key software providers that Washington state agencies utilize most. By pooling the orders and negotiating as a collective for these products, DES hopes agencies of all sizes can leverage favorable discounts when purchasing software licenses.

This program might require DES to invest added resources and take on some financial risks. Still, early estimates reveal that by using this program and not individually negotiating, agencies could realize between 20% to 40% savings per license for certain products.

Education

State agencies are establishing their own IT agreements instead of using available statewide contracts. When agencies negotiate their own standalone agreements outside statewide contracts, it negatively impacts the state's overall negotiation position to achieve volume discounts and better terms for all agencies.

DES has been conducting listening sessions with state agency customers to better understand their IT contract needs, including roadblocks that are preventing them from using statewide contracts. In response to the information received, DES has been expanding its outreach and communications efforts in this area.

IT Professional Services (ITPS)

DES has been working to restructure the complex IT Professional Services (ITPS) statewide program to create a more consistent and efficient way for Washington public entities to buy IT services. These innovative methods addressed significant historic customer and vendor challenges while increasing opportunities for small, diverse, and veteran-owned businesses. DES used inclusion techniques, resulting in over 40% of awards to certified Washington small and veteran-owned businesses and over 10% for OMWBE-certified businesses.

DES has awarded two new ITPS statewide contracts for project management and IT development services. Two other ITPS contracts — IT security and IT consulting — are in development. IT consulting will continue in late 2026. Information and Cyber Security will be posted in October 2025. The ITPS team is currently working on the following ITPS contracts:

- (1) Workday Readiness
- (2) IT Business Analysis
- (3) Infrastructure and Database Services

We have also started researching how we can incorporate Artificial Intelligence (AI) into an ITPS contract. DES is engaging with WaTech and state agencies to ensure this new program meets state IT policies and requirements while maximizing the value of the acquired IT services.

This new program will offer agencies substantial cost and resource savings by providing a comprehensive suite of IT services and a large selection of technically evaluated and awarded IT contractors. This ITPS restructure eliminated the need for state purchasers to conduct a two-tier solicitation, which required a substantial amount of staff time and often delayed purchasers in implementing important IT projects.

DES will continue collaborating with WaTech and other state agencies to explore other future IT services categories that can be added to this new program.

Other IT statewide contracts

Based on input from state agencies and information obtained through contract reporting, DES is currently working on the following key IT procurements for the state.

Broadband internet service provider

DES is in the research and development stage of a new broadband internet service provider contract. This should simplify access to internet service providers for public purchasers across the state and leverage the state's negotiating power regarding pricing, contract terms, and improved access in rural communities.

Cloud solutions

Agencies are currently using a national cooperative agreement through NASPO ValuePoint to access cloud solutions providers. DES has identified multiple issues with the current contract's scope, value, and structure, and is currently in the process of researching and evaluating alternative solutions to better meet the state's needs and priorities. This could include assessing other national cooperative options, including federal GSA schedules, and/or conducting our own state competitive procurement for cloud solutions which would allow DES to leverage reserved awards or other preferences for Washington small or veteran-owned businesses if and where those businesses exist.

Most likely, the new approach would include a combination of both — leveraging a national cooperative to achieve best pricing for the state and supplementing it with our own procurement in an attempt to better address supplier diversity spend goals.

Reporting template recommendation

DES continuously works to improve the integrity of the data provided for this report by implementing upgrades to the IT contract reporting template based on agency feedback and through the review of submitted reports. DES will continue to make improvements to the template to improve accuracy and reduce review time.

References

Visit the [DES IT Contracts Reporting webpage](#) for directions, resources supplied to agencies, points of contact, and pertinent information regarding the reporting requirement(s).

Appendices

Appendix A

2025 IT Contracts Report Data Set

