

State of Ohio Information Technology Development Rate

Approach to Assessment

The Information Technology (IT) Development rate will be charged to state agencies based on each agency's IT spending, with the agencies that are responsible for more of state government's IT spending paying more of the cost of IT development. Spending information is gathered from the OAKS Business Intelligence module. Agencies' IT spending used for the rate calculation is comprised of two separate components.

- The first component is based on OAKS HCM data. The state's job classification structure contains distinct job classifications that are directly related to IT. The IT Classifications Chart is attached. Agencies are assessed against each agency's annual payroll for those job classifications. Examples of these classifications include Systems Analysts, IT Consultants, Database Specialists and others.
- The second measure is based on OAKS FIN data. A review of the OAKS accounts structure defined expense account codes in the Personal Services, Maintenance, Equipment and Capital Expense categories that are directly related to IT. The Accounts Chart is attached. Agencies are assessed against each agency's total annual spending in IT-related accounts. Examples of IT-related accounts include Network Equipment, Software Maintenance, Desktop and Notebook Hardware, and others.

Beginning in fiscal year 2020, IT development rate will be assessed against agencies' most recently available calendar year of spending in IT-related expense accounts and total annual payroll in IT-related job classifications. Previously, the IT development rate was assessed against agencies' prior fiscal year of spending in IT-related expense accounts and total annual payroll in IT-related job classifications.

Exceptions

In addition, IT spending in certain funds is excluded. Excluded funds include federal funds, state funds with federally imposed restrictions, and other special circumstances. The Department of Administrative Services worked with the Office of Budget and Management to develop the list of eligible funds to consider when allocating the IT Development assessment.

Beginning in fiscal year 2019, the intrastate transfer voucher (ISTV) exception to IT costs was removed. Previously, IT services billed through ISTV, such as services provided by the DAS Office of Information Technology or OBM Ohio Shared Services (OSS), were not counted as a part of an agency's IT spending.

Billing and Payment

DAS will bill agencies quarterly via intrastate transfer voucher. Agencies may not pay the IT development assessment from federal funds due to the prohibition on using federal funds for development activities.