



| POLICY # DES-210-01                                        | AGENCY CONTRACT REPORTING (RCW <a href="#">39.26.210</a> )                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
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| Purpose:                                                   | <p>This policy provides the following information:</p> <ol style="list-style-type: none"> <li>1) Agency contract reporting requirements.</li> <li>2) Reporting timelines.</li> <li>3) The required data elements to be reported.</li> <li>4) Reporting exemptions.</li> </ol>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| Enabling Legislation:<br>RCW <a href="#">39.26.210</a> (1) | <p>Effective January 1, 2013, agencies must annually submit to the Department of Enterprise Service (DES) a complete list of all contracts entered into or renewed except for those that are otherwise exempt. This information will be maintained by DES and be made available for public inspection. The reporting period will be for the fiscal year, July 1 through June 30. Agency reports must identify:</p> <ol style="list-style-type: none"> <li>1) The contracting agency;</li> <li>2) The contractor;</li> <li>3) The purpose of the contract;</li> <li>4) Effective dates and period of performance;</li> <li>5) The cost of the contract and the funding source;</li> <li>6) Any substantive modifications to the contract; and</li> <li>7) Whether the contract was competitively procured or awarded on a sole source basis.</li> </ol> |
| Contract Reporting Purpose                                 | <p>The purpose of the reporting and display requirements is to foster transparency related to state procurement processes and agency contracts. Vendors, legislators, and the public in general are all interested in knowing how agency spend their funds, how much of those funds are for contracted services, with whom the agencies contract and how these goods and services are procured. Open government not only relies on the ability to collect data but is dependent on and is fostered by the ease in which this data can be readily accessed by all interested parties. Requiring the annual reporting of information related to state contracts and requiring DES to make this information publicly available promotes both of those</p>                                                                                                 |

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|                                             | aspects of open government.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| Contract Reporting<br>General Requirements: | <p>The following general requirements apply to all agencies that must report under RCW 39.26.210(1).</p> <ol style="list-style-type: none"> <li>1) State agencies must annually submit to DES a list of all contracts that the agency has entered into or renewed in the prior fiscal year.</li> <li>2) The reporting period is for the fiscal year and should reflect the cost of contract expenditures during the fiscal year (July 1-June 30).</li> <li>3) The report must be submitted to DES no later than September 1<sup>st</sup> of each year.</li> <li>4) The report must include any contract executed during the reporting period that has a statement of work or exceeds the Direct Buy limit.</li> <li>5) The annual list must include all the required data fields for each contract reported.</li> </ol>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| Required data fields:                       | <p>Below is a list of the required data fields and a description of the information that each field is intending to capture.</p> <ol style="list-style-type: none"> <li>1) <u>Contracting Agency</u>.<br/>Field description: The name of the state agency that is a party to the contract.</li> <li>2) <u>Contractor name</u>.<br/>Field description: The name of the contractor as it appears in the contract document, who is the party to the contract.</li> <li>3) <u>Vendor Identifier</u>.<br/>Field description: In order to identify all contracts related to any one vendor, it is important to have an identifier that relates to the vendor. Not all agencies or vendors use the same identifier. This field will require inclusion of either the Universal Business Identifier (UBI) or Tax Identification Number (TIN) or both if available. If neither is available, the agency should include an identifier unique to that contractor.</li> <li>4) <u>Purpose of the contract</u>.<br/>Field description: The subject matter of the contract; the goods or services that the agency is procuring. The field will provide a list of categories with the ability to include an expanded description.</li> <li>5) <u>Effective dates</u>.<br/>Field description: The date the contract becomes effective, not when work actually began. The ending date will be the date upon which no further work may be conducted under the contract or the date the contract term ends or expires.</li> <li>6) <u>Period of Performance</u>.<br/>Field description: The time frame in which the work is to occur or</li> </ol> |

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|                                | <p>when the commodity must be delivered. The period of performance should always begin on or after the contract effective date and end on or prior to the contract expiration date.</p> <p>7) <u>The cost of the contract.</u><br/>Field description: The total actual or estimated contract cost over the reporting period. The cost of a contract may differ depending on the contract type. For a commodity contract, the cost of the contract is the cost of the commodity purchased, excluding taxes. If the contract is a services contract, the cost is either the estimated cost of the services, the not to exceed cost listed in the contract or the actual amount paid under the contract. The agency will also have the option to include a brief explanation.</p> <p>8) <u>Funding source.</u><br/>Field description: The funding source is the category of funds used for the contract. The funding source is either state funds, federal funds or private grant funds. For contracts that have more than one funding source, the agency will report the most dominate funding source.</p> <p>9) <u>Contract Modifications</u><br/>Field description: Contract modifications are substantive changes made to an original contract. A substantive change is one that modifies the cost, scope or period of performance of the original contract.</p> <p>10) <u>Whether the contract was competitively procured or awarded as a sole source.</u><br/>Field description: A contract is awarded by either a competitive process or a noncompetitive process. Noncompetitive processes include, sole source, sole source exempt from filing, emergency contracts and direct buy. A competitive process is one where more than one vendor is provided the opportunity to compete for the contract award.</p> <p>11) <u>Small Business Status (Optional).</u><br/>Field description: The contractor's status as a small business as identified in the Washington Electronic Business Solution (WEBS) system.</p> |
| Contract Reporting Exemptions: | <p>Agencies will not be required to report the following:</p> <ol style="list-style-type: none"> <li>1) Purchase orders or Field orders</li> <li>2) Direct Buy contracts except those contracts that include a statement of work.</li> <li>3) Expert witness agreements.</li> <li>4) Public works contracts (although agencies are encouraged to do so).</li> <li>5) Non fiscal agreements which are agreements that do not include a</li> </ol>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |

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|                                  | <p>monetary component such as a data sharing agreement or confidentiality agreement.</p> <p>6) Interlocal agreements and interagency agreements.</p> <p>7) Grant and sub-grant agreements.</p> <p>8) Loan agreements.</p> <p>9) Contracts exempt from disclosure under another state law.</p> <p>10) Contracts specifically exempted by the DES director.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| Request for Reporting Exemptions | <p>Agencies may also request a reporting exemption for a specific contract or a category of contracts. The request should be in writing, addressed to the DES director, and signed by the agency head. The request must include a detailed explanation of the proposed exemption, why the contract or contract category needs to be exempt, and how granting the request aligns with the intent of the law.</p>                                                                                                                                                                                                                                                                                                                                                                                                                 |
| Definitions:                     | <p>“<u>Click thru agreement</u>” means an on-screen license agreement that is accepted by the user by clicking a button.</p> <p>“<u>Contract</u>” means an agreement for goods, commodities, information technology goods and services, personal services, purchased services and client services, as well as software licenses, click thru agreements and equipment maintenance.</p> <p>“<u>Non-fiscal agreements</u>” means agreements that do not include a monetary component such as a data sharing agreement or confidentiality agreement.</p> <p>“<u>Qualified master contracts</u>” means:</p> <ol style="list-style-type: none"> <li>1) DES Master Contracts; and</li> <li>2) Cooperative contracts that conform to all applicable Washington State procurement laws, rules, policies and trade agreements.</li> </ol> |
| Compliance:                      | <p>Agencies are expected to submit complete and timely contract reports. The agency’s record of compliance will be factored into an agency’s risk rating.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| FAQ:                             | <p>Q1: Since the effective date is January 1, 2013, what will be the initial reporting period?</p> <p>A: All contracts with an effective date on or after January 1, 2013 must be reported as well as all current contracts that have been amended with an amendment effective date on or after January 1, 2013. The end date of the initial reporting period will be announced once the DES reporting system is in place.</p> <p>Q2: Will agencies be required to report procurements made using qualified master contracts?</p> <p>A: Yes but only if the use of qualified master contract results in an agency specific contract that includes a statement of work. The agency should</p>                                                                                                                                    |

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|  | <p>report the effective dates of the agency specific contract.</p> <p>Q3: Will agencies be required to report Click thru agreements including those that have a fee?</p> <p>A: Yes. Click through agreements may impact other software agreements and therefore must be reported.</p> <p>Q4: Will agencies be required to report P-Card transactions?</p> <p>A: No. The P-Card is a method of payment, not a type of contract. Use of a P-Card does not determine whether the contract is reportable. See “Contract Reporting Exemptions” for those contracts that are exempt from reporting.</p> |
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