



Office of Information Technology Services

Base Review

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2 February, 2026

Office of Information Technology Services

The Office of Information Technology Services coordinates statewide information technology policies, programs, telecommunications and cybersecurity.

(Section 67-827, Idaho Code)

ITS is authorized to charge and receive payment for actual and necessary expenses incurred in providing services to any unit of state government. ITS bills for services under a cost-recovery plan that complies with Idaho's statewide cost allocation plan. Major service categories of billings include IT support, architecture, enterprise security, and telecommunications.

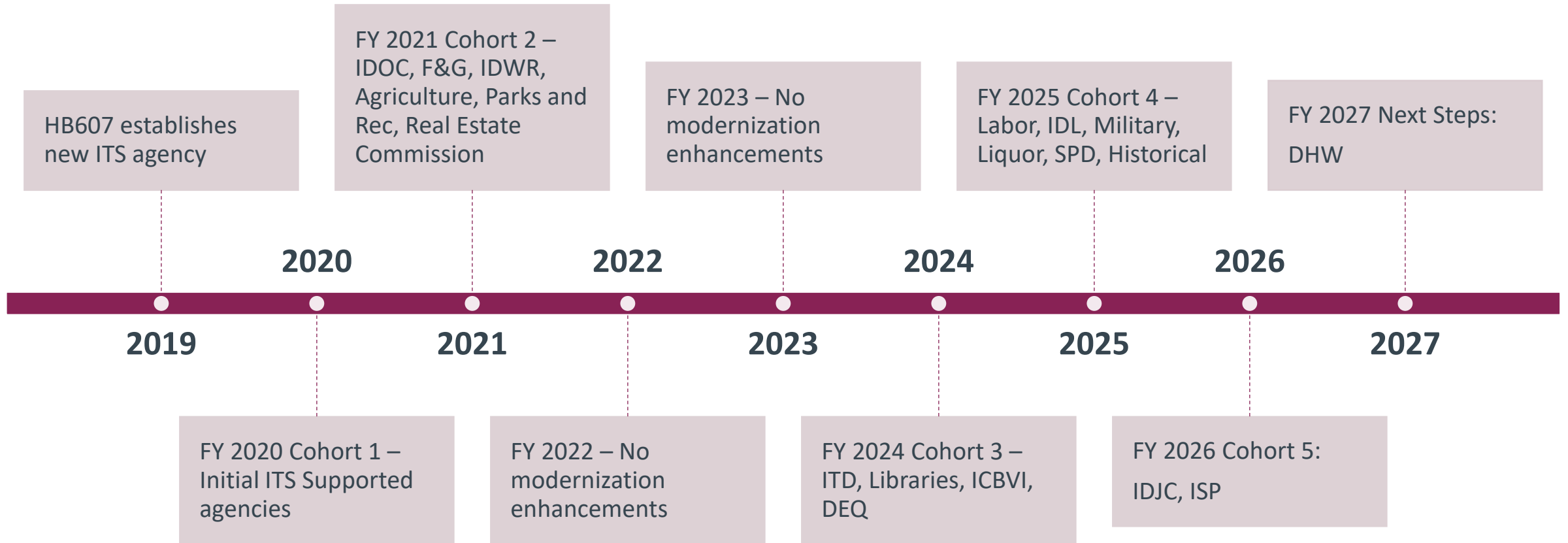
(Section 67-828, Idaho Code)

The Idaho Technology Authority was established to facilitate a centralized approach to the acquisition and evaluation of necessary technical information and the informed development of a statewide strategic plan to ensure a coordinated approach to the design, procurement, and implementation of information technology and telecommunications systems for both state government and the public.

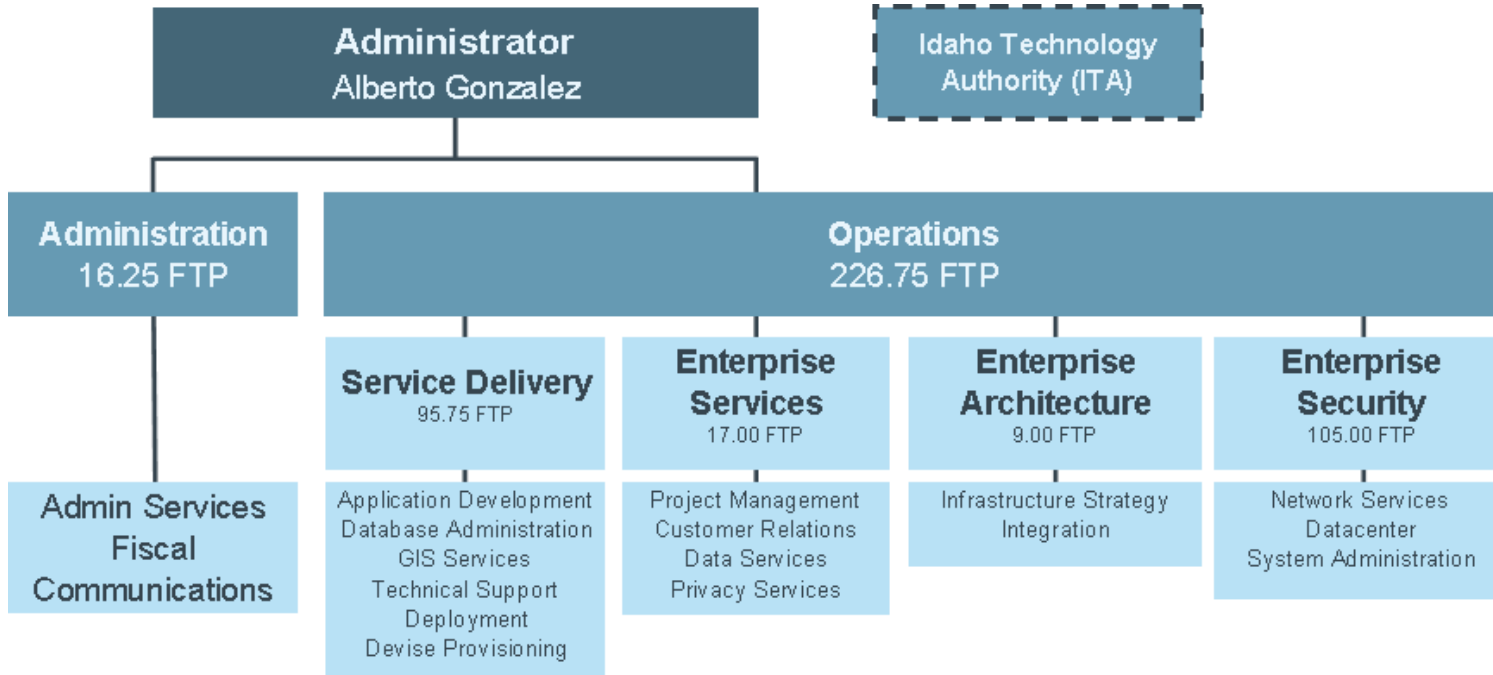
(Section 67-830, Idaho Code)

ITS was created July 1, 2018, when the information technology program was eliminated at the Department of Administration and moved to the Office of Information Technology Services.

ITS Modernization Enhancements Timeline



Organizational Structure (FY 2026 Current)



Idaho Technology Authority (ITA)

243.00 FTP
6.00 Vacant
as of 11/26/2025

Five-year Averages

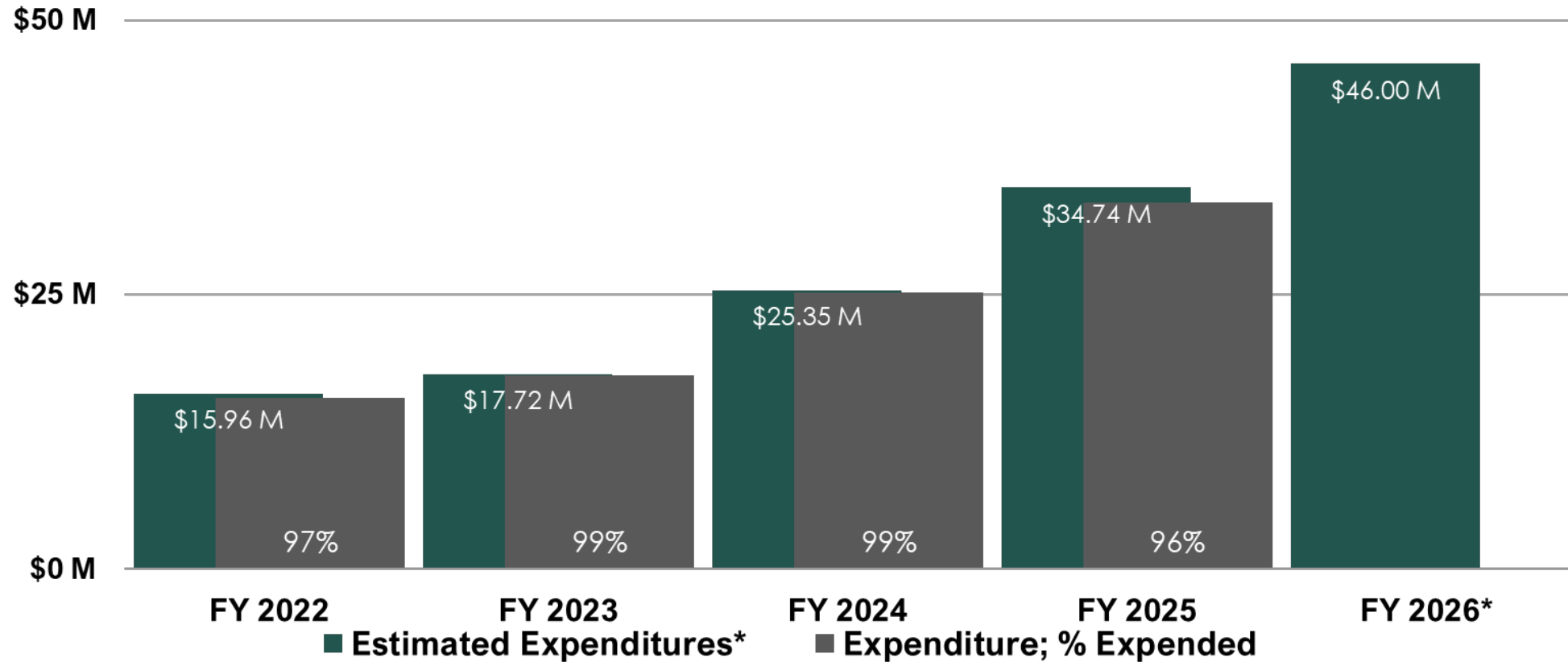
Authorized FTP: **160.40**

Filled FTP Percentage: **92.35%**

Personnel Cost Appropriated: **\$17,027,200**

Percent of PC Spent on PC: **93.65%**

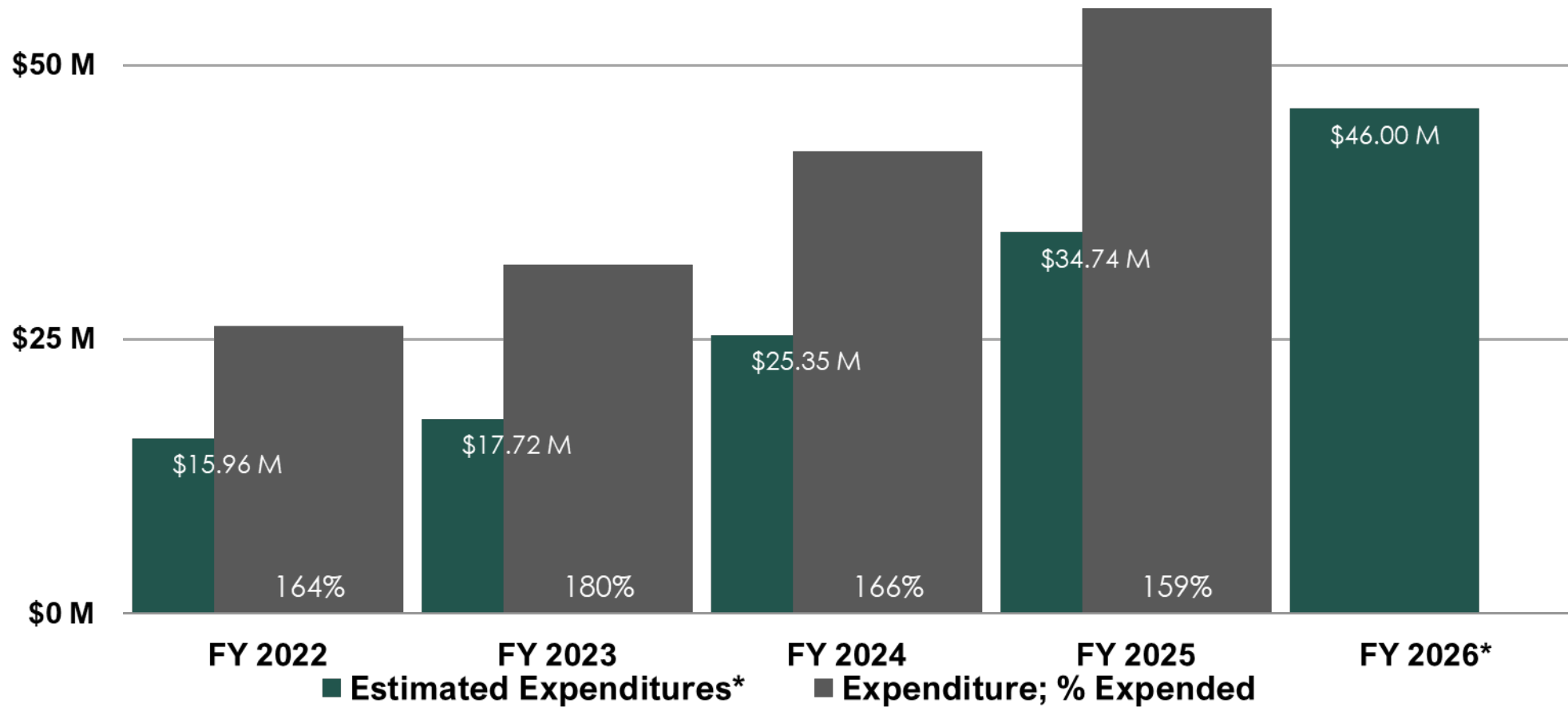
Five-Year Appropriations and Expenditures



*FY 2026 is Original Appropriation

Expenditures shown here capture appropriated funds. It does not show pass-through funds from agencies to purchase equipment.

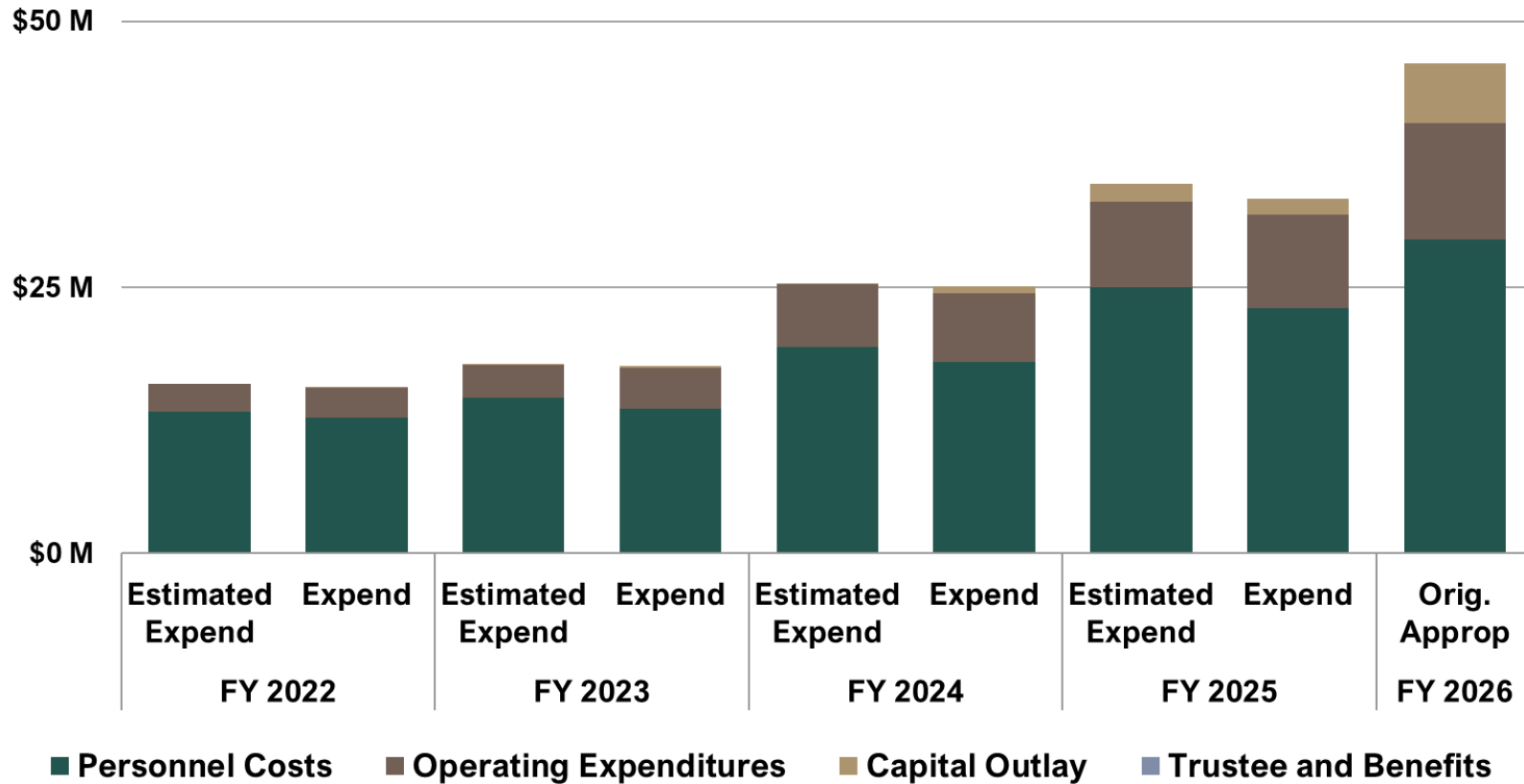
Five-Year Appropriations and Expenditures



*FY 2026 is Original Appropriation

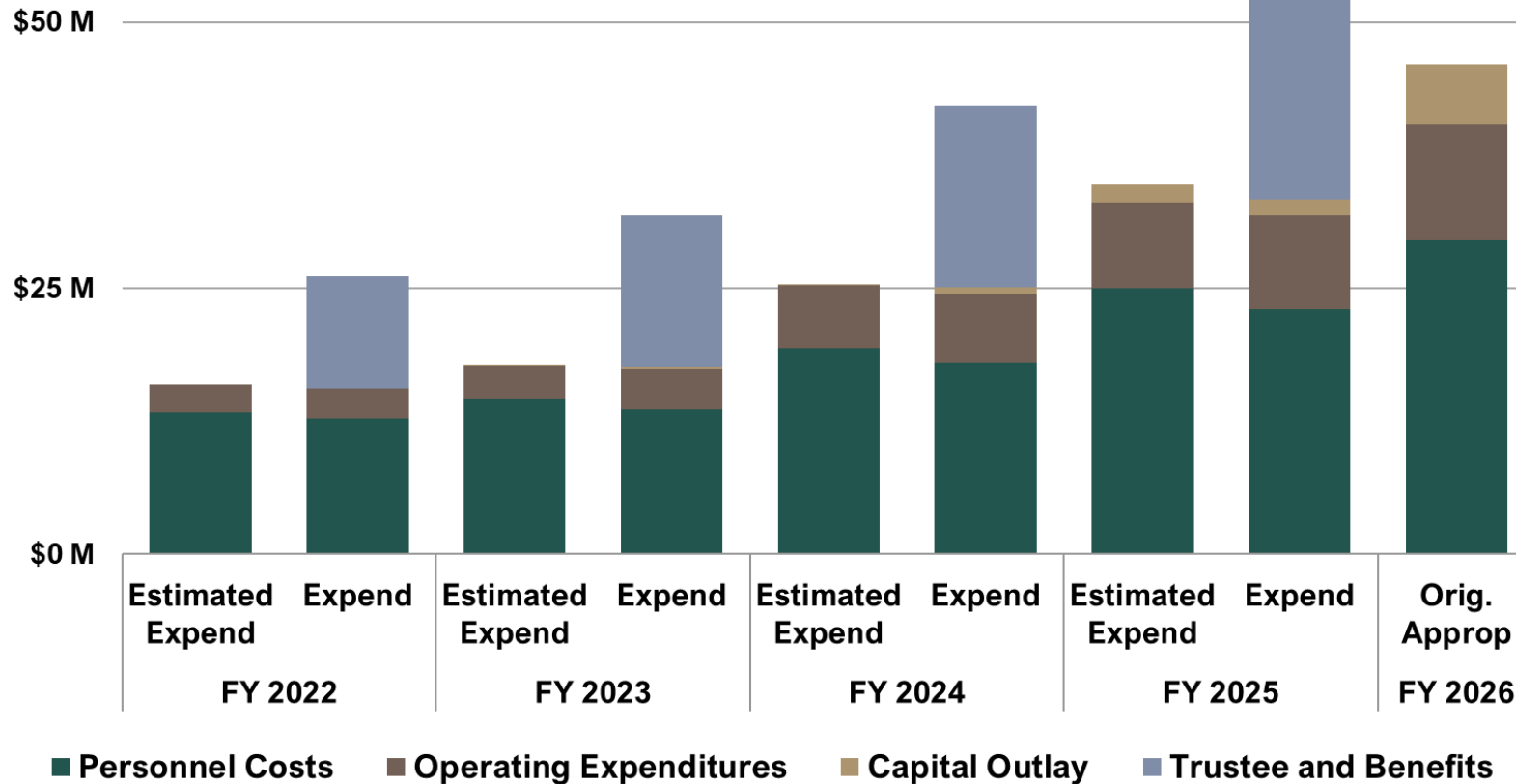
Includes Continuously Appropriated Expenditures (revenues received from other agencies)

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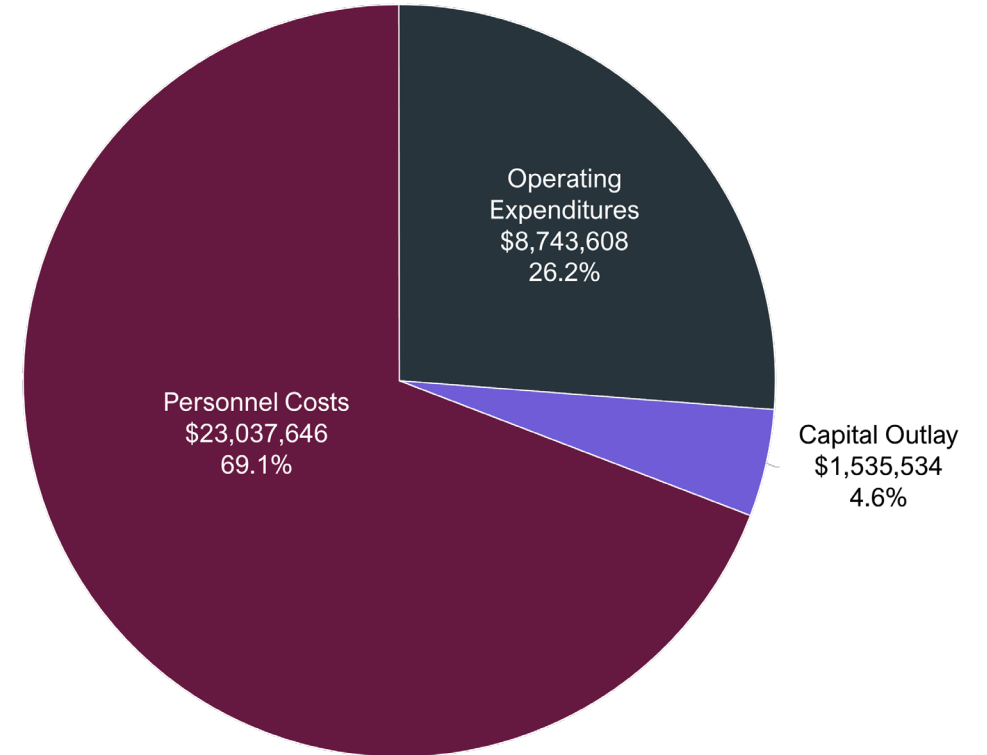
Five-Year Appropriations and Expenditures



Includes Continuously Appropriated Expenditures (revenues received from other agencies)

FY 2025 Expenditures

Personnel Costs	\$23,037,646
Operating Expenditures	\$8,743,608
Capital Outlay	\$1,535,534
Total	\$33,316,788



Five-Year Base Snapshot

Fiscal Year	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026*
1. Total FTP	135.00	145.00	176.00	221.00	243.00
2. Current Year Base	14,679,800	15,738,900	17,114,400	24,228,700	33,018,800
3. Benefits Costs	43,600	65,600	97,000	(33,500)	248,200
4. Statewide Cost Allocation	12,300	50,800	129,200	(172,800)	73,000
5. Annualizations			275,900		
6. CEC	213,200	774,400	421,500	165,200	1,729,500
7. Total Ongoing Maintenance Change	269,100	890,800	923,600	(41,100)	2,050,700
8. <i>% Chg from Current Year Base (line 7 / 2)</i>	<i>1.8%</i>	<i>5.7%</i>	<i>5.4%</i>	<i>(0.2%)</i>	<i>6.2%</i>
9. Ongoing Enhancements	790,000	316,600	6,190,700	8,831,200	4,481,400
10. Ongoing Supplementals		168,100			-
11. Total Ongoing Enhancements Change	790,000	484,700	6,190,700	8,831,200	4,481,400
12. <i>% Chg from Current Year Base (line 11 / 2)</i>	<i>5.4%</i>	<i>3.1%</i>	<i>36.2%</i>	<i>36.4%</i>	<i>13.6%</i>
13. Next Year Base (line 2 + 7 + 11)	15,738,900	17,114,400	24,228,700	33,018,800	39,550,900*
14. Total Base Change (line 13 - 2)	1,059,100	1,375,500	7,114,300	8,790,100	6,532,100
15. <i>% Chg from Current Year Base (line 14 / 2)</i>	<i>7.2%</i>	<i>8.7%</i>	<i>41.6%</i>	<i>36.3%</i>	<i>19.8%</i>

*Next Year Base not set. Ongoing Original Appropriation used instead.

Consolidated Fund Analysis

Administration and Accounting Services Fund

Description	FY 2023 Actual	FY 2024 Actual	FY 2025 Actual	FY 2026 Estimate	FY 2027 Estimate
Beginning Free Fund Balance	\$1,374,300	\$638,800	(\$339,300)	(\$852,700)	\$0
Receipts and Transfers	\$36,492,400	\$38,753,200	\$52,138,000	\$59,069,200	\$80,033,000
Cash Expenditures & Agency Request	\$37,227,900	\$39,731,300	\$52,651,400	\$58,216,500	\$80,033,000
Ending Free Fund Balance	\$638,800	(\$339,300)	(\$852,700)	\$0	\$0

Includes Continuously
Appropriated Expenditures
(revenues received from other
agencies)

Do we have structural balance?

2025 Budget Enhancements

Ongoing Enhancement Name	Type	Amount
IT Security Services and Equipment	Enhancement	\$445,000
Network Equipment and Services	Enhancement	\$78,300
IT Infrastructure	Enhancement	\$914,700
IT Architecture and GIS	Enhancement	\$55,600
Service Vehicles	Enhancement	\$30,000
Community Engagement	Enhancement	\$1,500,000
Additional 2% CEC	Enhancement	\$330,300
IT Consolidation - Statewide	Enhancement	\$5,477,300
Total Ongoing Base Change from Enhancements		\$8,831,200

Onetime Enhancement Name	Type	Amount
IT Security Services and Equipment	Enhancement	\$94,900
Network Equipment and Services	Enhancement	\$249,800
IT Infrastructure	Enhancement	\$71,300
IT Architecture and GIS	Enhancement	\$20,800
Infrastructure Replacement, onetime	Enhancement	\$1,040,200
IT Consolidation - Statewide	Enhancement	\$164,800
Additional Office Equipment	Supplemental	\$81,700
Total Onetime Base Change from Enhancements		\$1,723,500

2026 Budget Enhancements

Ongoing Enhancement Name	Type	Amount
Office Space	Enhancement	\$427,800
Enterprise Security Improvements	Enhancement	\$775,100
Emergency Connectivity Network Services	Enhancement	\$19,400
IT Infrastructure	Enhancement	\$503,400
IT Architecture ServiceNow PM	Enhancement	\$24,900
IT Modernization - ISP/IDJC	Enhancement	\$2,730,800
Total Ongoing Base Change from Enhancements		\$4,481,400

Onetime Enhancement Name	Type	Amount
Office Space	Enhancement	\$1,877,800
Enterprise Security Improvements	Enhancement	\$338,200
Emergency Connectivity Network Services	Enhancement	\$38,000
IT Infrastructure	Enhancement	\$2,826,600
IT Modernization - ISP/IDJC	Enhancement	\$36,900
OITS Hardware	Enhancement	\$1,335,100
Total Onetime Base Change from Enhancements		\$6,452,600

2026 Supplemental Budget Request

Enhancement Name	Type	Amount
Chinden Campus Building Furnishings	Supplemental	\$200,000
E-CORE Federal Grant	Supplemental	\$56,200
Total Change from Enhancements		\$256,200

2027 Budget Request (Governor's Recommendation)

Enhancement Name	Type	Amount	
Personnel Costs Cash Transfer	Cash Transfer (Onetime)	\$458,700	
Enterprise Security	Enhancement	\$1,316,700	
Enterprise Security	Enhancement (Onetime)	\$1,376,700	
E-CORE Federal Grant	Enhancement (Onetime)	\$454,400	+1.50 FTP
OITS DHW Modernization	Enhancement	\$7,499,000	+58.00 FTP
OITS DHW Modernization	Enhancement (Onetime)	\$34,200	
Rescission	Rescission	(\$131,100)	
Total Change from Enhancements		\$11,008,600	Total request on cash resources, including the cash transfer

2026 Budget Request - Outcomes

Chinden Campus Building
Furnishings

AGENCY SUBMITTED OUTCOMES: This supports the ITS strategic plan for fiscal years 2024-2027, goal 1: Complete Governor's IT Modernization Initiative for goals 1-3. This is part of those performance measures for fiscal years 2026 and 2027.

E-CORE Federal Grant

AGENCY SUBMITTED OUTCOMES: This supports the ITS strategic plan for fiscal years 2026-2029, goal 8: Implement Enterprise Data Strategy for goals 2-5. This is part of those performance measures for FY 2026.

2027 Budget Request - Outcomes

Enterprise Security	AGENCY SUBMITTED OUTCOMES: This request directly supports OITS performance goals to strengthen Idaho's cybersecurity and improve the delivery of technology services. It provides ongoing maintenance for core network systems that enable secure, reliable connectivity across state agencies. These systems are essential to protecting digital infrastructure and ensuring uninterrupted access to public services, making this request a critical part of OITS's core responsibilities.
E-CORE Federal Grant	AGENCY SUBMITTED OUTCOMES: This supports the ITS strategic plan for FY 2026-2029, goal 8: Implement Enterprise Data Strategy for goals 2-5. This is part of those performance measures for FY 2027.
OITS DHW Modernization	AGENCY SUBMITTED OUTCOMES: This supports the ITS strategic plan for FY 2024 through FY 2027, Goal 1: Complete Governor's IT Modernization Initiative for goals 1-3. This is part of those performance measures for FY 2027. The consolidation of all IT services from multiple state agencies into a single centralized agency under the Governor's office offers a tremendous opportunity for proactive communication and strategic planning. Such centralization enables the state to establish standard operating procedures and technologies across agencies, making the communication of initiatives and the sharing of data significantly more efficient. Economies of scale are an additional benefit; by aggregating the purchasing power of multiple agencies, the state could negotiate better contracts for hardware, software, and services, thereby maximizing taxpayer value. A core tenet should be the retention and reassignment of existing agency IT staff. Not only does this safeguard institutional knowledge, but it helps in the smoother transition of technologies and processes from individual agencies to the centralized IT agency. Keeping agency employees in the loop ensures a sense of ownership and responsibility, crucial for the success of such a large-scale transformation.

Fiscal Policy Bill Proposal

67-828, Idaho Code

*The office of information technology services is authorized to charge and receive payment for actual and necessary expenses incurred in providing services to any unit of state government under the provisions of this section. **Any money received for services provided under the provisions of this section is hereby continually appropriated to the unit providing the services** as compensation for such actual and necessary expenses.*

- OITS has continuous appropriation authorization for *revenues received from other state agencies to purchase technology on behalf of the other agency.*
- LSO and DFM need an additional tracking mechanism to report on the continuously appropriated expenditures and measure performance.
- Now that OITS has been mostly consolidated, stakeholders propose additional legislation to create a new fund to differentiate cash that is continuously appropriated and cash that is not continuously appropriated.
- **Please be on the lookout for additional information on this proposed legislation.**



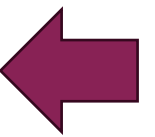
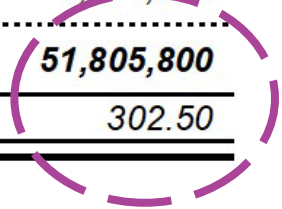
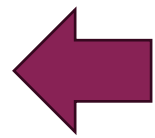
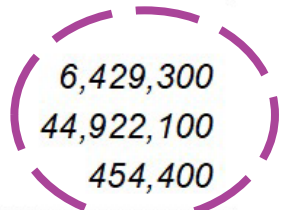
Historical Summary

Information Technology Services, Office of

Analyst: Lehosit

Historical Summary

OPERATING BUDGET	FY 2025 Total App	FY 2025 Actual	FY 2026 Approp	FY 2027 Request	FY 2027 Gov Rec
BY FUND CATEGORY					
General	2,587,700	2,545,800	10,787,000	6,471,000	6,429,300
Dedicated	32,154,600	30,770,900	35,216,500	45,616,300	44,922,100
Federal	0	0	0	456,200	454,400
Total:	34,742,300	33,316,700	46,003,500	52,543,500	51,805,800
Percent Change:	0.0%	(4.1%)	38.1%	14.2%	12.6%
BY OBJECT OF EXPENDITURE					
Personnel Costs	24,963,400	23,037,700	29,444,700	37,892,500	37,154,800
Operating Expenditures	8,049,600	8,743,500	11,021,500	12,776,800	12,776,800
Capital Outlay	1,729,300	1,535,500	5,537,300	1,874,200	1,874,200
Total:	34,742,300	33,316,700	46,003,500	52,543,500	51,805,800
Full-Time Positions (FTP)	221.00	221.00	243.00	302.50	302.50



Please feel free to contact me with
any questions at (208) 332 – 1285 or
clehosit@lso.idaho.gov

Agency Funds – Sources and Uses

Administration and Accounting Services Fund

Sources: State agencies, departments and institutions may sell goods, products and services to the public and political entities. The Office of Information Technology Services bills for IT services it provides to other entities (Sections 67-3516(3) and 67-828, Idaho Code). Through a dedicated fund, ITS bills for services under a cost-recovery plan that complies with Idaho's statewide cost allocation plan (SWCAP). Major service categories of billings include IT support, architecture, enterprise security, and telecommunications.

67-828, Idaho Code

OFFICE OF INFORMATION TECHNOLOGY SERVICES MAY CHARGE AND RECEIVE PAYMENT FOR CERTAIN SERVICES TO UNITS OF STATE GOVERNMENT – APPROPRIATION.

*The office of information technology services is authorized to charge and receive payment for actual and necessary expenses incurred in providing services to any unit of state government under the provisions of this section. **Any money received for services provided under the provisions of this section is hereby continually appropriated to the unit providing the services** as compensation for such actual and necessary expenses.*

[67-828, added 2018, ch. 258, sec. 3, p. 611.]



SWCAP Model Components

Operations Cost Recovery (Operating Costs)

- Service Delivery
- Enterprise Architecture
- Enterprise Security

Passthrough Enterprise Software Licenses

- Microsoft Office Subscriptions
- Adobe
- Annual Software Subscriptions

SWCAP Model Components

Operations Cost Recovery (Operating Costs)

- FY27 TOTAL OITS
Estimated Base for
Operations: **\$35,467,100**

Passthrough Enterprise Software Licenses

- FY27 TOTAL OITS
Estimated Base for Pass-
Through: **\$11,028,227**

Please see additional attachments for
Performance Measures submitted by
the agency.

FY 2025 Expenditures – Personnel Costs



Gross Salary and Wages: \$16,633,121

Employees	\$16,603,517
Temporary Employees	\$29,604

Employee Benefits: \$6,404,525

Other Employee Benefits	\$2,861,119
Employer Retirement Contribution	\$1,970,977
Social Security and Medicare	\$1,222,853
DHR	\$329,033
Workers Compensation	\$20,542

FY 2025 Expenditures - Operating Expenditures

Operating Expenditures

Expenditure	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	% of Total
Computer Supplies	\$10,262,091	\$250,796	\$896,148	\$1,969,547	\$3,036,734	34.7%
Repair & Maintenance Services	\$3,221,473	\$740,222	\$819,164	\$1,359,035	\$2,194,396	25.1%
Computer Services	\$448,779	\$587,418	\$701,929	\$1,621,052	\$1,215,287	13.9%
General Services	\$128,675	\$222,799	\$359,396	\$361,369	\$729,818	8.3%
Rentals & Operating Leases	\$419,674	\$423,057	\$428,075	\$569,562	\$709,425	8.1%
Communication Costs	\$1,553,254	\$229,234	\$134,385	\$121,982	\$369,928	4.2%
Miscellaneous Expenditures	\$16,285	\$28,124	\$78,454	\$65,827	\$156,519	1.8%
Employee Travel Costs	\$34,375	\$45,515	\$68,145	\$73,585	\$115,289	1.3%
Employee Development Costs	\$156,798	\$144,967	\$79,950	\$74,663	\$66,708	0.8%
Fuel & Lubricant Costs	\$9,143	\$23,049	\$22,820	\$24,850	\$30,558	0.3%
Administrative Supplies	\$169,946	\$24,850	\$47,028	\$46,017	\$30,379	0.3%
Insurance	\$3,078	\$3,097	\$18,121	\$16,617	\$29,119	0.3%
Repair & Maintenance Supplies	\$7,882	\$12,712	\$5,417	\$6,007	\$26,059	0.3%
Specific Use Supplies	\$23,933	\$7,550	\$6,616	\$11,484	\$18,792	0.2%
Professional Services	\$372,993	\$13,639	\$146,875	\$212,140	\$10,853	0.1%
Administrative Services	\$6,419	\$2,136	\$1,937	\$1,951	\$3,742	0.0%
Manufacturing & Merchandising Costs	\$12,201	\$57	\$291			-
Utility Charges	2748					-
Institutional & Residential Supplies	9.18					-
Total	\$16,849,756	\$2,759,223	\$3,814,752	\$6,535,687	\$8,743,608	-

2021 Budget Enhancements

Ongoing Enhancement Name	Type	Amount
Software Apps for Centralized IT Mgmt	Enhancement	\$125,000
Vehicles and Fuel	Enhancement	\$15,000
Multi-Agency Decisions	Enhancement	\$5,519,200
Total Ongoing Base Change from Enhancements		\$5,659,200

2022 Budget Enhancements

Ongoing Enhancement Name	Type	Amount
Health Benefit Costs	Enhancement	\$790,000
Total Ongoing Base Change from Enhancements		\$790,000

2023 Budget Enhancements

Ongoing Enhancement Name	Type	Amount
Fleet Management Costs	Enhancement	\$39,900
Office Space Leases	Enhancement	\$100,000
Personnel Reclassification	Enhancement	\$176,700
Business Operation Services	Supplemental	\$168,100
Total Ongoing Base Change from Enhancements		\$484,700

2024 Budget Enhancements

Ongoing Enhancement Name	Type	Amount
IT Licensing and Software	Enhancement	\$610,000
IT Statewide Security	Enhancement	\$972,000
Data Center Expansion	Enhancement	\$100,000
Fleet Vehicle Leases	Enhancement	\$20,000
DHR Consolidation	Enhancement	(\$40,100)
FY 2024 IT Consolidation	Enhancement	\$4,528,800
Total Ongoing Base Change from Enhancements		\$6,190,700

Agency Funds – Sources and Uses

General Fund

Technology Infrastructure Stabilization Fund

Sources: The Technology Infrastructure Stabilization Fund shall consist of moneys that may be provided by legislative appropriation. The state treasurer shall invest the idle moneys of the fund, and the interest earned on such investments shall be retained by the fund.

Uses: Subject to appropriation by the legislature, moneys in the technology infrastructure stabilization fund shall be used solely for: (a) Technology projects requested, recommended, or funded through the annual state budget process including, but not limited to, software development and computer hardware or equipment; and (b) The legislative services office to evaluate and provide analysis and recommendations regarding the requirements, merit, necessity, cost, compatibility, and monitoring of technology projects that may be requested, recommended, or funded through the annual state budget process, as well as other state technology projects, needs, or issues (Section 67-3532, Idaho Code).

Agency Funds – Sources and Uses

Administration and Accounting Services Fund

Sources: State agencies, departments and institutions may sell goods, products and services to the public and political entities. The Office of Information Technology Services bills for IT services it provides to other entities (Sections 67-3516(3) and 67-828, Idaho Code). Through a dedicated fund, ITS bills for services under a cost-recovery plan that complies with Idaho's statewide cost allocation plan (SWCAP). Major service categories of billings include IT support, architecture, enterprise security, and telecommunications.

Uses: Interagency billing receipts may be expended to cover costs incurred, not to exceed the dedicated appropriation set by the Legislature.

CIO Telephone Services

This fund has not been utilized by the agency.

Sources: State agencies, departments and institutions may sell goods, products and services to the public and political entities. The Office of Information Technology Services bills for IT services it provides to other entities (Section 67-3516, Idaho Code). Billings are based on the number of sites; response time needs; data sensitivity; network complexity; total personnel, number of computers, servers, printer, mobile devices; and utilization of core network and maintenance.

Uses: Interagency billing receipts may be expended to cover costs incurred, not to exceed the dedicated appropriation set by the Legislature.

Agency Funds – Sources and Uses

Federal COVID-19 Relief Fund

Sources: In response to the COVID-19 pandemic, Congress passed and the President signed into law six pieces of legislation. The first five include: (1) Coronavirus Preparedness & Response Supplemental Appropriations Act (P.L. 116-123); (2) Families First Coronavirus Response Act (P.L. 116-127); (3) Coronavirus Aid, Relief, and Economic Security (CARES) Act (Public Law No. 116-136); (4) Paycheck Protection Program and Health Care Enhancement Act (P.L. 116-139); and (5) Coronavirus Response and Relief Supplemental Appropriations (CRRSA) Act (P.L. 116-260). These acts included funding and fiscal relief for individuals, businesses, and state, local, territorial, and Tribal governments to address the effects of the COVID-19 pandemic.

Uses: Funds were to be used for necessary expenditures directly related to COVID-19; expenditures that were not accounted for in the most recently approved budget for state FY 2020 or for FY 2021; and for COVID-19 related expenditures that were incurred between March 1, 2020 and December 30, 2020. Funds were used by the office expended \$7,100,000 providing agency assistance during the pandemic; \$5,000,000 on network and infrastructure equipment costs, security detection tools, and replacement of the state email gateway to allow secure remote work; and \$1,808,200 on Microsoft Office 365 licenses for state agencies.

