



To: All Fiscal Officers
From: Robert Caldwell, Chief Financial Officer
Date: December 2, 2024
Subject: **Subscription Based Information Technology Arrangements (SBITA)**

We need to gather information on software alone or in combination with tangible IT assets with monthly payments in excess of \$6,250, or \$75,000 per year to properly classify transactions in the financial statements and to provide footnote disclosures for those agreements.

Under the GASB 96 standard a SBITA is defined as a contract that conveys control of the right to use another entity's information technology software alone or in combination with tangible IT assets as specified in the contract for a period of time in an exchange or exchange like transaction. To determine whether a contract conveys control of the right to use the information technology software you should consider if your agency has the right to obtain the present service capacity from the use of the software IT assets and the right to determine the nature and manner of use of the software IT assets as specified in the contract.

Some terminology in a contract that may indicate you have a SBITA are phrases such as: non-exclusive right to access or right to use, cloud hosting, subscription, SaaS, and the indication of a defined, finite, non-cancelable term. A SBITA would utilize software that is not installed on a local computer or server but is installed and accessed on a cloud/Internet site.

If your office or agency has an IT Software Subscription agreement, please fill out form **8A**, Software IT Arrangements, with the information requested to the best of your ability. In all instances, please send a copy of the agreement to Amy Hernandez Paz no later than **December 13, 2024**.

If our records are complete or your agency does **not** have lease agreements or rental contracts, please sign and date below, print your name, indicate your agency, and return this form.

Name: _____ Date: _____

Print Name _____

Agency: _____

If you have any questions, contact Amy Hernandez Paz at 614-525-7348 or amy.hernandezpaz@franklincountyohio.gov. Thank you for your cooperation.



FRANKLIN COUNTY AUDITOR MICHAEL STINZIANO

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