

## DRAFT Prioritization and Recommendation of ADS IT project list

We have broken the list down into three tiers.

In **tier one** we have projects that are urgent in terms of data protection and privacy and also are all somewhat lower cost. These projects include ADS Cybersecurity, VDOL UI Modernization, States Attorneys Case Management System and the Phase 2 – DEC Permit Navigator. These projects require a first-year appropriation of **\$6,505,000.**

In **tier two** we have projects that are a priority and either have an existing funding path, have first year funding in hand, or are slightly less urgent in nature. These projects include: AHS Integrated Eligibility, Phase 2 – NRB Permit Application, Salesforce grant management system, VDOL transition to VISION, Bright Futures IT System (BFIS) and the VDOL Joblink Replacement. These projects require a first-year appropriation of **\$18,500,000**

In **tier three** we have projects that either are not suited for one time funding or are so large and consequential they need further financial analysis. These projects include the Human Capital Management – ERP and Budget systems and the Phase 1 - DMV IT System. These projects require a first-year appropriation of **\$27,750,000**

IT projects that serve all of state government, such as the HRM system and budget system, are appropriately funded utilizing an internal services funding mechanism such as that which funds the Agency of Digital Services.

The **DMV project is urgent** for many reasons, most notably because of its age and the availability of the repair workforce. The failure to modernize this system requires state government to employ 3-4 dozen state employees. This project should be required to project savings upon implementation and implement a payback mechanism from within the DMV budget - prior to funding. The overall project is projected to cost 79 million dollars over 8 years – but no ongoing savings have been identified despite highlighting the increased cost the DMV maintains annually in having to employ 3-4 dozen state employees.

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We recommend that any one-time funding spent of IT is also utilized to create a long-time funding mechanism within state government budgeting for IT projects. This recommendation is made regardless of whether or not the administration identifies a new revenue source. A payback mechanism over time – for all IT projects - should be developed to fund future IT needs.

In 2021, IT spending must be factored into annual budgets as a required cost of providing services to Vermonters.