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STATE OF VERMONT
GENERAL ASSEMBLY
HOUSE COMMITTEE ON ENERGY AND
TECHNOLOGY

From: House Committee on Energy & Technology

To: House Committee on Appropriations

Date: February 15, 2022

Re: Recommendations on Governor-proposed IT projects

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The House Energy & Technology Committee has been asked to evaluate four IT development projects and prioritize them in terms of funding. The IT projects in this memo are ordered per HE&T's prioritization for funding.

We have determined that **all four projects are necessary to modernize the associated functions of state government and that delaying funding of any of these four projects would result in greater cost in the future**.

The four projects are:
1.   The DMV Core System Modernization Phase II,
2.   The UI Modernization Phase II,
3.   The AoA ERP System, and
4.   The BGS Workplace Integrated Management System (WIMS).

The sponsoring agencies and departments presented their overviews of these projects and HE&T consulted with the JFO Legislative IT Consultant for additional insight into each project's importance, development stage, associated risks, and impact of delayed funding. Our assessment for each of the four projects are as follows.

UI Modernization, Phase II — $30.00 million
Phase II is a sorely needed modernization of the 40-year-old Department of Labor legacy system. Phase II needs funding before requirements definition can occur. No RFP has been released yet. This is considered a high risk project because of its complexity and the early stage of development and design, so close attention must be paid to this project as it evolves. For Phase I, JITOC required a review after the requirements were defined and before implementation began. The same approach is recommended for Phase II. VDOL will coordinate with USDOL to ensure compliance with federal regulations.

DMV Core System Modernization, Phase II — $20.25 million

This project is very well run and on track with a high degree of successful implementation. The timeframe is doable, and the vendor has successfully implemented similar systems in 17 other states. The only risk identified is with engaging external stakeholders, but the DMV Commissioner is committed to making that happen.

AoA ERP System, Phase III — $11.80 million

The Phase III part of ERP is estimated by the Agency of Administration to cost $11.8M. It is considered well-justified. The WorkDay system is in use by many other states and in private industry. The Financial Management piece is in production in Iowa, almost online in Washington state, and in development for Nevada. The biggest risk is in the estimated cost of migrating data from the present Vision System to WorkDay, which may be low. Not funding this project is not an option.

BGS Workplace Information Management System — $1.80 million

This Buildings and General Services (BGS) project has not been reviewed in detail by the JFO IT Consultant. The project is well under way, and it has a compelling business case. ADS is providing capable project management and oversight and has facilitated communications between BGS business personnel and the developers to ensure accuracy of requirements. We support continued work on this project.