



Agency of Digital Services SFY26 Budget Request

House Appropriations Committee
Denise Reilly-Hughes, Secretary & CIO
Kate Slocum, Chief Financial Officer

February 12, 2025

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Areas of Focus

- The **Mission** of the Agency of Digital Services is to work together with our partners in state government to deliver simple and intuitive technology solutions that improve the lives of the citizens of Vermont.
- Our **Vision** is to make government services secure and easily accessible to all people doing business and interacting with the State of Vermont.

User Experience: Our commitment to elevating user experiences across the board lies at the forefront of our priorities. Whether residents interact with our services, state employees navigate our systems, or our own ADS team members engage in their daily tasks, our focus on user-centricity aims to create a seamless, efficient, and gratifying experience for all.

Standards: In our pursuit of excellence, ADS is resolute in ensuring robust standards, policies, and processes to guide our operations. These benchmarks not only serve as a foundation for the reliability and consistency of our services but also uphold the principles that define our organization's core.

Simplifying and Reducing Complexity: Technology optimization is central to our strategy. By streamlining our technological infrastructure, we are dedicated to simplifying processes and reducing complexity. This endeavor is not just a technological transformation but a commitment to making our systems user-friendly, efficient, and aligned with the evolving needs of our stakeholders.

Predictability: A cornerstone of our vision is the assurance of a seamless, predictable experience for our customers.

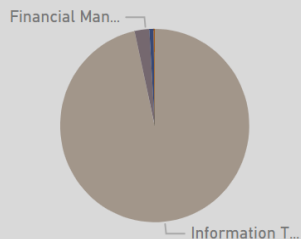
ADS Metrics

Agency of Digital Services

ADS FY2026 Budget Request

\$137,729,575

ADS Funding Sources



- Information Technology \$133,014,361
- Financial Management Fund \$3,467,808
- Municipal & Regional Planning \$1,000,071
- General Fund \$233,207
- VT Center for Geographic Info \$14,128

Savings To Date ?

\$45,383,798

Office of the CIO

Provides direction and oversight for all Information Technology, Data, and Security Services within the Executive Branch of the State of Vermont. Establishes Policy and Standards for IT.

Staff Training Hours	Apps Modernized	Security as % of IT Staff	Contract Cycle Time, Days
11.7K	175	3.60%	11.0
?	?	?	?

Project Management

Provides project management, oversight, and procurements services for Partner Agencies. Ensures IT projects are managed to accepted standards, proper stakeholder engagement, and success.

Projects in Progress	On-Target Projects	New Initiative Projects	Maintenance Projects
80	74.0%	4%	15%
?	?	?	?

Agency Support

Embedded staff in our Partner Agencies. Provide daily support of users, applications, & enhancements. Ensure technology investments meet Agency needs & align with IT direction.

Users Supported	Customer Satisfaction	Embedded Staff	Applications Supported
12,192	B+	167	1,140
?	?	?	?

Shared Services

Through economies of scale provides IT services for Partner Agencies in the areas of Email, Collaboration, Mainframe, ERP, and Desktop Support.

Supported Computers	Internet Availability	On Time Ticket Closure	Tickets Opened
10,154	99.9%	90.4%	73,210
?	?	?	?



Thwarted Cyber Threats

10.0M ?

Vermont.gov online transactions

953.9K ?

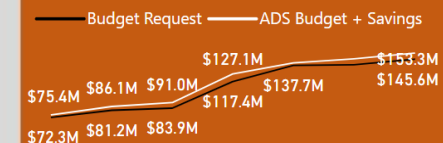
Public-Facing Services

241 ?

Percentage of Positions Vacant

9.6% ?

ADS Confirmed Savings and Budget



ADS 2024 Highlights & Success



Budget

- **\$3.4M** Saved (CY2024)
- **Over \$45M** Cumulative (2017-2024)



Highlights

- National State Leader in AI
- Established **1st** in US States: Chief Data & AI Office
- Security Foundations Policy
- Post Flood - Wireless First Initiative
- **1st** Cyber Advisory Council Report



Successes

- SummerEBT
- SOS Business Filing
- DMV Core Modernization P1
- Call Center Modernization
- VT Medicaid Data Warehouse
- VLETS
- Fully Hosted Datacenters



Awards

- **A-** Grade in the Digital States Survey
- **1st** Place in Enterprise Computing among US States

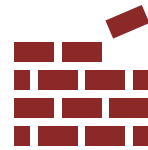
Established under Act 185 of 2023, Intended to Fund Technology Initiatives

IT Modernization Fund

Expenditure Detail through 12/30/2024					
DEPT ID	Project	Legislative Budget	Remaining Encumbrances	Expenditures	Remaining Amount
1105892303	AGO Case Management ITMOD	2,200,000.00	-	99,516.00	2,100,484.00
1105892303	BGS WIMS Asset Management IT MOD	1,800,000.00	-	636,002.55	1,163,997.45
1105892303	DMV Phase 2 IT MOD	20,250,000.00	-	5,514,681.32	14,735,318.68
1105892303	ERP IT MOD	11,800,000.00	-	-	11,800,000.00
1105892303	Fire Safety IT MOD	960,000.00	-	113,314.80	846,685.20
1105892303	VDOL UIM IT MOD	30,000,000.00	749,000.00	6,749,000.00	22,502,000.00
1105892401	Network & Security Modernization IT MOD	10,000,000.00	-	-	10,000,000.00
Grand Total		77,010,000.00	749,000.00	13,112,514.67	63,148,485.33

ADS ISF enables chargeback in 2 recovery categories:

Allocation



IT Foundations

Demand



SLA



Timesheets



Tele/Comm



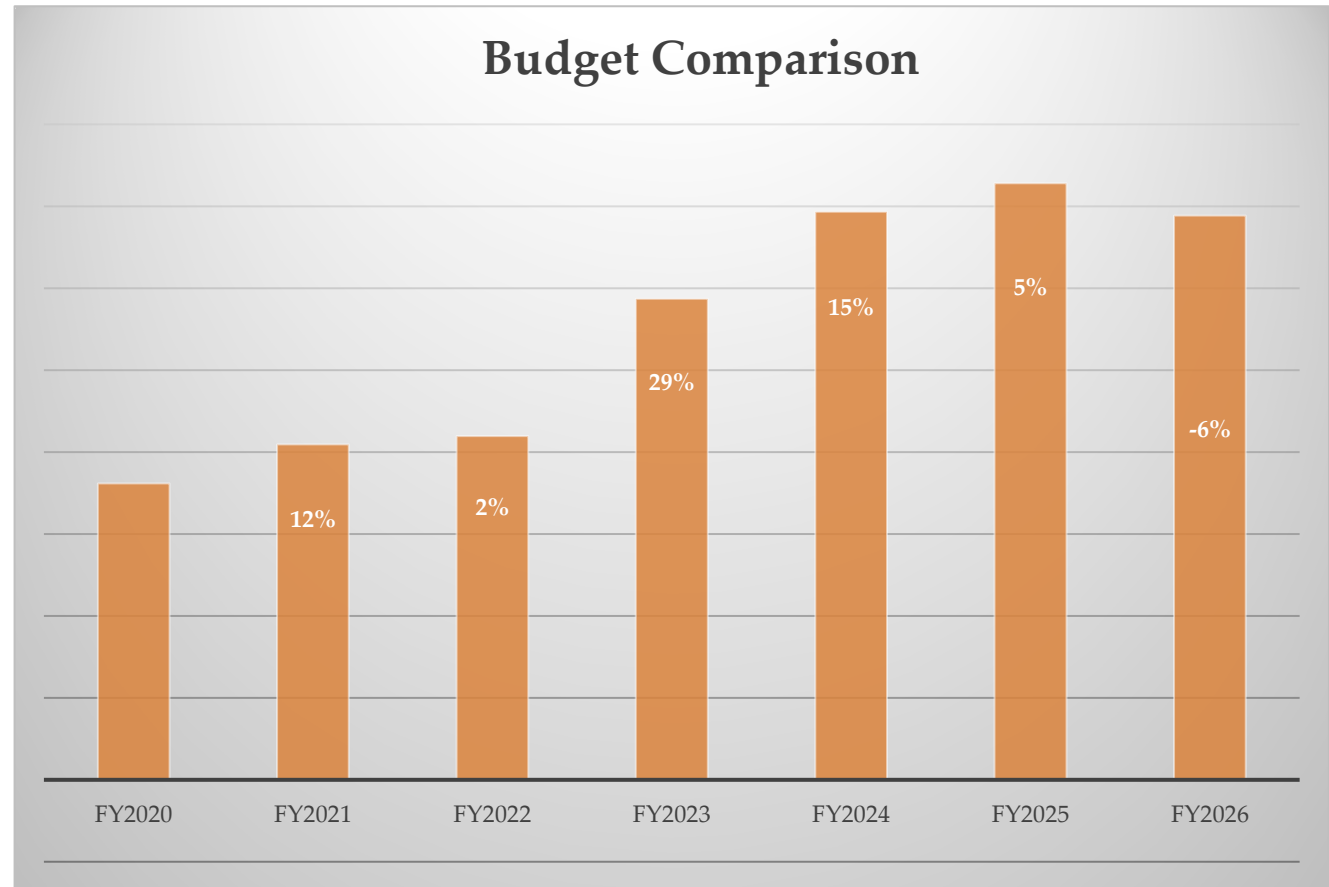
Bespoke

Structure – ADS
Internal Service
Fund (ISF)

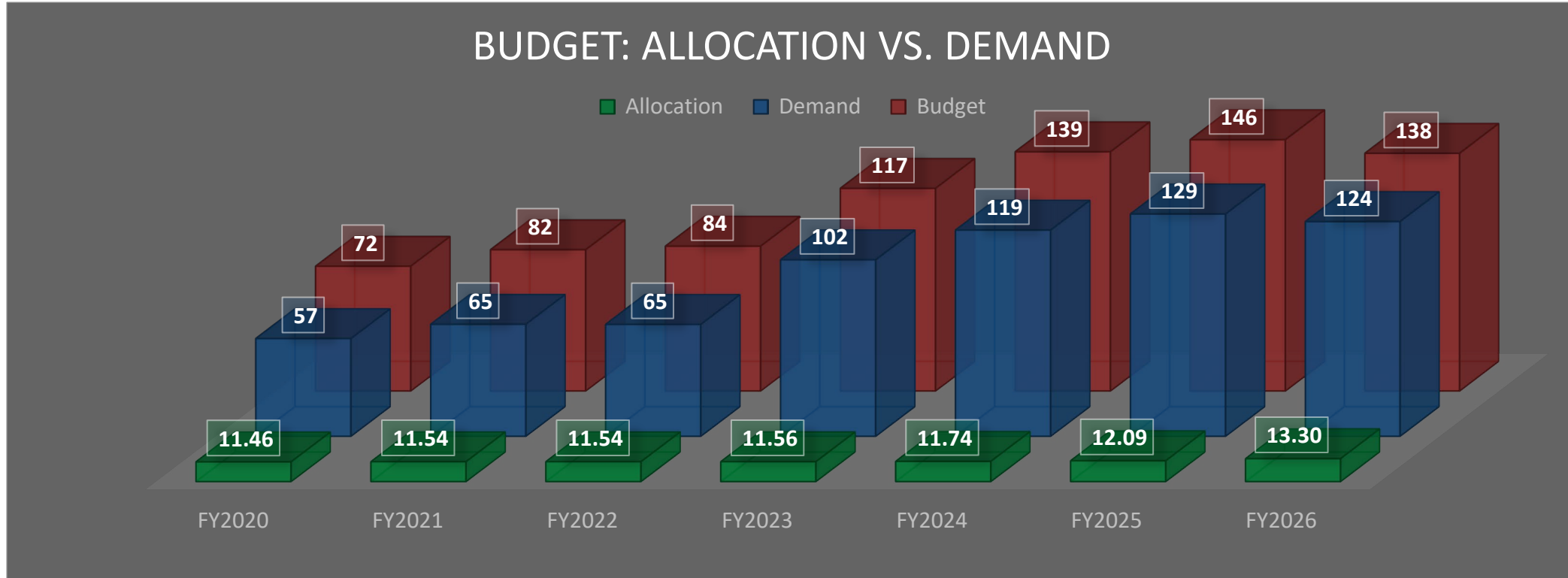
ADS Proposed Base Budget

\$8M Overall decrease to Base:

- Business Partner Projects - 50 set to move to O&M by the end of FY26



Current ADS ISF Breakdown



Core Enterprise Services

Promoting digital equity, secure access, and foundational support of digital services for **ALL** state employees.



Reliable Network
Access



Base Productivity
Tools



Secure SOV
Identity



Helpdesk



User Device
Support



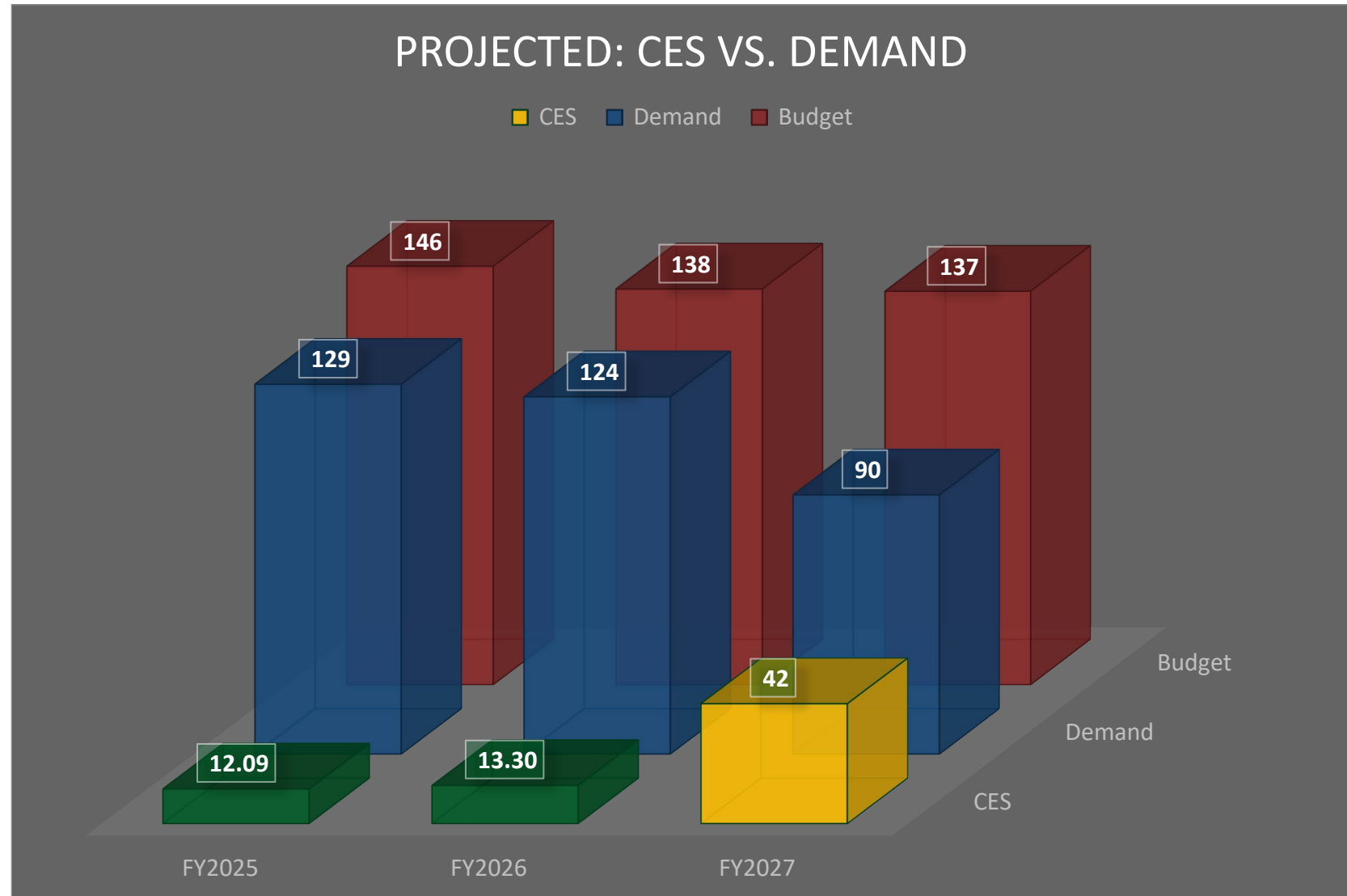
Data & System
Security



Datacenter
Essential

Future State

ADS ISF Breakdown



Budget Crosswalk

	General \$\$	Special \$\$	Int. Service \$\$	Total \$\$
Approp #1 [1105500000] Agency of Digital Services: FY 2025 Approp	209,808	511,723	144,820,043	145,541,574
Total Approp. After FY 2025 Other Changes	209,808	511,723	144,820,043	145,541,574
CURRENT SERVICE LEVEL/CURRENT LAW	23,399	502,476	(8,337,874)	(7,811,999)
<i>Personal Services</i>	29,455	487,695	3,522,832	4,039,982
500000: Salary & Wages: Classified Employees	16,085	237,969	1,959,181	2,213,235
500010: Salary & Wages: Exempt Employees				
501500: Health Insurance: Classified Employees	7,043	92,405	956,775	1,056,223
501510: Health Insurances: Exempt Employees				
502000: Retirement: Classified Employees	6,741	72,632	1,285,357	1,364,730
502010: Retirement: Exempt Employees				
All Other Employee Payroll Related Fringe Benefits	1,291	21,099	172,547	194,937
504040: VT Family & Medical Leave Insurance Premium	58	885	7,274	8,217
504045: Child Care Contribution	195	1,316	43,432	44,943
505200: Workers' Compensation Insurance Premium	86	722	15,011	15,819
508000: Vacancy Turnover Savings	(2,075)	(29,676)	(125,380)	(157,131)
500899: Market Factor - Classified	0		223,726	223,726
Contracted and 3rd Party Service	427	35,275	(658,814)	(623,112)
Overtime & Shift Differential	182	4,068	93,275	97,525
PerDiem and Other Personal Services	(578)	51,000	(449,552)	(399,130)
<i>Operating Expenses</i>	(6,056)	14,781	(11,860,706)	(11,851,981)
515010: Fee-for-Space Charge	(249)	2,125	(118,304)	(116,428)
516000: Insurance Other Than Employee Benefits	8	157	(197)	(32)
516010: Insurance - General Liability	29	553	(497)	85
516671: VISION/ISD	253	3,291	23,792	27,336
516685: ADA Allocated Charge	2,080	7,884	534,446	544,410
519006: Human Resources Services	140	2,478	1,518	4,136
523620: Single Audit Allocation	1	6	143	150
IT Services & Other Purchased Services	(7,902)	(8,229)	(11,236,928)	(11,253,059)
Other Operating	(416)	6,516	(1,064,679)	(1,058,579)
Subtotal of Increases/Decreases	23,399	502,476	(8,337,874)	(7,811,999)
FY 2026 Governor Recommend	233,207	1,014,199	136,482,169	137,729,575
FY 2026 Governor Recommend Target	216,102	511,723	149,164,644	149,892,470
<i>FY 2026 Target vs. Recommend</i>	<i>(17,105)</i>	<i>(502,476)</i>	<i>12,682,475</i>	<i>12,162,895</i>