

# House Energy and Digital Infrastructure (HEDI) Committee

Joint Fiscal Office IT Consultant Update January 07, 2026

The purpose of this document is to provide the following information:

1. Summary of Projects Monitored by JFO IT Consultant
2. Other Projects of Interest (not monitored by JFO)
3. Summary of Upcoming JFO IT Reviews (pending budget requests)
4. Quick links to IT project information available to HEDI.

This information is based on documents provided to the Joint Information Technology Oversight Committee (JITOC) during the summer and fall of 2025.

## 1. Summary of Projects

The JFO IT consultant monitors the following projects.

### **Unemployment Insurance Modernization Project**

- In 2022, GA authorized expenditure of \$27M from the Technology Modernization Special Fund for the UI Modernization project to be released as follows:
  - \$10M on July 1, 2023, upon approval of JITOC of the actions outlined in a Project Schedule
  - Remaining funds released upon request as needed by ADS and approval of JITOC in accordance with actions outlined in a Project Schedule
- A JFO review was completed in January 2024 and JITOC approved the release of \$30 million appropriated for the FY23 budget
- The total funds available for this project are \$52.3 million from appropriations in FY22, FY23, an increase in VDOL operating budget to support this project, and savings from costs used to support the old system.
- The total cost for the UI System's 25-month implementation period and three years of management and operations is \$45.3 million.
  - The difference between the total funds available (\$52.3 million) and the known costs (\$45.3 million) is \$7 million, which is available for Business Process Redesign and Staff Augmentation.

**Current Status (1/7/26) According to the Enterprise Project Management Office Dashboard: Green**

## **Enterprise Resource Planning (ERP) Project**

- In May of 2022, the State signed a contract with WorkDay, totaling \$28.875 million over ten years
- To date, the General Assembly has appropriated \$24.6 million for the ERP project
- In November 2024, JITOC voted to release \$11.8 million in funds for the Finance Module development
- The JFO IT review recommended oversight actions at specific points as the ERP implementation progresses based on JFO IT Review.
- The JFO IT Consultant assessment of the project was provided to JITOC on October 21, 2025 to JITOC. The complete assessment can be found at the following link:  
<https://legislature.vermont.gov/Documents/2026/Workgroups/JITOC/Tech%20Updates/W-Lisa%20Gauvin~ERP%20Memo~10-21-2025.pdf>

### **Summary of Assessment Conducted for JITOC**

The ERP Project includes two central contracts. The Guidehouse contract covers the implementation of WorkDay ERP. The Attain Partners contract covers the business process transformation. (Note: Attain Partners is second business process reengineering vendor. The first vendor exited the contract on June 30, 2025.)

The State project team completed the initial requirements (Base Camp phase) for both the Human Capital Management (HCM) and Adaptive Planning (AP) modules. The State launched the AP module at the minimal viable product (MVP) level, and it is currently in use.

The State has made progress in project implementation, but the risks identified in the original JFO review of the ERP project persist.

The ERP Team maintains a list of potential gaps discovered during the project. The full assessment highlights the potential gaps in this list that appear to be most consequential, but there are several overarching concerns that may pose a risk to project success. This includes whether or not WorkDay can replace the time management system used by the Agency of Transportation. This system is linked to the STARS legacy system.

The focus of the State's business case for the ERP project was the replacement of legacy systems. (These systems are named in the Key Findings section of the assessment document.) The business leaders appear to expect that required functions in these systems will be included as part of this project. The contracts, however, are focused on implementing WorkDay ERP. I see no deliverables related to reviewing business requirements delivered by legacy systems for functions that are not supported by WorkDay and developing a plan for filling the gaps for required functions"

Another concern is the timeline for confirming gaps. The State has indicated the gaps will not be confirmed until the Design stage of the project, which could last into the Testing phases. This raises the question of whether there would be enough time to address the gaps outside of WorkDay, without delaying the project.

**Current Status (1/7/26) According the Enterprise Project Management Office: Red**

## **Dept of Motor Vehicle Core System Modernization**

- Agency of Transportation/DMV
- Cost Summary
  - Total implementation costs: \$ 56,764,670
  - Total management and operations costs (5 years): \$ 45,387,173
  - Total: \$102,151,843
- Phase 1, Vehicle Services (VS) has been completed successfully. This includes titling, registration, and other customer-facing eServices
- Phase 2, Driver's Services (DS), including driver's licenses and other identification, customer-facing eServices, and other supporting functions – is scheduled to be completed in Nov 2025.
- The project was briefly in yellow status, when a previously planned purchase order for tablets to be used by DMV staff could not be honored by a computer supply vendor could not be honored by the vendor, due to supply chain issues. The team was able to find another source for the tablets and the project is back in green status.

**Current Status: Completed Time and Budget (Nov 2025)**

## **2. Other Projects of Interest (not monitored by JFO)**

### **Network and Security Infrastructure Modernization**

- Purpose is to replace legacy infrastructure, hardware, software, platforms underlying the network and security architecture
- Planning, design, and replacement costs funded with a FY'24 \$10M appropriation from the Technology Modernization Special Fund
- Project underwent an independent review and received recommendation to move forward with selected vendor
- ADS chose to lease equipment from a vendor
- As stated in the contract, the selected vendor “must equip, develop, deploy, implement, operate, and maintain a PaaS solution for the Network Modernization project, which encompasses upgrading the network infrastructure across roughly 320 sites”
- Total estimate for implementation (including State costs) through FY2027 are \$1,552,355.20
- Total operating costs through FY2030 - \$22,103,929
- The implementation is expected to be completed in FY2027

**Status: Unknown (This project was not included in EMPO dashboard.)**

### 3. Summary of Upcoming JFO IT Reviews (assuming budget requests)

#### **Integrated Eligibility and Enrollment (IE&E) System Modernization**

- Agency of Human Services/ADS
- Purpose is to provide Vermonters with a centralized, simplified, and user-friendly experience for applying and managing State benefits, as well as secure enrollment, personalized access, streamlined applications, and comprehensive customer service<sup>1</sup>
- A competitive bid process is underway, and a preferred vendor selection is imminent. Once a vendor is selected and contract is developed, the project will undergo a CIO's Independent Review, per 3 V.S.A. § 3303(d). Once this is completed, a JFO IT Review will be conducted for this project
- A request for State match funds is expected during the this session
- Funding *mostly* federal because changes were necessary for compliance with federal requirements

#### **Comprehensive Child Welfare Information Systems (CCWIS)**

- Department for Children and Families (DCF)/ADS
- As stated in the RFP, this project includes “the design, development, and implementation (DII) of a Comprehensive Child Welfare Information System (CCWIS)”
- There is \$15.6M in funds available for CCWIS via the following:
  - 3,000,000.00 - B.1102(b)(4)<sup>2</sup>
  - 3,000,000.00 - Appropriation per 2024 Act 113 E.300.3(a)<sup>3</sup>
  - 1,800,000.00 - 2025 Act 27 Sec. C.103 amending 2024 Act 113 Sec. B.1100(e)(4)<sup>4</sup>
  - 7,800,000.00 - Federal Revenue available as match for Comprehensive Child Welfare Information System (CCWIS)
- An RFP was released during the spring of 2025 and bids have been evaluated
- The project will undergo a CIO's Independent Review once a preferred vendor is selected, per 3 V.S.A. § 3303(d)

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<sup>1</sup> <https://humanservices.vermont.gov/highlighting-promising-practice/integrated-eligibility-and-enrollment-iee-system>

<sup>2</sup> Act 113 (2024)

<sup>3</sup> Act 113 (2024)

<sup>4</sup> Act 27 (2025)

## 4. Quick links to IT project information available to HEDI.

Below is a list of information available to HEDI to inform oversight. All **highlighted** items are new reporting requirements that were included in Act 48.

### I. CIO's Independent Review<sup>5</sup>

**Link:** <https://digitalservices.vermont.gov/epmo/reports-metrics/independent-reviews>

Required\* for all projects over \$1,000,000 or when required by the CIO, and must contain the following

- (A) an acquisition cost assessment;
- (B) a technology architecture and standards review;
- (C) an implementation plan assessment;
- (D) a cost analysis and a model for benefit analysis;
- (E) an analysis of alternatives;
- (F) an impact analysis on net operating costs for the Agency carrying out the activity; and
- (G) a security assessment.

\*Independent review can be waived pursuant to 3 V.S.A. § 3303(d)(3))

### II. JFO IT Review

The JFO IT Review focuses on eight specific areas and is designed to identify the strengths and weaknesses of a project.

1. Project justification – Is the project justified?
2. Clarity of purpose – Is the definition of success established and realistic?
3. Organizational support – Does the business fully support the project?
4. Project leadership – Is there strong and effective leadership?
5. Project management – Is there a plan for effective project management?
6. Financial considerations – Is funding secure and sufficient for the anticipated life of the system?
7. Technical approach – Is the project technically feasible, and is the proposed technical approach the right one?
8. Risk management – Are the major project risks identified and adequately mitigated?

All projects are assessed based on these areas, and all reports include a section at the end titled “Risks Informing Future Reviews.” Although all review areas are monitored, this section recommends the following specific items that may indicate problems with a project are specifically reviewed:

- A. Are milestone dates being met?
- B. Is the project adequately staffed?
- C. Has the State team identified any function or process that cannot be achieved using the system? If so, what was the outcome? Did they eliminate the function/process or find a workaround?
- D. Have there been any change orders?

Additionally, this section outlines unique areas to monitor for the project, based on the assessment.

### **III. Annual report and budget (Reporting Requirements Updated in 2025 Act 48)**

**Link:** [Legislative Reports | Agency of Digital Services](#)

The following is submitted with the Agency of Digital Service's (ADS) annual budget request to the House Committee on Energy and Digital Infrastructure and the Senate Committee on Institutions:

1. performance metrics and trends, including baseline and annual measurements, for each division of the Agency;
2. a financial report of revenues and expenditures to date for the current fiscal year;
3. costs avoided or saved as a result of technology optimization for the previous fiscal year;
4. a summary of each active information technology project managed by the Agency's Enterprise Project Management Office (EPMO), including each project's:
  - (A) scope;
  - (B) budget;
  - (C) timeline;
  - (D) status, which includes:
    - (i) project closure details;
    - (ii) project changes over time; and
    - (iii) other indicators of the project being on time and on budget;
5. Annual update to the strategic plan
6. Summary of independent reviews as required by subsection(d), including any uses of the waiver authority by the Chief Information Officer
7. Agency budget submission;
8. An annual update to the inventory
9. A report on the expenditures of the Technology Modernization Special Fund, including:
  - a) A list of projects receiving funding from the Fund in the prior fiscal year,
  - b) List of prioritized recommendations for projects to be funded from the Fund in the next fiscal year.

### **IV. Current Projects Inventory for all projects managed by ADS EPMO<sup>6</sup> (Added in 2025 Act 48)**

**Link:** <https://digitalservices.vermont.gov/epmo/reports-metrics/project-dashboards>

**(Select “Project Inventory” as the Page Selection)**

This inventory must be updated monthly and include the following:

- (1) State government business partner for each project;
- (2) name of each project;
- (3) start date of each project;
- (4) estimated date of completion at the start of the implementation phase of each project, along with an indicator as to whether the project is on time;
- (5) estimated project cost at the start of the implementation phase of each project along with an indicator as to whether the project is on budget;
- (6) current estimated date of completion of each project; and
- (7) current estimated cost of each project.

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<sup>6</sup> According to the ADS EPMO, the project management portfolio includes all projects with estimated costs over 500K, but projects costing less may also be included, if project management is requested by business partners.