



Agency of Digital Services SFY27 Budget Request

House Energy & Digital Infrastructure & Senate Institutions

Denise Reilly-Hughes, Secretary & CIO

Kate Slocum, Chief Financial Officer

February 3, 2026

February 3, 2026 | 1

One ADS: Vermont's Three-Year Strategy

Over three years, ADS will deliver greater value, reliability, and transparency through One ADS—a unified approach modernizing fragmented technology systems while maintaining dependability.

User Experience

Simple, intuitive, consistent digital services for all for all Vermonters and state employees.

Standards

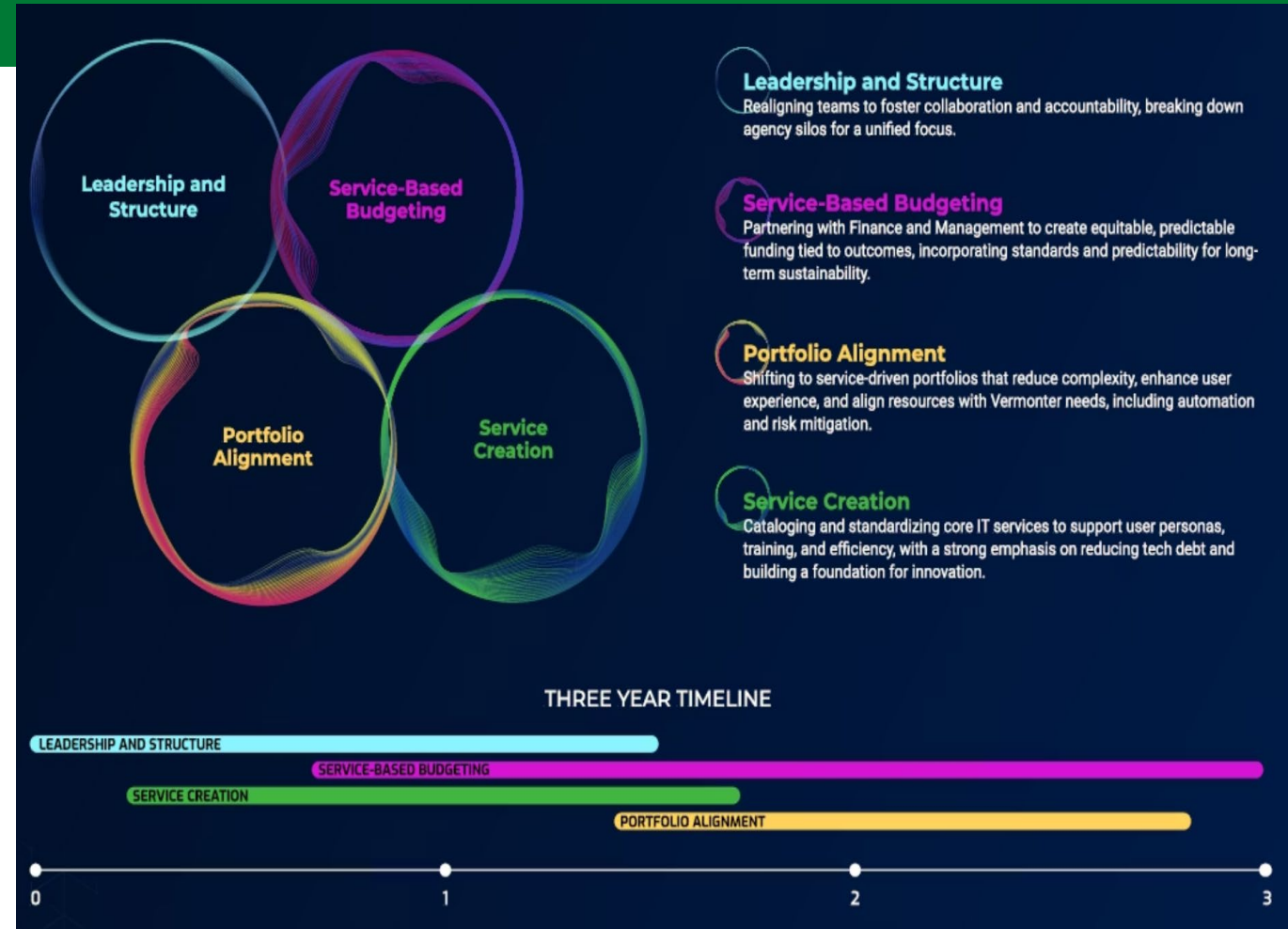
Shared frameworks reducing silos and improving improving reliability across government.

Predictability

Service-based budgeting improving transparency and stabilizing costs.

Reducing Complexity

Simplifying systems, strengthening security, freeing freeing resources for innovation.



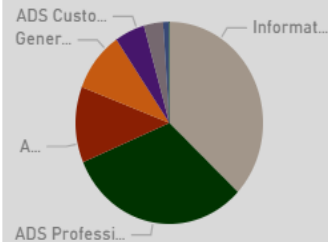
ADS Metrics

Agency of Digital Services

ADS FY2027 Budget Request

\$96,550,575

ADS Funding Sources



- Information Technology \$35,687,012
- ADS Professional Resourcing \$30,594,071
- ADS Enterprise Offerings \$11,711,911
- General Fund \$9,317,893
- ADS Customized Services \$5,000,000
- Financial Management Fund \$3,207,690
- Municipal & Regional Planning \$1,017,998
- VT Center for Geographic Info \$14,000

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 |
|----------------------|-----------------|---------------------------|---------------------------|
| 11.4K | 217 | 3.34% | 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 |
|----------------------|--------------------|-------------------------|----------------------|
| 48 | 85.0% | 4% | 4% |
| ? | ? | ? | ? |

Field Enterprise Services

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 |
|-----------------|-----------------------|----------------|------------------------|
| 12,026 | B+ | 125 | 1,143 |
| ? | ? | ? | ? |

Core Enterprise Services

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

| Supported Computers | Internet Availability | On Time Ticket Closure | Tickets Opened |
|---------------------|-----------------------|------------------------|----------------|
| 13,973 | 99.96% | 92.2% | 56,600 |
| ? | ? | ? | ? |



Security Events Monitored

358.8bn ?

VIC Online Transactions

927.2K ?

Public-Facing Services

254 ?

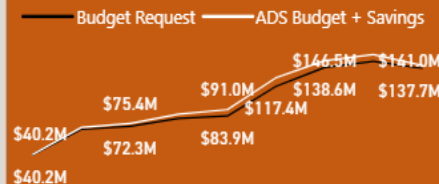
Percentage of Positions Vacant

5.5% ?

Savings To Date

\$50,804,807 ?

ADS Confirmed Savings and Budget



ADS 2025 Highlights & Success



Budget

- **\$5M** Saved (CY2025)
- **Over \$50M** Cumulative (2017-2025)



Highlights

- **358.8B** Security Events Monitored '25
- **ChatVT** – 700+ State Employees Using the tool weekly
- **1B+** map requests – **6.4M** visitors to VT's websites
- Organizational Restructure & Development of Core Enterprise



Successes

- **20 projects closed in 2025**
 - Windows 11 Migration
 - DMV Core Modernization P2
 - Vermont Business Portal
 - SOS Safe at Home
 - AHS CDDIS P1
 - AOT Construction Management System



Awards

- **InfoTech Women Leading IT Award** – Denise Reilly-Hughes
- **NASCIO State Tech Innovator Award** – Josiah Raiche

IT Modernization Fund

| Expenditure Detail through 12/31/2025 | | | | |
|--|--------------------|-------------------|---------------|------------------|
| Project | Legislative Budget | ADS VISION Approp | Expenditures | Remaining Amount |
| Enterprise Resource Planning (ERP) | 11,800,000.00 | 11,800,000.00 | - | 11,800,000.00 |
| Workplace Information Management System (WIMS) | 1,800,000.00 | 1,800,000.00 | 889,028.89 | 910,971.11 |
| Fire Safety Modernization | 960,000.00 | 960,000.00 | 633,805.20 | 326,194.80 |
| Attorney General's Office Case Management System | 2,200,000.00 | 2,200,000.00 | 188,614.00 | 1,896,777.78 |
| DMV Core System Modernization | 20,250,000.00 | 20,250,000.00 | 20,250,000.00 | - |
| Unemployment Insurance Modernization | 30,000,000.00 | 30,000,000.00 | 8,913,303.00 | 5,239,693.60 |
| State Network Modernization | 10,000,000.00 | 10,000,000.00 | 1,900,939.68 | 7,252,763.02 |
| Total | 77,010,000.00 | 77,010,000.00 | 32,775,690.77 | 27,426,400.31 |

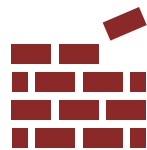
**Structure – ADS
Internal Service
Fund (ISF)**

ADS ISF enables chargeback in 2 recovery categories:

Approp 1

**Core
Enterprise
Services**

ISF: 58100 CIT



IT Foundations

Approp 2

Demand

ISF: 58110
CES+
Consumption



SLA

ISF: 58120
Professional/Field
Resourcing



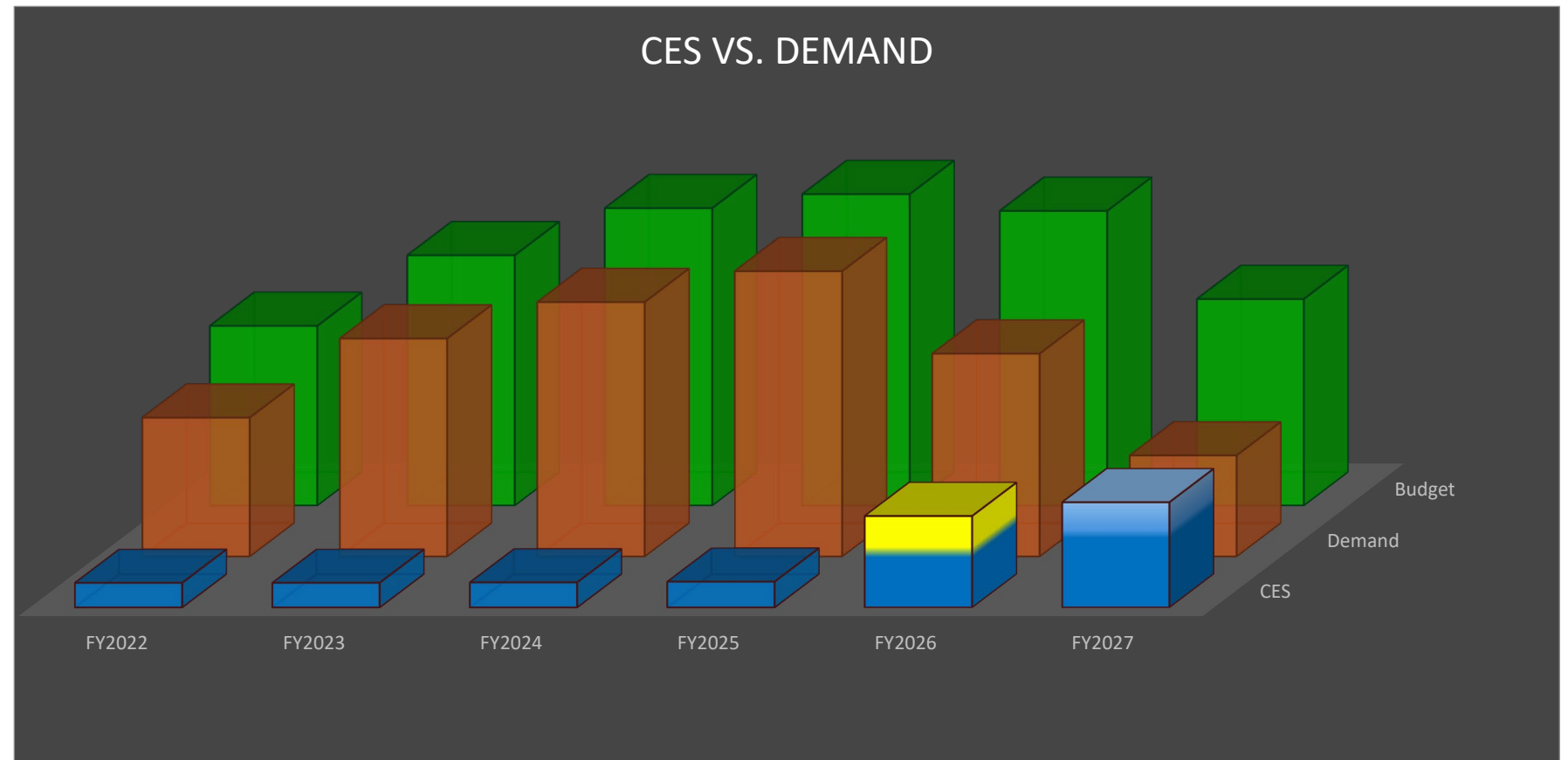
Timesheets

ISF:58130
Custom
Services



Bespoke

Current ADS Budget Breakdown



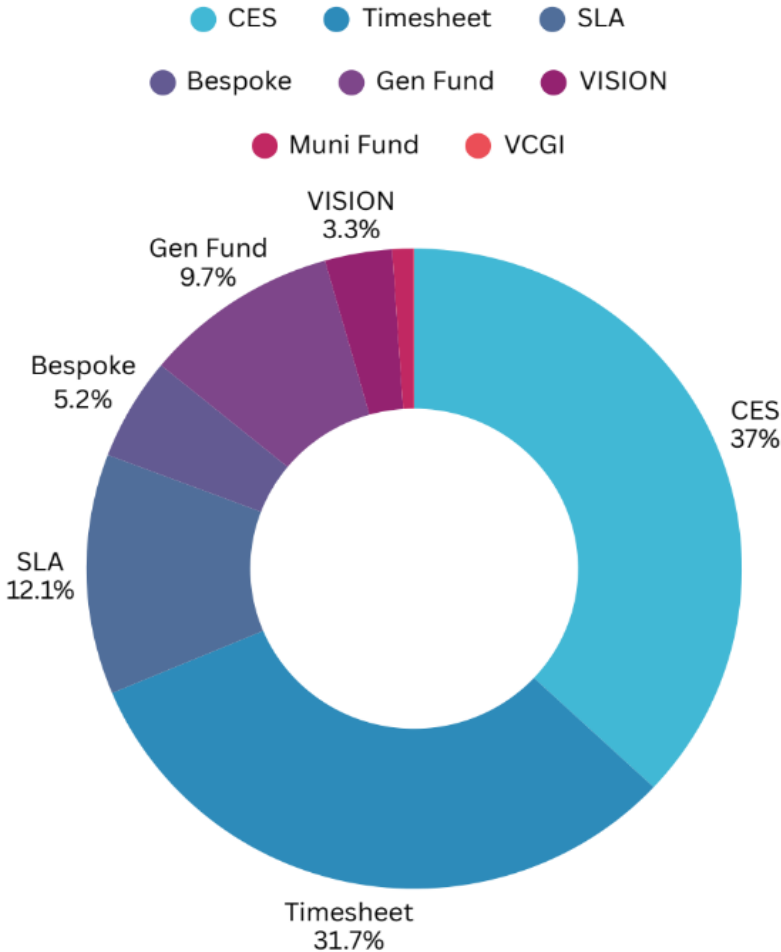
\$41M Overall Decrease to Base:

- Reductions in CES
- Bespoke activities reflected in Agency Budgets where funding resides - \$5M reserved in ADS Bespoke Spending Authority for Stock Hardware/Software

ADS Funding Request

Current
ADS
Budget
Request
Detail

| FY27 Budget | |
|----------------------|-----------------|
| CES | \$49,244,593.00 |
| CIT Fund 58100 | \$35,687,012.00 |
| General Fund 10000 | \$9,317,893.00 |
| VCGI Fund 21328 | \$14,000.00 |
| MRP Fund 21330 | \$1,017,998.00 |
| VISION Fund 59300 | \$3,207,690.00 |
| Demand | \$47,305,982.00 |
| SLA Fund 58110 | \$11,711,911.00 |
| TimeSheet Fund 58120 | \$30,594,071.00 |
| BeSpoke Fund 58130 | \$5,000,000.00 |
| Gov Recommend | \$96,550,575.00 |



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

Core Enterprise Services

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

| Core Enterprise Services | | |
|--------------------------------|--|--------------------|
| CES Categories | Definition | Funding Source |
| AI Governance & Admin | Artificial Intelligence governance and oversight | General Fund |
| Core Essentials I | Service Desk Support, including Helpdesk and Desktop Support | CIT |
| Core Essentials II | Enterprise Product & Support | CIT |
| Core Essentials III | Foundational Security, Enterprise EA, IT Finance & Administration, GIS Professionals and Data Network professionals | CIT |
| Data Governance & Admin | Statewide Data Governance and Management | General Fund |
| Domain Services | Vermont.gov management | General Fund |
| EPMO Essentials | Enterprise Project Management Office (EPMO) administration, Legislative Reporting, Project/System development Exploration, Change Management | General Fund |
| IT Procurement Services | Technology Contracting and Procurement support | General Fund |
| Mandatory Security Testing | Penetration testing and vulnerability assessment | CIT |
| Network Access | Internet and other network connectivity | General Fund & CIT |
| Network Security I | Firewall, VPN, and secure certificate services, support, and maintenance | CIT |
| Network Security II | Internet border intrusion detection and prevention | CIT |
| Network Security III | Incident handling consultation and facilitation | CIT |
| Private/Public Cloud Essential | Foundational Cloud Costs | CIT |

| | General \$\$ | Transp \$\$ | Educat \$\$ | Clean Water \$\$ | Special \$\$ | Glob Commit \$\$ | Federal \$\$ | Int. Service \$\$ | Interdept'l Transfer \$\$ | All other \$\$ | Total \$\$ |
|---|--------------------|-------------|-------------|------------------|------------------|------------------|--------------|---------------------|---------------------------|----------------|---------------------|
| Approp #1 [1105500000] Agency of Digital Services: FY 2026 Approp | 233,207 | 0 | 0 | 0 | 1,014,199 | 0 | 0 | 136,482,169 | 0 | 0 | 137,729,575 |
| Other Changes: (Please insert changes to your base appropriation that occurred after the passage of the FY 2026 budget) | | | | | | | | | | | 0 |
| FY 2026 Other Changes | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total Approp. After FY 2026 Other Changes | 233,207 | 0 | 0 | 0 | 1,014,199 | 0 | 0 | 136,482,169 | 0 | 0 | 137,729,575 |
| CURRENT SERVICE LEVEL/CURRENT LAW | 9,084,686 | 0 | 0 | 0 | 17,799 | 0 | 0 | (97,587,467) | 0 | 0 | (88,484,982) |
| <i>Personal Services</i> | <i>6,872,424</i> | <i>0</i> | <i>0</i> | <i>0</i> | <i>24,180</i> | <i>0</i> | <i>0</i> | <i>(37,761,632)</i> | <i>0</i> | <i>0</i> | <i>(30,865,028)</i> |
| 500000: Salary & Wages: Classified Employees | 4,215,632 | | | | 35,168 | | | (20,937,267) | | | (16,686,467) |
| 500010: Salary & Wages: Exempt Employees | | | | | | | | | | | |
| 501500: Health Insurance: Classified Employees | 1,161,366 | | | | 17,943 | | | (5,125,490) | | | (3,946,181) |
| 501510: Health Insurances: Exempt Employees | | | | | | | | | | | |
| 502000: Retirement: Classified Employees | 1,205,046 | | | | 9,938 | | | (5,995,194) | | | (4,780,210) |
| 502010: Retirement: Exempt Employees | | | | | | | | | | | |
| All Other Employee Payroll Related Fringe Benefits | 360,683 | | | | (636) | | | (1,970,932) | | | (1,610,885) |
| 504040: VT Family & Medical Leave Insurance Premium | 15,649 | | | | 129 | | | (76,636) | | | (60,858) |
| 504045: Child Care Contribution | 18,553 | | | | 154 | | | (90,880) | | | (72,173) |
| 505200: Workers' Compensation Insurance Premium | 11,251 | | | | 139 | | | (50,708) | | | (39,318) |
| 508000: Vacancy Turnover Savings | (457,489) | | | | (4,552) | | | 2,258,254 | | | 1,796,213 |
| Market Factor Adjustment | | | | | | | | 58,096 | | | 58,096 |
| Overtime & Shift Differential | 76,888 | | | | 1,308 | | | (393,299) | | | (315,103) |
| PerDiem and Other Personal Services | 15,460 | | | | (33,383) | | | 477,348 | | | 459,425 |
| Contracted and 3rd Party Service | 246,349 | | | | (2,028) | | | (4,173,781) | | | (3,929,460) |
| Governor's Office MOU | 3,036 | | | | | | | | | | 3,036 |
| Vacancy Savings Increase CES | | | | | | | | (697,974) | | | (697,974) |
| Staff Development | | | | | | | | (633,600) | | | (633,600) |
| Data Lake | | | | | | | | (334,569) | | | (334,569) |
| Robotic Process Automation | | | | | | | | (75,000) | | | (75,000) |
| | | | | | | | | | | | 0 |
| <i>Operating Expenses</i> | <i>2,212,262</i> | <i>0</i> | <i>0</i> | <i>0</i> | <i>(6,381)</i> | <i>0</i> | <i>0</i> | <i>(59,825,835)</i> | <i>0</i> | <i>0</i> | <i>(57,619,954)</i> |
| 515010: Fee-for-Space Charge | 54,149 | | | | 444 | | | (259,655) | | | (205,062) |
| 516000: Insurance Other Than Employee Benefits | 2,564 | | | | (9) | | | (14,412) | | | (11,857) |
| 516010: Insurance - General Liability | 9,216 | | | | (8) | | | (49,990) | | | (40,782) |
| 516671: VISION/ISD | 54,005 | | | | 271 | | | (270,856) | | | (216,580) |
| 516685: ADA Allocated Charge | 186,450 | | | | 14,930 | | | 33,278 | | | 234,658 |
| 519006: Human Resources Services | 43,363 | | | | 277 | | | (213,366) | | | (169,726) |
| 523620: Single Audit Allocation | 87 | | | | 0 | | | (462) | | | (375) |
| IT Services & Other Purchased Services | 1,684,065 | | | | (16,011) | | | (11,844,678) | | | (10,176,624) |
| Other Operating | 178,363 | | | | (6,275) | | | 1,025,058 | | | 1,197,146 |
| Remove bespoke spending authority | | | | | | | | (47,436,250) | | | (47,436,250) |
| ChatVT | | | | | | | | (10,000) | | | (10,000) |
| PM Tool | | | | | | | | (1,669) | | | (1,669) |
| Data Network Refresh | | | | | | | | (740,313) | | | (740,313) |
| Internet Connectivity | | | | | | | | (42,520) | | | (42,520) |
| | | | | | | | | | | | 0 |
| | | | | | | | | | | | 0 |
| <i>Grants</i> | <i>0</i> | <i>0</i> | <i>0</i> | <i>0</i> | <i>0</i> | <i>0</i> | <i>0</i> | <i>0</i> | <i>0</i> | <i>0</i> | <i>0</i> |
| | | | | | | | | | | | 0 |
| | | | | | | | | | | | 0 |
| | | | | | | | | | | | 0 |
| | | | | | | | | | | | 0 |
| | | | | | | | | | | | 0 |
| Subtotal of Increases/Decreases | 9,084,686 | 0 | 0 | 0 | 17,799 | 0 | 0 | (97,587,467) | 0 | 0 | (88,484,982) |
| FY 2027 Governor Recommend | 9,317,893 | 0 | 0 | 0 | 1,031,998 | 0 | 0 | 38,894,702 | 0 | 0 | 49,244,593 |
| FY 2027 Governor Recommend Target | 240,203 | 0 | 0 | 0 | 1,014,199 | 0 | 0 | 140,576,634 | 0 | 0 | 141,831,036 |
| FY 2027 Target vs. Recommend | (9,077,890) | 0 | 0 | 0 | (17,799) | 0 | 0 | 101,681,932 | 0 | 0 | 92,586,443 |

| | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|--------------|---|---|--------------|
| Approp #2 [1105600000] Agency of Digital Services: FY 2026 Approp | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Other Changes: (Please insert changes to your base appropriation that occurred after the passage of the FY 2026 budget) | | | | | | | | | | | 0 |
| FY 2026 Other Changes | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total Approp. After FY 2026 Other Changes | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| CURRENT SERVICE LEVEL/CURRENT LAW | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 47,305,982 | 0 | 0 | 47,305,982 |
| Personal Services | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 32,005,770 | 0 | 0 | 32,005,770 |
| 500000: Salary & Wages: Classified Employees | | | | | | | | 18,640,119 | | | 18,640,119 |
| 500010: Salary & Wages: Exempt Employees | | | | | | | | | | | |
| 501500: Health Insurance: Classified Employees | | | | | | | | 4,762,553 | | | 4,762,553 |
| 501510: Health Insurances: Exempt Employees | | | | | | | | | | | |
| 502000: Retirement: Classified Employees | | | | | | | | 5,324,534 | | | 5,324,534 |
| 502010: Retirement: Exempt Employees | | | | | | | | | | | |
| All Other Employee Payroll Related Fringe Benefits | | | | | | | | 1,601,259 | | | 1,601,259 |
| 504040: VT Family & Medical Leave Insurance Premium | | | | | | | | 69,171 | | | 69,171 |
| 504045: Child Care Contribution | | | | | | | | 82,023 | | | 82,023 |
| 505200: Workers' Compensation Insurance Premium | | | | | | | | 50,997 | | | 50,997 |
| 508000: Vacancy Turnover Savings | | | | | | | | (2,132,902) | | | (2,132,902) |
| Overtime & Shift Differential | | | | | | | | 335,177 | | | 335,177 |
| PerDiem and Other Personal Services | | | | | | | | 75,105 | | | 75,105 |
| Contracted and 3rd Party Service | | | | | | | | 3,999,760 | | | 3,999,760 |
| Vacancy Savings Increase - ADS Professional Resourcing | | | | | | | | (802,026) | | | (802,026) |
| | | | | | | | | | | | 0 |
| Operating Expenses | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 15,300,212 | 0 | 0 | 15,300,212 |
| 515010: Fee-for-Space Charge | | | | | | | | 245,720 | | | 245,720 |
| 516000: Insurance Other Than Employee Benefits | | | | | | | | 11,671 | | | 11,671 |
| 516010: Insurance - General Liability | | | | | | | | 41,919 | | | 41,919 |
| 516671: VISION/ISD | | | | | | | | 245,268 | | | 245,268 |
| 516685: ADA Allocated Charge | | | | | | | | 829,995 | | | 829,995 |
| 519006: Human Resources Services | | | | | | | | 196,870 | | | 196,870 |
| 523620: Single Audit Allocation | | | | | | | | 396 | | | 396 |
| IT Services & Other Purchased Services | | | | | | | | 12,522,559 | | | 12,522,559 |
| Other Operating | | | | | | | | 1,205,814 | | | 1,205,814 |
| | | | | | | | | | | | 0 |
| | | | | | | | | | | | 0 |
| Grants | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | | | | | | | | | | | 0 |
| | | | | | | | | | | | 0 |
| | | | | | | | | | | | 0 |
| | | | | | | | | | | | 0 |
| Subtotal of Increases/Decreases | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 47,305,982 | 0 | 0 | 47,305,982 |
| FY 2027 Governor Recommend | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 47,305,982 | 0 | 0 | 47,305,982 |
| FY 2027 Governor Recommend Target | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| FY 2027 Target vs. Recommend | 0 | 0 | 0 | 0 | 0 | 0 | 0 | (47,305,982) | 0 | 0 | (47,305,982) |