



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



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

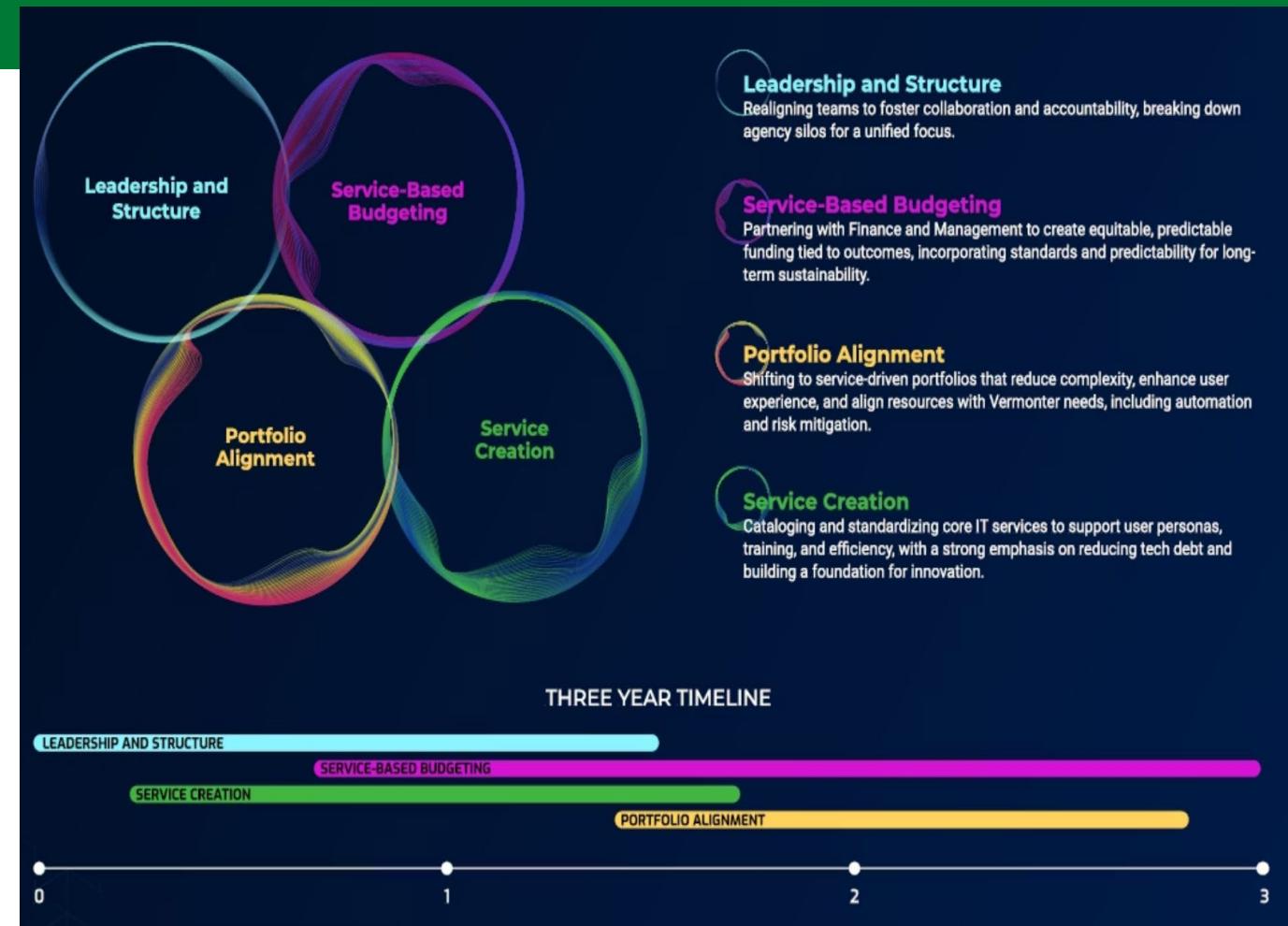
Shared frameworks reducing silos and improving reliability across government.

Predictability

Service-based budgeting improving transparency and stabilizing costs.

Reducing Complexity

Simplifying systems, strengthening security, freeing resources for innovation.



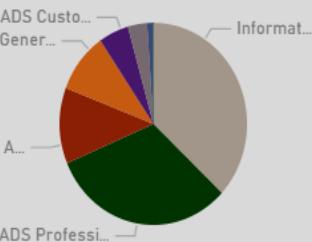
ADS Metrics

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%

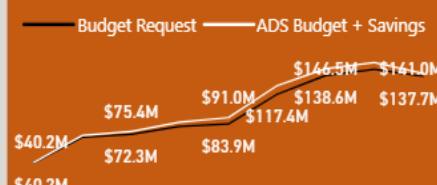
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Savings To Date

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



Awards

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

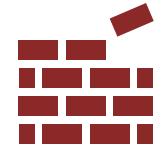
Structure – ADS Internal Service Fund (ISF)

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

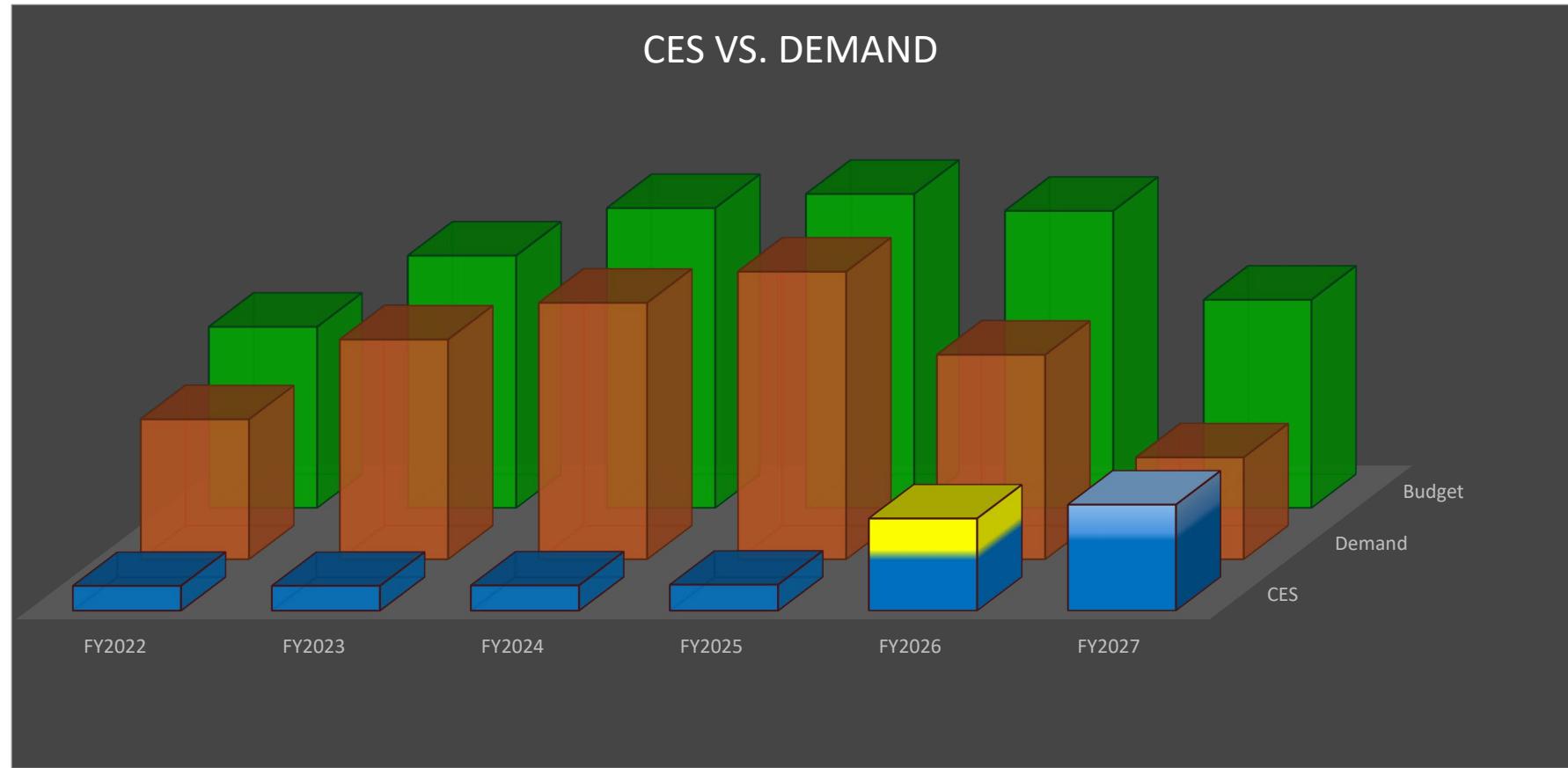
ISF: 58130

Custom Services



Bespoke

Current ADS Budget Breakdown



\$41M Overall Decrease to Base:

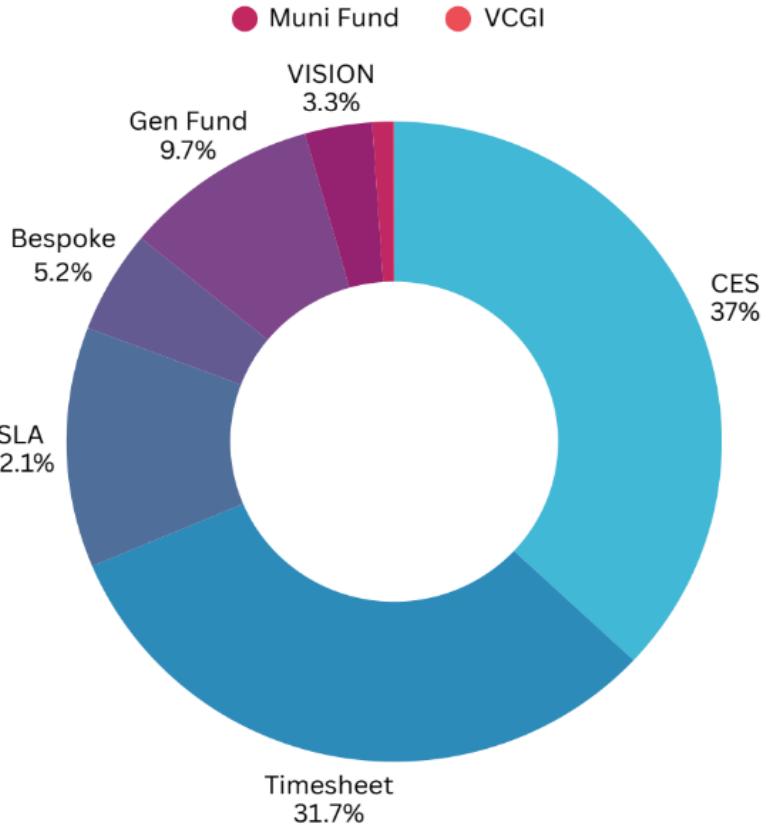
- Reductions in CES
- Bespoke activities reflected in Agency Budgets where funding resides - \$5M reserved in ADS Bespoke Spending Authority for Stock Hardware/Software

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

CES Timesheet SLA
Bespoke Gen Fund VISION



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)
Personal Services	6,872,424	0	0	0	24,180	0	0	(37,761,632)	0	0	(30,865,028)
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)
Per Diem 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
Operating Expenses	2,212,262	0	0	0	(6,381)	0	0	(59,825,835)	0	0	(57,619,954)
515010: Fee-for-Space Charge	54,149				444			(259,665)			(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
Grants	0	0	0	0	0	0	0	0	0	0	0
								0			0
								0			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	(9,077,590)	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							
Total Approp. After FY 2026 Other Changes	0	0	0	0							
CURRENT SERVICE LEVEL/CURRENT LAW	0	47,305,982	0	0	47,305,982						
Personal Services	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	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
											0
											0
Grants	0	0	0	0							
Subtotal of Increases/Decreases	0	47,305,982	0	0	47,305,982						
FY 2027 Governor Recommend	0	47,305,982	0	0	47,305,982						
FY 2027 Governor Recommend Target	0	0	0	0							
FY 2027 Target vs. Recommend	0	(47,305,982)	0	0	(47,305,982)						