

Agency of Digital Services Overview

Senate Appropriations Committee

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digitalservices.vermont.gov



How We Are Funded- Internal Service Fund (ISF)

This ISF enables ADS to invoice for services provided via 5 chargeback area in 2 top recovery categories:

- **ADS Allocation**
 - IT Foundations
- **Demand**
 - ADS Timesheets
 - Telephone/Collaboration Billing
 - Bespoke Charges
 - ADS SLA (Hosting, Enterprise Application Support, Enterprise Licensing)



Structure - ISF, ADS Allocation

- Internet and other network connectivity
- Cyber Security
- Windows operating systems
- Service Desk
- Vermont.gov management
- Technology Contracting and Procurement support
- Firewall, VPN and secure certificate services, support and maintenance
- Internet border intrusion detection and prevention
- Incident handling consultation and facilitation
- Enterprise Project Management Office (EPMO) Administration/Legislative Reporting
- Enterprise Penetration testing and vulnerability assessment
- Staff involved with Security, IT Service Desk, IT Finance & Administration, GIS Professionals and Data Network professionals



Structure - ISF, Timesheet

For project specific staff resources, ADS bills out to its customers based on a Federally approved rate.

Staff which are classified as follows are captured within this rate structure:

- Enterprise Project Management, Enterprise Architecture, Security, are billed out at \$88/hour
- Non-Enterprise Application Support are billed out at a rate of \$84 per hour

These rates are calculated using currently budgeted costs divided by an estimate of hours available (1412) to bill during the fiscal year. The inputs to the rate include 3 items:

We take total hours available in a year

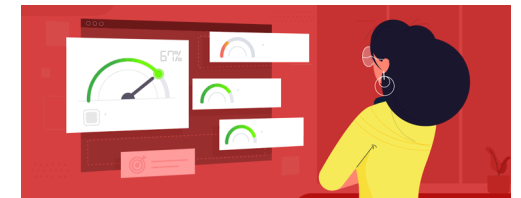
- Total Hours (2080) and deduct sick, leave, vacancy savings, training and staff meetings

The Estimated salary and benefits from the budgeting system (Vantage)

- Salaries & Fringe Numbers

The Indirect Costs associated with the Staff assigned to the ADS Timesheets

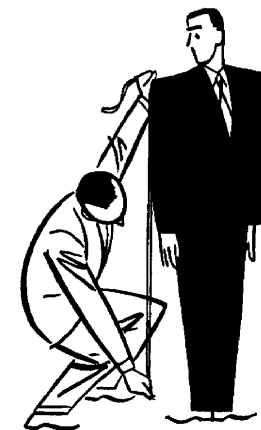
- Indirect & Overhead



Structure - ISF, Telephony & Bespoke

Telephony/Collaboration/VoIP: The telephony/collaboration rate is established by statute for the analog/centrex lines by taking the cost per lines and charging a markup of 11.5% for the amounts paid to vendors whom we paid for the service. The VOIP rates are established in conjunction with Finance & Management and are currently across 3 service options (Standard, Foundation, and Essential) that are dependent on the phone type on the user's workstation. These rates are established to charge the cost ADS pays to the vendor with a markup that covers the implementation costs of the VOIP project, replacement cycle for the phones, staff time to support the service, and any ancillary software, hardware, and contractual services.

Bespoke Charges; Certain costs are required to be billed back on a bespoke basis (Hardware and other end-user devices, Software, Independent reviews, other contractual services, specific training related to projects/systems, hardware outside the SLA charges, Wireless Access Points, and telephony equipment associated with ACD).



Structure - ISF, ADS SLA

Many business units purchase Enterprise services from ADS and are billed for what they consume under the SLA Billing Model. This billing is estimated annually based on a prior year reconciliation of actual costs and utilization of products and services under the historic SLA model.

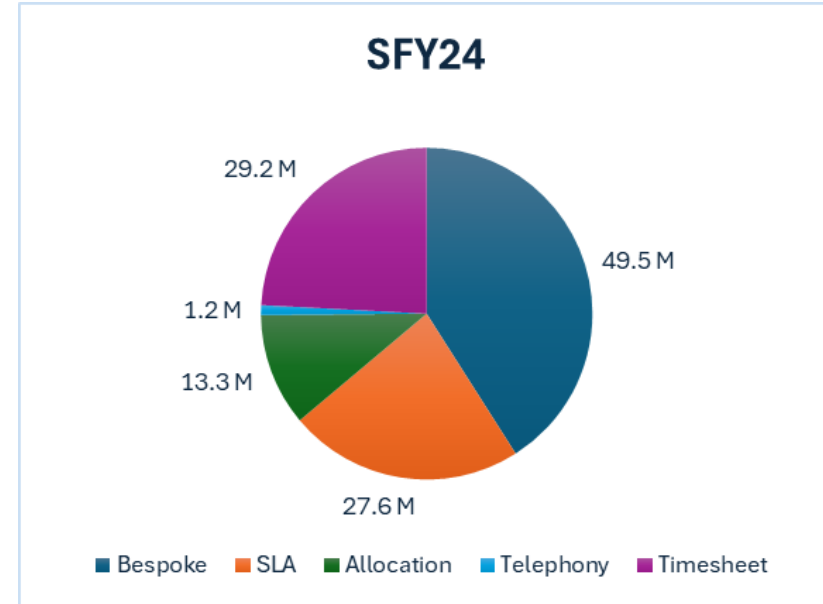
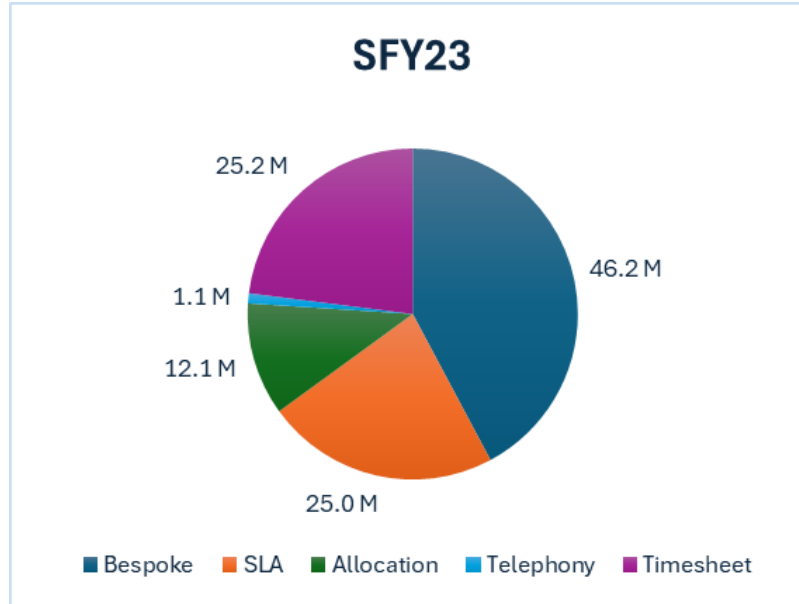
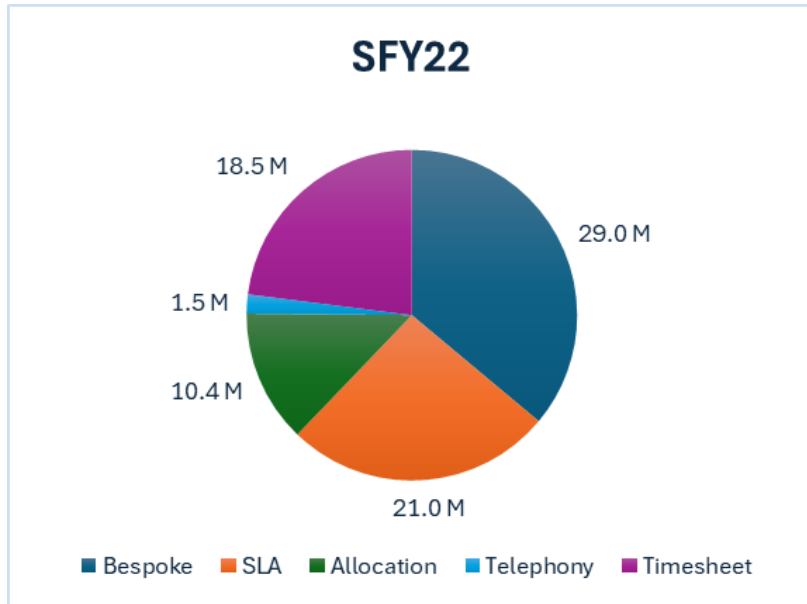
These include:

- Agency Dedicated Support Services
- Public/Private Cloud Usage
- Desktop Support
- Enterprise Application Licenses e.g. Adobe, Microsoft, Salesforce
- Enterprise Application Services
- Security Services
- Secure Enhanced File Transfer Services
- Automatic Call Distributor Solution
- Mainframe Apps and Hosting



Recovery of FY22-FY24 Expenditures

FY Recovery	SFY	Bespoke	SLA	Allocation	Telephony	Timesheet
SFY23	SFY22	29.0 M	21.0 M	10.4 M	1.5 M	18.5 M
SFY24	SFY23	46.2 M	25.0 M	12.1 M	1.1 M	25.2 M
SFY25	SFY24	49.5 M	27.6 M	13.3 M	1.2 M	29.2 M



IT Modernization Fund



- Created during the 2022 Legislative session as part of Act 185 ([Sec. E.105.1 3 V.S.A. § 3305](#))
 - Used to purchase, implement, and upgrade technology platforms, systems, and cybersecurity services used by State agencies and departments to carry out their statutory functions.
- Current Projects
 - Enterprise Resource Planning (ERP)
 - Workplace Information Management System (WIMS)
 - Fire Safety Modernization
 - AGO Case Management System
 - DMV Core System Modernization
 - Unemployment Insurance Modernization
 - State Network Modernization



Questions?

