

State of Vermont
Joint Fiscal Office

Independent Review
of
State Information Technology Projects, Operations, and
Organizations
(Act 74 of 2021, Sec. E.127.1)

Consolidated Summary
for JFO Monitored Projects

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1. Agency of Human Services (AHS) – Integrated Eligibility and Enrollment Program



Last Project Review: Interim Update of November 7, 2023. (<https://ljfo.vermont.gov/assets/Subjects/Independent-Memos-and-Reports-Other/2ba0a33083/Lisa-Gauvin-IT-Oversight-Summary-from-JFO-11-7-2023.pdf>) Legislative updates, informal reviews, and monitoring have been ongoing since this previous review.

Over the last year, AHS has made notable progress on its modernization project.

The IE&E team completed the Request for Proposal (RFP) for a notification system to replace the current noticing solution which is at end of life. (This work is REQUIRED by the federal government as the current noticing system is not in compliance.) The RFP received the required federal approval and was posted, and the preferred vendor has been selected.

In addition, the IE&E team completed the RFP to procure a new integrated eligibility system that will replace legacy systems for IE&E programs. This effort is a positive step towards mitigating business continuity risks associated with legacy enrollment systems (ACCESS and VHC). This RFP received the required federal approval and was posted in the fall of 2024. The bids are due on January 28, 2025.

This system is referred to as VT-IES (Vermont Integrated Eligibility System) and includes a new client portal, case management, and business rules engine. The IE&E team has indicated that additional state funding will be needed to fund the state match for this project. This project will roll out incrementally over four years.

An important aspect of the VT-IES project is that it will use a new backend database and not rely on mainframe ACCESS for operations. The system will still load data into ACCESS because programs remaining on ACCESS need the data. Still, this is a significant step toward retiring what will be the last state mainframe application.

The risks associated with the age of the ACCESS system and the lack of documentation were key drivers for the funding of the initial IE&E project.

The VT-IES project will be subject to the CIO's independent review before any bid is accepted. Currently, the estimated time for the CIO's independent Review¹ is fall 2025. At this point, JFO will do a complete IT review of this project.

2. Department of Motor Vehicles – DMV Core System Modernization



Last Project Review: Interim Update of November 7, 2023. (<https://ljfo.vermont.gov/assets/Subjects/Independent-Memos-and-Reports-Other/2ba0a33083/Lisa-Gauvin-IT-Oversight-Summary-from-JFO-11-7-2023.pdf>)

Total management and operations (M&O) costs are over five years.

Total implementation costs:	\$ 56,764,670
Total management and operations costs:	<u>\$ 45,387,173</u>
Total:	\$102,151,843

This project consists of Phase 1, Vehicle Services (VS), which includes titling, registration, and other customer-facing eServices, and Phase 2, Driver's Services (DS), including driver's licenses and other identification, customer-facing eServices, and other supporting functions. Project monitoring involves the review of weekly status reports, project plans, and other project documents. Phase 1 was completed on time and went live in Nov 2024. Phase 2 was started on June 5, 2024 and has an estimated date for completion of Phase 2, Driver's Services, is set for Nov 2025. Please note that although the review this project included an estimated completion date of July 2025, this date was revised to reflect the Phase 2 start date of June 2024 and a completion date of November 2025. The current project is on track and is rated as "Excellent".

¹ In this document, "CIO's Independent Review" refers to a review described in 3 VSA § 3303(d). This is a requirement for the Agency of Digital Services to obtain an independent expert review of any new information technology projects with a total cost of \$1,000,000.00 or greater or when required by the Chief Information Officer. This CIO's Independent Review has a different scope than the JFO Information Technology Review and is conducted by a vendor selected by the Agency of Digital Services.

3. Judiciary – Judiciary Network *** COMPLETED****



Last Project Assessment: November 7, 2023. (<https://lifo.vermont.gov/assets/Subjects/Independent-Memos-and-Reports-Other/2ba0a33083/Lisa-Gauvin-IT-Oversight-Summary-from-JFO-11-7-2023.pdf>)

Budget: \$4,680,000

All courthouses were integrated into the network as of April 2024. Secure public WiFi has been implemented at all courthouses. All courthouses have a minimum of 3 network connections, which means if one network is unavailable, two other distinct secure networks are available. As of June 21, 2024, all infrastructure housed by the VT Agency of Digital Services was moved to the Judiciary. The project was completed on time and budget. The team at Judiciary did a fantastic job, and ADS staff provided essential support, which allowed this project to succeed.

4. Department of Labor – Unemployment Insurance (UI) Modernization Project



Last Project Assessment: January 16, 2024 This assessment, and prior JFO documents regarding the UI Modernization project can be found via the following url: <https://lifo.vermont.gov/subjects/state-it/independent-review-of-dol-ui-modernization-project-2> .

Estimated Technical Implementation Costs: \$30,814,942

Total 5 year Operating Costs: \$14,498,400

Total: \$45,313,342

Note: Costs do not include business costs related to staff augmentation and business process redesign.

The project scope identified two project delivery phases. Phase 1 included a Tax Module to be delivered at the end of year 1, and Phase 2 included the Benefits module to be delivered at the end of year 2. The project kickoff was September 17, 2024. The first project status report noted a change order was issued to combine the two phases with both modules to be delivered in May 2026. This change reduced the FAST project delivery schedule from 24 to 18-22 months.² The total cost of the contract with FAST remains the same. The project status reports mention an overall \$2.14 million reduction of expected costs due to combining the launch of the two phases, which will be used for several optional deliverables included in the contract amendment³. At the time of this update, the updated amendment and ABC form were still in draft and unavailable for review. Data conversion is a concern for projects that include significant legacy data, but status reports indicate this work has already started, which is very encouraging. A key department staff member departed, but Commissioner Harrington is managing this change. JFO will continue to monitor this project.

5. Agency of Administration – Enterprise Resource Management Project (ERP)

Last Project Assessment: November 21, 2024 This document and others related to the ERP project can be found at the following url: <https://lifo.vermont.gov/subjects/state-it/independent-review-of-aoa-erp-expansion-project-2>

Estimated Project Costs FY22-FY31 - \$71.5 Million⁴

The JFO Review was conducted recently and no additional updates are available at this time.

² Source: UIM Project State Report date 9/6/2024.

³ Source: UIM Project Status Report dated 10/14/2024.

⁴ The details for this estimate are included in the JFO review and will be updated after the State provides updated estimates.