

# Agency of Digital Services Overview

Senate Committee on Institutions

Denise Reilly-Hughes, Secretary & CIO

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[digitalservices.vermont.gov](https://digitalservices.vermont.gov)



# Agency of Digital Services



- Created by [Executive Order 06-17](#) in January 2017 by Gov. Phil Scott. Confirmed April 2017 ([3 V.S.A. § 3301](#))
  - Provide services for all activities directly related to information technology and cybersecurity, including telecommunications services, information technology equipment, software, accessibility, networks in State government, and the sharing of data and information within State government.
  - Develop IT and Cybersecurity policies for State Government



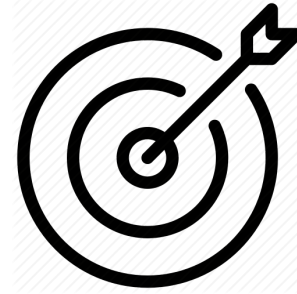
# ADS Mission & Vision



- The **Mission** of the Agency of Digital Services is to work together with our partners in state government to deliver simple and intuitive technology solutions that improve the lives of the citizens of Vermont.
- Our **Vision** is to make government services secure and easily accessible to all people doing business and interacting with the State of Vermont.



# Areas of Focus



**User Experience:** Our commitment to elevating user experiences across the board lies at the forefront of our priorities. Whether residents interact with our services, state employees navigate our systems, or our own ADS team members engage in their daily tasks, our focus on user-centricity aims to create a seamless, efficient, and gratifying experience for all.



**Standards:** In our pursuit of excellence, ADS is resolute in establishing robust standards, policies, and processes to guide our operations. These benchmarks will not only serve as a foundation for the reliability and consistency of our services but will also uphold the principles that define our organization's ethos.



**Simplifying and Reducing Complexity:** The optimization of technology is central to our strategy. By streamlining our technological infrastructure, we are dedicated to simplifying processes and reducing complexity. This endeavor is not just a technological transformation but a commitment to making our systems user-friendly, efficient, and aligned with the evolving needs of our stakeholders.



**Predictability:** A cornerstone of our vision is the assurance of a seamless, predictable experience for our customers.





# Agency of Digital Services Strategic Plan 2024–2028

**VISION :** To provide government services that are secure and easily accessible to all people doing business and interacting with the State of Vermont.

**Mission:** To collaborate with our partners in state government to deliver simple and intuitive technology solutions that improve the lives of Vermonters.



STRATEGY

## SIMPLIFYING TO REDUCE COMPLEXITY

- Strengthen our digital foundation by replacing legacy IT systems with Integrated preferred enterprise platforms, thereby reducing technical debt.
- Deploying new systems by utilizing cloud-based offerings to reduce our infrastructure footprint and total cost of ownership.
- Enable AI responsibly and securely while maintaining the highest standards

### BREAKTHROUGH INDICATORS

- 5 existing infrastructure-based systems migrated from OnPrem to Cloud Managed Services.
- Replacement of 30 legacy applications with State-preferred enterprise platforms.



STRATEGY

## USER EXPERIENCE

- Increase the number of simple, low-cost, online interactions that Vermonters have with their government.
- Build a closer online relationship with Vermonters, including single sign-on capability
- Improve Vermonters' experience with state government by transitioning outdated paper processes with online, streamlined services.

### BREAKTHROUGH INDICATORS

- 48 public-facing applications utilizing myvermont.gov single sign-on
- Provide 10 native mobile applications as alternative to existing public-facing services
- 50 public-facing processes automated with next-generation technology



STRATEGY

## ENHANCING STANDARDS

- Raise employee and Vermonter awareness of cyber risk and data privacy through training and reporting
- Coordinate cybersecurity policies and practices throughout State Government
- Improve data-driven decision making related to public health and safety through the development of robust data analytics, governance, and management systems
- Establishment of Core Enterprise Services as the foundation available to every user, agency, and department in state government.

### BREAKTHROUGH INDICATORS

- 90% completion of Cyber-awareness training quarterly by state employees
- Application and data risk evaluations integrated into the 12 cabinet-level IT investment plans by 2025
- 12 cabinet-level agencies and departments with technology risk evaluation report cards by 2024
- Standard Service model of IT support of all Core Enterprise Services delivered by 2024
- 5 data sets available for analysis in the new data environment by 2024
- All Dashboards and analytics available through PowerBI by 2024



STRATEGY

## PREDICTABILITY AND TRANSPARENCY

- Proactively reduce the number of applications through consolidation and elimination. This will result in lower IT maintenance costs, purchasing costs, licensing costs, and employee costs over the life cycle.
- Improve the 5-year IT roadmap and investment plans for all agencies aligned to the ongoing modernization of government
- Utilize improved standards to provide timely and accurate budget and expenditure information to IT decision-makers.
- Continue focus on investment and services in cybersecurity and core enterprise services

### BREAKTHROUGH INDICATORS

- 12 cabinet-level agencies to have a complete 5-year IT roadmap and investment plans that are updated annually by 2024
- Track spending of managed and supported services as well as bespoke purchase investments.
- A minimum of 10% of IT budget dollars invested in security initiatives by 2025
- Implement a technology business management solution for financial transparency by 2024

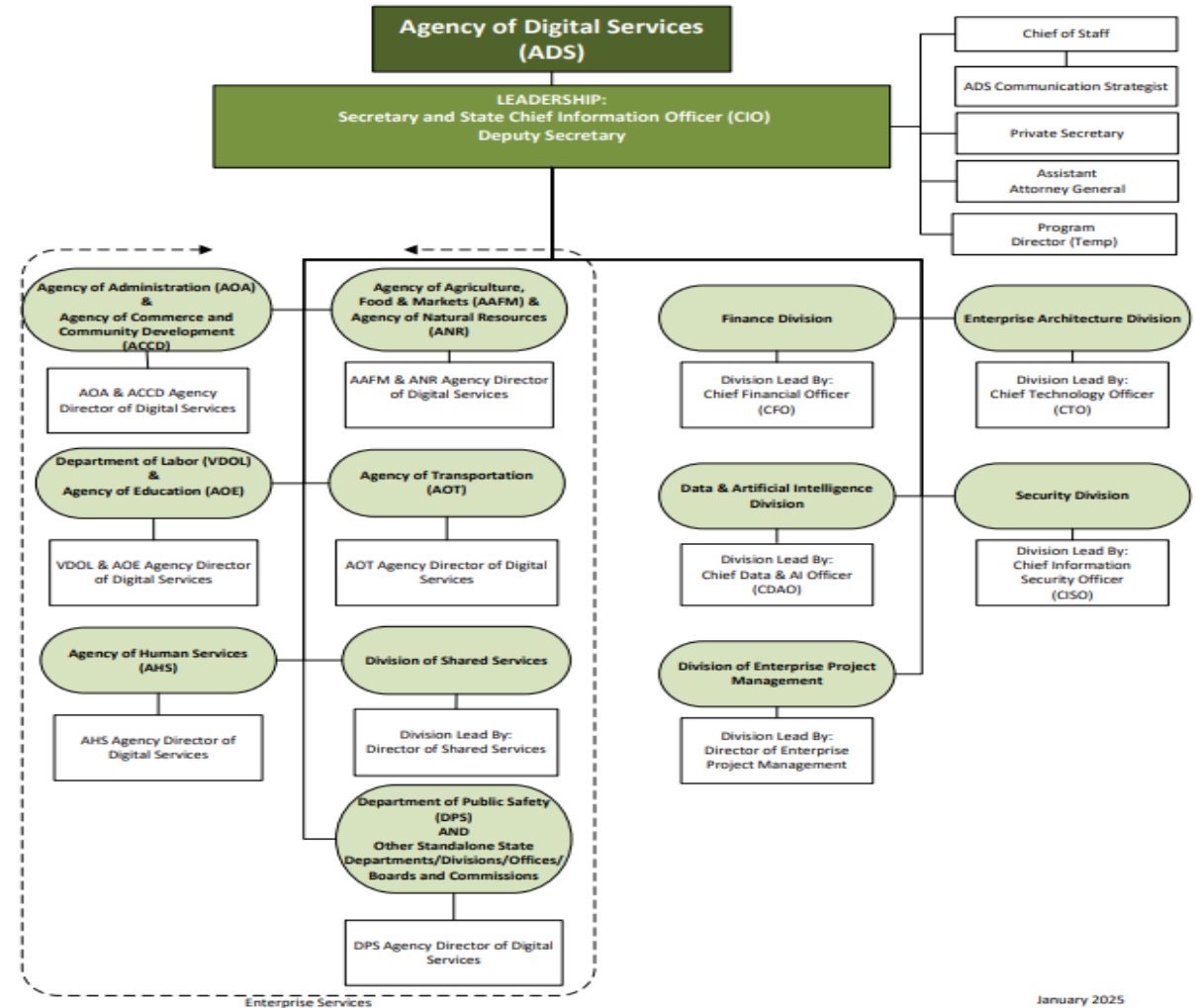


AGENCY OF DIGITAL SERVICES



# ADS is Organized into 6 Divisions

- **Security Division**
  - led by the Chief Information Security Officer (CISO)
- **Enterprise Architecture Division**
  - led by the Chief Technology Officer (CTO)
- **Data Management & Artificial Intelligence Division**
  - led by the Chief Data & AI Officer (CDAO)
- **Finance Division**
  - led by the Chief Financial Officer (CFO)
- **Enterprise Project Management Office**
  - led by the Director of Enterprise Project Management (EPMO)
- **Enterprise Services Division**
  - Shared Services (Director of Shared Services)
  - 6 IT Directors embedded within Partner Agency organizations, each responsible for the day-to-day management of partner IT projects and initiatives



January 2025



# ADS Technology Services

- Agency Application Support & Development
- Contractor and Partner Services
- Data Analytics and AI
- Data Governance
- Datacenter Management
- Desktop and Helpdesk Support
- Enhanced Security Services
- Extended IT Support
- Finance and Contracts Management
- Identity Access Management
- Inventory & Asset Management
- IT Baseline Standards
- IT Project Management
- Legacy System & Business Process Support
- Line of Business IT Support
- Network Connectivity
- Security and Compliance Audit Support
- Security Foundations
- System & App Maintenance
- Technical Debt Management
- Telephony (analog and VOIP)
- User Productivity Suite
- VCGI and GIS Open Data
- Web Services



# Cybersecurity



## Responsibilities

- Intrusion Detection & Prevention
- Security Monitoring (SIEM)
- Threat Hunting
- Compliance
- Risk Management



## Information Security Foundations Policy

- Provides a foundational framework for information security across state government operations.

(<https://digitalservices.vermont.gov/document/information-security-foundations-policy>)





# Data & Artificial Intelligence



## Vermont's Approach to AI

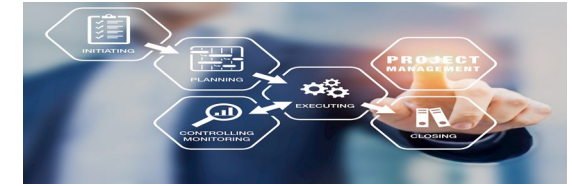
- The State of Vermont seeks to enable the use of AI systems within State Government to improve quality of services the State delivers to Vermonters and to enable the State of Vermont to continue to be a leader in the thoughtful application of AI technologies in government
- Artificial Intelligence Systems should be used in a human-centered way that recognizes the dignity and value of all persons and their contributions to society.

## Key Documents

- [Code of Ethics](#)
- [Guidelines for State Employee Use of Generative AI](#)
- [ADS-2024-Annual-Report.pdf](#) (Page 22)



# Project Management (EPMO)

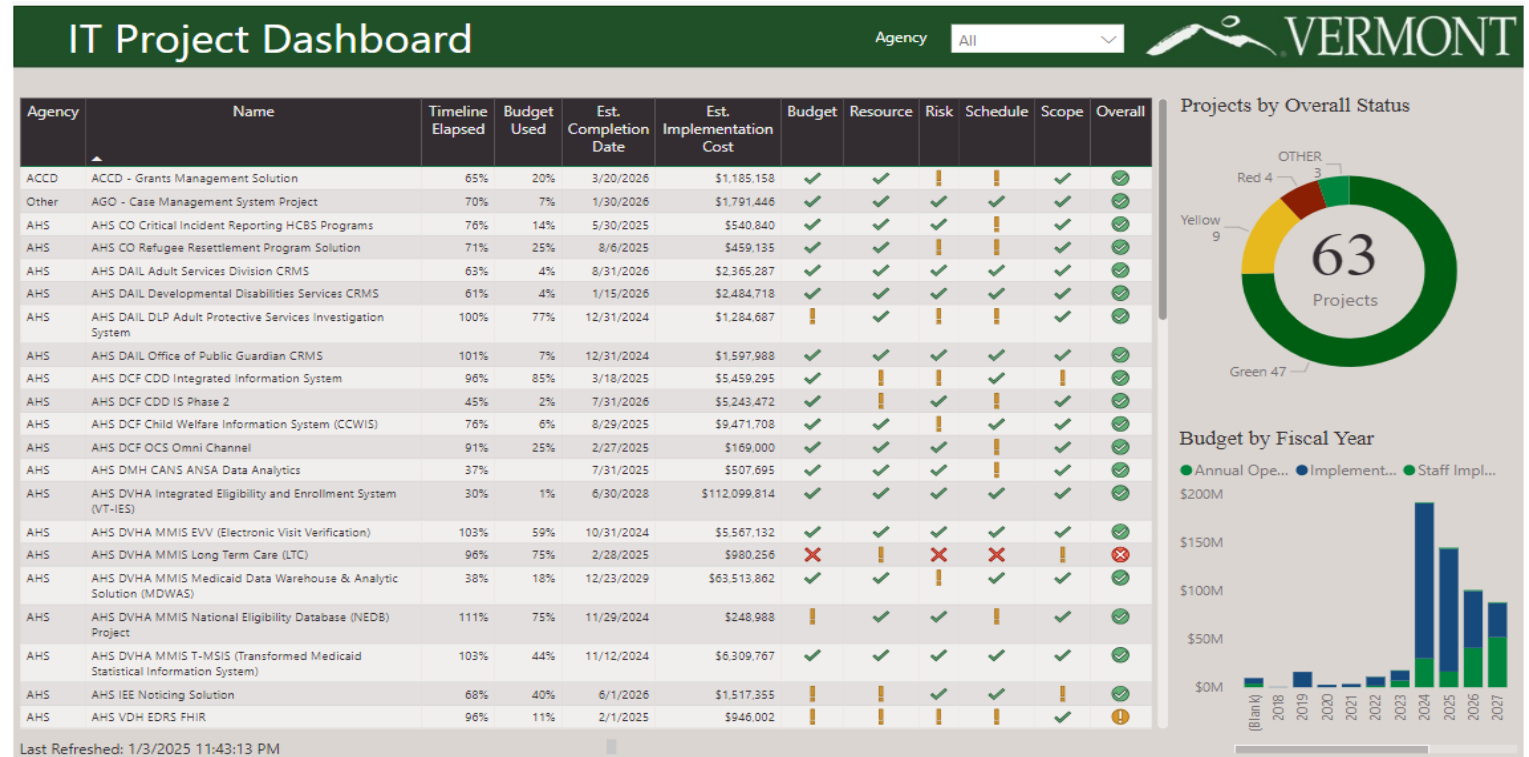


## Responsibilities

- IT Project Management
- Business Analysis
- Portfolio Management
- Process Improvement
- Resource Planning
- Current 80 EPMO Projects

## Reports

- [IT Activity Report](#)



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



# Current Modernization Projects

## Enterprise Resource Planning (ERP)

- ERP is the foundation of State Government operations that integrate business functions, such as; human resources, payroll, and Finance

## DMV Core System Modernization (VT TRIPS)

- Replacement of 40+ year-old mainframe
- Driver Services, and Vehicle Services (Completed in 2024)

## Unemployment Insurance Modernization

- Replacement of 50+ year-old Mainframe
- UI Benefits, and Tax system

## State Network Modernization

- Replacement of legacy network with modern software-defined access.



# ADS Highlights & Success

## Highlights

- \$42M in Savings and Cost Avoidance since 2017
- 399 Employees
- Total Base Budget FY25; \$145M
- National Leader in Artificial Intelligence
- Established the 1<sup>st</sup> In The Nation Chief Data & AI Officer and Merger of Data & AI Divisions

## Recent Success

- A- Grade in the Digital States Survey
  - First Place in Enterprise Computing
- SummerEBT
- SOS Business Filing System
- DMV Core Modernization Phase 1 (Vehicle Services)
- Call Center Modernization
- VT Medicaid Data Lake



# 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



# ADS Council's & Boards

## Artificial Intelligence Advisory Council ([Act 132](#) of 2022)

- Review all aspects of artificial intelligence systems developed, employed, or procured in State government.

## Cybersecurity Advisory Council ([Act 71](#) of 2023)

- To advise on the State's cybersecurity infrastructure, best practices, communications protocols, standards, training, and safeguards.

## The Vermont Web Portal Board ([22 V.S.A. § 953](#))

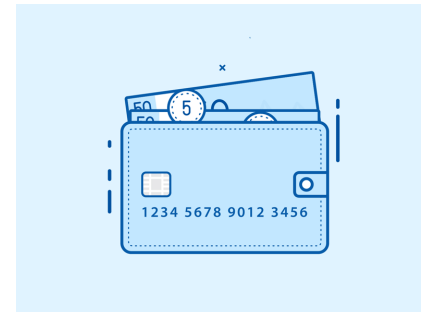
- Oversee the development of a self-funded web portal and establish charges for the services it provides.



# How We Are Funded- Internal Service Fund (ISF)

In order for us to maintain operations, we need resources, which translates into funding. We do this through an Internal Service Fund, the Communication and Information Technology Fund. The nature of an internal service fund requires all expenditures to be recovered. This fund is managed by the Agency of Digital Services (ADS) and bills for services provided via five payment mechanisms:

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



# 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, ADS SLA

Many business units purchase specific 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 consumption against planned budget and known changes specific to the department's need or request. The following services are found within the SLA model:

- Private Cloud
- Desktop Support
- Enterprise Application Licenses e.g. Adobe, Microsoft, Salesforce
- Enterprise Application Services
- Department Specific Security Services
- Agency Dedicated Support Services
- Secure Enhanced File Transfer Services
- Automatic Call Distributor Solution
- Mainframe Product



# 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

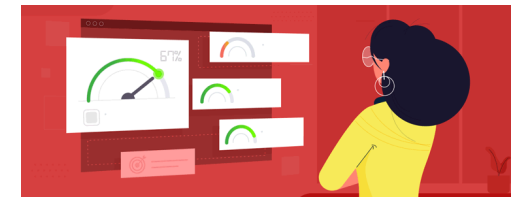
- Total Hours (2080) and deduct sick, leave, vacancy savings, training and staff meetings

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).

