



Joint Technology Committee

Legislative Council Staff

Nonpartisan Services for Colorado's Legislature

CAPITAL CONSTRUCTION INFORMATION TECHNOLOGY SUPPLEMENTAL BUDGET REQUEST

Colorado Department of Labor and Employment
Vocational Rehabilitation Case Management Modernization

Project Summary

The Department of Labor and Employment (CDLE), is requesting a supplemental increase of \$1.3 million in federal and reappropriated funds for FY 2023-24.

Table 1
Prior Appropriation and Request Information

Fund Source	Prior Appropriation	Supplemental Request	Out Year FY 2026-27	Future Requests	Total Costs
RF	\$996,386	\$276,088	\$0	\$0	\$1,272,474
FF	\$3,681,480	\$1,020,100	\$0	\$0	\$4,701,580
Total	\$4,677,866	\$1,296,188	\$0	\$0	\$5,974,054

Table 2
Itemized Cost Information

Category	Prior Appropriation	Supplemental Request	Out Year FY 2026-27	Future Requests	Total Costs
Professional Services	\$2,071,048	\$884,465	\$0	\$0	\$2,955,513
Software Acquisition	\$1,979,052	\$350,000	\$0	\$0	\$700,000
Equipment	\$0	\$0	\$0	\$0	\$0
Future Replacement	\$425,261	\$0	\$0	\$0	\$425,261
Contingency	\$202,505	\$61,723	\$0	\$0	\$264,228
Total	\$4,677,866	\$1,296,188	\$0	\$0	\$5,974,054

Project Status

CDLE first requested and received funding for the DVR Case Management project in FY 2023-24. This is a supplemental request to increase federal funds and reappointed funds for FY 2023-24 by an additional \$1.3 million. The department had initially intended on requesting a second

FISCAL YEAR 2025-26 CAPITAL CONSTRUCTION INFORMATION TECHNOLOGY BUDGET REQUEST

Department of Labor and Employment
DVR Case Management

phase of funding in FY 2024-25, but is now requesting the spending authority for the completion of this project as a supplemental.

Project Description

Background. CDLE is requesting additional federal and reappropriated funds for the implementation of a commercial-off-the-shelf case management system for Division of Vocational Rehabilitation (DVR). DVR provides assistance to individuals with disabilities in reaching employment goals and living independently.

The department anticipates that the new system will enable division staff to more efficiently manage all aspects of vocational rehabilitation service administration and tracking for clients while meeting all federal and state reporting requirements. For example, the system may provide tools for vocational rehabilitation counselors to manage each customer's case, such as to-do reminders, case notes, vendor management, communication, and budgeting.

The department states this funding will complete the project and cover all vendor costs including:

- product planning;
- system architecture and design;
- legacy system data migration;
- systems integration processes;
- training and documentation;
- data interface and development deliverables; and
- additional user-facing features and functionality.

Problem/Justification. The division's current case management system (AWARE) is over 10 years old and needs to be modernized to meet the current needs of division staff and clients. The current system does not allow for online collaboration or sharing capabilities, which would allow the department to provide better services to its clients. Additionally, the department hopes that a new system will increase access to virtual services and decrease the time for clients to be approved for assistance.

Procurement. The department states they follow the Colorado Procurement Code requirements for competitive, equitable, and fair purchasing.

IT Accessibility. The new system will allow for accessibility upgrades that will allow the department to meet requirements from [House Bill 21-1110](#).

FISCAL YEAR 2025-26 CAPITAL CONSTRUCTION INFORMATION TECHNOLOGY BUDGET REQUEST

Department of Labor and Employment
DVR Case Management

Change management. The selected vendor is required to include a change management plan and training materials.

Project Schedule/Timeline

IT Lifecycle. The department believes the new system will have a lifespan of 10 years.

Planned Timeline. The department provided the following estimated project timeline.

Project Actions	Start Date	Completion Date
Project Planning	July 2023	August 2023
Design Phase	August 2023	May 2024
Delivery, Testing, and Training	May 2024	November 2024
Training and Go Live	November 2024	January 2024

Additional Cost Information

Cost Benefit Analysis. The department anticipates that the new system will save significant staff time required to complete critical functions and allow for improved business processes. These savings could amount to as much as \$2.0 million annually in staff time, according to the department. Additionally, according to the department, the five-year cost estimate for renewal of the current aging system is approximately \$3.3 million without any of the advantages that a new system would bring.

Cash funds. According to the department, the source of funds that the department is proposing to use for this project comes from revenues collected by DVR from the Colorado Department of Education and school districts, along with a federal match.