November 1, 2024

The Honorable Representative Brianna Titone
Chair, Joint Technology Committee
State Capitol Building
Denver, CO 80233

RE: OSPB Submission of State and cash funded 2025-26 IT Capital Construction Requests

Dear Chair Titone:

As required by Section 24-37-304 (1) (c.5) (I), C.R.S., the Governor's Office of State Planning and Budgeting (OSPB) is providing the Governor's FY 2025-26 IT capital recommendations to the Joint Technology Committee (JTC). The package includes 18 prioritized IT capital projects for all state departments, of which six are cash funded. The total costs of the prioritized projects are $75.6 million, which includes $32.7 million General Fund, $21.8 million cash funds, $3.4 million reappropriated funds, and $17.7 million federal funds. Note that there are placeholder requests for the Department of Education for changes associated with school finance, and the Department of Public Safety for the Colorado Gang Database System.

The Department of Higher Education (CDHE), along with the Commission on Higher Education, reserves the ability to submit a prioritized list to the JTC that may include projects not recommended by OSPB. The Department will submit these requests directly to JTC.

Thank you for your consideration of the attached requests. Please contact me with any questions or concerns.

Sincerely,

Adrian Leiter

Adrian Leiter
Deputy Director of Budget

CC:
Senator Kevin Priola, Vice Chair, JTC
Senator Mark Baisley, JTC
Representative Jennifer Lea Parenti, JTC
Senator Chris Hansen, JTC
Representative Ron Weinberg, JTC
Samantha Falco, JTC Staff
Mark Ferrandino, Office of State Planning and Budgeting Director
Craig Harper, Joint Budget Committee Staff Director
David Edinger, Chief Information Officer
Keith Jacobi, Office of State Planning and Budgeting
Danielle Fheili, Office of State Planning and Budgeting

FY 2025-26 State Funded IT Capital Requests, Recommended for Funding, in OSPB Prioritized Order

Agency/ Ranking	Project Name	TF	CCF/GF	CF	RF	FF
DPA - 01	Payroll Modernization	$13,731,158	$13,731,158	$0	$0	$0
DOC - 01	Offender Records Management System (DeCORuM)	$3,023,613	$3,023,613	$0	$0	$0
DPS - 01	Records Utilization Upgrade	$1,635,581	$1,635,581	$0	$0	$0
CDPHE - 01	Stationary Sources Solution Modernization	$3,748,863	$3,748,863	$0	$0	$0
CDPHE - 02	COWIC Continuation	$1,851,991	$500,000	$0	$0	$1,351,991
HCPF - 01	CBMS Reprocurement	$9,618,906	$1,805,083	$0	$0	$7,813,823
HCPF - 03	OeHI Colorado Social Health Information Exchange (CoSHIE)	$8,139,341	$1,203,918	$0	$0	$6,935,423
IHE - 01	Auraria Campus Network Infrastructure Modernization Project	$3,457,666	$3,457,666	$0	$0	$0
IHE - 02	Colorado Northwestern Community College South Campus Redundancy Upgrade	$571,163	$571,163	$0	$0	$0
DPA - 04	OAC Court Management System	$3,375,426	$0	$0	$3,375,426	$0
CDE - 01	School Finance*	$3,000,000	$3,000,000	$0	$0	$0
All State Funded Projects	Total FY 2025-26 State Funded IT Capital Projects prioritized by OSPB	$52,153,708	$32,677,045	$0	$3,375,426	$16,101,237

*This request represents a placeholder for a January 2nd budget submission

FY 2025-26 Cash Funded IT Capital Requests, Recommended for Funding, in OSPB Prioritized Order

Agency/ Ranking	Project Name	TF	CCF/GF	CF	RF	FF
DOR - 01	MED Seed to Sale	$3,080,000	$0	$3,080,000	$0	$0
CDLE - 01	Colorado Division of Workers' Compensation (CoCo) Database Replacement System	$12,140,213	$0	$12,140,213	$0	$0
CDE - 01	BEST Assessment IT System	$1,400,000	$0	$1,400,000	$0	$0
CDEC - 01	Colorado Child Care Assistance Program	$1,781,556	$0	$194,190	$0	$1,587,366
DPA - 03	Statewide Procurement System	$1,420,957	$0	$1,420,957	$0	$0
DNR - 01	Modernizing the Colorado Oil and Gas Information System	$2,000,535	$0	$2,000,535	$0	$0
DPS - 01*	Colorado Games Database	$1,600,000	$0	$1,600,000	$0	$0
All Cash Funded Projects	Total FY 2025-26 Cash Funded IT Capital Projects prioritized by OSPB	$23,423,261	$0	$21,835,895	$0	$1,587,366

*This request represents a placeholder for a January 2nd budget submission

CC-IT: CAPITAL CONSTRUCTION INFORMATION TECHNOLOGY REQUEST FOR FY 2025-26

Department	Department of Personnel and Administration	Signature Department Approval: Lauren Gilliland Date: 9/5/24
Project Title	Payroll Modification	Signature OIT Approval: Rus Pascual Date: 9/6/24
Project Year(s):	FY 2025-26	Signature OSPB Approval: Date
Department Priority Number	1	
Five-Year Roadmap?	Yes	Name and e-mail address of preparer: Lauren Gilliland, lauren.gilliland@state.co.us

Revision?   X Yes   No
If yes, last submission date: __12/12/23_____

		Total Project Costs	Total Prior Year Appropriations	Request Year (FY 2025-26) Request	Year 2 Request	Year 3 Request	Year 4 Request	Year 5 Request
A.	**Contract Professional Services**							
(1)	OIT Contracted Program Manager	$ 17,276,037	$ 13,337,039	$ 3,938,998	$ -	$ -	$ -	$ -
(2)	Quality Assurance	$ -	$ -	$ -	$ -	$ -	$ -	$ -
(3)	Independent Verification and Validation	$ 1,650,000	$ 1,200,000	$ 450,000	$ -	$ -	$ -	$ -
(4)	Training	$ 432,000	$ 432,000	$ -	$ -	$ -	$ -	$ -
(5)	Leased Space (Temporary)	$ 362,701	$ 275,513	$ 87,188	$ -	$ -	$ -	$ -
(6a)	Feasibility Study	$ 691,200	$ 691,200	$ -	$ -	$ -	$ -	$ -
(6b)	Solicitation Costs	$ 240,000	$ 240,000	$ -				
(7a)	Inflation for Professional Services	$ 3,415,526	$ 2,922,579	$ 492,947	$ -	$ -	$ -	$ -
(7b)	Inflation Percentage Applied	$ 0	7.00%	7.00%	0.00%	0.00%	0.00%	0.00%
(8)	Other Services/Costs (Term Limited FTE)	$ 10,187,961	$ 7,622,054	$ 2,565,907	$ -	$ -	$ -	$ -
(9)	Total Professional Services	$ 34,255,425	$ 26,720,385	$ 7,535,040	$ -	$ -	$ -	$ -
B.	**Software Acquisition**							
(1)	Software Subscription Fees	$ 12,250,000	$ 8,750,000	$ 3,500,000	$ -	$ -	$ -	$ -
(2)	Software Built	$ -		$ -	$ -	$ -	$ -	$ -
(3a)	Inflation on Software	$ 1,960,000	$ 1,715,000	$ 245,000	$ -	$ -	$ -	$ -
(3b)	Inflation Percentage Applied	7.00%	7.00%	7.00%	0.00%	0.00%	0.00%	0.00%
(4)	Total Software	$ 14,210,000	$ 10,465,000	$ 3,745,000	$ -	$ -	$ -	$ -
C.	**Equipment**							
(1)	Servers	$ -	$ -	$ -	$ -	$ -	$ -	$ -
(2)	PCs, Laptops, Terminals, PDAs	$ 64,000	$ 64,000	$ -	$ -	$ -	$ -	$ -
(3)	Printers, Scanners, Peripherals	$ -		$ -	$ -	$ -	$ -	$ -
(4)	Network Equipment/Cabling	$ -	$ -	$ -	$ -	$ -	$ -	$ -
(5)	Term Limited FTE Operation & Phone	$ 57,330	$ 43,549	$ 13,781	$ -	$ -	$ -	$ -
(6)	Office Furniture for new staff	$ 160,000	$ 160,000	$ -	$ -	$ -	$ -	$ -
(5)	Miscellaneous	$ -	$ -	$ -	$ -	$ -	$ -	$ -
(6)	Total Equipment and Miscellaneous	$ 281,330	$ 267,549	$ 13,781	$ -	$ -	$ -	$ -
D.	**Project Contingency**							
(1)	5% project contingency	$ 2,437,338	$ -	$ 2,437,338	$ -	$ -	$ -	$ -
(2)	IT ADLE Payment	$ -	$ -		$ -	$ -	$ -	$ -
E.	**Total Request**							
	Total Budget Request [A+B+C+D]	$ 51,184,092	$ 37,452,934	$ 13,731,158	$ -	$ -	$ -	$ -
F.	**Source of Funds**							
	GF	$ 51,184,092	$ 37,452,934	$ 13,731,158	$ -	$ -	$ -	$ -
	CF/RF	$ -	$ -	$ -	$ -	$ -	$ -	$ -
	FF	$ -	$ -	$ -	$ -	$ -	$ -	$ -
	check (should = E)	$51,184,092	$37,452,934	$13,731,158	$0	$0	$0	$0

FY 2025-26 - Payroll Modernization: IT-CC-01

Request Year	Total Funds	CCF-IT	Cash Funds	Reappropriated Funds	Federal Funds
FY 2025-26	$13,731,158	$13,731,158	$0	$0	$0
FY 2026-27	$0	$0	$0	$0	$0
FY 2027-28	$0	$0	$0	$0	$0

Categories of IT Capital Projects

Category	Rationale	Applicable
System Replacement	Costs escalating, failing technology, software or vendor support ended, or new technology, e.g., DRIVES, CHATS	Yes
System Enhancement Regulatory Compliance	(new functionality, improved process or functionality, new demand from citizens, regulatory compliance, e.g, CBMS	No
Tangible Savings Process Improvement	conscious effort to reduce or avoid costs, improve efficiency, e.g., LEAN, back office automation	No
Citizen Demand	"The Ways Things Are" (transformative nature of technology, meet the citizens where they are, e.g., pay online, mobile access)	No

Request Summary:

The Department of Personnel & Administration (DPA) requests $13,731,158 in Capital Construction Funds in Fiscal Year 2025-26 for the final phase of the statewide payroll modernization project. The Department has taken an Agile-phased approach to modernizing the State's payroll system. The project was appropriated $6.0 million in Capital Construction Funds in Fiscal Year 2022-23, $14,249,288 in Fiscal Year 2023-24, and $17,203,705 in Fiscal Year 2024-25. This request supports DPA's Employer of Choice Wildly Important Goal (WIG) as well as the State's Partnership Agreement with COWINS.

The new payroll system will replace the State's existing 37-year-old legacy system with a modernized payroll system, allowing the State to standardize processes while incorporating industry best practices.

As of FY 2024-25, the total appropriation for Payroll Modernization is $37,452,933. As of June 2024, $4,380,261 has been spent, and $25,643,842 has been encumbered, which includes $21,664,300 for a contract awarded to the payroll system vendor for implementation and licensing. The work to date includes establishing the payroll modernization implementation team, completing the procurement process to select the vendor and award the contract, and implementing the foundational technology and processes for upcoming data migration. The current focus is configuring the new system. The final funding request provides the necessary State and vendor personnel and technology to support data extraction, data quality validation, and thorough testing by users to be certain the appropriate data are migrated and calculations are working as expected in order to pay all State employees timely and accurately from the new payroll system.

Project Description:

The State is at risk of its antiquated payroll system, the Colorado Personnel and Payroll System (CPPS), failing. The State currently relies on CPPS to pay more than 33,000 employees. CPPS processes $180 million in employee payroll each month, or $2.2 billion annually. These employees work in all branches of Colorado state government.

The CPPS system has not been supported by a vendor since 2014, and is an unreliable system. CPPS is down, on average, ten percent of all working days. It is increasingly difficult to adapt the system to changing business needs. CPPS uses the dated COBOL programming language and runs on a mainframe. Many of the developers who have supported the system are now retiring.

This project will replace the statewide payroll system with a vendor-managed Software as a Service (SaaS) payroll solution. Through the implementation, the State is shifting from a project to a product approach to enable continuous improvement and reduce technical debt.

As detailed below, a primary payroll system functions include:
- position record and associated chart of accounts (COA);
- organizational structure (tied to positions);
- employee record, including demographics and tie to position;
- employee classification and compensation tied to statewide structures;
- time/payroll schedule information;
- time and leave inputs for payroll (including COA overrides);
- deductions and benefits inputs for payroll (including associated accounting);
- time and leave accrual (calculated by system);
- leave requests and absence history;
- payroll gross and net (calculated by system);
- ancillary earnings;
- payroll accounting distribution;
- W2 information; and
- self-service access to all of the above deemed appropriate to share with the employee.

Some examples of data that will not be included are as follows:

- talent acquisition: recruiting, onboarding with associated demographics; and
- talent management: performance, evaluation, learning.

Additionally, the information needed to support EDI efforts, such as salaries, promotions, title changes, training and development opportunities, overtime, and certain demographic data would not be captured by the payroll system as they are part of a Human Resource Information System (HRIS). The deployment model and the following figure represent the concept for in-scope payroll modernization components.

Systems Integration Opportunities:

The enterprise-wide payroll system will simplify the integration of systems statewide. Currently there are approximately 164 interfaces moving data in and out of the legacy payroll system. The Department's proposal is to simplify the integration environment and create a single focal point for payroll business processes.

Risks and Constraints:

Risks associated with this project include system malfunction, a potential for data-entry error, or a loss of some legacy functionality in the implementation of the new system. To mitigate these issues, the Department continues to work closely with the Governor's Office of Information Technology (OIT) to understand the security needs, system integration needs, and data protection requirements. OIT has been involved in this project and is partnering with the Department in the design and implementation of the system.

Operating Budget Impact:

This request represents a continuation of the IT Capital Construction project that was appropriated in a previous year. Additional ongoing annual maintenance will be necessary to ensure the vitality and stability of the system and will be requested through a future operating decision item.

Following the completion of the payroll implementation, the Department will utilize a common policy methodology to allocate all of the expenses related to the ongoing operations of the new system to user agencies. The budget request to develop the payroll system common policy will be submitted as a decision item in an upcoming fiscal year when the resources and projected operating expenses are known.

Background of Problem or Opportunity:

The State's current payroll system is 37+ years old based on an antiquated COBOL mainframe technology. The system is not flexible to meet the current data needs of the State and the

system is supported by a small team of agency and IT professionals whose skills are increasingly difficult to find in the job market due to the age of the programming language.

Justification:

If this request is not approved, the State runs the risk of having its antiquated payroll system, CPPS, fail. The state currently relies on CPPS to pay more than 33,000 employees in all three branches of government. If the CPPS system experienced a significant failure, the State would be left with no alternative to pay employees, which could create significant hardship for many, place the State in violation of State and federal laws, and jeopardize federal participation in many State programs. Significant staff time and costs would be needed to recover system data or implement a new system on an emergency basis. The implementation of this payroll modernization project is vital to ensuring the State can continue to pay employees, as it is unknown how long CPPS will continue to be functional. In July 2022, the tape backup of the payroll system failed, and mainframe storage was fully depleted. Had the State not been able to resolve this; this would have required the Department to pay employees via CORE GAX, overnight checks to employees, and would not have met documentation requirements for federal reimbursement.

Business Process Analysis:

The Department, in coordination with OIT, engaged in a significant due diligence process prior to the development of this request. A statewide payroll modification governance structure was created and the team worked with consultants to review what was done in HRWorks and determine the best path forward. The Department reached out to Executive Branch agencies to conduct a needs assessment and determine the most critical needs; the needs assessment identified current tools and application pain points, prioritized needs, and current work within HRIS across agencies. The information from the needs assessment was shared with the consulting partners to detail the available options and different models for ongoing HRIS integration and ownership. The information gathering from brainstorming activities and assessments identified key themes:

- Access to data is a primary concern across agencies.
- The Department should provide consistent processes, services, and data governance.
- Agency HR teams can be the stewards of data to facilitate accuracy.
- It is critically important for a payroll system to support the unique needs of agencies.

Cost-Benefit Analysis and Project Alternatives (per H.B. 15-1266):

Implementation of a new payroll system will reduce the reliance on technologically out-of-date systems and will significantly reduce inefficiencies statewide. There are several intangible benefits or savings (non-traceable and qualitative) that are listed below:

Business	IT
● Reduce the number of inaccurate pay	● Increase information security with

Business	IT
checks ● Reduce the number of manually issued paychecks ● Improve integrations to reduce manual data entry ● Streamline business processes to reduce time and effort ● Improve standardization for data entry across agencies ● Enhance reporting and analytics	modern technology (multi-factor authentication, data encryption, etc.) ● Shift application modification closer to the business through the use of low/no code configurations ● Complex legacy point-to-point interfaces are replaced with an enterprise platform that provides a consolidated source of the State's payroll

Some of the key benefits of moving to a new payroll system include, but are not limited to:

● <u>Eliminating Manual Processes</u>: departments are still engaged in tracking various HR and payroll functions with Excel spreadsheets or other manual documents. Even departments with databases for HR and time and leave must manually enter and/or upload data into the State's payroll system. Manual processes are prone to error, lack consistent definition and application across programs, and are effectively data silos that cannot be summarized or queried across the organization.
● <u>Replacing Outdated Technology:</u> The State implemented CPPS decades ago. Maintaining the system is costly and risk of failure increases considerably as vendors discontinue support of systems and programming languages become obsolete.
● <u>Improve System Interfaces:</u> All existing interfaces between systems can require extensive manual processing. Each interface represents a potential point of failure as the State is forcing communication between systems that were not designed to communicate at an enterprise level or whose technological gaps are so vast that process execution is extraordinarily complex. As an example, today CPPS has 19 interfaces to communicate with the State's financial system, CORE. To perform all of the functions necessary to pay state employees and allocate those expenses appropriately across all programs and grants and recognize these expenses in CORE, the State requires complex interfaces with legacy solutions (Colorado Labor Allocation System (CLAS) and Payroll Accounting Management (PAM)) to manage this information. The data starts in CPPS, is transferred to CLAS where agencies perform manual manipulation of time and leave data, then it's transferred to PAM where the data is translated into CORE documents in preparation for upload into the CORE financial system. These 19 interfaces and CLAS will be sunset with the new payroll system.
● <u>Data availability and homogeneity:</u> A de facto outcome of running 80 separate systems that are processing and reporting similar data is that data definitions and controls are not applied consistently across all systems. The universe of HR data across the State of Colorado is not available to any central authority in a manner that allows the state to identify trends that would drive future cost-savings or cost-avoidance measures. Thus, any "statewide report" requires considerable caveats when reporting the status of the State's workforce to stakeholders. This undermines the State's ability to proactively identify changes in many areas that can impact cost to the State, including anomalous turnover, high vacancy rates, compensation inconsistencies across State employees, etc.

The weakness and various potential points of failure outlined above represent the majority of the issues the State must address in its goal to modernize its payroll and HR systems, but they are by no means exhaustive. The State is in a precarious position with many of the systems and processes it relies upon to carry out critical processes, including payroll and labor allocation. If the State does not fund the replacement of the current systems, the State's payroll and HR systems will remain as legacy systems with high probabilities of failure. If the State is successful in its implementation of a payroll system replacement, it will garner efficiencies in its processes, which may lead to future cost savings, cost avoidance, or resource reallocation.

Success Criteria and Improved Performance Outcomes:

The Department anticipates that the implementation of an updated payroll system will reduce the reliance on technologically out-of-date systems and will significantly reduce inefficiencies statewide.

Success criteria and improved performance outcomes include, but are not limited to:
- Pay employees timely and accurately
- Improve data privacy and security
- Reduce the duplication of work and manual processes performed
- The ability to decommission CPPS, and move away from paper systems.
- Improve the data quality and reporting capabilities on a statewide basis.

Assumptions for Calculations:

Please see the Cost Sheet (Google Sheets) for a breakdown of costs by expense category.

The Department worked with a contractor to review and vet cost estimates for a statewide payroll system. The contractor conducted a market scan specifically focused on how other states and large, complex municipalities are handling HR and Payroll modernization, resulting in a rough order of magnitude (ROM) to determine the feasibility of funding. The figures provided in table 2 were determined based on the ROM and combined with the State's assessment of payroll needs. The contractor developed a cost/benefit analysis with which the state could compare among the options indicated above. DPA reduced these costs to 1) exclude cost activities that were covered within existing functions 2) exclude costs of ongoing operations and 3) crosswalk vendor assumptions of $150,000 per term-limited employee into actual FTE costs as determined by the FTE template. The FTE template serves as the crosswalk between the contractor provided costs and has been adjusted since the initial Fiscal Year 2022-23 request. In addition, the vendor provided assumptions have been adjusted to reflect inflation to the midpoint, similar to the process used in the physical capital construction process. This process was used to avoid costs of revising the initial vendor scan.

Note that last year's request for FY 2026 was $15,461,933; however, this was reduced by $994,186 due to Capital Construction IT projects only requiring a 5% project contingency. When this project began, 10% was required.

Table 2: FY 2022-23, FY 2023-24 and FY 2024-25 Summary of Payroll Cost Components

Categorization	FY 2022-23	2023-24	2024-25	2025-26	Total
Business Management Activities	$240,000				$240,000
Organizational Change Activities	$1,597,059	$1,497,059	$1,122,794	$0	$4,216,912
Orchestration Activities Total	$4,162,941	$3,721,166	$586,555	$0	$8,470,662
Implementation	$0	$3,424,530	$11,807,767	$7,692,852	$22,925,149
Agile Implementation	$4,162,941	$7,145,696	$12,394,322	$7,692,852	$31,395,811
Implementation Subtotal	$6,000,000	$8,642,755	$13,517,116	$7,692,852	$35,852,723
Term Limited Operating Expenses	$0	$356,473	$186,589	$100,969	$644,031
New Software Subscription Fees	$0	$5,250,000	$3,500,000	$3,500,000	$12,250,000
Contingency	$0	$0	$0	$2,437,338	$2,437,338
Totals	$6,000,000	$14,249,228	$17,203,705	$13,731,159	$51,184,092

Consequences if not Funded:

If this request is not approved, disparate applications across departments will continue to be used for critical human resource functions, making it difficult to track and report information. The lack of a single enterprise payroll system results in inconsistent, and sometimes erroneous, data, including time and leave tracking, performance data, and general human resource data. Such inconsistencies increase the risk of violations of state and federal policies. While this request does not request funding for a full payroll system replacement, a modernized payroll structure will provide a foundational first step in this direction. While the technological imperative to outdate a legacy system has long existed, the legal and statutory framework has become more pressing in recent years. First, the Colorado WINS partnership agreement states in Article 8.2 that the Parties will "seek funding for a statewide HRIS for agencies that includes such functionality that will capture the demographic data about employees in order to analyze equity in hires, rewards and recognition, promotions and training opportunities." While this request does not request funding for a full payroll system, it does provide the foundational first step in this effort so that the state may ultimately meet the objectives of the partnership agreement. In addition, Senate Bill 19-085, the "Equal Pay for Equal Work Act," requires specific actions by employers to demonstrate pay equity.

Implementation Plan
Change Management:

Change management for the implementation of a new payroll system is critical to the ongoing success of the program and project efforts. The Department has staffed a product owner focused on agency outreach and involvement. It has recruited subject matter experts from

customer agencies to inform system design. The Department conducts agency listening tours at least annually to meet with agencies individually and obtain feedback. It also holds regular engagement sessions and maintains a project website and newsletter to communicate about progress and changes.

The implementation of the new payroll system is a department IT project and is being managed according to the standards of OIT's Project Management Office. An OIT Project Manager is part of the implementation team. The Department has hired a trainer who will work with the payroll vendor to develop training as the payroll system is developed. Training will include content for end users as well as technical training for the staff supporting the system.

Testing will occur at various stages of the Agile development process to ensure each sprint is successful before moving on to the next sprint. Testing will evaluate for usability, accessibility, system integration, performance, and data migration. Testing will involve agency participants to validate that configurations meet business needs.

Alignment with OIT Best Practices and Standards:

DPA continues to partner with OIT to ensure alignment with best practices and standards. OIT participated in the payroll system procurement process, including vendor selection and contracting. The payroll contract requires the vendor to follow state security policies and technical standards.

The payroll implementation team includes an OIT project manager, Colorado Digital Services staff serving as technical lead on the project, and data architects from the Chief Data Office to support data migration. The project is leveraging OIT's instance of Azure DevOps to track project tasks, including deliverables required to pass OIT's PMO gates.

Procurement:

The procurement process has been completed and a vendor was selected to complete the project. Provisions were included specifying that work scoped out beyond existing appropriations would be subject to the availability of funds. Future extension options were included.

Disaster Recovery and Business Continuity:

The payroll vendor contract requires the vendor to abide by the project management process prescribed by OIT. This process requires a detailed review and plan for data security and disaster recovery. The vendor is configuring the payroll system in a State RAMP certified environment which demonstrates a high degree of compliance with security best practices, including disaster recovery and business continuity.

Accessibility Compliance:

The payroll vendor contract also requires the vendor to ensure compliance with Section 24-85-103, C.R.S., which sets requirements requiring non-visual access. The vendor evaluation and

selection process included review of the vendor's Voluntary Product Accessibility Template (VPAT) to demonstrate compliance with Section 508. The evaluation process also included usability testing by visually impaired users to assess the product's usability with screen readers. As the payroll system is configured and deployed, the project team will continue to evaluate for accessibility.

Additional Information

Additional Request Information

Please indicate if three-year roll forward spending authority is required.	Yes
Is this a continuation of a project appropriated in a prior year?	Yes
If this is a continuation project, what is the State Controller Project Number?	2023-037I22
If this request affects another organization, please provide a comfort letter.	N/A
Please attach a letter from OIT indicating review and approval of this project	Attached

Appropriation Continuation History

Funding Source	FY 2022-23 Appropriated	FY 2023-24 Appropriated	FY 2024-25 Appropriated	Total Appropriations
Total Funds	**$6,000,000**	$14,249,288	$17,203,705	$37,452,993
Capital Construction Funds	**$6,000,000**	$14,249,288	$17,203,705	$37,452,993
Cash Funds	$0	$0	$0	$0
Reappropriated Funds	$0	$0	$0	$0
Federal Funds	$0	$0	$0	$0

Available Funds Continuation History

Funding Overview	FY 2022-23	FY 2023-24	FY 2024-25	Total
Amount Spent	$639,184	$3,741,077	$0	**$4,380,261**
Amount Encumbered	$4,461,440	$9,969,006	$6,949,253	$21,379,699

Funding Overview	FY 2022-23	FY 2023-24	FY 2024-25	Total
Total Funds Available	$3,822,256	$6,227,929	$6,949,253	$16,999,438

Estimated Project Time Table

Steps to be completed	Start Date	Completion Date
Iterative Project Implementation	1/2023	6/2026

July 25, 2024

Mark Ferrandino
Director
Office of State Planning and Budgeting
111 State Capitol
Denver, Colorado 80203

RE: FY 2025-26 Dept. of Personnel and Administration IT Capital Payroll Modernization Project

Dear Director Ferrandino:

Pursuant to OSPB instructions, this letter is to confirm that the Office of Information Technology (OIT) has been informed of the development and submission of this proposed FY 2025-26 request for the Department of Personnel and Administration requests $13,731,158 in IT capital funding as part of the final phase to modernize the State's payroll system. This request to modernize the existing payroll system has spanned over four years for implementation. This request supports DPA's Employer of Choice Wildly Important Goal (WIG) as well as the State's Partnership Agreement with WINS.

OIT has completed an internal review to ensure the project aligns with statewide IT goals and determined that OIT has the capacity to deliver and meet the requirements of the project.

Please note: OIT and DPA are in agreement that a security review will be completed as part of the project itself, when applicable. Also, any OIT specific work should be reappropriated to OIT through the payments of OIT line, where applicable.

Sincerely,

Rus Pascual, OIT Budget Director   *Rus Pascual*

                                          Rita DeFrange

Rita DeFrange, OIT IT Director for DPA

Department	**Department of Corrections**	Signature Department Approval: [signature] 30-Sep-24
Project Title	Department of Corrections Offender Records Management	Signature OIT Approval: *Rus Pascual* 30-Sep-24
Project Year(s):	FY 15-26	Signature OSPB Approval: Date
Department Priority Number		
Five-Year Roadmap?	Yes	Name and e-mail address of preparer:

Revision? Yes No If yes, last submission date: _____	Total Project Costs	Total Prior Year Appropriations	Request Year (FY 2025-26) Request	Year 2 Request	Year 3 Request	Year 4 Request	Year 5 Request
A. *Contract Professional Services*							
(1) OIT Contracted Program Manager	$ 278,400		$ 278,400	$ -	$ -	$ -	$ -
(2) OIT Quality Assurance	$ 215,040	$ -	$ 215,040	$ -	$ -	$ -	$ -
(3) Independent Verification and Validation	$ -	$ -	$ -	$ -	$ -	$ -	$ -
(4) OIT Data Analysis	$ 814,080	$ -	$ 814,080	$ -	$ -	$ -	$ -
(5) OIT Customer Care - Service Desk	$ 126,720	$ -	$ 126,720	$ -	$ -	$ -	$ -
(6) Feasibility Study	$ -	$ -	$ -	$ -	$ -	$ -	$ -
(7a) Inflation for Professional Services	$ -	$ -	$ -	$ -	$ -	$ -	$ -
(7b) Inflation Percentage Applied		0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
(8) Other Services/Costs	$ -	$ -	$ -	$ -	$ -	$ -	$ -
(9) *Total Professional Services*	$ 1,434,240	$ -	$ 1,434,240	$ -	$ -	$ -	$ -
B. *Software Acquisition*							
(1) Software COTS Purchase	$ 4,668,057	$ -	$ 4,668,057	$ -	$ -	$ -	$ -
(2) Vendor Project Management	$ 600,000	$ -	$ 600,000	$ -	$ -	$ -	$ -
(3a) Inflation on Software	$ -	$ -	$ -	$ -	$ -	$ -	$ -
(3b) Inflation Percentage Applied	$ -	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
(4) *Total Software*	$ 5,268,057	$ -	$ 5,268,057	$ -	$ -	$ -	$ -
C. *Equipment*							
(1) Servers	$ 114,946	$ -	$ 114,946	$ -	$ -	$ -	$ -
(2) PCs, Laptops, Terminals, PDAs	$ -	$ -	$ -	$ -	$ -	$ -	$ -
(3) Printers, Scanners, Peripherals	$ -	$ -	$ -	$ -	$ -	$ -	$ -
(4) Network Equipment/Cabling	$ -	$ -	$ -	$ -	$ -	$ -	$ -
(5) *Miscellaneous*	$ -	$ -	$ -	$ -	$ -	$ -	$ -
(6) *Total Equipment and Miscellaneous*	$ 114,946	$ -	$ 114,946	$ -	$ -	$ -	$ -
D. *Project Contingency*							
(1) 5% project contingency	$ 340,863	$ -	$ 340,863	$ -	$ -	$ -	$ -
(2) IT ADLE Payment	$ -	$ -		$ -	$ -	$ -	$ -
E. *Total Request*							
Total Budget Request [A+B+C+D]	$ 7,158,106	$ -	$ 7,158,106	$ -	$ -	$ -	$ -
F. *Source of Funds*							
GF	$ -	$ -	$ -	$ -	$ -	$ -	$ -
CF/RF	$ 39,465,028	$ 36,441,415	$ 3,023,613	$ -	$ -	$ -	$ -
Roll Forward	$ -	$ -	$ 4,134,493	$ -	$ -	$ -	$ -
check (should = E)	$39,465,028	$36,441,415	$7,158,106	$0	$0	$0	$0

FY 2025-26 - DOC Offender Records Management System (DeCORuM): IT-CC-01

Request Year	Total Funds	CCF-IT	Cash Funds	Reappropriated Funds	Federal Funds
FY 2025-26	$3,023,613	$3,023,613	$0	$0	$0
FY 2026-27	$0	$0	$0	$0	$0
FY 2027-28	$0	$0	$0	$0	$0

Categories of IT Capital Projects

Category	Rationale	Applicable
System Replacement	Costs escalating, failing technology, software or vendor support ended, or new technology, e.g., DRIVES, CHATS	Yes
System Enhancement Regulatory Compliance	(new functionality, improved process or functionality, new demand from citizens, regulatory compliance, e.g, CBMS	No
Tangible Savings Process Improvement	conscious effort to reduce or avoid costs, improve efficiency, e.g., LEAN, back office automation	No
Citizen Demand	"The Ways Things Are" (transformative nature of technology, meet the citizens where they are, e.g., pay online, mobile access)	No

Request Summary:

The Colorado Department of Corrections requests $3,023,613 GF for the continuation and completion of the ongoing systems replacement project for its offender management information system. The Department of Corrections Offender Records Management (DeCORuM) Project was initiated in 2015. The requested funds are intended to fund the Governor's Office of Information Technology (OIT) staffing, vendor project management, software maintenance and support fees, database software licensing fees, virtual server costs, and development and deliverable costs.

Impacted stakeholders of this project include Department of Corrections staff, OIT staff, and Marquis Software. The incarcerated population and paroled clients, as well as their loved ones are positively impacted by the efficiency and tracking of the new software solution. End users include DOC staff, contract workers, select vendors and partners, the Colorado Parole

Board, health partners, and end users of the public-facing DOC website.

The Department requests $3,023,613 in new general funds for Fiscal Year 2025-2026. These funds will be used to finance the support and maintenance of the existing software, database, and hardware and project management costs associated with the final year of development of the software.

Project Description:

CDOC is utilizing commercial off-the-shelf (COTS) software to implement a fully integrated electronic offender management information system (eOMIS). This software solution will eliminate the need to use the multiple outdated software systems that span 30-plus years of aged technology. These aged systems are not only costly to maintain but also present huge concerns with current security requirements as defined by the Governor's Office of Information Technology (OIT) and the State of Colorado Chief Information Security Officer (CISO). The system will also provide a secure single software solution to replace all outdated applications, as well as provide a single source for data entry. This will strengthen the security of the data and provide a single source of truth that the Department can use as a reference for Legislative and legal purposes.

Historically, the Department has used numerous legacy systems, including the Department of Corrections Information System (DCIS), Personal Computer Department of Corrections Information System (PCDCIS), several Web applications, numerous database programs, and Excel spreadsheets to track offenders from the time of incarceration through their release back into society. These systems track their criminal records and sentences, restitution, movement, transfers, visitations, banking activities, grievances, personal item orders, electronic health records, jobs, participation in offered and court-ordered self-improvement programs, community/parole placement and release, and education.

Efforts to complete this project also support both the Department's and the Governor's goals to make the State of Colorado both a safe and preferred workplace and employer by having one software platform that is easy to use. Completing this project also supports Federal and State laws surrounding prison reform as the data is not reliant on multiple systems and, therefore, is more consistent in tracking an offender from the moment they are in the custody of the Department until they are released from the system and carry on with their lives. Finally, having an application that can more consistently track offenders and their progress through specific treatment programs helps fulfill the Department's wildly important goal of reducing recidivism.

Successful implementation and integration of the eOMIS software is dependent on effective collaboration between the department, the Governor's Office of Information Technology, and Marquis Software.

Systems Integration Opportunities –

The eOMIS software integrates with existing DOC systems and tools, including the Department's intranet, public-facing website, investigative tools for the Office of the Inspector General, Parole Board software, and data reporting and visualization systems. It

also integrates with the Department of Public Safety's (DPS) tools, including the Integrated Criminal Justice Information System (CICJIS). The Electronic Health Record (EHR) system is integrated with public health systems to send and receive patient data.

Risks and Constraints -
The largest risk to success of the project is the potential failure of the legacy systems prior to full implementation. The Department and OIT are actively engaged in efforts to stabilize the legacy Informix database system to ensure it reaches the end of the project timeframes.

Operating Budget Impact -
A future operating budget request will be submitted to support OIT staffing, hardware, and software support and maintenance for Fiscal Year 2026-27 and beyond. These will include costs for continued use of the Oracle database system for data and the cost of maintaining the virtual server. The initial installation of these systems has been completed; however, an annual license is required for the continuation of services. These expenses are initially paid to the vendors by the Office of Information Technology (OIT) and passed along to DOC via the monthly Common Policy billing. In addition to these annual licensing fees, there will be an ongoing need for vendor service and maintenance to monitor the proprietary software, source code, and system processes to ensure proper working order and information tracking/transmission of the new system.

Background of Problem or Opportunity:
Historically, the Department has used numerous legacy systems, including the Department of Corrections Information System (DCIS), Personal Computer Department of Corrections Information System (PCDCIS), several Web applications, numerous database programs, and Excel spreadsheets to track offenders from the time of incarceration through their release back into society. These systems track their criminal record and sentences, restitution, movement tracking, transfers, visitation, banking, grievances, personal item orders, electronic health records, jobs, participation in offered and court-ordered self-improvement and vocational/education programs, community/parole placement, and release, and education.

The Department's legacy systems are built on an Informix database, which is now more than 30 years old. The applications that interact with these are built in 4gl and PowerBuilder programming languages, which are antiquated and no longer supported. Nearly all of the developers who built these systems are retired, and new programmers are no longer educated in these systems. Maintenance and programming costs for these databases are among the highest tiers among rates in the OIT service catalog. These servers have exceeded end-of-life standards, and the database software must be upgraded substantially in order to be supported even by third-party specialized vendors. The Department is at risk of losing access to its legacy systems, endangering over 30 years of data and impeding effective management of the incarcerated population. The loss of these systems would severely impact every aspect of offender management, including intake, release, movement, time computation, court services, programming, and health management.

The Department contracted with an outside vendor, Marquis Software Development, in 2015

for the purpose of replacing/upgrading offender data management and information processing software systems that are now over 30 years old. The contract specifically included a complete replacement of the large, legacy electronic offender information management program known as DCIS/PCDCIS with a modern solution, the electronic Offender Management Information System (eOMIS). Since the inception of this significant project, eOMIS has been undergoing many facets of development to integrate the myriad of outdated information tracking systems the Department previously had so that there is only one master working information tracking system/model in place. Current funding for this project ends June 30, 2025; however, several modules remain that still require replacement, extending the entire project's anticipated completion to June 30, 2026.

Justification:

Adoption of a customized off-the-shelf (COTS) system was determined to be the most effective and efficient means of upgrading the agency's outdated systems in 2015. A review of vendors and solutions available identified the system developed and maintained by Marquis Software as the most viable and comprehensive solution to meet department needs. Other vendor solutions at the time were insufficient to replace the agency's legacy systems. A critical need identified by the agency at the time was an electronic health records system (EHR). Prior to the eOMIS solution, the agency maintained only paper medical records. Maintaining a catalog of records for current and former incarcerated patients had become untenable. No other vendor solutions included a viable EHR in addition to a comprehensive offender management information system.

Business Process Analysis –

The Department reviewed the existing legacy system's functionality and determined the need for new systems. DOC then documented requirements and developed a request-for-proposal (RFP) to identify potential vendors and solutions. Upon selection, contract requirements and deliverables were developed. The project was broken into four phases (electronic health record (EHR), offender management system (OMS), parole and parole board actions, and system enhancements). The EHR phase was prioritized due to the need to implement the electronic health modules.

Cost-Benefit Analysis and Project Alternatives (per H.B. 15-1266) –

The Department of Corrections relies on its information systems in order to effectively meet its objectives. The information systems guide every step of the incarceration and release process, including initial sentencing, intake, time and release calculations, programming, offender data, banking, payroll, classification, risk assessment, parole and parole board systems, health management, pharmacy, and other critical offender management processes. Elimination of an electronic records management system is not a viable option.

Other alternatives include ceasing the development of the eOMIS system at the conclusion of Fiscal Year 2024-2025. This option would result in the need to continue to maintain the legacy systems indefinitely, as well as ongoing maintenance and support of the new eOMIS system. This would also require OIT to maintain a cadre of legacy developers which are

increasingly difficult to find and becoming more costly with each rate cycle. With upcoming retirements, OIT will no longer have staff with training and experience in Informix databases. New employees will likely require training from third-party vendors to learn how to manage these systems at additional cost to the agency.

Another alternative is reverting all information systems back to the failing, end-of-life legacy systems or identifying a viable new system for implementation. Both of these options would be far more costly than finalizing the eOMIS software and bring significant risks. Legacy systems are far beyond end-of-life, and seeking a new system would result in the loss of ten years of development and implementation. When the DeCORuM Project was initiated, there were no viable alternative solutions to the eOMIS software. There has been little growth in this segment of software solutions, and there is no confidence that an alternative system could be identified that would provide all the necessary functionality that current legacy systems and eOMIS provide.

Success Criteria and Improved Performance Outcomes –

The focus to complete this project is multifaceted and will provide a solution to the following:

- Modernize all CDOC applications related to Offender Management
- Ensure compliance with current IT security standards and laws (both State and Federal)
- Adhere to data stability and accuracy standards and laws
- Fulfill State and Department WIG's to provide a safe and secure environment for staff as well as the offender population
- Strengthen data conversion and validation practices
- Reduce costs and improve efficiencies to keep up with new and changing legislative requirements and priorities
- Improve integration capabilities with other software systems and data analysis and visualization tools
- Significantly reduce the risk of system failure and improve troubleshooting capabilities
- Improve end-user experiences

Assumptions for Calculations –

Marquis Software Vendor Expenses:
- o Deliverables for FY 2025-26 from Marquis Software are quoted at $1,378,533. These deliverables comprise the final module implementations and mandatory enhancements to finalize the implementation of the software solution.
- o FY 2025-26 Marquis project management costs of $600,000.
- o FY 2025-26 Production Software Maintenance and Support costs of $3,289,524.

FY 2025-26 OIT DeCORuM Project staffing costs of $1,434,240 (7 FTE).

The DeCORuM-specific database utilized for disaster recovery and training on the new

systems is provided by Vblock. Licenses and fees are currently billed at $47,000 annually, paid by OIT, and passed along to DOC through the monthly OIT Common Policy billing. These fees will continue for as long as DOC has the eOMIS program in operation, and are subject to change based on notification from the vendor.

The eOMIS-specific database provided by Oracle is currently billed at $67,946 annually, also through the monthly OIT Common Policy billing. These fees will also continue in perpetuity as long as DOC utilizes the eOMIS program, and is subject to change as per vendor notification.

This request also includes a 5% contingency request of $340,863 for FY 25-26.

Table 1: FY 2025-26 Expenses

Expense	Cost
Marquis Deliverables	$1,378,533
Marquis Project Management	$600,000
Marquis Production Support and Maintenance	$3,289,524
OIT Staffing	$1,434,240
VBlock	$47,000
Oracle Licensing	$67,946
Contingency (5%)	340,863
FY 2025-26 Total Costs	**$7,158,106**

Consequences if not Funded –

If the final year of development and implementation is not funded, the Department will find itself in an untenable situation. The options available to the agency would be:

- Loss of all electronic information systems.
- Costly maintenance and support of a failing, end-of-life legacy system and partially completed modern information system. The legacy system will ultimately fail and will become lost to the agency.
- Lengthy procurement process to identify another potential solution. This would likely fail to identify an alternative vendor to the current vendor. Should an alternate vendor be identified, development and implementation would likely result in costs exceeding the total costs of the current project and likely failure of legacy systems during the development process.

Implementation Plan
Change Management –

The Department's DeCORuM Project change management plan is well established at this point

● Requirements confirmation and documentation
  ● Agency SME's dedicated to project
  ● Specialized agency SME's for each module
  ● OIT Business Analyst evaluation and documentation
  ● Marquis Project Management and Developers
● Data conversion
  ● Agency SME's dedicated to project review conversion results
  ● OIT Systems Analysts validate results
  ● Marquis Data Analysts process conversion and modify based upon validation results
● Development
  ● Marquis provides out of the box software for review and testing
  ● Agency SME's test and evaluate software functionality; identify critical modifications
  ● OIT and Marquis staff evaluate needs for bridging between legacy systems and eOMIS.
  ● Bridges are developed and implemented and tested along with software functionality
● Software Validation and User Acceptance Testing
  ● OIT staff and agency SME's collaborate to define comprehensive test cases
  ● Final testing is completed against test cases
● Communication and Training
  ● Implementation communications are drafted and published to all agency staff
  ● Customized training is provided to end-users
  ● User guides, reference materials, training scripts, and videos are disseminated with staff
● Go-live week
  ● Final data conversion is completed and systems are taken offline
  ● Software update and installation is completed
  ● At system launch, a user support environment is launched and maintained to immediately field user concerns, training needs, and software defects as they are identified.

Alignment with OIT Best Practices and Standards –

● Project is a modified agile process.

● Implementation of a modern database and software system eliminates the need for outdated, out of support legacy database structures and software.

● Improves data security

● This project aligns with the agency's efforts to mitigate technical debt. The Department's Informix database and legacy software have been identified as a critical need for replacement by OIT; these cannot be retired until eOMIS is completed

Procurement -

- The procurement and gating processes for this project were completed in 2015. OIT was involved with all activities, to include requirements documentation, vendor evaluation, and architecture design and implementation.

Disaster Recovery and Business Continuity -

- There is a dedicated disaster recovery copy of both legacy and eOMIS servers at an alternate site from the dedicated DOC data center. DOC, along with OIT, has maintained and updated the disaster recovery plan since project inception in 2015. Business continuity is critical to the operations of DOC.

Accessibility Compliance (Must be addressed) -

- The Department is in the process of evaluating all existing software for accessibility compliance. The agency and vendor are committed to remediating any deficiencies identified through accessibility testing. This project was initiated many years before the accessibility requirements were defined and the software was not initially evaluated for accessibility in 2015.

Additional Information

Additional Request Information

Please indicate if three-year roll forward spending authority is required.	No
Is this a continuation of a project appropriated in a prior year?	Yes
If this is a continuation project, what is the State Controller Project Number?	2015-110I4
If this request affects another organization, please provide a comfort letter.	N/A
Please attach a letter from OIT indicating review and approval of this project	Attached

Appropriation Continuation History

Funding Source	FY 2014-15 Appropriated	FY 2016-17 Appropriated	FY 2022-23 Appropriated	Total Appropriations
Total Funds	$16,845,761	$13,455,140	$6,140,514	$36,441,415

Available Funds Continuation History

Funding Overview	Through FY 2023-24	FY 2024-25 (Projected)	Total
Amount Spent	$28,105,445	$4,258,008	$32,363,453
Amount Encumbered	$0	$3,607,326	$3,607,326
Total Funds Available	$8,335,970	$4,134,493	$4,134,493

Estimated Project Time Table

Steps to be completed	Start Date	Completion Date
IPM(Inmate PREA Management)	08/01/2024	11/15/2024
ITS(Investigation Tracking & Statistics) Reporting	7/1/2023	01/15/2025
PPS(Parole & Probation Supervision) Phase 1	7/1/2023	01/15/2025
IGT(Inmate Grievance Tracking) Parole IGT also	11/15/2024	03/31/2025
PPS(Parole & Probation Supervision) Phase 2	11/1/2023	06/30/2025
PCA(Parole Commision Actions)	11/1/2023	06/30/2025
IRT(Incident Report Tracking) PPS will have to include IRT also OIG/Reporting for PREA	04/30/2025	09/30/2025
ISS(Inmate Security Status)	04/30/2025	09/30/2025
IRH(Inmate Restrictive Housing)	04/30/2025	09/30/2025
STG(Security Threat Group)	08/31/2025	12/31/2025
ODS(Offender Decision Support)	11/30/2025	03/31/2026
GDM(Geospatial Data Mapping)	02/28/2026	05/31/2026
IAI (Internal Affairs Investigation)	04/01/2026	06/30/2026

07/15/2024

Mark Ferrandino
Director
Office of State Planning and Budgeting
111 State Capitol
Denver, Colorado 80203

RE: FY 2025-26 Dept. of Corrections – DeCORuM Project Decision Item

Dear Director Ferrandino:

Pursuant to OSPB instructions, this letter is to confirm that the Office of Information Technology (OIT) has been informed of the development and submission of this proposed FY 2025-26 request for the Department of Corrections is requesting both roll forward authority for existing project funds and new general fund dollars for the continuation and completion of the ongoing systems replacement project for its offender management information system. The Department of Corrections Offender Records Management (DeCORuM) Project was initiated in 2015. The requested funds are intended to fund OIT staffing, vendor project management, software maintenance and support fees, database software licensing fees, virtual server costs, and development and deliverable costs.

OIT has completed an internal review to ensure the project aligns with statewide IT goals and determined that OIT has the capacity to deliver and meet the requirements of the project.

Please note: OIT and the Department of Corrections are in agreement that a security review will be completed as part of the project itself, when applicable. Also, any OIT specific work should be reappropriated to OIT through the payments of OIT line, where applicable.

Sincerely,

Rus Pascual, OIT Budget Director   Christy Daniher, OIT DOC IT Director

CC-IT: CAPITAL CONSTRUCTION INFORMATION TECHNOLOGY REQUEST FOR FY 2024-25

Department	**Colorado Department of Public Safety**	Signature Department Approval: *Teresa Anderle, Budget Director* 17-Oct-24
Project Title	Records Utilization Upgrade	Signature OIT Approval: Carolyn Koehnen, ITD Director 17-Oct-24
Project Year(s):	2024 to 2027	Signature OSPB Approval: Date
Department Priority Number	1	
Five-Year Roadmap?	Yes	Name and e-mail address of preparer: Doug Oates (doug.oates@state.co.us)

Revision? Yes **x** No
If yes, last submission date: _____

		Total Project Costs	Total Prior Year Appropriations	Request Year (FY 2025-26) Request	Year 2 Request	Year 3 Request	Year 4 Request	Year 5 Request
A.	**Contract Professional Services**							
(1)	OIT Contracted Program Manager	$ 220,208	$ 54,000	$ 54,519	$ 95,684	$ 16,005	$ -	$ -
(2)	Quality Assurance	$ -		$ -	$ -	$ -	$ -	$ -
(3)	Independent Verification and Validation			$ -	$ -	$ -	$ -	$ -
(4)	Training	$ 175,384		$ 54,519	$ 106,315	$ 14,550	$ -	$ -
(5)	Leased Space (Temporary)	$ -	$ -	$ -	$ -	$ -	$ -	$ -
(6)	Feasibility Study	$ -	$ -	$ -	$ -	$ -	$ -	$ -
(7a)	Inflation for Professional Services	$ -	$ -	$ -	$ -	$ -	$ -	$ -
(7b)	Inflation Percentage Applied			0.00%	0.00%	0.00%	0.00%	0.00%
(8)	Other Services/Costs	$ 1,150,384	$ 471,000	$ 358,301	$ 210,503	$ 110,580	$ -	$ -
(9)	*Total Professional Services*	$ 1,545,976	$ 525,000	$ 467,339	$ 412,502	$ 141,135	$ -	$ -
B.	**Software Acquisition**							
(1)	Software COTS Purchase	$ 2,330,976		$ 467,309	$ 1,713,802	$ 149,865	$ -	$ -
(2)	Software Built	$ -	$ -	$ -	$ -		$ -	$ -
(3a)	Inflation on Software	$ -	$ -	$ -	$ -		$ -	$ -
(3b)	Inflation Percentage Applied	$ -	$ -	0.00%	0.00%	0.00%	0.00%	0.00%
(4)	*Total Software*	$ 2,330,976	$ -	$ 467,309	$ 1,713,802	$ 149,865	$ -	$ -
C.	**Equipment**							
(1)	Servers	$ -	$ -	$ -	$ -		$ -	$ -
(2)	PCs, Laptops, Terminals, PDAs	$ -	$ -	$ -	$ -		$ -	$ -
(3)	Printers, Scanners, Peripherals	$ 623,078		$ 623,078	$ -		$ -	$ -
(4)	Network Equipment/Cabling	$ -	$ -	$ -	$ -		$ -	$ -
(5)	*Miscellaneous*	$ -	$ -	$ -	$ -		$ -	$ -
(6)	*Total Equipment and Miscellaneous*	$ 623,078	$ -	$ 623,078	$ -	$ -	$ -	$ -
D.	**Project Contingency**							
(1)	5% project contingency	$ 225,000	$ -	$ 77,855	$ 106,315	$ 14,550	$ -	$ -
E.	**Total Request**							
	Total Budget Request [A+B+C+D]	$ 4,725,030	$ 525,000	$ 1,635,581	$ 2,232,619	$ 305,550	$ -	$ -
F.	**Source of Funds**							
	GF	$ 2,160,581	$ 525,000	$ 1,635,581	$ -	$ -	$ -	$ -
	CF/RF (HUTF Off-the-Top)	$ 2,538,169	$ -	$ -	$ 2,232,619	$ 305,550	$ -	$ -
	FF	$ -	$ -	$ -	$ -	$ -	$ -	$ -
	check (should = E)	$4,698,750	$525,000	$1,635,581	$2,232,619	$305,550	$0	$0

*Note that cell C40 does not equal cell C35 as the CSP did not receive 5% project contingency in FY25. However, due to the nature of the scope of work for phase 1, the Department is confident it will not require a contingency for phase 1.

FY 2025-26 - DPS Records Utilization Upgrade (RUU): IT-CC-01

Request Year	Total Funds	CCF-IT	Cash Funds	Reappropriated Funds	Federal Funds
FY 2025-26	$1,635,581	$1,635,581	$0	$0	$0
FY 2026-27	$2,232,619	$0	$2,232,619	$0	$0
FY 2027-28	$305,550	$0	$305,550	$0	$0

Categories of IT Capital Projects

Category	Rationale	Applicable
System Replacement	Costs escalating, failing technology, software or vendor support ended, or new technology, e.g., DRIVES, CHATS	No
System Enhancement Regulatory Compliance	(new functionality, improved process or functionality, new demand from citizens, regulatory compliance, e.g, CBMS	No
Tangible Savings Process Improvement	conscious effort to reduce or avoid costs, improve efficiency, e.g., LEAN, back office automation	No
Citizen Demand	"The Ways Things Are" (transformative nature of technology, meet the citizens where they are, e.g., pay online, mobile access)	Yes

Link to cost summary cover sheet (Google Sheets)

The Department of Public Safety (DPS) requests $1,635,581 Capital Construction Funds in FY 2025-26 for the second phase of the Records Utilization Upgrade project. The Colorado State Patrol (CSP) submitted an IT capital project request to the Joint Technology Committee (JTC) in July 2023. Phase One was approved and funded at $525,000 General Fund for FY 2024-25 due to the limited 6% growth cap for the CSP's portion of the Highway Users Tax Cash Fund Off-the-Top (HUTF) funding. This request seeks funding for Phase Two for a total of $1,635,581 Capital Construction Funds in FY 2025-26, for Phase Three for a total of $2,232,619 Highway Users Tax Funds (HUTF) for FY 2026-27, and for Phase Four for a total of $305,550 HUTF in FY 2027-28. Please reference the project timeline and phases with associated costs at the end of the request for more detailed information.

The IT project request is focused on serving Citizen Demand. The goal of the Records Utilization Upgrade is to reduce the time, complexity, and uncertainty associated with current manual, paper-based traffic citation processes. This will provide citizens with the advantages of online and mobile access to citation information and easily accessible options to remit fees or schedule judicial proceedings.

Other benefits include: improved response availability of CSP members, redirecting focus from reduced manual and duplicative data entry activities toward direct service to citizens, and dramatically improving officer roadside safety and internal agency work processes with the completion of this project.

The total project request is $4,725,000 Total Funds (Capital Construction Funds/HUTF) to establish an electronic citation (eCitation) capability; advanced records management capability; improved integration and interoperability of internal systems and external criminal justice data systems; and, improved analytics, investigatory data services, and strategic reporting. The project title is Records Utilization Upgrade (RUU): Federated Records Advancement with eCitation (FRAE)

- This request covers an enterprise system blueprint and roadmap; electronic citation (eCitation) capability; secure-cloud records management system services, a record and reporting data ecosystem (e.g., warehouse, lakes, stores, marts), system interface and interoperability services, and data analytics and strategic reporting application services. Also included are supporting testing, project management and telecommunications components.
- The CSP is in significant need of a eCitation capability to reduce the duration of time required for troopers and citizens exposed to roadway dangers during issuance of traffic citations. The CSP is one of the few large Colorado law enforcement agencies that continues to issue and manage citations through a manual, paper-based workflow. An eCitation capability will significantly increase the ability to focus more time on roadway safety enforcement, and potentially increase the number of traffic safety violation citations issued and processed.
- The CSP is in critical need of comprehensive records management system capabilities to support case file management as well as integrate numerous standalone law enforcement records system functions, that are housed in legacy Sharepoint, spreadsheet and forms data systems.
- The project will require interface and interoperability design collaboration and testing of all the features and functions with partner criminal justice information systems, including the Colorado Integrated Criminal Justice Information System (CICJIS), the Colorado Crime Information Center (CCIC) and the Colorado Information Sharing Consortium (CISC). Neither CSP nor the Governor's Office of Information Technology (OIT) staff resources to perform the testing included in this request.
- In the past ten years, the CSP has deployed numerous single point information systems to support increasingly complex mission requirements, including Computer Aided Dispatch, In-Car Camera (ICC) video, Body Worn Camera (BWC) video, Cloud Digital Evidence Management (DEM), Unmanned Aerial Systems (UAS), professional standards and conduct, and numerous other tactical support systems. Additionally, CSP utilizes numerous external law enforcement investigatory systems such as the FBI National Crime

Information Center (NCIC), the International Public Safety and Justice Network (Nlets), and other systems.

- It is imperative to advance the integration and interoperability across the single point systems to reduce the complexity facing CSP law enforcement and professional staff that rely on the information across multiple information systems on a daily basis. The burden on CSP staff to update, analyze and process information in over 15 disparate systems limits the ability to support citizen demand.

Expenditures:

In Scope
- Directly related project planning, procurement, vendor onboarding, program implementation, governance and compliance for: a) process and architecture definition and mapping, governance and compliance analysis and definition; b) records integration and interoperability analysis, design and services implementation; c) eCitation analysis, design, integration, phased deployment, applications, services and equipment, and internal and partner training and support; and, d) integrated analytics and reporting, analysis, design, development, configuration and optimization, agency partner data and 3rd party data fusion.

Out of Scope
- CSP Internal Strategic Planning. Preliminary analysis and planning of organizational records management strategy, organization process, current systems review, and eCitation functional analysis. These analysis and planning activities are conducted in preparation for the project implementation supported by the IT Capital request. Funding for CSP internal strategic planning is supported in the current CSP operating budget.

  Core Partner Preparation: The core partner agencies include the CICJIS, Colorado Department of Revenue, and the Colorado Judicial Branch. These organizations may require business and process analysis; system and data advancements; and change management to benefit from receiving eCitation data from the CSP.

Stakeholders:
- Internal
  - CSP POST Sworn Officers
  - CSP Civilian Professionals
  - CSP Colorado Auto Theft Prevention Authority
  - Department of Public Safety (CDPS) agencies/offices (Executive Director, Colorado Bureau of Investigation)
- External
  - Citizen Demand Stakeholders
  - Colorado State Traffic Records Advisory Committee (STRAC) eCitation Task Force, participating stakeholders
    - Department of Revenue
    - Judicial Branch

- Colorado District Attorneys Council (CDAC)
- CICJIS
- Office of Information Technology
- Department of Transportation
- Department of Public Health and Environment
- Department of Human Services

It is expected that the internal and external stakeholders noted above will all experience significant benefit from this project. Primary, benefits include: 1) a CSP enterprise systems blueprint that outlines current and future interoperability and interfaces, reducing complexity and increasing shared information use; 2) Reduced manual data entry, duplication of entry, and reduction in data errors, through data integration across companion systems that rely on the same data values, e.g., enter one, use multiple times; and 3) improved strategic and operational decision making supported by integrated intelligence in near real time, without manual data conversion or significant changes to source system applications.

Project Description:

Currently, the CSP operates and accesses numerous internal and external information systems that are critical to the daily functions of POST (Peace Officer Standards and Training) sworn law enforcement officers and civilian professionals. A significant limitation for CSP members in serving citizen demand is the burden involved in accessing multiple, disparate information systems for needed data input, analysis and reporting. In particular, a significant part of the CSP safety mission is the issuance of citations for traffic safety violations. At present, issuance of citations remains largely a manual, paper-based process. A summary overview of current CSP Systems is provided below in Diagram 1 or the table on the following page.

The FRAE project includes both information systems and services that will be replaced for improved capability and new information systems and services for new capability.
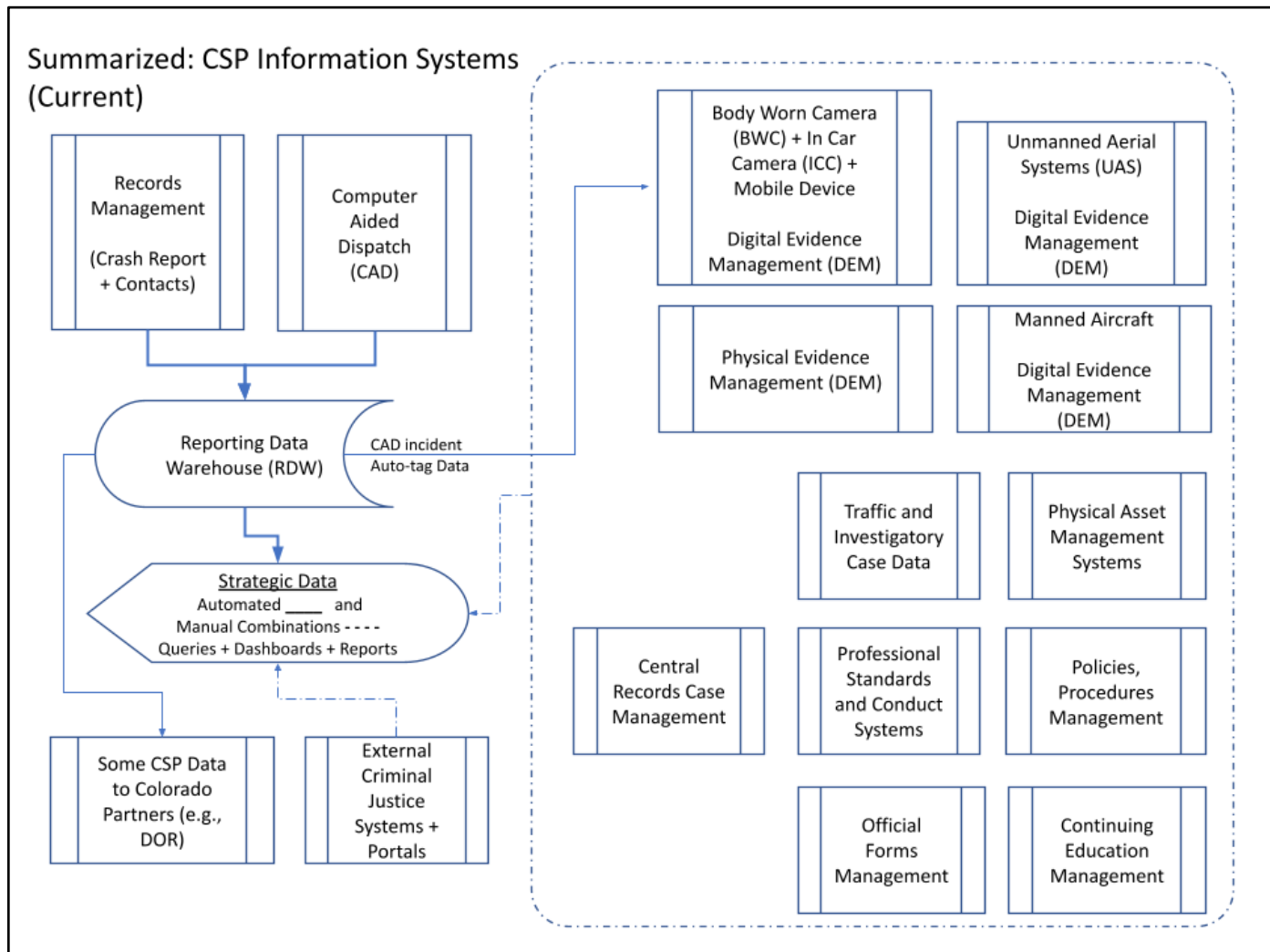
Diagram 1: Current CSP Systems

Step Number	Step Descriptions of Current CSP Systems

Step 1	● **Data Origination:**
	  o Current & new data is sourced from:
	    ▪ Records Management
	      ● Crash Reports & Contacts
	    ▪ Computer Aided Dispatch (CAD)
	      ● Collates data from multiple systems to support first response communication (e.g., phones, radios, geographic, etc.)

Step 2	● **Reporting Data Warehouse (RDW) Storage:** o Centralized repository of multiple sourced data & large data sets to hold for distribution

Step Number	Step Descriptions of Current CSP Systems

Step 3	● **Data Distribution:**
	  ○ Data is disseminated to multiple users for specific business activities & analysis including internal teams & external partners
	    ▪ Internal Teams
	      ● Digital Evidence Management (DEM)
	        ○ Body Worn Camera (BWC), In Car Camera (ICC), & Mobile Device
	        ○ Unmanned Aerial Systems (UAS)
	        ○ Manned Aircraft
	        ○ Physical Evidence Management
	      ● Central Records Case Management
	      ● Traffic & Investigatory Case Data
	      ● Physical Asset Management Systems
	      ● Professional Standards & Conduct Systems
	      ● Policies & Procedures Management
	      ● Official Forms Management
	      ● Continuing Education Management
	    ▪ External Partners (e.g., Colorado Department of Revenue)

Step 4	● **Strategic Data Use:** ○ Data is used & combined in automated & manual manners, such as queries, dashboards, and reports, to aid business activities across the previously mentioned internal teams & external partners such as the criminal justice system

Replaced Functionality: Records Management System and Records Data Warehouse

Current systems that would be replaced or significantly enhanced include the Records Management and Records Data Warehouse. This includes consolidation of smaller systems functions into the advanced records management system (RMS) capabilities, namely forms management, case data and case management.

Advanced Records Management

The system will be an automated system that will allow personnel within CSP to identify, collect, store, retrieve, analyze, manage, and report information related to incidents. The system will allow CSP to create reports in various formats, sort data, conduct data analysis and interface with other systems, both within CSP and outside of it. The system will give CSP an enhanced ability to:

● Protect the citizens of Colorado
● Protect physical resources
● Protect State of Colorado infrastructure
● Detect, deter, deny, respond, and investigate criminal activity
● Capture, integrate, and share law enforcement, suspicious activity reporting, and related information from other sources

- Identify needs (training, resources, etc.)
- Measure performance of CSP programs and management of emergency incidents
- Meet reporting requirements
- Analyze and prioritize protection efforts
- Minimize struck by incidences
- Reduce administrative time and costs

An incident might include a response by CSP troopers, call for service, search and rescue operations, emergency management, disaster support, or others. Therefore, the definition shall be broad enough to allow for these and other incidents that do not necessarily involve an emergency (e.g., event/crowd management, routine patrols, or dignitary protection).

Case File Management:

Incidents that require further investigation or follow-up may be referred to an investigator before they are closed or submitted to the prosecutor for a charging decision. The RMS shall provide the capability to assign case responsibility and task responsibility.

The Records Management System (RMS) shall be configurable to allow cases to be assigned to a specific unit based on prescribed business rules such as offense type, victim age, etc. For example, homicide offenses shall automatically route to a vehicular crimes unit (VCU) or the assigned VCU investigator. Typically, cases will be assigned at the unit level and then to an individual trooper. The case management function will also include the ability to assign individual tasks for completion. The case management will also include automated task reminders with due dates and follow up tasks such as victim interviews, evidence collection, leads collection, expense tracking, preparation of case for prosecution, and other required tasks. The RMS will enable leads to be easily manageable and submitted electronically. A large case may involve hundreds of leads that need to be reviewed, followed up on and cleared quickly.

Case investigations often involve multiple incidents. The case management function will allow for the linking of multiple incidents to a single case. Additionally, when an arrest is made, the system will transfer the arrest of one individual to multiple incident reports to avoid duplication of effort and to ensure data consistency. The RMS will provide the capability to ensure the assigned trooper receives the referrals or cases electronically and records all the subsequent case management-related activities in the RMS. Case management functions include but are not limited to, capturing, and storing investigation data, requesting a warrant, conducting interviews and photo lineups, and producing supplemental reports. Investigators also may initiate criminal charges and obtain and execute both search and arrest warrants. The system will have the capability to allow the CSP to define specific activities, including a time allocation for each activity so the system can generate alerts to both the assigned investigator and the supervisor.

The RMS will provide the capability for all troopers to assign, accept, and work on cases, as well as investigators. Key products of the process are producing information for the prosecutor, assisting in managing case materials (including evidence), and preparing cases for prosecution. Case dispositions are maintained by the prosecutor. The RMS will provide the capability to

manually enter disposition information by the law enforcement agency or receive the information electronically via an interface using industry standard secure protocols.

<u>New Functionality: eCitation</u>

New functionality expected in the capability to issue eCitation, and integrate the digital eCitation data across companion RMS, CAD and DEM systems. The eCitation capability will eliminate manual processing and duplicative data entry for the current paper-based citations. This will provide a significant benefit in CSP workload, as well as partner departments that require CSP citation data, including DOR, Judicial Branch and CDAC.

The project will allow State troopers to generate a uniform summons and complaint notice or incident while in the field in disconnected or connected mode. The system will include 3D barcode scanning (Scan licenses, registration, etc.), support mobile printing, and feature an easy-to-use interface with the ability to generate citations at the location of the violation. The system will interact with a CAD function that allows pertinent information to be retrieved and populated into the citation electronically. In the case of multiple tickets, the system should copy relevant information into the next ticket issued or form/report as required.

<u>New Functionality: Interoperability and Integration</u>

New functionality includes both interoperability and integration of existing systems through a Federated Systems Integration (FSI) model, leveraging cloud-based Software as a Service (SaaS) and Platform as a Service (PaaS) architectures. Significant integration and interoperability needs exist with the current CAD and DEM systems with other CSP system capabilities, such as records management and eCitation. Data exchange and standardization across CSP systems will be supported by this new capability.

Cloud Software (SaaS) Architectures:

The model that would best benefit the CSP would be cloud software as a service (SaaS) which is a cloud-based delivery model that allows users to access software applications over the internet, without having to install and maintain the software on their own devices. The following outlines the key features on how a SaaS model would provide a positive experience to the CSP:

- Reliability: The SaaS platform should be highly available and function without interruption. Customers should be able to access the service 24/7, with minimal downtime.
- Scalability: The SaaS platform should be able to accommodate growth in user numbers and data storage as required, with no disruption to service.
- Security: The SaaS platform should have robust security measures in place to protect sensitive customer data. This includes encryption of data in transit and at rest, regular software updates, and penetration testing.
- User-Friendliness: The SaaS platform should have an intuitive user interface that is easy to navigate. Customers should be able to start using the service without extensive training or support.

- Upgrades and Enhancements: The SaaS platform should receive regular software upgrades and enhancements to improve its functionality and address any issues. Customers should be informed of these updates in advance, and any downtime should be kept to a minimum.
- A SaaS offering from a service provider must provide reliability, security, integration, ease of use, cost-effectiveness, flexibility, and support to meet the expectations of the CSP. In addition, the service provider must ensure that the SaaS is constantly updated and improved to meet the evolving needs of Colorado State Patrol.

Systems Integration Opportunities –

<u>Builds Upon Existing IT Environment</u>

The project intent leverages existing technology system investments through cloud first, software-as-a-service (SaaS) and platform-as-a-service (PaaS) integration models. As depicted in the FSI Model in Diagram 2, a two-way exchange occurs between the cloud, SaaS, PaaS, and mobile-centric records with the computer programs used by internal and external agency teams such as CAD, records, digital and physical evidence (e.g., BWC), crime scene forensics, investigation analytics, public portal, and the prosecutor management system. The most significant benefit is to utilize multiple existing source business systems (Depicted in Diagram 1), with contemporary integration and interoperability services to bridge connections across these systems.

Core advantages of the FSI approach, according to the U.S. Department of Justice, Office of Justice Programs, Bureau of Justice Assistance, BWC-TTA, are as follows:

- Maintains existing systems, but allows for data integration
- May cost less to implement
- Can be made operational relatively quickly
- Flexibility in DEM system provider
- Allows for the individualized solution for each function

Primary concern regarding FSI approach, is as follows:

- Requires extensive collaborative operational and budgetary planning
- Requires change management to advance federated standards and cooperation across core mission systems and owners
- Requires ongoing support of integrated organizational process and data governance
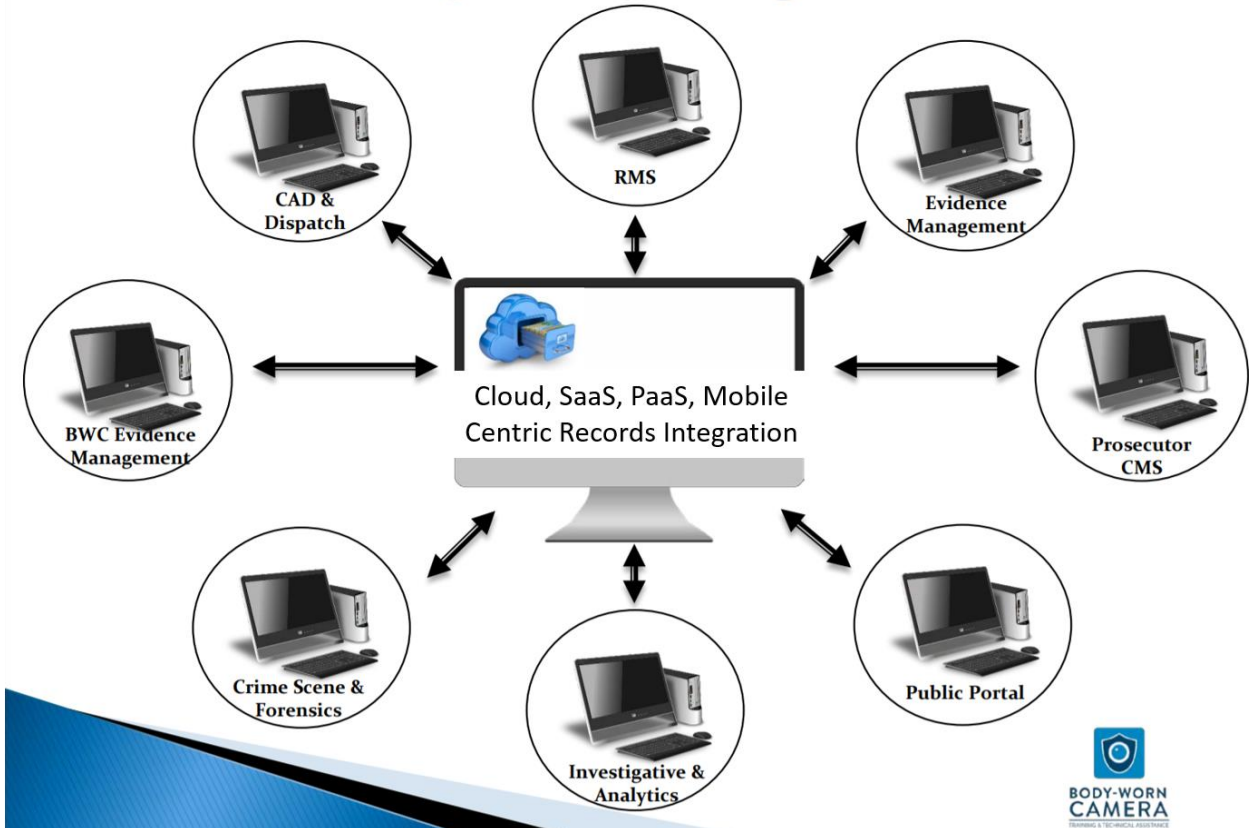
Adapted from: Future Possibilities for Digital Evidence Integration, Craig D. Uchida, Ph.D., President, Justice & Security Strategies, Inc., January 2019. Grant No. 2015-DE-BX-K002, by the Bureau of Justice Assistance (BJA), U.S. Department of Justice, Office of Justice Programs

Diagram 2: FSI Model

Interfacing with State Systems

The project integrates with the CICJIS (refer below to the table or Diagram 3, eCitation Conceptual Data Exchange). This is a notable benefit of strong design consideration with CICJIS. The CICJIS program has well established cybersecurity, workflow, data exchange format, and secure communication specifications in place with five Colorado departments: CDPS, Department of Revenue, Judicial Branch, Department of Public Health and Environment and Department of Human Services, in coordination with the Governor's Office of Information Technology (OIT).

CICJIS Exchange Type	Details of the eCitation Conceptual Data Exchange with CICJIS

● CICJIS Receives From:
   ○ CSP
   ○ DOR
   ○ Judicial
	● CSP sends eCitations
	● DOR sends unpaid citations
	● Judicial sends judicial initial case filings

CICJIS Exchange Type	Details of the eCitation Conceptual Data Exchange with CICJIS

• CICJIS Transmits To:
  ○ CDAC
  ○ DOR
  ○ Judicial
	• CDAC receives unpaid citations & CDAC case from judicial case
	• DOR receives eCitations
	• Judicial receives unpaid citations & summons
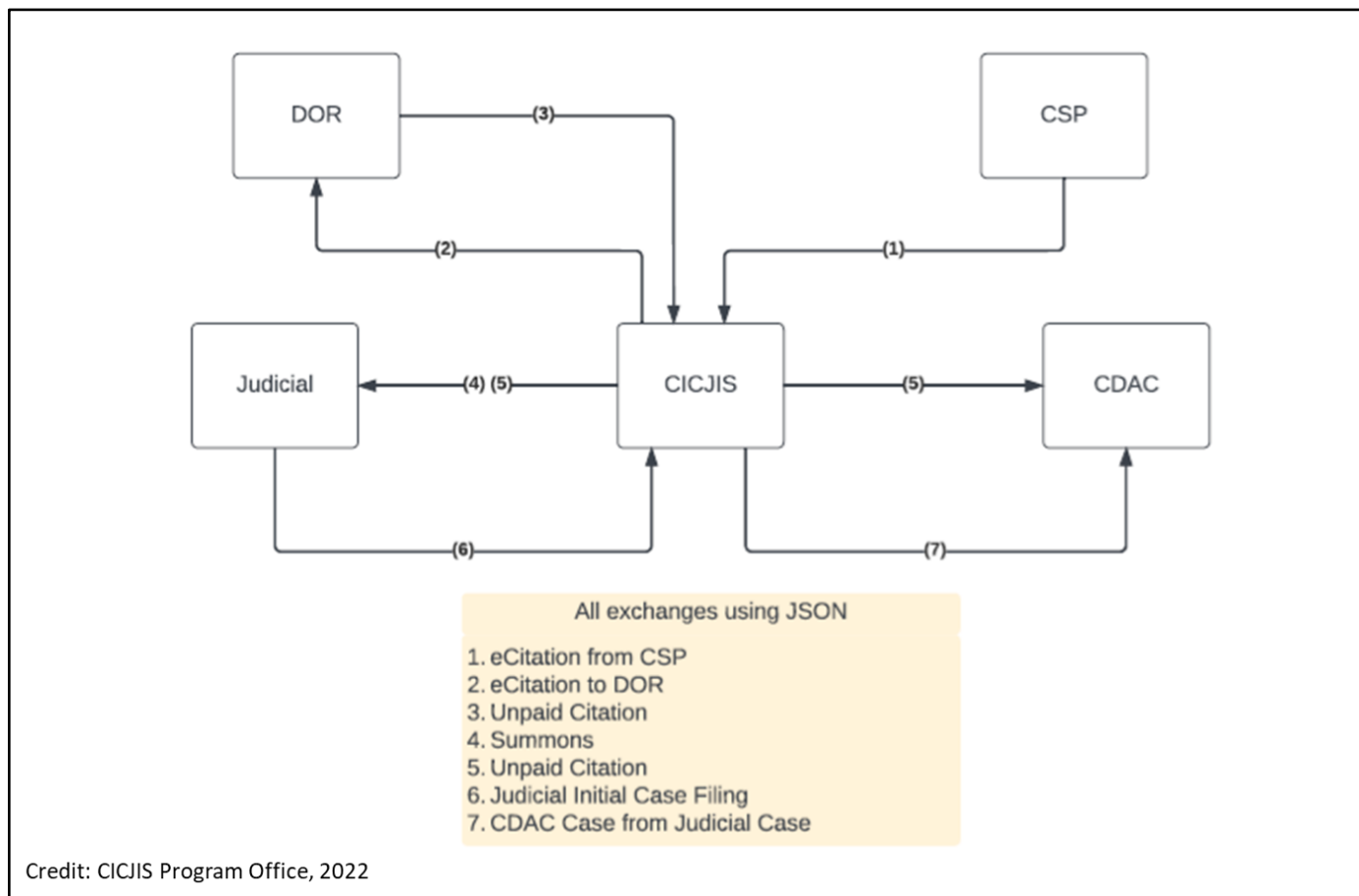
Diagram 3: eCitation Conceptual Data Exchange

Dependencies

Dependencies exist on the individual CSP systems for modification or configuration updates necessary to support cross systems interoperability and integration.

For departments using CSP provided data (e.g., eCitation data fields), dependencies exist on the continued availability of CICJIS integration services. Departments receiving CSP provided data are responsible to modify existing systems to benefit from enhanced digital workflow and digital data provided through the CICJIS via data exchange.

Lastly, the proposed project is dependent on Colorado state approved cloud-based service providers for fundamental integration and interoperability functions, provided through delivery of Software as a Service (SaaS); Platform as a Service (PaaS); Secure Encrypted Data

Communication service; Application Programming Interface (API) service; and, other vendor provided service components. Through this approval, the future state of the Federated Records Advancement with eCitation (FRAE) results in a more streamlined business process of data between (1) CJIS/Non-CJIS Blend PaaS, SaaS, and Cloud services that contain the records ecosystem (including data warehouse, lakes, ponds, marts), data integration and exchange services, and the strategic data of analytics, query, fusion, and reporting services and (2) CSP's internal and external partner teams. Whereas the previously outlined current state shows an incremental, manual, and non-automated process, the future state streamlined process includes simultaneous, bidirectional transmission between a blended PaaS, SaaS, and Cloud Services with CSP's internal and external partners, which is more specifically detailed in the table below or in Diagram 4 on the following page.

CSP Partner Teams	Partner Team Data Bidirectionally & Simultaneously Transmitted in the Future State
External Partners	● LexisNexis ● Colorado Department of Revenue
Colorado CJIS Partners	● Fellow CJIS Users
CSP Local Hosted Applications	● Computer Aided Dispatch (CAD) ● Physical Evidence Management
CSP Cloud Hosted SaaS Applications	● Records Management Program ● eCitation documents ● Central Records Case Management ● Traffic & Investigatory Cases ● Crash Reports, Contacts, & Forms Management ● Digital Evidence Management (e.g., BWC, ICC, & mobile devices) ● Unmanned Aerial Systems & Manned Aerial ● Physical Asset Management ● Continuing Education Management ● Professional Standards & Conduct ● Policies & Procedures Management

CSP Federated Records Advancement with eCitation [FRAE] (Future)

External Partners (e.g., LexisNexis)

CJIS/Non-CJIS Blend PaaS SaaS Cloud Services

Records Ecosystem (Data Warehouse, Lakes, Ponds, Marts)

Data Integration and Exchange Services

Analytics, Query, Fusion, Reporting Services

Colorado CJIS Partners (via CICJIS, etc.)

Cloud Hosted SaaS Applications

Records Management System Services

eCitation

Digital Evidence Management (DEM)

Body Worn Camera (BWC) + In Car Camera (ICC) + Mobile Device(s)

Professional Standards and Conduct

Central Records Case Management

Unmanned Aerial Systems (UAS) DEM

Manned Aerial (DEM)

Policies, Procedures Management

Traffic and Investigatory Cases

Crash Reports

Contacts

Forms Management

Physical Asset Management

Continuing Education Management

Local Hosted Applications

Computer Aided Dispatch (CAD)

Physical Evidence Management (DEM)

Note: Future consideration for some CSP mission systems currently hosted on premise for transition to cloud-based architecture

Diagram 4: CSP Systems Federated with eCitation (Future Context)

Risks and Constraints –

Risks
- Internal: Scope is too complex, with four segments of capability advancement that are interrelated and need to be coordinated: 1) Federated Advancement Blueprint 2) eCitation implementation 3) Records Management Advancement 4) Interoperability and Analytics.
- Internal: Change in business approach. Applying strategic workflow, systems and acquisition planning through assessment blueprints, pilot implementations, small scale agile evaluations for optimal application and technology integration.
- External: State partner organizations may not prioritize process or system changes necessary to benefit from receiving CSP eCitation data.
- External: Availability of qualified vendor services necessary to enable the project in areas of business and systems architecture consulting, data conversion and preparation, data storage and database ecosystems, integration and interface development, analytics and reporting development, cybersecurity and data governance).

Constraints
- Internal: Interoperability across the variety of technology architecture patterns, vintage and specifications across the core CSP systems, e.g., CAD, RMS, DEM, Data Warehouse, and local Network Domains.
- Internal: Coordination and collaboration across multiple distinct CSP operations verticals, with a significant variety and scale of business processes and legacy application technology that may be impacted in this project scope.
- External: Coordination and collaboration across State partner organizations, primarily CICJIS, DOR, Judicial Branch agencies, CDAC and OIT.
- External: Cooperation and support from current CSP technology application and service vendors to adapt contract performance objectives, update system interfaces, and participate in CSP wide integration planning and implementation efforts.

Operating Budget Impact –

The operating budget will be impacted for ongoing vendor licensing, hosting and support services. The ongoing annual operating impact is estimated at $630,000.

Background of Problem or Opportunity:

Problem:
The current CSP business processes and systems (Diagram 1) **do not support** the following integrated business process and records management capabilities:

- Provide a digital means of issuing citation/summons to the public from Trooper's patrol car.
- Provide a records management capability for all casefile management of CSP's investigations and form management to include the ability to track edits, approval, and chain of custody for management.
- Integrate information sharing from CSP to Courts, DOR, and other partners for more effective management of data and investigations.
- Access and search all systems.
- Be easy to use with an intuitive interface.
- Provide content "packaging."
- Embed real-time updates.
- Have a sharing capability.
- Have extensive auditing capabilities.
- Be adaptable and scalable.
- Apply content analytics.
- Have a robust administrative function.
- Provide conversion capabilities.
- Have extensive system security measures.

Opportunity:

- Coordinated integration and interoperability of CSP system business processes and data.
- Provide an effective cloud storage, data integration, and analytics solution.

- Increase efficiency in entering data into Records Management to eliminate duplication of entry and provide a higher quality of data.
- Decrease the time of issuing a citation.
- Decreased exposure for both citizen and troopers to active traffic (e.g., decreased risk of struck by incidents)
- Advance tactical, managerial and strategic decision data, in flexibility, timeliness, and reliability, including fusion with expanded intelligence sources and analysis tools.
- Better, more robust and complete information availability through web portal access to Citizen (public) stakeholders.
- Reduce paper document printing, processing and filing by CSP POST Sworn Officers and Administrative Professionals, as well as staff members at State partner organizations that process CSP traffic citations (e.g., DOR, Judicial Branch agencies).

Justification:

A strategy level business process analysis was conducted to evaluate the scope of the business problem and business opportunity addressed in the IT Capital Request in the following categories.

Analysis Area	Description
Citizen and Member Safety Concerns	Duration required to provide a traffic citation. On average, a survey of various CSP Troop Offices resulted in an average estimate of 15 minutes required to issue a paper traffic citation.
CSP Service Efficiency and Reliability	Paper based citations require on average 10 minutes per citation of manual process work in internal workflow, such as supervisor review and administrative professional data input, paper sorting, batch transfer and physical delivery (mail/hand deliver) to partner State organizations (e.g., DOR, Judicial Branch)
	Paper based citations have resulted in a 2 percent error rate in final disposition at DOR.
	Lack of system interoperability and integration reduces capability to leverage decision intelligence from data that is contained with disparate CSP information systems.
CSP Process Systems Governance	Multiple CSP systems are utilized by staff members, with the use of these systems involving redundant data entry.
Standards and Practices Conformance	Multiple CSP systems do not have standardized data dictionaries, data interchange or data interface standards.

Analysis Area	Description
Business Partner Interoperability and Integration	CSP systems that create data used by other Colorado departments (e.g., DOR and Judicial) do not conform to interoperability data standards established by CICJIS. Third party investigatory data services are not integrated with internal systems data to enable value added intelligence for CSP member case analysis and investigation functions.

Cost-Benefit Analysis and Project Alternatives (per H.B. 15-1266) –

Alternatives Comparison Table

Alternative	Current State (Status Quo)	Option 1 (Recommended) Federated Records Advancement w/eCitation (FRAE)	Option 2 Enterprise Platform Consolidation with eCitation (EPCE)
Overview Description	Existing segmented systems support core operational functions such as Incident Dispatch, Crash Reporting, Digital Evidence Management. Traffic citations are manually processed through paper citation forms	Advances capability of existing Records Management System (RMS) functions, adds capability to implement eCitation with delivery of data to CICJIS partners, adds capability for CSP segment systems integration and interoperability, and advances capability for data management, analytics, and reporting. Applies a federated systems integration (FSI) process model	Similar to the FRAE alternative. Except consolidates most existing systems through conversion to a single vendor enterprise solution. Applies a single systems integration (SSI) process model
Strengths	Separate systems are in place to provide basic operational service needs. Other intermediate systems for manual centric processes (e.g., Sharepoint,	Significantly reduces manual business processes through reduction of duplicate data entry across segmented systems. This is achieved through consolidating disparate side system records (e.g., Sharepoint, Spreadsheets, Documents)	Similar to the FRAE alternative. Also reduces the management complexity of coordination of multiple federated source information systems and integration

Alternative	Current State (Status Quo)	Option 1 (Recommended) Federated Records Advancement w/eCitation (FRAE)	Option 2 Enterprise Platform Consolidation with eCitation (EPCE)
	Spreadsheets, etc.) Limited interfaces between current systems limited integration management support needed Current business process and systems well understood and known through legacy organization knowledge	within a comprehensive RMS capability that is not possible in the current capability. Significantly reduces manual business processes through elimination of paper-based traffic citations. Significantly reduces manual data validation and error correction by elimination of paper-based traffic citations and reducing redundant data entry across multiple segment systems (e.g., CAD, DEM, RMS, etc.) Reduces manual data retrieval, reconciliation, compositing across multiple segment systems when developing integrated criminal and traffic data analysis and reports Enables State of Colorado organization partners (CICJIS, DOR, Judicial) the ability to receive CSP citation data electronically, reducing manual data entry processes for those partners	and interoperability services in the FSI process model. This is a SSI process model where a single vendor platform consolidates most of the segmented systems in the FSI process model
Weaknesses	Limited ability to integrate strategic, operational or single-case data perspectives across segmented core systems	Significant organizational coordination and cooperation across CSP mission systems and owners to participate in the federated systems integration (FSI) model.	High burden of transferring business rules and data from at a minimum of five (5) CSP core systems to a single systems integration platform.

Alternative	Current State (Status Quo)	Option 1 (Recommended) Federated Records Advancement w/eCitation (FRAE)	Option 2 Enterprise Platform Consolidation with eCitation (EPCE)
	Some existing records and forms systems are end of life (EOL) and no longer supported in the State OIT environment at the end of year 2024, namely Sharepoint and Infopath. Redundant data item entry required across multiple systems Data validation challenge in missing or erroneous data in manual and paper workflow Sharing data with external partners difficult; involves significant manual operations	Instituting common operational system data standards to support integration and interoperability provided through cloud-based integration services. Change management to transform current paper-based manual processes to digital workflows, including training and revision of staff member roles and responsibilities. Integration service management across multiple mission systems to coordinate updates to integration and interoperability end point standards.	Organization risk of maintaining multiple mission information systems through a single vendor solution. Significant expected cost of implementation and ongoing operations and maintenance that will exceed current system operations costs. Change management to transform current paper-based manual processes to digital workflows, including training and revision of staff member roles and responsibilities.
Assumptions	Current business processes and core systems are stable in operation and reliability	Improves, reduces or eliminates legacy, redundant or otherwise unneeded business processes that will be embedded in automated system capability Adequate cooperation and coordination from internal stakeholders, mission areas, and vendor partners in adapting to FSI architecture	Improves, reduces or eliminates legacy, redundant or otherwise unneeded business processes that will be embedded in automated system capability Adequate cooperation and coordination from internal stakeholders, mission areas, and

Alternative	Current State (Status Quo)	Option 1 (Recommended) Federated Records Advancement w/eCitation (FRAE)	Option 2 Enterprise Platform Consolidation with eCitation (EPCE)
		and process model.	vendor partners in adapting to USI architecture and process model.
Cost-Benefit Annual Cost: Citation processing and data retrieval (CSP Only)	Current Annual Staff Burden of Paper-based, Manual Processes: $3.5 Million (Full operational estimated staff cost)	Investment Cost of New Capability: $4.5 Million Additional ongoing systems cost of New Capability: $630,000 Annual Operations Cost: $1.1 Million (Full operational estimated staff cost) Net yearly benefit: (Not Including Investment Cost): $3.5 Million - $1.1 Million - $630,000 = $1.8 Million	Investment Cost of New Capability: $9 Million Additional ongoing systems cost of New Capability: $1.3 Million Annual Operations Cost: $1.1 Million (Full operational estimated staff cost) Net yearly benefit: (Not Including Investment Cost): $3.5 Million - $1.1 Million - $1.3 Million = $1.1 Million

Basis of Estimate and Market Research

The strategic business analysis and market research included multiple peer law enforcement technology advancement programs, in publicly available after-action reports, contract procurement scope of work and financial contracts, and vendor integration specifications. In addition, the CSP has conducted vendor information interviews over the past 24 months that also informs market research. These research sources provide a relevant inventory of comparison cases for a reasonable basis of estimate.

Success Criteria and Improved Performance Outcomes –

Tangible Savings through Process Improvement (Digitize Manual and Paper Processes)

Time Savings (CSP only)	Standard business process for patrol officers to issue a citation; supervisory review of citation in current RMS; and administrative professional manual processing, sorting and delivery of paper citations. Projected reduction in cumulative staff time required is 65%. For traffic and vehicular crime analysis and operations statistics data

	gathering, reconciliation and correction. Projected reduction in cumulative staff time required is 50%.
Risk Aversion	CSP Patrol Officers and Citizens are projected to have **reduced duration of exposure by 65% on roadways** during the issuance of a citation.
Key Performance Indicators	1. Average duration for a CSP patrol officer to issue a traffic citation 2. Average duration for a CSP administrative professional to process a traffic citation 3. Average duration for CSP citation in digital data form delivered to the CICJIS integration point 4. Annual count of CSP citations received digitally by DOR 5. Annual count of CSP citation errors detected in DOR process 6. Count of CSP systems (touchpoints) for CSP members to conduct records management processing activities

Business Process Improvement

The business analysis conducted to support this project request included a workload analysis of the current process for issuance of a CSP traffic citation (also referred to as a CSP 5 Uniform Summons and Complaint or Penalty Assessment); internal business data analysis workload; and, review of eCitation and process modernization efforts at peer law enforcement organizations. The following summary points detail the data collected and analysis of expected business process improvements from transforming the current paper-based, manual processing of traffic citations to digital workflow through the eCitation component of this project. Other points include business process improvements in the collation and analysis across all CSP mission systems used for strategic, policy and operational decision making.

Current Process

- Over the past 3 years, the CSP issues an average of 167,000 traffic citations annually.
- From surveys of CSP troop offices, the estimated average time required to issue a paper traffic citation is 15 minutes. Annual total citation issue duration estimated at 41,583 hours.
- CSP supervisory personnel conduct quality and spot checks on manual data entry of paper traffic citations. This process requires an annual duration estimated at 5,544 hours.
- Administrative Professional staff devote on average 1 hour daily to organize and process paper traffic citations. Annual total processing duration estimated at 6,570 hours.
- A dedicated work unit conducting data analysis, data science and operational reporting estimates that approximately 33% of work unit efforts are allocated to manual data combination and reconciliation activities across segmented CSP systems. This is equivalent to an estimated 2,059 hours annually.
- From analysis coordinated with the Department of Revenue, approximately 67,000 penalty assessments are received from the CSP annually.
- Estimated DOR administration duration to receive and process (paper and/or scanned) CSP citations requires an estimated 2,214 hours annually.

Improved Process
- The CSP business analysis for this project included Interviews of peer law enforcement agencies and reviews of press releases and analyst reports regarding the outcomes from implementing an eCitation capability.
- The results of this analysis indicate that most police agencies that transform manual paper citations to digital eCitations can reasonably expect an average workload duration reduction of approximately two thirds (67%).
- A general workload reduction by applying the analysis estimate to current CSP processes is applied for a general projection of benefits, in terms of staff time savings from business process improvement enabled by this project.
- Total CSP Officer time duration annually to issue traffic citations is projected to decline from 41,583 hours to 13,861 hours.
- Total CSP Supervisor time duration annually to conduct quality checks for traffic citation data entry is projected to decline from 5,544 hours to zero (0) hours.
- Total CSP Administrative Professional time duration annually to process traffic citations is projected to decline from 6,570 hours to 2,168 hours.
- Total DOR administration time duration annually to receive and process (paper and/or scanned) CSP citations is projected to decline 2,214 hours to zero (0) hours.

Implementation Expenses: Federated Records Advancement w/eCitation (FRAE)

Order of Magnitude FRAE ($4,500,000) + 5% Cost Contingency ($225,000) = $4,725,000

Itemized Components: FRAE

Independent verification and validation are specified as a segment expense. Also, are four primary components of implementation expenses detailed as follows. Provision for information security, governance and accessibility standards embedded within each of the four primary components.

Phase 1: Utilization Blueprint and Roadmap ($551,250)

- Professional services: Business process and data inventory analysis, systems architecture component specification, and blueprint implementation roadmap.
- Includes contingency 5% ($26,250) which was not funded for FY25 due to the scope of work for phase 1.

Phase 2: eCitation Functional Capability ($1,635,581)

- Software (Cloud/Client) and Cloud Services: cloud hosed interfaces implementation with RMS, CAD, DEM, CICJIS; eCitation software for patrol vehicles; mobile data computer (MDC); cloud hosted back office eCitation processing software and storage; installation, configuration and training.
- Hardware: Patrol vehicle (600 vehicles) hardware supporting eCitation capability, including barcode scanner, thermal printer, equipment brackets, power cords and interface cables.

- Includes contingency 5%: $77,885

Phase 3: Federated Records Advancement: Data Ecosystem Integration/Interop. ($2,232,619)

- Cloud Software and Services: Federated systems integration architecture and cloud broker service; RMS process, data, systems architecture; RMS cloud migration; Data ecosystem cloud migration.
- Contingency 5%: $106,315

Phase 4: Unified Intelligence Analysis, Fusion and Reporting ($305,550)

- Professional services: Business analysis, integration specification, and configuration for unified intelligence analysis, ecosystem data queries and reporting, intelligence data fusion.
- Includes contingency 5%: $14,550

Consequences if not Funded –

- The CSP and State partner organizations that rely upon CSP traffic citation information will remain constrained in Citizen Demand capability due to overall efficiency and data reliability limitations involving manual, paper-based business process workflows.

- The CSP will remain constrained in roadway traffic patrol and enforcement due to extensive time required for patrol officers to conduct manual, paper-based traffic citation issuance.

- The CSP will remain constrained in understanding unified strategic, operational and tactical case information as information maintained in mission systems will remain in segmented siloes requiring manual combinations of data for integrated analysis and reporting.

- CSP partners such as peer law enforcement, criminal justice and State of Colorado organizations (e.g., DOR) will remain constrained in receiving timely, accurate information from the CSP on matters of mutual interest. Advanced business process workflow capabilities that improve speed of delivery, volume of throughput, and access for investigative needs are constrained by manual processes to share information maintained in multiple CSP information systems.

- The CSP will remain constrained in analyzing available external law enforcement and criminal justice information for case investigations and mutual enforcement operations planning, and strategic law enforcement analysis due to lack of automated integration of data sources into analysis tools, dashboards and reports.

In this section please include:

Implementation Plan

Change Management –

Given the strategic significance of this project for the CSP, and the notable expected benefit the project will delivery for DOR, Justice and CDAC partners, the CSP will establish an executive steering committee with representation of key stakeholders and partners, including internal stakeholders, partner stakeholders among STRAC and CICJIS agencies, technology governance partners (i.e., OIT), and key service providers. The CSP Office of Project Management (PMO) will coordinate the project steering committee throughout the project effort, and is responsible to provide integrated project management across the project contributors.

The CSP PMO is responsible for lifecycle project management applying contemporary practices in the following delivery domains: Project Management Institute (PMI) Project Management Body of Knowledge (PMBOK) with Agile Practice; The Four Disciplines of Execution (4DX); the Prosci change management model; and the Systems Engineering Body of Knowledge (SEBOK).

The CSP PMO is also responsible for lifecycle change management for this implementation and will generally follow a Prosci three-component, three-phase change management model:

- Conduct Prosci Change Triangle (PCT) Model; PCT Assessment, evaluating and assessing: Leadership/sponsorship-strategy and direction of project; Project management-technical side of project; and Change management- the people side of project.

- Conduct Prosci 3-Phase (Change) Process: 1) Prepare Approach: Define: Success; Impact; Approach. 2) Manage Change: Plan and Act; Track Performance; Adapt Actions; and 3) Sustain Outcomes: Review Performance; Activate Sustainment; Transfer Ownership

- Conduct Change Management on Individual Level, via the Prosci ADKAR model: Awareness, Desire, Knowledge, Ability, Reinforcement. This ensures effective change focus dedicated to individual role-based assignments and stakeholder categories.

Each element of the PMO supported change management activity will be led by a Prosci certified Change Practitioner that is a member of the PMO staff. Subject matter expert consulting resources will be utilized where needed to support the change management process.

Change management elements of stakeholder management, training, communications, resistance management and user acceptance testing are all incorporated in the Prosci model frameworks and accompanying process artifacts.

The integrated project plan includes Change Management, within the project management plan components, e.g., work breakdown structure (WBS); performance milestones; activities definition, duration and effort estimates; cost management; and, risk and issue management.

A project milestone implementation chart, which leverages project governance throughout the entire lifecycle to aid success, is outlined below in the table. This corresponds to the Estimated Project Timetable at the end of this document.

Major Milestone CY Dates	Major Project Milestone Overview
July 2024	Project Kickoff
July 2024 – June 2025	Phase 1: Blueprint & Implement Roadmap
July 2025 – June 2026	Phase 2: eCitation Full Capability
July 2026 – June 2027	Phase 3: Federated Records Advancement
Jan 2026 -June 2028	Security, Continuity of Operations, Disaster Recovery, Accessibility: Testing & Certification
June 2028	Project Close

Alignment with OIT Best Practices and Standards –

The project's high-level design aligns with cloud and mobile architecture first principles, as well as leveraging cloud services integration and interoperability capabilities. Improvement areas for numerous CSP systems identified on the CSP Five-Year IT Roadmap are considered and supported in the project proposal.

Moreover, the orientation of core project objectives to:
- Improve CSP member safety, effectiveness and work quality of life are,
- Improve service delivery to serve citizen demand, and
- Utilize digitally enabled, cloud-mobile enabled services;

Are directly aligned and supportive of five (5) of the six (6) key strategies in the State of Colorado Digital Government Strategic Plan in 2022 (page eight):
Colorado Digital Government Strategic Plan (PDF)

> #2 Design around the life experiences of Colorado residents
> #3 Use technology to improve services for residents
> #4 Harness data to improve resident journeys and outcomes
> #5 Cultivate analytics, business intelligence, and product leadership
> #6 Bring best-in-class tools and technologies to how state agencies work

Procurement -

Procurement activity is specifically represented in the overall project time table. Notably, the Phase 1 Blueprint and Roadmap, will be a significant benefit in providing requirements, performance, and other specifications necessary for procurement activity for downstream key project phases. OIT is considered as a core member of all procurement team activities.
The CSP Office of Project Management will coordinate an integrated program team in collaboration with the CDPS Procurement Office, Budget Office, and OIT Procurement to develop, administer and monitor Procurement activities that support the planning, budgeting and execution of the project.

In terms of OIT project lifecycle management (PLM) gating, this project is considered in the Discovery phase, within Gate 0.

Disaster Recovery and Business Continuity –

Cybersecurity, Disaster Recovery and Business Continuity testing and acceptance is specifically represented in the overall project time table. The four key phases of the project are staggered in start and finish duration plans to support integrated analysis, testing, remediation and certification during a one-year activity window. This is expected to benefit from a holistic approach toward fulfilling state (including OIT) certification requirements.

The project will incorporate requirements for OIT Technical Standards and Policies that are applicable to the technology, data and accessibility components of this project. Notable focus areas include:

- Office of Information Security has issued the following policies, rules and standards under the authority of C.R.S. 24-37.5-401 et seq., which align with NIST 800-53 rev. 5
- Office of Enterprise Architecture issued technical standards
  - Applications
  - Information Security
  - Data Architecture
  - Infrastructure
  - Accessibility
- Independent Verification and Validation, OIT Policy 200-03

Accessibility Compliance (Must be addressed) –

Accessibility compliance is addressed in the project scope specifically in the overall project time table, concurrent with cybersecurity, disaster recovery and other certification activities to confirm production readiness.

Specific components of the Accessibility compliance milestone in the overall project management plan, will conform to the following OIT guidelines:

- TS-OEA-001: Technology Accessibility for Persons with Disabilities, (PDF)
- TS-OEA-002: Technology Accessibility for Web Content and Applications, (PDF)
- Digital Accessibility Guide
- Accessibility Operations Memorandum

Additional Request Information

Please indicate if three-year roll forward spending authority is required.	Yes
Is this a continuation of a project appropriated in a prior year?	Yes
If this is a continuation project, what is the State Controller Project Number?	2025-031I24
If this request affects another organization, please provide a comfort letter.	*Scott Spinks at DOR and Chris Wallner at CICJIS provided Letters of Support*

Please attach a letter from OIT indicating review and approval of this project	*OIT provided Letter of Support*

Appropriation Continuation History

Funding Source	FY 2024-25 Appropriated	FY 2025-26 Appropriated	FY 2027-27 Appropriated	Total Appropriations
Total Funds	$0	$0	$0	$0
Capital Construction Funds	$525,000	$0	$0	**$525,000**
Cash Funds	$0	$0	$0	$0
Reappropriated Funds	$0	$0	$0	$0
Federal Funds	$0	$0	$0	$0

Available Funds Continuation History

Funding Overview	FY 2024-25	FY 2025-26	FY 2026-27	Total
Amount Spent	$0	$0	$0	$0
Amount Encumbered	$525,000	$0	$0	**$525,000**
Total Funds Available	$0	$0	$0	$0

Estimated Project Time Table (Divided by Phase)

PHASE 1: DESIGN BLUEPRINT AND ROADMAP	START DATE	COMPLETION DATE	ESTIMATED AMOUNT
RUU Project Kick Off and OIT Lifecycle Mgmt.	July 2024	July 2024	$9,000
Governance/Steering Committee stand up	July 2024	August 2024	$9,000
Procure Vendor: Design Blueprint & Roadmap	July 2024	August 2024	$9,000
Onboard Vendor: Design Blueprint & Roadmap	August 2024	September 2024	$9,000
Baseline CSP Data and Technology Catalog	October 2024	December 2024	$98,000
Version 1: Modernization Blueprint & Roadmap	December 2024	March 2025	$167,000

PHASE 1: DESIGN BLUEPRINT AND ROADMAP	START DATE	COMPLETION DATE	ESTIMATED AMOUNT
Version 1: Agency/OIT Review/Comment	March 2025	April 2025	$36,000
Finalize: Design Blueprint & Roadmap	April 2025	May 2025	$88,000
Preparation: Procurement Activity Phase 2	April 2025	June 2025	$30,000
Preparation: Procurement Activity Phase 3	April 2025	June 2025	$30,000
Design Blueprint: Guides Phase 2 and 3 selections	May 2025	June 2025	$40,000
Contingency 5%			$26,250
Phase 1: Total	**July 2024**	**June 2025**	**$551,250**

PHASE 2: eCITATION FULL CAPABILITY	START DATE	COMPLETION DATE	ESTIMATED AMOUNT
Procurement/Award	July 2025	August 2025	$15,577
Onboard Vendor	August 2025	August 2025	$18,692
Vendor Conducts Assessment and Plan	August 2025	September 2025	$31,154
OIT Governance PLM Gate 0-2	August 2025	September 2025	$23,365
System Hosting and Interface Integration	September 2025	October 2025	$467,309
CSP End User Vehicle Hardware Devices	September 2025	October 2025	$623,078
CSP User Administrative Configuration	September 2025	October 2025	$93,462
Partner Department Interface Configuration	October 2025	November 2025	$77,885
User and Integration Testing and Validation	October 2025	December 2025	$62,308
OIT Governance/Cybersecurity ATO	November 2025	December 2025	$31,154
CSP User / Partner Department Training	December 2025	March 2026	$54,519
Capability Roll Out	April 2026	June 2026	$59,192
Contingency 5%			$77,885
Phase 2: Total	**July 2025**	**June 2026**	**$1,635,581**

PHASE 3: FEDERATED RECORDS ADVANCEMENT (RMS REPLACEMENT)	START DATE	COMPLETION DATE	ESTIMATED AMOUNT
Procurement/Award*	July 2026	August 2026	$21,263

PHASE 3: FEDERATED RECORDS ADVANCEMENT (RMS REPLACEMENT)	START DATE	COMPLETION DATE	ESTIMATED AMOUNT
Onboard Vendor*	August 2026	September 2026	$21,263
Vendor Conducts Assessment and Plan*	August 2026	September 2026	$31,895
OIT Governance PLM Gate 0-2*	August 2026	September 2026	$31,895
CSP Systems Integration Blueprint evaluation*	September 2026	October 2026	$63,789
System Hosting and Interface Integration*	October 2026	November 2026	$1,116,310
CSP User Administrative Configuration*	November 2026	December 2026	$180,736
External Partner/System Interface* Configuration	December 2026	January 2027	$297,683
User and Integration Testing and Validation*	January 2027	March 2027	$119,073
OIT Governance/Cybersecurity ATO*	February 2027	March 2027	$63,789
CSP User/Partner Department Training*	March 2027	April 2027	$106,315
Capability Roll Out*	March 2027	April 2027	$63,789
Preparation: Procurement Activity Phase 4*	May 2027	June 2027	$8,505
Contingency 5%*			$106,315
Phase 3: Total	**July 2026**	**June 2027**	**$2,232,619**

PHASE 4: UNIFIED INTEL. ANALYSIS, FUSION & REPORTING	START DATE	COMPLETION DATE	ESTIMATED AMOUNT
Onboard Vendor	July 2027	August 2027	$8,730
Vendor Assessment and Plan	July 2027	August 2027	$11,640
OIT Governance PLM Gate 0-2	July 2027	August 2027	$7,275
Fusion Sources Analytics Analyses	September 2027	October 2027	$90,210
External Partner/System Interface Configuration	October 2027	November 2027	$101,850
User and Integration Testing and Validation	November 2027	December 2027	$32,010
OIT Governance/Cybersecurity ATO	November 2027	December 2027	$8,730
CSP User/Partner Department Training	January 2028	March 2028	$14,550
Capability Roll Out	April 2028	June 2028	$16,005
Contingency 5%			$14,550

PHASE 4: UNIFIED INTEL. ANALYSIS, FUSION & REPORTING	START DATE	COMPLETION DATE	ESTIMATED AMOUNT
Phase 4: Total	July 2027	June 2028	$305,550

Estimated Project Time Table (Consolidated)

Steps to be completed	Start Date	Completion Date
Project Kick Off	July 2024	August 2024
Project Governance and Steering Committee (full lifecycle)	July 2024	June 2028
Procurement for Phase 1: Design Blueprint and Roadmap	October 2024	December 2024
Onboard Vendor Phase 1: Design Blueprint and Roadmap	December 2024	January 2025
Complete Phase 1: Design Blueprint and Roadmap	January 2025	June 2025
Procurement Phase 2: eCitation Full Capability	April 2025	July 2025
Onboard Vendor Phase 2: eCitation Full Capability	August 2025	September 2025
Complete Phase 2: eCitation Full Capability	October 2025	June 2026
Procurement Phase 3: Federated Records Advancement	May 2026	August 2026
Onboard Vendor Phase 3: Federated Records Advancement	September 2026	October 2026
Complete Phase 3: Federated Records Advancement	November 2026	June 2027
Procure Phase 4: Intelligence Analysis, Reporting	May 2027	June 2027
Onboard Vendor Phase 4: Intelligence Analysis, Reporting	July 2027	August 2027
Complete Phase 4: Intelligence Analysis, Reporting	September 2027	June 2028
Phase 2-4 Cybersecurity, Continuity of Operations, Disaster Recovery and Accessibility: Testing /Certification	January 2026	May 2028
Project Implementation Closeout	April 2028	June 2028
Final transition to production operations and maintenance	June 2028	—

Cash Fund Projections

Cash Fund name and number:	Highway Users Tax Fund Off-the-Top (OTT) Fund 4070
Statutory reference to Cash Fund:	C.R.S. 43-4-201
Describe how revenue accrues to the fund:	Appropriated in the long bill. OTT HUTF revenue for the Colorado State Patrol can grow up to 6% of previous year's appropriation. The Department does not monitor cash fund balance for HUTF like it does other cash funds as the Department receives its appropriation Off-the-Top. The fund itself is managed by the Colorado Department of Transportation (CDOT).

Describe any changes in revenue collections that will be necessary to fund this project:	**No changes necessary.**

October 22, 2024

Mark Ferrandino
Director
Office of State Planning and Budgeting
111 State Capitol
Denver, Colorado 80203

RE: FY 2025-26 Dept. of Public Safety IT Capital CC Records Utilization Upgrade Project

Dear Director Ferrandino:

Pursuant to OSPB instructions, this letter is to confirm that the Office of Information Technology (OIT) has been informed of the development and submission of this proposed FY 2025-26 request for the Department of Public Safety for $1,635,581 Capital Construction Funds for the Colorado State Patrol to pursue phase two of electronic citation (eCitation) capability; advanced records management capability; improved integration and interoperability of internal systems and external criminal justice data systems; and, improved analytics, investigatory data services, and strategic reporting. The project title is Records Utilization Upgrade (RUU): Federated Records Advancement with eCitation (FRAE).

OIT has completed an internal review to ensure the project aligns with statewide IT goals and determined that OIT has the capacity to deliver and meet the requirements of the project.

Please note: OIT and CDPS are in agreement that a security review will be completed as part of the project itself, when applicable. Also, any OIT specific work should be reappropriated to OIT through the payments of OIT line, where applicable.

Sincerely,

Rus Pascual   2024-10-22

Rus Pascual, OIT Budget Director

Carolyn Koehnen 2024-10-22

Carolyn Koehnen, OIT IT Director for Public Safety

CC-IT: CAPITAL CONSTRUCTION INFORMATION TECHNOLOGY REQUEST FOR FY 2025-26								
Department	**CDPHE**		Signature Department Approval:	*Karl Paulson*			Date	9/26/24
Project Title	Stationary Sources Modernization		Signature OIT Approval:	*Rus Pascual*			Date	09/26/24
Project Year(s):	FY 2025-26		Signature OSPB Approval:				Date	
Department Priority Number	1							
Five-Year Roadmap?	Yes		Name and e-mail address of preparer:		Jim Reasor, Jim.Reasor@state.co.us			

		Total Project Costs	**Total Prior Years Appropriations**	**Request Year (FY 2025-26) Request**	**Year 2 Request**	**Year 3 Request**	**Year 4 Request**	**Year 5 Request**
Revision? Yes No If yes, last submission date: _____								
A.	*Contract Professional Services*							
(1)	Consultants / Contractors	$ -	$ 6,888,000	$2,873,863	$ -	$ -	$ -	$ -
(2)	Quality Assurance	$ -	$ -		$ -	$ -	$ -	$ -
(3)	Independent Verification and Validation	$ 344,400	$ 344,400	$0	$ -	$ -	$ -	$ -
(4)	Training	$ 140,000	$ 50,000	$90,000	$ -	$ -	$ -	$ -
(5)	Leased Space (Temporary)	$ -	$ -		$ -	$ -	$ -	$ -
(6)	Feasibility Study	$ -	$ -		$ -	$ -	$ -	$ -
(7a)	Inflation for Professional Services	$ 145,648	$ 145,648	$0	$ -	$ -	$ -	$ -
(7b)	Inflation Percentage Applied		0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
(8)	Other Services/Costs	$ 1,025,000	$ 240,000	$785,000	$ -	$ -	$ -	$ -
(9)	*Total Professional Services*	$ 11,416,911	$ 7,668,048	$3,748,863	$ -	$ -	$ -	$ -
B.	*Software Acquisition*							
(1)	Software COTS Purchase	$ 192,750	$ 192,750	$0	$ -	$ -	$ -	$ -
(2)	Software Built	$ 150,000	$ 150,000		$ -	$ -	$ -	$ -
(3a)	Inflation on Software	$ 8,100	$ 8,100	$0	$ -	$ -	$ -	$ -
(3b)	Inflation Percentage Applied	$ 0	2.70%	2.70%	0.00%	0.00%	0.00%	0.00%
(4)	*Total Software*	$ 350,850	$ 350,850	$0	$ -	$ -	$ -	$ -
C.	*Equipment*							
(1)	Servers	$ -	$ -		$ -	$ -	$ -	$ -
(2)	PCs, Laptops, Terminals, PDAs	$ -	$ -		$ -	$ -	$ -	$ -
(3)	Printers, Scanners, Peripherals	$ -	$ -		$ -	$ -	$ -	$ -
(4)	Network Equipment/Cabling	$ -	$ -		$ -	$ -	$ -	$ -
(5)	*Other - Cloud Hosting*	$ 200,000	$ 200,000	$0	$ -	$ -	$ -	$ -
(6)	*Total Equipment and Miscellaneous*	$ 200,000	$ 200,000		$ -	$ -	$ -	$ -
D.	*Project Contingency*							
(1)	5% project contingency	$ 598,388	$ 410,945	$ 187,443	$ -	$ -	$ -	$ -
(2)	IT ADLE Payment	$ -	$ -		$ -	$ -	$ -	$ -
E.	*Total Request*							
	Total Budget Request [A+B+C+D]	$ 12,566,149	$ 8,629,843	$ 3,936,306	$ -	$ -	$ -	$ -
F.	*Source of Funds*							
	GF	$ 4,099,148	$ 4,099,148	$ -	$ -	$ -	$ -	$ -
	CF/RF	$ 8,467,001	$ 4,530,695	$ 3,936,306	$ -	$ -	$ -	$ -
	FF	$ -	$ -	$ -	$ -	$ -	$ -	$ -
	check (should = E)	$12,566,149	$8,629,843	$3,936,306	$0	$0	$0	$0

FY 2025-26 - CDPHE Stationary Sources Solution Modernization: IT-CC-01

Request Year	Total Funds	CCF-IT	Cash Funds	Reappropriated Funds	Federal Funds
FY 2025-26	$3,936,306	$3,936,306	$0	$0	$0
FY 2026-27	$0	$0	$0	$0	$0
FY 2027-28	$0	$0	$0	$0	$0

Categories of IT Capital Projects

Category	Rationale	Applicable
System Replacement	Costs escalating, failing technology, software or vendor support ended, or new technology, e.g., DRIVES, CHATS	No
System Enhancement Regulatory Compliance	(new functionality, improved process or functionality, new demand from citizens, regulatory compliance, e.g, CBMS	Yes
Tangible Savings Process Improvement	conscious effort to reduce or avoid costs, improve efficiency, e.g., LEAN, back office automation	No
Citizen Demand	"The Ways Things Are" (transformative nature of technology, meet the citizens where they are, e.g., pay online, mobile access)	No

Request Summary:

The Air Pollution Control Division (APCD) requests $3,936,306 in General Fund for FY 2025-26 for Phase III of the Stationary Sources Solution Modernization project to replace the current outdated (circa 1995) Stationary Sources Program (SSP) data systems used primarily for stationary source regulatory and management purposes. The project is categorized as a System Enhancement Regulatory Compliance project since it is focused on new functionality, improved business processes, improved efficiency as well as public expectation for transparent and simple access to air quality information.

The General Assembly funded Phase I of this IT Capital request in FY 2022-23 in the amount of $4,099,148 General Fund and Phase II in FY 2023-24 in the amount of $4,530,695 from the Stationary Source Control Fund Cash Fund. The Department is currently implementing a multi-year project to replace and enhance core data systems, primarily for management and processing of stationary source facility emissions and associated functions, including permitting, inventory, reporting, inspections,

compliance, enforcement, billing, and to improve public access to information. The Department software and data systems are outdated, lack integration with one another, and need to be upgraded to improve organizational effectiveness as well as to support current data management and overall business needs.

Project stakeholders include APCD staff, Coloradoans, community groups, non-profit organizations and regulated entities. The technology update will be beneficial for all stakeholders - Coloradoans and non-profits expect improved access to air quality permitting and compliance information. Regulated entities report that the current system is inefficient, time-consuming and challenging.

Project Description:

The Stationary Sources database is the primary technology tool used by APCD to manage permitting, inspections, enforcement, compliance, billing, emissions, and data reporting associated with stationary sources. This system supports regulatory actions associated with 2,500 companies with 14,000 emission facilities and 43,000 emission sources (like oil and gas, power utilities, manufacturing, construction, landfills, agriculture, and mining) while informing communities and individual constituents interested in industry performance.

In an effort to modernize technological solutions within APCD and empower the state's experts to effectively address growing challenges in air quality, the APCD is actively developing a robust enterprise technology ecosystem and data solution. The project will use current technology solutions, primarily Salesforce and Amazon Warehouse Services, to replace core data systems, primarily for management of stationary source facility emissions and associated functions, including permitting, inventory, reporting, inspections, compliance, enforcement, billing and to improve public access to information. The Department software and data systems are outdated, lack integration with one another, and need to be upgraded to improve organizational effectiveness as well as to support current data management and overall business needs. The Department currently operates in an outdated paper-based system that requires manual entry of data and is insufficient in meeting operational needs and public expectations for data access. The core data systems were implemented in 1995 and the resulting business processes are inefficient and provide limited capacity to be agile and adapt to current customer and business needs.

Phase III funding will continue the development and implementation of a data management system for air emissions permitting, inventory, reporting, inspections, compliance and enforcement, billing, as well as public awareness and access to data. The system will also be used to support greenhouse gas and criteria pollutant emission reduction credit, tracking and management purposes. This project will create a system that will allow the regulated community to submit environmental regulatory permit applications, compliance and enforcement-related materials, and other reports online. This system will allow the SSP to process permits, inspections, compliance and enforcement in a more efficient and exclusively digital environment.

A few illustrative examples of current project priorities include:

- Title V Major Source permitting systems
- Oil and gas industry permitting systems and processes (e.g. gas venting, equipment diesel/natural gas engines, condensate storage tanks)
- Environmental Justice analysis forms
- Emissions Modeling Determination processes
- General Annual Pollution Emission Notices
- Routine or Predictable Emissions

- Landfills
- Asphalt plants
- Oil and gas industry reporting
- Compliance reports
- Complaints
- Excess Emission Reports

This endeavor aims to enable users to access and share information in ways not yet done within Colorado. The improvements in receiving, processing, regulating, and providing data will streamline administrative efforts, allowing experts to concentrate on actionable tasks that can reduce emissions and improve the quality of our environment. In summary:

- The Department's air pollution systems have reached "end of life."
- The system aims to replace outdated data storage and standalone applications that are difficult to scale, are heavily coded, and not amenable to easy change. It will also reduce maintenance agreements and enhance regulatory compliance with new functionality and digitization, increase efficiency for the review and processing of permits, and meet public demand for easier and more transparent information submission to the Division.
- An updated system is a foundational tool to improve transparency and public access to air quality information.
- Technological advancements for the APCD will streamline processes and improve access to information.
- Developing greater technological tools will allow the APCD to combine data sources into one source of information (i.e., facility information, monitoring data, etc.)
- Modernizing our technological ecosystem will enable better information extraction from disparate sources, ease change management, and allow the APCD to scale future state improvements like automation and connections to other emerging technologies.

Systems Integration Opportunities –

The system does not rely on external data interfaces, though it will be able to scale and be extensible as needed. There are various system integration opportunities including connecting the new permitting, compliance and inspection system (Salesforce) with the new data warehouse (AWS) and reporting and visualization services (Tableau), enabling permitting and related information to be collected electronically, tracked and processed, stored, and reported. Additionally, Salesforce will integrate with the OnBase document repository and connect to Colorado Payment Processing for payments, while the data warehouse enables scalability to integrate with other internal or external data sets in the future.

Risks and Constraints –

The primary risks or constraints may include changes related to internal agency workflow processes due to updated requirements or needs, though these would be expected to be very minimal. The availability of certain internal agency resources to assist with validation could also be affected by typical time off and other factors, but this should also be very minimal. Adequate funding will ensure the successful completion of the system processes and product quality and implementation.

Operating Budget Impact –

A future operating budget decision item will be submitted upon completion of the project to request ongoing funding for operational costs such as licensing, maintenance, and storage.

This Stationary Source Technology Modernization project is a continuation request. The General Assembly funded Phase 1 of this IT Capital request in FY 2022-23 in the amount of $4,099,148 through a General Fund appropriation and Phase 2 in FY 2023-24 in the amount of $4,530,695 from the Stationary Source Control Fund cash fund. The total estimated project cost has decreased from $13,052,703 to $12,471,649. As a result, the FY 2025-26 funding request has been lowered to $3,936,306.

Background of Problem or Opportunity:

APCD is undertaking efforts to modernize its systems, with a focus on upgrading the outdated Stationary Sources data system. The overarching goal is to replace a data system and paper processes from the 1990s, enhancing the division's capabilities in monitoring, recording, and enforcing activities related to air quality, data reporting, and transparency. This serves as the primary technological tools for managing permitting, inspections, enforcement, compliance, billing, emissions, and data reporting. This system is instrumental in supporting regulatory actions for 2,500 companies, encompassing 14,000 emission facilities and 43,000 emission sources across multiple industries.

These efforts will result in technologies that allow the regulated community to submit environmental regulatory permit applications, compliance, and enforcement materials online. This will also reduce processing times, eliminate errors associated with manual submission and processing, promote transparency, and enable the electronic processing of permits, inspections, compliance, and enforcement, improving efficiency and the customer experience.

Justification:

The agency is advancing in the development of the initial digitized components for construction and general permit application processing, along with the infrastructure of a modernized data system to replace paper-based processes and legacy technologies. The budget request is intended to ensure the completion of all processes, enabling the agency to operate in a modernized manner using contemporary technologies for transactions, work processing, data access and reporting and visualizations. It will be essential for project success to receive adequate funding to ensure that the full project is completed. This will ensure that a comprehensive and efficient air quality management system is available for all stakeholders.

APCD seeks additional modernization funds to build upon and support ongoing efforts to replace the Stationary Sources database system including greater expansion of additional permitting, compliance and inspection processes within our new platform, new web dashboards, reports, visualizations, data search and query features, and customer web portal functionality. Furthermore, additional modernization funds would also be used to upgrade technologies and introduce capabilities pertaining to an Air Toxics database and connectivity to connect monitoring data from various sources to make available for internal and public visualizations and review. Funds would also be used to ensure data standardization and formats are used to make reporting and dissemination of data from the data sources easier to process, query, and review, and outdated technologies used by programs, including Indoor Air, are replaced with a modern and capable platform to ensure internal support processes are efficient and information is accessible for reporting in a more timely and efficient manner.

Business Process Analysis –

A process was completed to group and review business processes, such as permitting and compliance, to estimate levels of complexity, resource needs, development hours, and workflows. This analysis was

used to estimate the resources needed to build a modern and extensible system capable of meeting future needs such as functionality, maintenance, support, and low/no code capabilities. The system is designed to address operational challenges, including permit application submission, work processing, organization, tracking, and reporting.

Cost-Benefit Analysis and Project Alternatives (per H.B. 15-1266) –

The project continues to move forward smoothly, with efforts and funds being directed towards technologies that enable the regulated community to submit environmental regulatory permit applications, compliance, and enforcement materials online. This will allow internal staff to operate and process information in a digitized system, and make information more readily available to the public. These advancements will help reduce processing times, eliminate errors from the manual submission process, promote transparency, and enable electronic processing of permits, inspections, compliance, and enforcement, improving efficiency and the customer experience. Additionally, while annual licensing and storage costs will need to be incorporated into the budget in the future, ongoing system maintenance costs are expected to be reasonable, and the low/no code systems will largely be able to be internally supported, built, and expanded upon with little to no external contract or vendor costs to build and develop.

To do nothing would likely result in an incomplete system for managing and processing core permitting applications, inspections, enforcement, compliance, billing, and data reporting associated with stationary sources and emissions entities within the state. This would lead to disparate and misaligned processes for both internal operations and external organizations. Internally, it would affect the processing of permits and compliance activities, potentially leading to rework, errors, or additional staffing needs. Externally, organizations would labor to submit applications and related information to comply with air quality requirements and regulations, and the public would have less information available to review air pollution data. Additionally, the state would continue to sink unnecessary costs for maintaining outdated technologies created in the 1990s, and likely not be able to meet future technical demands, necessitating the need for new systems.

The agency product owner has conducted multiple public outreach sessions to solicit feedback and provide how-to guidance and information. These have been positively received and welcomed, affirming the desire for new and improved technologies. Additionally, OIT and SIPA (vendor) have been engaged in the review, planning and building of the system, in collaboration with internal subject contributors and the agency product owner. They have completed the foundation and infrastructure setup for the permitting and compliance system and related data warehouse, and continue to build out the various processes.

Success Criteria and Improved Performance Outcomes –

The performance management of the system will be assessed by feedback from internal and external stakeholders. There will be associated staff time savings which will be directed to provide key services and meet goals that were not possible with prior system limitations, such as improved reporting, EPA coordination, public access, and stakeholder engagement. Improved processes will result in greater programmatic effectiveness and greater capacity to direct staff to other priorities of the organization.

Assumptions for Calculations –

The Phase III technology system cost estimates are informed by recent project estimates, quotes, and Requests for Information. For example, OIT's Phase II cost estimates to develop Salesforce solutions for identified work processes were used to develop cost estimates for phase III priorities. A Request for

Information for the oil and gas reporting system provided information on potential costs for that element. Additionally, the department's contractor who developed Salesforce solutions for the initial phase of the Title V operating permitting system provided an informal estimate for the second phase of work.

Contractor staffing, licensing, maintenance, storage, and software vendor operating agreements are included within this request.

Consequences if not Funded –

An unapproved request would result in an incomplete system for managing and processing core permitting applications, inspections, enforcement, compliance, billing, and data reporting associated with stationary sources and emissions entities within the state. This would lead to disparate and misaligned processes for both internal operations and external organizations. Internally, it would impact the receipt and processing of permits, inspections reviews, and compliance activities, while externally, organizations would labor to submit applications and related information to comply with air quality requirements and regulations. An incomplete system would result in inefficient processes, require additional staff time to manage and likely be perceived as frustrating for regulated agencies and external stakeholders.

To "do nothing" or delay the project would result in technical debt and a continuation and reliance on manual paperwork, data entry and tracking, leading to inefficient work processes, rework, errors, processing delays, potential staffing increases, and other internal operational challenges that accompany handling work items outside a centralized system. Emissions entities would have to continue completing paper forms with limited guidance and instruction, leading to confusion, an inability to track and follow up, or easily retrieve information, and overall frustration and poor customer satisfaction. Additionally, reporting and visualizations for the general public on submitted permits, enforcement actions, and related information would be diminished or not readily available, further contributing to frustration and decreased customer satisfaction.

Implementation Plan
Change Management –

Internal department stakeholders play a role in the project by contributing their process expertise in discovery and user testing of workflows within the system. Personnel receive guidance documentation and department specific training on how to use the technology, as work with the product owner to collaborate on and address enhancement needs. This approach enables a smoother transition to change. Additionally, the product owner provides public users with guidance and information on how to use the system, including a mechanism to sign in, review, report defects, or suggest enhancements. Feedback is incorporated into subsequent iterations of the technology.

Alignment with OIT Best Practices and Standards –

This project conforms to OIT best practices and standards as OIT is an integral partner, and all product design, build and planning are done in collaboration with OIT. Additionally, the infrastructure and design of technologies are focused on low/no code for easier maintenance and support.

Procurement -

OIT has been actively engaged in the procurement and planning process for work products done by their development teams as well as with contracted vendors, including statements of work to build process and data workflows within the new systems. OIT has also been an active partner in facilitating the architecture, design, and build processes. It is planned that Phase III project deliverables and product development will continue to use a combination of OIT resources and outside vendors. There is currently an RFP outstanding for an estimated $2 million cost.

Disaster Recovery and Business Continuity –

The Salesforce and AWS platforms are strategic technologies used within the state, and offer robust infrastructure and maintain disaster recovery and business continuity services to ensure high uptime and continued operations, including access to server health and status. The agency workflow processes built into these systems do not pose immediate operational risks or impact in the event of an unexpected or sporadic outage.

Accessibility Compliance (Must be addressed) –

The APCD Technology Modernization project is being developed to meet all IT accessibility requirements from HB 21-1110, HB 24-1454, and SB 23-244.

The Salesforce Public Sector Solutions platform, the system platform that this project builds upon and used by users, has undergone accessibility conformance review that is published as part of the vendor partner enterprise technology offering using analysis tools and manual testing with assistive technologies. Accessibility review will be completed in collaboration with the Office of Information Technology (OIT) maintenance and operations, the Agency, and incorporated as part of the project releases including adherence to WCAG standards and guidelines, and utilization of tools such as Siteimprove.

Impact to IT Common Policy (For Statewide OIT Projects Only) –

There is no known impact to other state agencies.

Additional Information

Additional Request Information

Please indicate if three-year roll forward spending authority is required.	Yes
Is this a continuation of a project appropriated in a prior year?	Yes
If this is a continuation project, what is the State Controller Project Number?	2023-038I22
If this request affects another organization, please provide a comfort letter.	N/A
Please attach a letter from OIT indicating review and approval of this project	Attached

Appropriation Continuation History

Funding Source	FY 2022-23 Appropriated	FY 23-2024 Appropriated	FY 24-2025 Appropriated	Total Appropriations
Total Funds	$0	$0	$0	$8,629,843
Capital Construction Funds	$4,099,148	$0	$0	$4,099,148
Cash Funds	$0	$4,530,695	$0	$4,530,695
Reappropriated Funds	$0	$0	$0	$0
Federal Funds	$0	$0	$0	$0

Available Funds Continuation History

Funding Overview	FY 2022-23	FY 2023-24	FY 2024-25	Total
Amount Spent	$4,099,148	$0	$0	$4,099,148
Amount Encumbered	$0	$0	$0	$0
Total Funds Available	$0	$4,530,695	$0	$4,530,695

Estimated Project Time Table

Steps to be completed	Start Date	Target Completion Date
Title V Operating Permits	January 1, 2025	June 30, 2026
Remaining Core Stationary Source Processes	July 1, 2025	June 30, 2028
Indoor Air - Asbestos/Lead	July 1, 2026	June 30, 2027
Oil and gas reporting	July 1, 2025	June 30, 2026
Planned enhancements (data visualization, improved functionality)	January 1, 2026	June 30, 2028
Associated project needs (Air Toxics, emission reduction credit enhancements)	January 1, 2026	June 30, 2027

September 24, 2024

Mark Ferrandino
Director
Office of State Planning and Budgeting
111 State Capitol
Denver, Colorado 80203

RE: FY 2025-26 Dept. of Public Health and Environment IT Capital Request - Stationary
Sources Management & Data Reporting System Replacement

Dear Director Ferrandino:

Pursuant to OSPB instructions, this letter is to confirm that the Office of Information
Technology (OIT) has been informed of the development and submission of this proposed FY
2025-26 request of $3,936,306 in capital construction funds for the Department of Public
Health and Environment for their Air Quality Control division to advance the development of
the initial digitized components for construction and general permit application processing,
along with the infrastructure of a modernized data system to replace paper-based processes
and legacy technologies. This will help ensure the completion of all processes, enabling the
agency to operate in a modernized manner using contemporary technologies for transactions,
work processing, data access and reporting and visualizations.

OIT has completed an internal review to ensure the project aligns with statewide IT
goals and determined that OIT has the capacity to deliver and meet the requirements
of the project.

Please note: OIT and CDPHE are in agreement that a security review will be completed
as part of the project itself, when applicable. Also, any OIT specific work should be
reappropriated to OIT through the payments of OIT line, where applicable.

Sincerely,

Rus Pascual

Rus Pascual, OIT Budget Director   Travis Tiller, OIT IT Director for CDPHE

CC-IT: CAPITAL CONSTRUCTION INFORMATION TECHNOLOGY REQUEST FOR FY 2025-26

Department	Colorado Department of Public Health and Environment	Signature Department Approval: *Karl Paulson* Date 9/26/24
Project Title	Colorado WIC System Upgrade	Signature OIT Approval: *Rus Pascual* Date 09/26/2024
Project Year(s):	SFY 2023-24, SFY 2024-25, SFY 2025-26 [FFY 2023-24, FFY 2024-25, FFY 2025-26]	Signature OSPB Approval: Date
Department Priority Number	2	
Five-Year Roadmap?	Yes	Name and e-mail address of preparer: Brett Reeder (Brett.Reeder@state.co.us)

Revision? Yes ___ No ___
If yes, last submission date: _____

		Total Project Costs	Total Prior Year Appropriations	Request Year (FY 2025-26) Request	Year 3 Request	Year 4 Request	Year 5 Request	Year 6 Request
A.	**Contract Professional Services**							
(1)	Consultants / Contractors	$ 216,363	$ 124,075	$ 73,722	$ 18,566	$ -	$ -	$ -
(2)	Quality Assurance	$ -	$ -	$ -	$ -	$ -	$ -	$ -
(3)	Independent Verification and Validation	$ 200,000	$ 75,000	$ 100,000	$ 25,000	$ -	$ -	$ -
(4)	Training	$ 30,000	$ -	$ 22,500	$ 7,500	$ -	$ -	$ -
(5)	Leased Space (Temporary)	$ -	$ -	$ -	$ -	$ -	$ -	$ -
(6)	Feasibility Study	$ -	$ -	$ -	$ -	$ -	$ -	$ -
(7a)	Inflation for Professional Services	$ -	$ -	$ -	$ -	$ -	$ -	$ -
(7b)	Inflation Percentage Applied		$ -	0.00%	0.00%	0.00%	0.00%	0.00%
(8)	Other Services/Costs	$ 1,472,077	$ 779,023	$ 544,288	$ 148,766	$ -	$ -	$ -
(9)	Total Professional Services	$ 1,918,440	$ 978,098	$ 740,510	$ 199,832	$ -	$ -	$ -
B.	**Software Acquisition**							
(1)	Software COTS Purchase	$ 2,000,000	$ 888,889	$ 888,889	$ 222,222	$ -	$ -	$ -
(2)	Software Built	$ -	$ -	$ -	$ -	$ -	$ -	$ -
(3a)	Inflation on Software	$ -	$ -	$ -	$ -	$ -	$ -	$ -
(3b)	Inflation Percentage Applied	$ -	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
(4)	Total Software	$ 2,000,000	$ 888,889	$ 888,889	$ 222,222	$ -	$ -	$ -
C.	**Equipment**							
(1)	Servers	$ 5,000	$ -	$ 3,750	$ 1,250	$ -	$ -	$ -
(2)	PCs, Laptops, Terminals, PDAs	$ -	$ -	$ -	$ -	$ -	$ -	$ -
(3)	Printers, Scanners, Peripherals	$ -	$ -	$ -	$ -	$ -	$ -	$ -
(4)	Network Equipment/Cabling	$ -	$ -	$ -	$ -	$ -	$ -	$ -
(5)	Miscellaneous	$ -	$ -	$ -	$ -	$ -	$ -	$ -
(6)	Total Equipment and Miscellaneous	$ 5,000	$ -	$ 3,750	$ 1,250	$ -	$ -	$ -
D.	**Project Contingency**							
(1)	5% project contingency	$ 81,657	$ -	$ 81,657	$ -	$ -	$ -	$ -
(2)	IT ADLE Payment	$ -	$ -	$ -	$ -	$ -	$ -	$ -
(3)	13.4% Indirect	$ 525,741	$ 250,176	$ 218,842	$ 56,723	$ -	$ -	$ -
(4)	Total Project Contingency	$ 607,398	$ 250,176	$ 300,499	$ 56,723	$ -	$ -	$ -
E.	**Total Request**							
	Total Budget Request [A+B+C+D]	$ 4,005,097	$ 2,117,163	$ 1,933,648	$ 480,027	$ -	$ -	$ -
F.	**Source of Funds**							
	GF	$ 1,081,657	$ 500,000	$ 581,657	$ -	$ -	$ -	$ -
	CF/RF	$ -	$ -	$ -	$ -	$ -	$ -	$ -
	FF	$ 3,449,181	$ 1,617,163	$ 1,351,991	$ 480,027	$ -	$ -	$ -
	check (should = E)	$4,530,838	$2,117,163	$1,933,648	$480,027	$0	$0	$0

FY 2025-26 - CDPHE COWIC Continuation: IT-CC-02

Request Year	Total Funds	CCF-IT	Cash Funds	Reappropriated Funds	Federal Funds
FY 2025-26	$1,933,648	$581,657	$0	$0	$1,351,991
FY 2026-27	$480,027	$0	$0	$0	$480,027
FY 2027-28	$0	$0	$0	$0	$0

Categories of IT Capital Projects

Category	Rationale	Applicable
System Replacement	Costs escalating, failing technology, software or vendor support ended, or new technology, e.g., DRIVES, CHATS	Yes
System Enhancement Regulatory Compliance	(new functionality, improved process or functionality, new demand from citizens, regulatory compliance, e.g, CBMS	No
Tangible Savings Process Improvement	conscious effort to reduce or avoid costs, improve efficiency, e.g., LEAN, back office automation	No
Citizen Demand	"The Ways Things Are" (transformative nature of technology, meet the citizens where they are, e.g., pay online, mobile access)	No

Request Summary:

The Special Supplemental Nutrition Program for Women, Infants, and Children in Colorado (COWIC) in the Prevention Services Division requests $581,657 Capital Construction Fund in FY 2025-26 following the $500,000 Capital Construction Fund received in FY 2024-25. This is the final of two state funds requests for a system replacement which supports the modernization of Colorado's WIC program by facilitating a transition to a new participant-centered Management Information System (MIS) that better addresses programmatic and participant needs. WIC MIS encompasses the database and related systems responsible for compliance, reporting, integration, and service delivery for WIC participants throughout the state. As such, state and local public health agency staff (LPHA) are the system's primary users, while WIC participants and WIC eligible Coloradans are its primary beneficiaries. Although the program's current MIS, Compass, has fulfilled its purpose for over a decade, more advanced alternatives have emerged in other states. We currently have access to federal funds to transition to one of those systems and without state funds we risk missing this opportunity to leverage temporarily available federal funds for this transition, and as a result, may be stuck with an antiquated MIS for years to come.

By adopting a contemporary MIS, Colorado's WIC program can enhance its ability to securely exchange data with other systems and to provide an improved experience for state staff, LPHA clients, and program participants. This transition can be funded through a combination of one-time federal grants, while ongoing operations and maintenance will be sustained by existing federal funds. However, state dollars are required in FY 2024-25 and FY 2025-26 in order to fully fund the project.

Project Description:

COWIC's current Management Information System (MIS), Compass, is outdated, falls short in meeting program requirements, and is not on a development path to adequately address these shortcomings. Other states are already utilizing more advanced MIS options that better align with COWIC's needs. By adopting one of these modern systems, the program can improve nutrition security for pregnant and postpartum individuals, infants, and children up to age five through state-of-the-art service delivery, streamlined administration, reduced barriers to program participation, heightened client engagement, and responsible use of federal funding to support sustainable and efficient technology systems. These contemporary MIS solutions have already demonstrated their benefits in other states, and this system replacement request aims to leverage federal funds, enabling Colorado to join them in providing a robust technological foundation for the COWIC program. This request supports the modernization of Colorado's WIC program by facilitating a transition to a new participant-centered MIS that better addresses programmatic needs by leveraging $3,449,181 in federal funds over four state fiscal years (three complete federal fiscal years - FFY 2023-24 to FFY 2025-26), supplemented by $500,000 General Fund in FY 2024-25 and $581,657 General Fund in FY 2025-26.

Systems Integration Opportunities –

This is a system replacement project, with a primary integration into our Electronic Benefit Transfer (EBT) vendor. In future years we anticipate the functionality of this new MIS will also allow for additional system integrations not currently possible.

Risks and Constraints –

Our risks mirror those of any large technology system including:

- **Cost Overruns / Insufficient Funding** - Projects sometimes run over budget, but by selecting an existing system recently adopted by other states, we reduce unforeseen costs, and as a result, reduce over-run risk. We will also utilize our contract to protect us from cost overruns.
- **Lost System Functionality** - We wholly anticipate improved system functionality as demonstrated by existing systems utilized by other states. However, there's a risk that some desired functionality will be lost anytime a new technology system is adopted. We mitigated this to a large degree via the feasibility study, and will build on this effort during the procurement process.
- **Data Loss** - There's always a risk of data loss when transferring systems, though we will have access to our legacy system beyond the time our new system is stood up. This will protect us from any data loss during initial data transfer.
- **Poor System Adoption** - Changing systems, even when improving them, come with increased training and support needs. To mitigate this risk we anticipate up-to 12 months of more intensive training/support following implementation.

Our primary constraints are related to the federal funds supporting this project. We are using at least eight different federal funding streams for this project, which have time constraints ranging from September 2024 to September 2027 and will thus be expended on a first in first out basis. Additionally,

many of these funds are related to one-time federal investments. As such, our timing for this project is constrained to the timeline laid out the federal funds available for this project.

Operating Budget Impact –
Operations of the new MIS will be funded by existing federal funds that are currently utilized for maintenance and operations of the current MIS.

Background of Problem or Opportunity:
The program's present MIS, Compass, is outdated, falls short in meeting program requirements, and is not on a development path to adequately address these shortcomings. To seek out solutions, in partnership with OIT, COWIC developed a digital strategy roadmap and commissioned a Feasibility Study conducted by Resultant in 2022. This study evaluated the current MIS in light of program objectives and pinpointed three alternative MIS options employed by other states' WIC programs. These alternatives significantly surpass our current system in meeting program needs across nine crucial domains:

- Operational Requirements
- System Functionality
- Client Experience
- Server Infrastructure
- System Connectivity
- Data Security
- System Maintenance
- System Enhancements
- Employee Support

Additionally, the United States Department of Agriculture, Food and Nutrition Service (FNS) has made available several one-time infrastructure and technology grants, specifically designed to assist projects like COWIC's. Consequently, now is the ideal moment to take advantage of federal funding to transition to an MIS that more effectively addresses the needs of our program and the individuals it serves.

Justification:
COWIC commissioned a Feasibility Study by Resultant (2022) that assessed the current MIS based on program goals and identified three alternative MIS currently utilized by other states' WIC programs that substantially better meet our needs across nine domains. As a result, COWIC has determined that switching to a MIS that better meets our needs is in the best interests of the program and the participants it serves.

Business Process Analysis –
Basic Business Process Analyses (BPAs) were conducted as part of the feasibility study, though in-depth BPAs were conducted in the development of each of the MIS alternatives. The Department aims to adopt a product that is already successfully serving other states' WIC programs; as such, CDPHE would not need to design a system from the ground up. In preparation for this, we are engaging in additional Business Process Analyses with our QI & Performance Management Specialist throughout 2024.

Cost-Benefit Analysis and Project Alternatives (per H.B. 15-1266) –

CDPHE has been engaged in an RFP process to ensure program needs are met across nine crucial domains:

- Operational Requirements
- System Functionality
- Client Experience
- Server Infrastructure
- System Connectivity
- Data Security
- System Maintenance
- System Enhancements
- Employee Support

Ongoing operations and maintenance (O & M) costs are anticipated to be similar to the current O & M costs for Compass, but enhancement costs are projected to be significantly less. We will, however, incur substantial one-time implementation costs to migrate and convert the data, train state and local staff, and customize the system to the Colorado context.

Success Criteria and Improved Performance Outcomes –
Success will entail transitioning to a new MIS with minimal disruption to the program and with improvements across nine domains:
- Operational Requirements
- System Functionality
- Client Experience
- Server Infrastructure
- System Connectivity
- Data Security
- System Maintenance
- System Enhancements
- Employee Support

Assumptions for Calculations –
The funds for this project will be primarily federal and thus follow federal fiscal years (FFYs):

- **FFY 2023-24** - Oct 1, 2023 to Sep 30, 2024
- **FFY 2024-25** - Oct 1, 2024 to Sep 30, 2025
- **FFY 2025-26** - Oct 1, 2025 to Sep 30, 2026
- **FFY 2026-27** - Oct 1, 2026 to Sep 30, 2027 (If Necessary)

This timing crosses up to five state fiscal years (SFYs):

- **SFY 2023-24**
- **SFY 2024-25**
- **SFY 2025-26**
- **SFY 2026-27**
- **SFY 2027-28 (If Necessary)**

Though we currently anticipate the project will be completed prior to SFY 2027-28, we are able to expend federal funds through FFY 2027 (September 30, 2027) three months into SFY 2027-28 should project delays make that necessary. This possible Year 5 is not shown below as it would be an extension of the funds detailed below into future years. Refer to the cost sheet attached to this request for a detailed cost breakdown.

More detail is provided on item **A(8) - Other Services/Costs** in Table 2 below.

TABLE 1. Budget Detail for A(8) - Other Services/Costs

Job Type	Job Title	Total Project Costs	Year 1 (SFY 2023 - 24)	Year 2 (SFY 2024 - 25)	Year 3 (SFY 2025 - 26) Request Year	Year 4 (SFY 2026 - 27)
CDPHE Personnel	Agency Project Manager - Term Limited Position	**$ 370,908**	$ 90,000	$ 122,700	$ 126,381	$ 31,827
CDPHE Personnel	WIC Data Manager	**$ 142,867**	$ 34,699	$ 47,257	$ 48,658	$ 12,254
CDPHE Personnel	WIC Nutrition/Clinic Operations Manager (Product Owner)	**$ 159,410**	$ 39,726	$ 54,104	$ 52,590	$ 12,990
CDPHE Personnel	WIC Director	**$ 48,892**	$ 11,864	$ 16,174	$ 16,659	$ 4,195
CDPHE Personnel	**TOTAL Personnel (Less OIT PM)**	**$ 722,077**	$ 176,289	**$ 240,234**	**$ 244,288**	**$ 61,266**
Contracted Services	Planning/IAPD/Requirements Development Contract	**$ 250,000**	$ 187,500	$ 62,500	$ -	$ -
Contracted Services	EBT Contract Amendment	**$ 300,000**	$ -	$ 112,500	$ 150,000	$ 37,500
Contracted Services	MPUG Contract closeout	**$ 200,000**	$ -	$ -	$ 150,000	$ 50,000
CDPHE Personnel and Contracted Services	**TOTAL Other Services/Costs**	**$ 1,472,077**	**$ 363,789**	**$ 415,234**	**$ 544,288**	**$ 148,766**

The Department made the following assumptions throughout these cost estimates:

- 3% Inflation on costs year-to-year
- 13.4 % Indirects each year
- Contingency funds NOT allowed (are not allowed by our federal funder, USDA FNS)

Consequences if not Funded –
The COWIC current MIS (Compass) is antiquated, does not adequately meet our needs, and will not be able to for the foreseeable future due to exceptionally long development times (e.g., Compass will finally migrate to the Cloud in 2029). Other states are already utilizing more modern systems for their WIC program which do meet our needs, and we have access to federal funds to make a transition to one of those systems now. In the absence of these state funds we risk missing this opportunity to leverage temporarily available federal funds for this transition, and as a result, may be stuck with an antiquated MIS for years to come.

Implementation Plan
Change Management –

- **Testing** for this project will include (1) user-acceptance testing; (2) unit testing; (3) system integration testing; (4) performance testing; and (5) data migration testing.

- **Training** will include: (1) any business process changes, (2) system usage, and (3) technical training for our resources supporting the system.

Change management will kick into full gear in Year 3 of the project and will involve regular communication with both local public health agencies and our WIC participants.

Alignment with OIT Best Practices and Standards –
The proposed system is an off-the-shelf solution that is in use by a number of other states' WIC programs. However, the system will be evaluated against OIT's standards through the state procurement and gating processes - we are currently through Gate 0 and in Gate 1. This project is part of CDPHE's Five-Year IT Roadmap and will alleviate technology debt for the agency.

Procurement -
CDPHE has a standing monthly meeting with OIT to discuss this project and ensure alignment across agencies. OIT has been, and will continue to be, involved in this procurement process.

CDPHE has joined the Texas Health and Human Services Commission in their MIS solicitation. The Department aims to leverage the cooperative agreement to extract insights on best practices throughout the procurement process. Additionally, the USDA FNS requires COWIC to go through an Implementation Advanced Planning Document (IAPD) process aligned with FNS Handbook 901. CDPHE engaged a consultant, Maximus, to support us in this process which we anticipate will be complete by August 2024.

OIT will continue to be involved in the procurement process, including all contract negotiations.

Disaster Recovery and Business Continuity –
Disaster recovery and business continuity will be included as part of our contracts and we will be consulting with OIT in determining that content.

Accessibility Compliance (Must be addressed) –
Compliance with the accessibility standards set by HB21-1110, SB23-244 and per Section 24-85-103, C.R.S. will be included in any contracts for this project.

Additional Information

Additional Request Information

Please indicate if three-year roll forward spending authority is required.	Yes
Is this a continuation of a project appropriated in a prior year?	Yes
If this is a continuation project, what is the State Controller Project Number?	2025-028I24
If this request affects another organization, please provide a comfort letter.	N/A
Please attach a letter from OIT indicating review and approval of this project	Attached

Appropriation Continuation History

Funding Source	FY 2024-25 Appropriated	Total Appropriations
Total Funds	$500,000	$2,117,163
Capital Construction Funds	$500,000	$500,000
Cash Funds	$0	$0
Reappropriated Funds	$0	$0
Federal Funds	$ 956,092	$1,617,163

Available Funds Continuation History

Funding Overview	FY 2024-25	Total
Amount Spent	$17,924	**$678,996**
Amount Encumbered	$446,458	**$446,458**
Total Funds Available	$1,387,609	**$1,612,877***

*This is the total currently available across all sources. Federal funding follows a different fiscal year calendar.

Estimated Project Time Table

Steps to be completed	Start Date	Completion Date
IAPD Complete	N/A	Aug 2024
Contracting Complete	N/A	Dec 2024
Implementation Period	Jan 2025	Sep 2026
Change Management Period with LPHAs and Participants	Oct 2025	Sep 2026
If Necessary - Overflow time for Delays	Oct 2026	Sep 2027

September 26, 2024

Mark Ferrandino
Director
Office of State Planning and Budgeting
111 State Capitol
Denver, Colorado 80203

RE: FY 2025-26 Dept. of Public Health and Environment IT Capital request - WIC Systems Upgrade

Dear Director Ferrandino:

Pursuant to OSPB instructions, this letter is to confirm that the Office of Information Technology (OIT) has been informed of the development and submission of this proposed FY 2025-26 request for the Department of Public Health and Environment - more specifically the Special Supplemental Nutrition Program for Women, Infants, and Children in Colorado (COWIC) in the Prevention Services Division requests $581,657 Capital Construction Fund in FY 2025-26. This is a system replacement request which supports the modernization of Colorado's WIC program by facilitating a transition to a new participant-centered Management Information System (MIS) that better addresses programmatic and participant needs.

OIT has completed an internal review to ensure the project aligns with statewide IT goals and determined that OIT has the capacity to deliver and meet the requirements of the project.

Please note: OIT and CDPHE are in agreement that a security review will be completed as part of the project itself, when applicable. Also, any OIT specific work should be reappropriated to OIT through the payments of OIT line, where applicable.

Sincerely,

Rus Pascual

Rus Pascual, OIT Budget Director

Travis Tiller, OIT IT Director for CDPHE

CC-IT: CAPITAL CONSTRUCTION INFORMATION TECHNOLOGY REQUEST FOR FY 2025-26

Department	HCPF	Signature Department Approval: _[signature]_ Date 09/25/2024
Project Title	Colorado Benefits Management System (CBMS) Re-Procurement	Signature OIT Approval: _Rus Pascual_ Date: 09/23/2024
Project Year(s):	FY 2025-26	Signature OSPB Approval: Date
Department Priority Number		
Five-Year Roadmap?	No	Name and e-mail address of preparer: Lindsey Roe; lindsey.roe@state.co.us

	Revision? Yes No If yes, last submission date: _____	Total Project Costs	Total Prior Year Appropriations	Request Year (FY 2025-26) Request	Year 2 Request	Year 3 Request	Year 4 Request	Year 5 Request
A.	***Contract Professional Services***							
(1)	OIT Contracted Program Manager	$ -	$ -	$ -	$ -	$ -	$ -	$ -
(2)	Quality Assurance	$ -	$ -	$ -	$ -	$ -	$ -	$ -
(3)	Independent Verification and Validation (IV&V)	$ -	$ -	$ -	$ -	$ -	$ -	$ -
(4)	Training	$ -	$ -	$ -	$ -	$ -	$ -	$ -
(5)	Leased Space (Temporary)	$ -	$ -	$ -	$ -	$ -	$ -	$ -
(6)	Feasibility Study	$ -	$ -	$ -	$ -	$ -	$ -	$ -
(7a)	Inflation for Professional Services	$ -	$ -	$ -	$ -	$ -	$ -	$ -
(7b)	Inflation Percentage Applied		0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
(8)	Other Services/Costs	$ 10,784,823	$ 1,623,960	$ 9,160,863	$ -	$ -	$ -	$ -
(9)	*Total Professional Services*	$ 9,160,863	$ 1,623,960	$ 9,160,863	$ -	$ -	$ -	$ -
B.	***Software Acquisition***							
(1)	Software COTS Purchase	$ -	$ -	$ -	$ -	$ -	$ -	$ -
(2)	Software Built	$ -	$ -	$ -	$ -	$ -	$ -	$ -
(3a)	Inflation on Software	$ -	$ -	$ -	$ -	$ -	$ -	$ -
(3b)	Inflation Percentage Applied	$ -	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
(4)	*Total Software*	$ -	$ -	$ -	$ -	$ -	$ -	$ -
C.	***Equipment***							
(1)	Servers	$ -	$ -	$ -	$ -	$ -	$ -	$ -
(2)	PCs, Laptops, Terminals, PDAs	$ -	$ -	$ -	$ -	$ -	$ -	$ -
(3)	Printers, Scanners, Peripherals	$ -	$ -	$ -	$ -	$ -	$ -	$ -
(4)	Network Equipment/Cabling	$ -	$ -	$ -	$ -	$ -	$ -	$ -
(5)	*Miscellaneous*	$ -	$ -	$ -	$ -	$ -	$ -	$ -
(6)	*Total Equipment and Miscellaneous Costs*	$ -	$ -	$ -	$ -	$ -	$ -	$ -
D.	***Project Contingency***							
(1)	5% project contingency	$ 539,241	$ 81,198	$ 458,043	$ -	$ -	$ -	$ -
(2)	IT ADLE Payment	$ -	$ -		$ -	$ -	$ -	$ -
E.	***Total Request***							
	Total Budget Request [A+B+C+D]	$ 9,700,104	$ 1,705,158	$ 9,618,906	$ -	$ -	$ -	$ -
F.	***Source of Funds***							
	GF	$ 2,123,111	$ 318,028	$ 1,805,083	$ -	$ -	$ -	$ -
	CF/RF	$ -	$ -		$ -	$ -	$ -	$ -
	FF	$ 9,200,953	$ 1,387,130	$ 7,813,823	$ -	$ -	$ -	$ -
	check (should = E)	$11,324,064	$1,705,158	$9,618,906	$0	$0	$0	$0

FY 2025-26 - HCPF CBMS Re-Procurement: IT-CC-01

Request Year	Total Funds	CCF-IT	Cash Funds	Reappropriated Funds	Federal Funds
FY 2025-26	$9,618,906	$1,805,083	$0	$0	$7,813,823
FY 2026-27	$0	$0	$0	$0	$0
FY 2027-28	$0	$0	$0	$0	$0

Categories of IT Capital Projects

Category	Rationale	Applicable
System Replacement	Costs escalating, failing technology, software or vendor support ended, or new technology, e.g., DRIVES, CHATS	No
System Enhancement Regulatory Compliance	(new functionality, improved process or functionality, new demand from citizens, regulatory compliance, e.g, CBMS	Yes
Tangible Savings Process Improvement	conscious effort to reduce or avoid costs, improve efficiency, e.g., LEAN, back office automation	No
Citizen Demand	"The Ways Things Are" (transformative nature of technology, meet the citizens where they are, e.g., pay online, mobile access)	No

Request Summary:

The Department of Health Care Policy and Financing requests $9.6 million in total funds, including $1.8 million in Capital Construction Fund (CCF) in FY 2025-26 for continuation funding for a *Systems Enhancement Regulatory Compliance IT project* to comply with state procurement regulations and the Center for Medicare and Medicaid Services (CMS) procurement requirements for the Colorado Benefits Management System (CBMS).

The Department, in collaboration with Colorado Department of Human Services (CDHS), and the Governor's Office of Information Technology (OIT) is requesting year two of a five phase project for the CBMS re-procurement effort. The request includes the continuation of the planning phase with funding for contractors and

temporary FTE who are completing the pre-work required for the re-procurement of the core CBMS system and its two modules: Program Eligibility and Application Kit (PEAK) and Client Correspondence. The contractor funding will be used to hire administrative and technical support staff who will plan, prepare and coordinate departmental resources during the solicitation period. The contractor work includes creating vendor requirements, negotiating contracts, providing administrative support, supplying system architects and project managers, and assisting in drafting the solicitation for the eligibility system and its modules.

Year one of the CBMS re-procurement project was approved for implementation on July 1, 2024, and included $1,705,158 total funds, including $318,028 Capital Construction Fund (CCF). Currently the Department has four contractors working on the first phase of re-procurement using these funds: a CBMS Systems Architect, a PEAK Systems Architect, a Technical Business Analyst and a Project Manager. These four positions are working full time on work for the Department in FY 2024-25; as of October 1st, the Department has encumbered $468,000 and is working to get additional contracts executed.

Project Description:

The Department's request falls under the System Enhancement Regulatory Compliance category. The Department is requesting funding to comply with Colorado contract term limits and CMS federal funding requirements. The Department is required to procure contracts related to the CBMS system every 10 years, both under state procurement rules and CMS regulations. This request would provide funding to assist with the re-procurement work and ensure the Department stays on schedule and complies with federal regulations.

This procurement for CBMS is a system takeover, not a replacement. The Department is not obtaining a new eligibility system; rather, the Department is offering an opportunity for potential vendors to take over the maintenance and operation of the existing CBMS Eligibility and Enrollment (E&E) system while incorporating best practices and innovations to improve its performance and usability. The procurement of a new contract will consist of Invitations to Negotiate (ITNs) for three modules: Client Correspondence, a takeover of the existing CBMS Core System, and PEAK.

Over the next couple of years, HCPF, CDHS, and OIT representatives and stakeholders from those teams will create requirements for the CBMS Core takeover and its modules. The departments are also working with their federal counterparts, including CMS, Food and Nutrition Services (FNS), and the Administration for Children and Families (ACF) to ensure that the CBMS system is meeting all federal requirements. Once the requirements have been identified, the Department will move to the solicitation phase of re-procurement. The contractor resources being requested will operate as subject matter experts (SMEs) who can assist the Department with drafting necessary solicitation documents and

procurement requirements, ensuring the solicitation of the CBMS and its modules is accurate and stays on schedule within the confines of both state and federal timelines.

The Department is requesting funding now to perform the solicitation and pre-work required for this procurement. In future budget cycles, the Department anticipates requesting additional funding to support the transition to the new vendors, if needed. This phased approach allows for a smoother transition and ensures continuous compliance with CMS and state regulations. The goal is to ensure that the CBMS continues to serve Coloradans effectively while adapting to regulatory changes and technological advancements. The requirements drafting, review and approval are expected to be completed by July 2025 for the Correspondence Module, by October 2025 for the CBMS Core Takeover Module, and by December 2025 for the PEAK/PEAK Pro Mobile Module.

The Department is requesting 12 temporary FTE: 5 Administrators, 3 Project Coordinators and 4 IT Project Managers. Additionally, the Department is requesting funding for 18 full time contractors, including 3 Contract Negotiators, 5 Business Analysts, 2 Scribes, 3 System Architects and 5 Technical Business Analysts. Please see the appendix for a detailed description and justification for contractors and FTE.

Systems Integration Opportunities –

A well-designed modular system is interoperable, allowing the ability for different systems, applications, or products to connect and communicate in a coordinated, non-disruptive manner. This services integration (SI) is increasingly important as CMS guidance trends away from large, single-system implementations in favor of smaller interoperable, interchangeable modular implementations. CMS guidance for IT systems requires that the Department's CBMS data and functionality coordinate between the health exchanges, public health agencies, human services programs and community organizations, providing outreach and enrollment assistance. Coordination between SI and the proposed CBMS modules will be managed by the Project Manager with assistance from the Business Analysts during the requirements gathering phase of the solicitation drafting. This is to ensure a seamless transition to the new vendor(s).

Risks and Constraints –

Due to CMS regulations and state procurement rules, the Department must finish the procurement process for possible new CBMS vendor(s) before the end of the current contract term date of June 30, 2029. The Department has requested and received an extension of the current contract at both the state and federal levels. This extension is critical, but it is imperative that the Department completes the procurement process within this extended timeframe to avoid any further risks of non-compliance and potential penalties. The Department must negotiate and

implement new contracts with vendors prior to the current contracts' end date to ensure smooth transitions to new modules and avoid potential CMS penalties.

Additionally, to receive enhanced federal funds on Medicaid and Children's Health Insurance Program (CHIP) programs, the Department must follow CMS procurement guidelines and the existing CMS standards and regulations. CMS requires that the Department procure the CBMS through a modular approach breaking out the core CBMS system and the two modules: PEAK and Client Correspondence. If the Department does not procure CBMS vendors following CMS regulations, then the Department is at risk of losing federal financial participation (FFP) on all Medicaid CHIP programs.

As a result of the COVID Unwind activities, many of the staff who were required for the procurement were unavailable to participate during the initial procurement timeline. The Department, along with CDHS and OIT, requested and approved for two additional one-year extension requests through June 30, 2029. This request has been approved by both the state authorities as well as the Federal agencies (CMS and FNS). Current constraints on Department resources prevent the completion of this procurement with existing staff alone. The procurement of a system of this size requires significant hours and expertise that exceed the current capacity of the Department's staff. Contractor resources and temporary FTE will operate as SMEs to assist with the drafting of necessary solicitation documents and procurement requirements, ensuring accuracy and adherence to the schedule within state and federal timelines. The Project Manager approved in last year's CC request has identified an ongoing risk regarding the availability of resources as well as retention of resources and is monitoring them closely.

Operating Budget Impact –

Currently, CBMS has a maintenance and operations (M&O) budget within multiple departments: HCPF, CDHS, CDPHE, Department of Early Childhood (DEC) and Regional Transportation District (RTD). The Department is not submitting an additional M&O budget request for the modules because the bidding process for the CBMS system is not complete. If M&O funding is either higher or lower than current appropriations, the departments would submit an M&O true-up request in a future budget cycle once procurement reaches the vendor negotiation phase.

Background of Problem or Opportunity:

The current contract for CBMS has reached its 10-year limit and federal regulations require that the system must be reprocured to continue to receive federal matching funds. Federal guidelines also require each state to follow a modular approach in their development of new or replacement systems and evaluates each state's IT to ensure that the procurement of each IT solution has been effectively evaluated by the state as the most cost-effective long-term solution for meeting business needs.

The CBMS is an integrated eligibility system (IES) and was implemented in 2004. The system is managed by HCPF, CDHS, CDPHE, DEC, RTD, and supported by OIT [collectively, the State]. Eligibility for medical (Medicaid), food (Supplemental Nutrition Assistance Program-SNAP), cash (Temporary Assistance for Needy Families-TANF), energy, and childcare assistance is determined by the CBMS integrated system. The primary reason for this procurement is regulatory compliance. Federal regulations mandate that the State re-procure CBMS to meet modularity requirements, ensuring continued eligibility for federal funding and adherence to CMS standards and conditions. Failure to comply with these federal regulations would result in the loss of federal financial participation (FFP) on all Medicaid and CHIP programs. This re-procurement process must be completed before the end of the current contract term date of June 30, 2029, to avoid potential penalties and ensure smooth transitions to new modules. The State contends that CBMS will remain in use and serve as the State's eligibility engine, with potentially a new vendor responsible for a take-over transition as opposed to building a new CBMS system. This approach supports best-of-breed strategies and contracting efficiencies, aligning with documented practices in other states' IES enterprises.

Year one of this request was approved for implementation on July 1, 2024, and the Department has contracted to bring Systems Architects, Business Analysts and Project Managers to begin phase one of CBMS re-procurement. In FY 2024-25, the Department, with help from contractors, will draft the ITN for the Correspondence Module, draft requirements for the Core Takeover Module, kick off the PEAK/PEAK Pro Module, create the Requirements Breakdown Structure for the PEAK/PEAK Pro Module, and draft requirements for the PEAK/PEAK Pro Module."

Justification:

The Department is required by state procurement regulations and CMS guidelines to perform a competitive procurement process for the CBMS. In order to receive enhanced federal funding for development, maintenance, and operations, the CBMS and its modules must meet all applicable standards and conditions, including modularity. The Department is only appropriated enough funds to operate the CBMS and this request would allocate funds to contract staff and temporary FTE who would provide integral expertise and assist with the day-to-day needs of the Department during the procurement process. The State is currently operating at capacity and is unable to reallocate resources to this effort. Without dedicated vendor funding, the Department would be unable to transition in a timely manner, which would put the State out of compliance with CMS and state procurement requirements. Not complying with CMS regulations puts the Department at risk of losing FFP and the Department would be at risk of having to pay back CMS for any federal funding received while being out of compliance.

Business Process Analysis –

Under the revised rule 42 CFR Part 433, Subpart C - Mechanized Claims Processing and Information Retrieval Systems, CMS requires states to follow a modular approach that supports timely, cost-effective IT projects. Currently, the CBMS system does not comply with the CMS requirement of modularity. The broadened definition was also refined to support an enterprise approach where individual modules and services are interoperable and work together seamlessly to support a unified Benefits System. CMS has established the expectation that a modular approach provides the most efficient and cost-effective long-term solution for meeting states' business needs. This funding request is not directly addressing an operational problem; rather, the funding is required for the Department to remain compliant with state and federal regulations.

Cost-Benefit Analysis and Project Alternatives (per H.B. 15-1266) –

In 2022, the Department completed an internal and external environmental scan and an alternatives analysis with current staff and other states to identify potential models and new approaches and strategies for the procurement of the CBMS. The environmental scan included interviews with other states to understand their models within their existing and conceptual eligibility systems. The Department interviewed SMEs internally as well as in other states to understand the challenges, strategies and models that can be addressed utilizing the future CBMS ecosystem. The results of the environmental scan and alternatives analysis have been utilized in developing the requirements breakdown structure and driving the drafting of requirements.

The Department submitted an RFI in July 2023 to request information from vendors on the cost of taking over an existing Eligibility and Enrollment system. The responses the Department received were not as detailed as anticipated. As a result, the Department contracted with Public Knowledge to facilitate interviews with states requesting information on procurement costs related to procuring a new system or upgrading an existing Eligibility and Enrollment system as well as any lessons learned in the procurement process. These conversations, as well as the Department's experiences with current and ongoing procurements of modules for the state's Medicaid Management Information System (MMIS), indicated a clear need for dedicated resources to successfully implement modularity. The report highlights the importance of having a robust administrative framework to manage governance, stakeholder engagement, and vendor performance effectively. The time commitment to participate in the procurement as a SME can be extensive and scheduling time with the SMEs is often constrained as they do not have available resources to back up their daily work and allow focus on the procurement. During the interviews with the states and stakeholders, interviewees stated it was necessary to have dedicated staff to participate in planning, research, drafting, reviewing the ITN responses and in the negotiation process. Responses identified a need for a team that manages the whole eco-system as well as specific teams for

each module. The Department needs dedicated SME resources that can focus on developing the CBMS for modularity.

Without this funding, the Department does not have the necessary SMEs or technical knowledge to ensure that the CBMS vendor solicitation is drafted and posted. Without accurate and timely solicitation documentation, the Department would be unable to complete the transition activities within the required timeframes. This would put the Department out of compliance with CMS and state procurement requirements. Per 45 CFR 95.635, if the Department fails to comply with the requirements, payment of FFP to Colorado's Medicaid and CHIP programs can be disallowed.

Success Criteria and Improved Performance Outcomes –

All projects that receive enhanced FFP through CMS require outcome-based measures. These measures will be reviewed and approved by CMS and other federal partners prior to the implementation of the contracts. CMS requires the Department to continue to meet the approved outcomes and metrics on an ongoing basis to continue to receive enhanced funding.

Assumptions for Calculations –

- The Department assumes that the contractor staff will work full time for 40 hours a week, 52 weeks a year for a total of 2080 hours.

- The Department assumes it will have all Advanced Planning Documents (APD) submitted and approved by CMS prior to incurring any expenditure, allowing the Department to receive the enhanced weighted FFP on all transition costs.

- The Department assumes it would need dedicated Medicaid- and SNAP-experienced contractor resources to assist with the procurement process. The Department had requested similar resources with the year-one request, but after discussing the overall workload with other states, it became clear that the Department would require significantly more contracted resources to ensure it can remain on projected timelines.

- The Department is required by CMS to cost allocate CBMS activities among the different departmental partners (HCPF, CDHS, CDPHE, DEC and RTD). The cost allocation ensures that all federal partners who are benefiting from the system are sharing in the cost. The total costs of this project have been allocated to both HCPF and CDHS based on the CBMS activities being requested. The Department assumes that transition costs would be covered at a 90% federal match for Medicaid related costs. Based on the allowable federal participation for the other non-Medicaid programs, the weighted FFP is 81.23%.

- The Department included a 5% contingency buffer to the total estimate for FY 2025-26 to account for potential cost overruns as large-scale IT projects have a propensity to come in over budget by the time the project is finished. [1]

Consequences if not Funded –

Without the contractor funding, existing Department staff would need to complete the solicitation work. Currently, Department staff do not have the capacity to complete re-procurement work and denial of funding could lead to delayed timelines causing the Department to miss the overall June 30, 2029, deadline. Missing the deadline would put the Department out of compliance with CMS and state procurement requirements. As mentioned above, per 45 CFR 95.635, if the Department fails to comply with CMS requirements, payment of FFP may be disallowed.

Implementation Plan

Change Management –

Change Management is a requirement for all Department projects. The Department has a robust internal change management process and requires all vendors to deliver a change management plan, which includes: the approach to change management, a scope control process, process to monitor and measure scope, testing strategy, training plan, and operational readiness plans.

The Department follows CMS MES testing guidance framework, which outlines actions and deliverables states are required to demonstrate or provide as evidence. These include:

- Contract requirements for system testing
- Definition of defect severity
- Defect resolution
- Master test plans
- Test execution; including units, system integration, regression, user acceptance, performance and load testing, parallel and data migration testing
- Incident response handling
- Requirements' traceability
- Deployment plan

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[1] McKinsey Article: Delivering large-scale IT projects on time, on budget, and on value by Michael Bloch, Sven Blumberg , and Jürgen Laartz (Website Link)

- On-going testing after production to validate any system changes

Alignment with OIT Best Practices and Standards –

The Department collaborates with the OIT to ensure that the CBMS and its vendors comply with OIT's best practices and standards.

Procurement –

The Department and CDHS, with support from OIT, are engaged in the procurement and collaboratively are responsible for ensuring that programs and systems meet federal requirements. As a result, OIT staff are members of the procurement team involved with the re-procurement of CBMS and its future modules.

Disaster Recovery and Business Continuity –

All implementations would be compliant with all existing state and federal IT architecture, security and business continuity requirements and guidelines, as well as state cybersecurity policies set forth by the Office of Information Security. Additionally, all OIT project gating would be closely followed to ensure adequate risk assessments are conducted and all necessary actions are taken as a result. The Disaster Recovery Plan is a requirement of gate 4 and the authorization to operate would not be granted without the required documentation and planning.

Accessibility Compliance (Must be addressed) –

The Department, in collaboration with OIT, is in the process of developing an accessibility compliance program for current and future vendors.

Impact to IT Common Policy (For Statewide OIT Projects Only) –

In this phase of the project the Department is not requesting any expense that would impact IT common policy.

Additional Information

Additional Request Information

Please indicate if three-year roll forward spending authority is required.	Yes
Is this a continuation of a project appropriated in a prior year?	Yes

If this is a continuation project, what is the State Controller Project Number?	2025-042I24
If this request affects another organization, please provide a comfort letter.	N/A
Please attach a letter from OIT indicating review and approval of this project	Attached

Appropriation Continuation History

Funding Source	FY 2024-25 Appropriated	FY 2025-26 Appropriated	FY 2026-27 Appropriated	Total Appropriations
Total Funds	$1,705,158	$0	$0	$1,705,158
Capital Construction Funds	$318,028	$0	$0	$318,028
Cash Funds	$0	$0	$0	$0
Reappropriated Funds	$0	$0	$0	$0
Federal Funds	$1,387,130	$0	$0	$1,387,130

Available Funds Continuation History

Funding Overview	FY 2024-25	FY 2025-26	FY 2026-27
Amount Spent	$0	$0	$0
Amount Encumbered	$468,000	$0	$0
Total Funds Available	$1,237,158	$0	$0

Estimated Project Timetable

Steps to be completed	Start Date	Completion Date
CBMS Correspondence Module	01/11/2024	06/30/2029
CBMS Core Takeover Module	05/23/2024	06/30/2029
CBMS PEAK/PEAK Pro Module (Digital/Mobile)	07/15/2024	06/30/2029

July 24, 2024

Mark Ferrandino
Director
Office of State Planning and Budgeting
111 State Capitol
Denver, Colorado 80203

RE: FY 2025-26 Dept. of Health Care Policy & Financing and Dept. of Human Services
CC-02 CBMS Re-procurement

Dear Director Ferrandino:

Pursuant to OSPB instructions, this letter is to confirm that the Office of Information
Technology (OIT) has been informed of the development and submission of this proposed FY
2025-26 request for the Department of Health Care Policy & Financing (HCPF) and Department
of Human Services CC-02 CBMS Reprocurement. The Department requests $9,618,906 total
funds, including $1,805,083 Capital Construction Fund (CCF), the remaining $7,813,823 from
Federal Funds and 0.0 FTE in FY 2025-26 for a Systems Enhancement Regulatory Compliance
IT project. The Department requests this funding in order to comply with state procurement
regulations and the Center for Medicare and Medicaid Services (CMS) procurement
requirements for the Colorado Benefits Management System (CBMS).

OIT has completed an internal review to ensure the project aligns with statewide IT
goals and determined that OIT has the capacity to deliver and meet the requirements
of the project.

Please note: OIT, HCPF and CDHS are in agreement that a security review will be
completed as part of the project itself, when applicable. Also, any OIT specific work
should be reappropriated to OIT through the payments of OIT line, where applicable.

Sincerely,

Rus Pascual, OIT Budget Director   Cierra Perreira, OIT IT Director for CBMS

Rus Pascual

CC-IT: CAPITAL CONSTRUCTION INFORMATION TECHNOLOGY REQUEST FOR FY 2025-26

Department	**HCPF**	Signature Department Approval: _(signature)_ Date: 09/25/2024
Project Title	Social Health Information Exchange Project	Signature OIT Approval: *Rus Pascual* Date: 09/23/2024
Project Year(s):	FY 2024-25, FY 2025-26 and FY 2026-27	Signature OSPB Approval: Date
Department Priority Number	3	
Five-Year Roadmap?	No	Name and e-mail address of preparer: stephanie.pugliese@state.co.us

Revision? No
If yes, last submission date:

		Total Project Costs	Total Prior Year Appropriations	Total Request	Year 2 Request	Year 3 Request	Year 4 Request	Year 5 Request
A.	*Contract Professional Services*							
(1)	OIT Contracted Program Manager	$ -	$ -	$ -	$ -	$ -	$ -	$ -
(2)	Quality Assurance	$ -	$ -		$ -	$ -	$ -	$ -
(3)	Independent Verification and Validation (IV&V)	$ -	$ -		$ -	$ -	$ -	$ -
(4)	Training	$ -	$ -	$ -	$ -	$ -	$ -	$ -
(5)	Leased Space (Temporary)	$ -	$ -	$ -	$ -	$ -	$ -	$ -
(6)	Feasibility Study	$ -	$ -	$ -	$ -	$ -	$ -	$ -
(7a)	Inflation for Professional Services	$ -	$ -	$ -	$ -	$ -	$ -	$ -
(7b)	Inflation Percentage Applied	0.00%	0.00%	**0.00%**	0.00%	0.00%	0.00%	0.00%
(8)	Other Services/Costs	$ 22,115,220	$ 10,506,333	$ **7,751,755**	$ 3,857,132	$ -	$ -	$ -
(9)	*Total Professional Services*	$ 22,115,220	$ 10,506,333	$ **7,751,755**	$ 3,857,132	$ -	$ -	$ -
B.	*Software Acquisition*							
(1)	Software COTS Purchase	$ -						
(2)	Software Built	$ -	$ -		$ -	$ -	$ -	$ -
(3a)	Inflation on Software	$ -	$ -	$ -	$ -	$ -	$ -	$ -
(3b)	Inflation Percentage Applied	$ -	$ -	$ -	$ -	$ -	$ -	$ -
(4)	Software COTS Purchase Interest Payments	$ -	$ -		$ -	$ -	$ -	$ -
(5)	*Total Software*	$ -	$ -	$ -	$ -	$ -	$ -	$ -
C.	*Equipment*							
(1)	Servers	$ -	$ -	$ -	$ -	$ -	$ -	$ -
(2)	PCs, Laptops, Terminals, PDAs	$ -	$ -	$ -	$ -	$ -	$ -	$ -
(3)	Printers, Scanners, Peripherals	$ -	$ -	$ -	$ -	$ -	$ -	$ -
(4)	Network Equipment/Cabling	$ -	$ -	$ -	$ -	$ -	$ -	$ -
(5)	*Miscellaneous*	$ -	$ -	$ -	$ -	$ -	$ -	$ -
(6)	*Total Equipment and Miscellaneous Costs*	$ -	$ -	$ -	$ -	$ -	$ -	$ -
D.	*Project Contingency*							
(1)	5% project contingency	$ 1,105,762	$ 525,317	$ **387,588**	$ 192,857	$ -	$ -	$ -
E.	*Total Request*							
	Total Budget Request [A+B+C+D]	$ 23,220,982	$ 11,031,650	$ 8,139,343	$ 4,049,989	$ -	$ -	$ -
F.	*Source of Funds*							
	GF	$ 3,487,117	$ 1,539,359	$ **1,203,920**	743,838		$ -	$ -
	CF/RF	$ -	$ -		$ -	$ -	$ -	$ -
	FF	$ 19,733,865	$ 9,492,291	$ **6,935,423**	$ 3,306,151		$ -	$ -
	check (should = E)	$23,220,982	$11,031,650	$8,139,343	$4,049,989	$0	$0	$0

FY 2025-26 - HCPF OeHI Colorado Social Health Information Exchange (CoSHIE): IT-CC-03

Request Year	Total Funds	CCF-IT	Cash Funds	Reappropriated Funds	Federal Funds
FY 2025-26	$8,139,343	$1,203,920	$0	$0	$6,935,423
FY 2026-27	$4,049,989	$743,838	$0	$0	$3,306,151

Categories of IT Capital Projects

Category	Rationale	Applicable
System Replacement	Costs escalating, failing technology, software or vendor support ended, or new technology, e.g., DRIVES, CHATS	No
System Enhancement Regulatory Compliance	(new functionality, improved process or functionality, new demand from citizens, regulatory compliance, e.g, CBMS	No
Tangible Savings Process Improvement	conscious effort to reduce or avoid costs, improve efficiency, e.g., LEAN, back office automation	No
Citizen Demand	"The Ways Things Are" (transformative nature of technology, meet the citizens where they are, e.g., pay online, mobile access)	Yes

Request Summary

The Department of Health Care Policy and Financing (HCPF), in partnership with the Office of eHealth Innovation (OeHI), the Office of the Lieutenant Governor, and the Behavioral Health Administration (BHA) requests $8,139,343 total funds, including $1,203,920 in Capital Construction Funds (CCF), and 5.5 HCPF FTE, and 2 Office of Information Technology (OIT) FTE in FY 2025-26; and $4,049,989 total funds, including $743,838 CCF, and 5.5 HCPF FTE, and 2 OIT FTE in FY 2026-27 to support the continued expansion and implementation of a technical infrastructure that enables prescribers and community partners to facilitate access to health improvement supports and Colorado Social Health information Exchange (CoSHIE).

This request directly addresses efforts to improve member health, close disparities, and improve affordability by:

- Enabling clinicians to prescribe health improvement programs to Medicaid members provided through Regional Accountable Entities today (as well as newly evolving programs in the future) to improve member health and outcomes and prevent disease escalation thereby improving affordability (e.g., prenatal programs, diabetes management, nutritional counseling, living healthy classes like weight management, healthy eating, tobacco cessation and more).
- Enable clinicians to recommend - and vendor/community partners to better coordinate, provide access to and deliver - health support programs like SNAP or WIC to Medicaid members. This advances Colorado's ability to support whole person care and support, while improving member health and outcomes, closing disparities, and improving affordability.
- Enable provider access to innovative tools that help them improve quality care and outcomes, close disparities, and improve affordability thereby achieving these critical shared goals associated with Medicaid's approved value based payment models (e.g., maternity bundle, hospital transformation program payments and APM2 primary care).

Ultimately, this system will facilitate assessments and referrals for members to improve the ease of connecting members to public benefits programs (e.g., Supplemental Nutrition Assistance Program (SNAP), Special Supplemental Nutrition Program for Women, Infants and Children (WIC), housing assistance, etc.), health improvement programs (diabetes management, prenatal supports, etc.) and community-based services as well (homeless shelters, foodbanks, etc.). This request directly supports the Governor's quest to save people money on health care, facilitate behavioral health transformation, ease access to public programs that support Coloradans in need, propel the health system's payment system from volume to value (value based payments) and propel the Wildly Important Goals (WIGs) set forth by the Governor's Working Group on Health and Governor's Working Group on Homelessness.

As of July 1, 2024, the project has received appropriations of $11,031,650, including $1,203,918 CCF and has encumbered $6,082,551.54. Failure to approve this request would result in the inability to continue CoSHIE development and expansion, which would result in a failure to make progress towards defragmenting the social care ecosystem. This would result in continued and additional barriers to Medicaid members seeking the community-based supports, like housing and food, that they need to achieve their maximum health potential.

Project Description

HCPF's request falls under the *Citizen Demand* category. HCPF is requesting funding in response to increased data indicating that effective social care delivery has significant impacts on individuals' health and the cost of their care. Currently, the provision of social care services and health improvement programs is fragmented and burdensome to providers and care coordinators. In alignment with HCPF's quest for health improvement and better outcomes, closing disparities, improving whole person care, and reducing health care costs, this request will build upon existing architecture and serve as a "network of networks," connecting technology platforms used by Community Based Organization (CBOs), physical and behavioral healthcare providers, RAEs, and other organizations that deliver quality care and community supports to Coloradans.

To ensure that individuals with diverse needs are served by CoSHIE, HCPF and OeHI identified the need for a two-pronged hub-and-spoke approach to implementation: one focused on statewide data sharing and large-scale infrastructure (the hub) and one focused on the needs of individual communities (the spokes). A regional approach to CoSHIE allows communities and CBOs to leverage existing relationships and investments, and enable access to the programs and supports available to individuals through Medicaid and through their local communities, creating momentum and engagement that can support other use cases as the infrastructure grows and matures. Key activities that will be pursued as a component of this request include:

- *Statewide Unifying Architecture:* Continued implementation and expansion of the flexible data sharing ecosystem that facilitates technical connectivity between CoSHIE users such as Regional Accountable Entities (RAEs)/Managed Care Organizations (MCOs), Colorado's Health Information Exchanges (HIEs), behavioral health providers, CBOs, state agencies, and other organizations that deliver whole-person care to Coloradans.

- *Data Governance:* Implementation of a formal data governance structure to ensure equitable, community-led decision-making that supports the CoSHIE priorities and needs of all Coloradans. Governance will support the processes and procedures that govern the onboarding of health improvement and social data into CoSHIE, and ensure that CBOs can access and utilize clinical data, where appropriate, and send standardized referrals to clinical and non-clinical partners.

- *Consent Management:* Development and expansion of an integrated consent management solution to ensure Coloradans' consent to share data in the CoSHIE ecosystem is appropriately obtained and freely given. Consent management is critical to the secure transfer of information within the CoSHIE model, and is especially critical for communities that have historically been disenfranchised who may experience high levels of distrust with the medical system and government. Current systems lack the tools needed to not only properly manage and track client consent, but to store and share data appropriately based on federal and state regulations.

- *Resource Directory:* One of the essential tenets of effective CoSHIE is real-time access to accurate, updated information for health care providers. Today, this resource information is fragmented across multiple systems, and physical and behavioral provider data is stored separately from community resources, while providers are often unaware of programs and support available to their patients. OeHI intends to leverage and expand upon existing work by the Behavioral Health Administration (BHA) to improve the accuracy, consistency, and availability of resource information. This initiative will ensure data surfaced by state agencies is consistent, and ensure that CBOs and providers need only update their facility and service information in one location.

- *Expansion of Regional Investments:* Building upon regional priorities and successes is critical to increasing uptake and buy-in of CoSHIE data sharing. This component of the CoSHIE funds community-driven infrastructure development, which aims to leverage existing networks and innovations for social care data sharing within communities across Colorado. The goal of this component is to ensure the systems and health improvement support programs most often used by regional organizations including RAEs/MCOs, safety-net health systems, and CBOs who support members are prioritized for CoSHIE integration. The requested funding would expand across additional regions and use cases to ensure continued CoSHIE technical infrastructure is

developed in a way that prioritizes and reflects the diversity of needs and experiences of Coloradans.

CoSHIE efforts are well aligned with a number of other initiatives across the state and nation, including the [BHA's 2023-25 Strategic Plan (PDF)](#), the 2025 launch of the next iteration of Colorado's Accountable Care Collaborative (ACC), the advances and uptake of the Prescriber Tool (already used by 47% of Medicaid prescribers), the evolution into Value Based Payments that reward quality improvement, closing disparities, and affordability. It further aligns with the federal government's investments into both a healthcare-oriented data fusion center and the Office of the National Coordinator for Health IT (ONC)'s rollout of the Trusted Exchange Framework and Common Agreement (TEFCA) model to update and further integrate our national HIE infrastructure.

With the guidance of the eHealth Commission, OeHI's CoSHIE approach is the result of several years of consultation and collaboration with other state agencies and community partners, including HCPF, the BHA, Colorado Department of Human Services (CDHS), Colorado Department of Public Health and Environment (CDPHE), Colorado Department Of Corrections (CDOC), Local Public Health Agencies (LPHAs), CBOs, clinicians, and other stakeholders to build on successes and lessons learned, and to avoid duplicative efforts across the complex social care landscape. OeHI will continue to leverage the partnerships it has built with other state agencies and community partners to ensure the CoSHIE evolves to meet the needs of the continually changing state health IT landscape. Colorado is the first state to have approval from CMS to build CoSHIE within a state's Medicaid Enterprise Systems (MES) framework, and leads the nation in leveraging technology to improve access to health improvement programs and social care services.

Systems Integration Opportunities

The Colorado Social Health Information Exchange (CoSHIE) infrastructure, procured through the CoSHIE Invitation To Negotiate, is designed to be an MES module that can be fully integrated into the MES landscape, as shown in the figure below. CoSHIE will act as an integrator to bridge the gap between third-party social care platforms outside of the secure MES, and other MES and state systems. It will integrate with the HCPF's Care and Case Management (CCM) tool to exchange assessments and referral data between CCM and the tools used by the RAEs. Since Medicaid members with complex needs may interface with a number of case management agencies, care coordinators, and community-based service providers, CoSHIE provides the ability to interoperate any number of external systems to facilitate seamless care coordination services without directly interfacing these systems with sensitive MES systems. This allows CoSHIE to maximize data exchange and RAE program access functionality, without introducing unnecessary security risks.

Colorado MES (CMES)

Enterprise Solutions Integrator (ESI)
Purpose: Integrate and exchange data between MES systems

Care and Case Management (CCM)

- **Assessment/referrals data:** SHIE to ESI
- **Attributions data:** ESI to SHIE - *not* shared with systems outside of MES, sole purpose of identifying Members in SHIE

SHIE Interoperability Layer
Purpose: Integrate and exchange social care data and facilitate care coordination across external (to HCPF) technology systems

SHIE Data Lake
Purpose: Landing pool for data normalization/standardization, identity resolution, rules/decision supports, consent management

Diagram Key
- SHIE-connected app
- SHIE component
- Colorado MES

RAE Case Management Apps

National Third-Party Social Care Apps

Community Resource Data

HMIS

Regional Case Management Apps

Risks and Constraints
Funding through an initiative in HCPFs spending plan to implement Section 9817 of the American Rescue Plan Act (ARPA) in FY 2022-23 initiated an unprecedented opportunity to build an interoperable CoSHIE ecosystem intended to transform our care delivery and member health improvement support model. The development of CoSHIE has been a primary goal of OeHI since the first Health IT Roadmap was launched in FY 2017-18, with OeHI and HCPF making incremental progress with our state-designated Health Information Exchanges (HIEs) and community partners. It has also been a core component of HCPF's care delivery vision and strategy since 2018, known as Prescriber Tool Phase II. (Note that Phase I of the Prescriber Tool, which included two parts - Opioid Module and Affordability Module) - is already up, operational and successfully achieving its quality improvement and affordability goals. Funding through ARPA has allowed OeHI and HCPF to harness lessons learned from previous projects to develop a meaningful approach to leverage existing community efforts across Colorado. This funding would ensure that expanded development continues after the ARPA timeline has expired on September 30, 2024.

Operating Budget Impact
At this time, HCPF is not submitting an additional maintenance and operations (M&O) budget request because the procurement process for the CoSHIE is ongoing; although estimates have been secured for ongoing funding as a part of the negotiations process, HCPF will gather significant additional information about the scope and scale of M&O after the contract has been executed and the discovery process has begun, within the first year of implementation. HCPF plans to submit an M&O request in a future budget cycle.

Background of Problem or Opportunity
Research has demonstrated that social determinants of health (SDoH), defined by the World Health Organization (WHO) as the "conditions in which people are born, grow, work, live, and age, and

the wider set of forces and systems shaping the conditions of daily life," more significantly impact an individual's health than direct medical care. Current estimates by the US Department of Health and Human Services estimate that nationally, SDoH are more than twice as impactful on health outcomes than clinical care.[1] SDoH factors affect communities differently, and people of color, those living in rural areas, LGBTQ+ individuals, and individuals with disabilities are most impacted. Structural inequities are recognized as key SDoH factors themselves[2], and individuals from these communities experience worse health outcomes when all other factors are held constant. SDoH factors build upon one another and worsen an individual's health and wellbeing over time. For example, redlining, a common racially discriminatory housing policy in the mid-20th century, enforced the housing of communities of color in neighborhoods considered "undesirable." Redlining has resulted in the continued under-resourcing of these neighborhoods that have had significant impacts on residents' health outcomes; historical redlining is strongly associated with poor stroke outcomes[3], increased exposure to environmental pollutants[4], asthma[5], and poor HIV outcomes[6], among others. Addressing SDoH while easing access to health improvement programs are critical to achieving Colorado's goal of becoming one of the healthiest states in the nation.

Alongside direct investment in communities to improve the availability of services, technology supports more effective delivery of SDoH services and access to health improvements programs. CBOs that deliver a significant proportion of SDoH supportive services have historically been separate from the healthcare system and ineligible for associated investments from the state and federal government aimed at upgrading technology[7]. Concurrently, providers most often don't have optics into the health improvement support programs available to their patients, which is contradictory to evolving value-based payment models, our quest to improve health and close disparities while also improving affordability. Today, CBOs vary significantly in technology access and capacity, and organizations that serve historically marginalized communities often have the most significant gaps in connectivity and technology[8]. Concurrently, provider access to electronic medical/health records (EMR/EHR) has significantly expanded, creating new opportunities to

[1] Whitman A, De Lew N, Chappel A, Aysola V, Zuckerman R, Sommers B. "Addressing Social Determinants of Health: Examples of Successful Evidence-Based Strategies and Current Federal Efforts." Department of Health and Human Services, Office of Health Policy Report. 2022 Apr. Link.

[2] Johnson T. "Intersection of Bias, Structural Racism, and Social Determinants with Health Care Inequities." Pediatrics. 2020 Aug, 146:2. Link.

[3] Jadow B, Hu L, Zou J. "Historical Redlining, Social Determinants of Health, and Stroke Prevalence in Communities in New York City." JAMA Network Open. 2023 Apr, 6:4. Link.

[4] Mehdipanah R, McVay K, Shulz A. "Historic Redlining Practices and Contemporary Determinants of Health in the Detroit Metropolitan Area." American Journal of Public Health. 2023 Jan. Link.

[5] Jones B, Hoffman M, Kane N. "'Redlining' to 'Hot Spots': The Impacts of a Continued Legacy of Structural and Institutional Racism and Bias on Asthma in Children." The Journal of Allergy and Clinical Immunology In Practice. 2022 Apr, 10:4. Link.

[6] Logan J, Crepaz N, Luo F, Dong X, Gant Z, Ertl A, Girod C, Patel N, Jin C, Balaji A, Sweeney P. "HIV Care Outcomes in Relation to Racial Redlining and Structural Factors Affecting Medical Care Access Among Black and White Persons Living with Diagnosed HIV." AIDS and Behavior. 2022 Mar, 26. Link.

[7] Roels N, Estrella A, Maldonado-Salcedo M, Rapp R, Hansen H, Hardon A. "Confident futures: Community-based organizations as first responders and agents of change in the face of the Covid-19 pandemic." Social Science and Medicine. 2022 Feb, 294. Link.

[8] Walker, E, McCarthy J. "Legitimacy, Strategy, and Resources in the Survival of Community-Based Organizations." Social Problems. 2010 Aug, 57:3. 315-40. Link.

leverage, as is the case with the Prescriber Tool Phase I, which enables access to information like the Opioid Model and the Affordability Module through the EHR/EMR. An effective, connected CoSHIE has the opportunity to address the following problems:

For individual Coloradans:
- Lack of connection between systems leads to two opposing challenges: some Coloradans receive duplicative screening and services, while others do not receive any. Coloradans may need to repeat their personal and health history information or restate traumatic experiences repeatedly to different organizations before they receive the help they need, while others may never receive help.
- Coloradans may have difficulty understanding what resources and health improvement programs are available in our fragmented systems. They may know what their needs are, but may not be aware that resources exist in their communities or health improvement programs are available under their insurance coverage program to support them, leading to further gaps in care, poor health outcomes and increases in costs.

For healthcare teams:
- Providers lack the information they need to deliver effective care, leading to duplicative or missed screenings, costing additional money, and draining already-overtaxed resources.
- Providers who have adopted a social care or referrals platform into their workflow frequently lack the ability to connect with other systems. This requires providers to access multiple uncoordinated tools or follow manual, time-consuming, and unrealistic processes to understand their patients' needs[9].
- Providers understand and value the importance of programs that address a member's health and health disparities as an alternative or in conjunction with prescribing medication, but are often unaware of the resources and programs that exist in communities or within the patient's health plan. They may also be unaware or unable to leverage or access those resources and programs to improve their patients' health or mitigate disease exacerbation. SDoH programs may include support and advice on physical activity, loneliness, social networking, job hunting, housing, financial hardship, debt, learning new skills, legal issues, opportunities to participate in creative activities, and parenting[10]. Health improvement programs may include: diabetes management; nutrition counseling and support; prenatal high risk screenings, education and support; tobacco cessation and more to be developed as exists in commercial, such as Asthma, COPD, cardiac, lifestyle management programs like weight or stress management and resilience, etc.
- Utilizing the CoSHIE provides Medicaid providers the tools and technology to incorporate programs and supports that achieve our shared goals of improving patient health and outcomes, easing access to public support programs, closing disparities and improving affordability. This enables Medicaid providers to earn the value based payments designed to reward them for achieving these shared goals to the betterment of Medicaid members as well as the state's budget. The CoSHIE can be leveraged to promote programs that increase health outcomes and

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[9] Bleacher H, Lyon C, Mims L, Cabuhar K, Begum A. "The Feasibility of Screening for Social Determinants of Health: Seven Lessons Learned." Family Practice Management. 2019 Oct, 26:5. Link.

[10] Mofizul Islam M. "Social Prescribing - An effort to apply common knowledge: Impelling forces and challenges." Frontiers in Public Health. 2020 Nov, 9. Link.

have related payments through HCPF's maternity bundle, hospital transform program payments, primary care APM2 and other value based payments to providers.

For state and local government programs:
- State and local governments that provide funding for community services lack accurate information about resource utilization and true community need[11].
- As the largest health insurance payer in Colorado (serving 1 in 4 Coloradans), including many of our most vulnerable neighbors, Colorado's Medicaid program is operating under an increasingly strained budgetary landscape. Improvements to care coordination, health improvement program access and SDoH supports can position Health First Colorado to tackle health disparities, improve quality and reduce disease escalation, acute care, and emergency room visits, while better caring for those with chronic conditions.
- Public benefits programs (e.g., SNAP, WIC, housing assistance) are often underutilized[12,13]. Eligible individuals may face barriers to enrollment, including difficulty attending required appointments, language barriers, and challenges navigating the enrollment and recertification processes[14]. Improvements to digital referrals can help care coordinators identify community supports that can streamline access to needed programs.

Justification

Colorado's initiative is supported by CMS' recognition of the critical importance of addressing SDoH as outlined in State Health Official (SHO) letter # 21-001 (Website Link) and State Medicaid Director (SMD) Letter #16-003 (Website Link), which both outline the need for SDoH and programs supports, and enable states to address challenges through the Medicaid program.

Extensive research has demonstrated the connection between unmet social needs and suboptimal health outcomes, such as cardiovascular disease[15], childhood asthma[16], and substance use disorder[17]. Despite an acknowledgment of the need to address SDoH to improve patient outcomes, progress in integrating social services and health improvement supports with medical care has been slow from a technology perspective. Lack of data has been frequently cited as a barrier to the integration of social care into medical practices, as providers report [lack of optics] when it comes to addressing their clients' social care needs, as they "lack data on both their patients' social needs and the capabilities of

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[11] Thorpe L, Chunara R, Roberts T, Pantaleo N, Irvine C, Conderino S, Li Y, Hsieh P, Gourevitch M, Levine S, Ofrane R, Sport B. "Building Public Health Surveillance 3.0: Emerging Timely Measures of Physical, Economic, and Social Environmental Conditions Affecting Health." American Journal of Public Health. 2022 Oct. Link.

[12] US Department of Agriculture. National and State Estimates of WIC Eligibility and Program Reach in 2020. Link.

[13] Center on Budget and Policy Priorities. "A Closer Look at Who Benefits from SNAP: State-by-State Fact Sheets - Colorado." 2023 Feb. Link.

[14] Code for America. "In Their Own Words: Parents Help Us Understand Barriers to Accessing WIC." 2022 Apr. Link.

[15] Parekh T, Desai R, Pemmasani S, Cuellar A. "Impact of Social Determinants of Health on Cardiovascular Diseases." Journal of the American College of Cardiology. 2020 Mar, 75 (11_Supplement_2):1989. Link.

[16] Federico M, McFarlane II A, Szefler S, Abrams E. "The Impact of Social Determinants of Health on Children with Asthma." Journal of Allergy and Clinical Immunology in Practice. 2020 Jun, 8:6. Link.

[17] Sulley S, Ndanga M. "Inpatient Opioid Use Disorder and Social Determinants of Health: A Nationwide Analysis of the National Inpatient Sample (2012-2014 and 2016-2017)." Cureus. 2020 Nov, 12:11. Link.

potential community partners."[18] OeHI's CoSHIE approach seeks to address this barrier by improving access to the data needed to deliver social care services for all members of the care team.

Leveraging technology to address SDoH and health improvement program support is an emerging and highly innovative and promising practice across the nation. While Colorado is the first state to receive approval for funding through CMS to build an interoperable CoSHIE ecosystem, OeHI has identified lessons learned and best practices through four years of OeHI-funded pilot projects and from other state and local approaches to managing SDoH technology, including projects in North Carolina, San Diego, CA, and King County, WA.

Business Process Analysis

According to the 2021 Colorado Health Access Survey[19], about one in four (23.9%) residents of Colorado have an income at or below 200% of the federal poverty level. Among them, 14.7% experience food insecurity and 10.5% lack stable housing — with rates even higher in some communities throughout the State. This has a clear impact on health: for example, among Colorado residents reporting unstable housing, nearly half report poor general (45.1%), and oral health (44.5%), while over half report poor mental health (60.0%).

These inequities are also compounded by Coloradans' intersecting identities such as race, ability, gender identity, etc. A statewide CoSHIE would allow Coloradans to be connected to the health resources they need quickly and easily. Low income Coloradans would be able to search for and be referred to resources, health improvement programs or providers that meet their needs. Research[20,21,22] strongly suggests that addressing social determinants of health in low-income individuals may reduce avoidable hospital utilization, including ER use, delayed discharges, and readmissions. Additional benefits to CoSHIE may have wide-ranging ROI that is difficult to quantify – for example, improved care coordination can improve individuals' relationship to the healthcare system[23,24], which makes them

[18] Murray G, Rodriguez H, Lewis V. "Upstream with a Small Paddle: How ACOs Are Working Against the Current to Meet Patients' Social Needs." Health Affairs. 2020 Feb, 39:2. Link.

[19] Colorado Health Institute (CHI). Colorado Health Access Survey. Denver, Colorado: 2021. Link.

[20] Hatef E, Ma X, Rouhizadeh M, Singh G, Weiner J, Kharrazi H. "Assessing the Impact of Social Needs and Social Determinants of Health on Health Care Utilization: Using Patient- and Community-Level Data." Population Health Management. 2021 Apr, 24:2. Link.

[21] McCarthy M, Zheng Z, Wilder M, Elmi A, Li Y, Zeger S. "The Influence of Social Determinants of Health on Emergency Departments Visits in a Medicaid Sample." Annals of Emergency Medicine. 2021 May, 77:5. Link.

[22] Yan A, Chen Z, Wang Y, Campbell J, Xue Q, Williams M, Weinhardt L, Egede L. "Effectiveness of Social Needs Screening and Interventions in Clinical Settings on Utilization, Cost, and Clinical Outcomes: A Systematic Review." Health Equity. 2022 Dec, 6:1. Link.

[23] Mohottige D, Boulware L. "Trust in American Medicine: A Call to Action for Health Care Professionals." The Hastings Center Report. 2020 Feb, 50:1. Link.

[24] DeCamp M, DeSalvo K, Dzeng E. "Ethics and Spheres of Influence in Addressing Social Determinants of Health." Journal of General Internal Medicine. 2020 Jun, 35. Link.

more likely to seek preventive care earlier, improving chronic disease management[25] and reducing the cost of complex care[26].

Rural Coloradans have less access to physical, behavioral, and social health resources compared to Coloradans that live in urban areas. The impact of SDoH challenges are compounded by the barriers that already exist for rural Coloradans - fewer resources in general and longer distances to reach the resources they need, as well as limited public transit options and few choices available to purchase healthy foods or access housing that meets their needs. OeHI's approach includes a regional focus that allows communities to integrate into the CoSHIE ecosystem using established networks that work for them. An integrated CoSHIE network not only allows members of the care team to understand what resources are available within their community, but also identify gaps between community need and accessible resources while providing access to health improvement programs available through Medicaid and supports through public programs (SNAP, WIC, etc). Data captured in the CoSHIE technical infrastructure can also provide invaluable information to social care providers in rural communities that can inform future funding requests or grant applications that can bolster resources available in rural Colorado. CoSHIE technical infrastructure can also better incorporate non-clinical provider types, such as Local Public Health Agencies (LPHAs) who may have access to different resources, into clients' care teams.[27]

Individuals experiencing homelessness experience higher rates of chronic illness and, on average, have a life expectancy of 12 years less than the average American.[28] Poor health outcomes are both a cause and a result of homelessness. Homelessness services are fragmented, as providers of housing-related services encompass federal, state, county, and municipal governments, non-profit organizations, healthcare delivery organizations, faith-based organizations, and others, each with their own preferred data system. Even where connections between these data systems exist, collecting holistic client data can be especially difficult among clients with a higher rate of behavioral health concerns, distrust for service providers, and frequent interactions with law enforcement. Homelessness is a priority use case for CoSHIE implementation. The infrastructure can improve care coordination of clients experiencing homelessness by integrating the state Homeless Management Information System (HMIS), local shelter data, and other resource information alongside information about clients' physical and behavioral health to ensure their needs are accurately understood. These data can be used to support the connection of individuals with available housing resources, and can promote the use of other styles of services (e.g., eviction prevention or rental assistance) so individuals are connected with services *before* they experience homelessness. This could contribute to better public safety and alleviate the strain of law enforcement and other first responders to this population.

The impacts of incarceration on individuals' health is well established in research - incarceration is

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[25] Ochieng J, Crist J. "Social Determinants of Health and Health Care Delivery: African American Women's T2DM Self-Management." Clinical Nursing Research. 2020 Apr, 30:3. Link.

[26] Shankar K, Dugas J, Flacks J, Brahim M, Morton S, James T, Mitchell P. "High touch, high trust: Using community health advocates and lawyers to address ED high utilizers." The American Journal of Emergency Medicine. 2022 Oct, 60. Link.

[27] Feeser K, Mayer M, Eminston A. "A Rising Tide: Increasing Rural Local Health Department Capacity to Address the Social Determinants of Health." 2019 Jul. NACCHO. Link.

[28] National Health Care for the Homeless Council. "Homelessness and Health: What's the Connection?" 2019 Feb. Link.

associated with poor birth outcomes[29] and preventable maternal death, high rates of physical limitations and depression in older adults[30], and poor mental health.[31] Emerging research suggests that incarceration not only impacts the individual, but also has wide reaching impacts on communities and families.[32] People re-entering the community after incarceration tend to experience poor physical and behavioral health, especially in the first months following their release from prison or jail - these individuals' risk of premature death is almost 13 times higher than other individuals during the first two weeks following release.[33] In Colorado, individuals exiting incarceration are typically eligible for Health First Colorado.[34] However, fragmented systems and supports with limited data sharing reduce individuals' ability to easily connect with healthcare services, behavioral health, and needed medications upon reentry. The CoSHIE infrastructure can improve outcomes for justice-involved Coloradans by integrating the care coordination platforms used by Colorado's Regional Accountability Entities (RAEs), which provide care coordination services to Medicaid members, alongside the tools used by case managers at our prisons and jails, our parole system, and by CBOs who focus on supporting the reentry population. These data can ensure that Coloradans reentering the community are not only successfully enrolled in Medicaid, but have the information and support they need to access needed physical, behavioral, and social healthcare services and supports. Improved access to SDoH supports can improve Coloradans' ability to be successful post-incarceration, and can reduce recidivism. Use of Medicaid services post-incarceration is associated with a reduced risk of reincarceration *and* improved employment prospects.[35]

Home and Community-Based Services (HCBS) are Medicaid programs that support low-income Coloradans and people with disabilities in living everyday lives in the community. There are roughly 45,000 HCBS-enrolled individuals in Colorado, the majority of whom are living with an Intellectual and Developmental Disability (IDD).[36] People living with IDD experience high rates of hospitalization, and studies have shown that individuals with high social care needs are much more likely to be hospitalized or to visit the ER.[37] People with disabilities and HCBS-eligible individuals must navigate complex eligibility requirements for services and experience long wait times due to HCBS staffing challenges.[38] These challenges may result in delays in care. Many HCBS providers lack access to Health IT, and where

[29] Jahn J, Chen J, Agenor M, Krieger N. "County-level jail incarceration and preterm birth among non-Hispanic Black and white US women, 1999-2015." Social Science and Medicine. 2020 Apr, 250. Link.

[30] Latham-Mintus K, Deck M, Nelson E. "Aging with Incarceration Histories: An Intersectional Examination of Incarceration and Health Outcomes Among Older Adults." The Journals of Gerontology: Series B. 2022 Jun. Link.

[31] Porter L, DeMarco L. "Beyond the dichotomy: Incarceration dosage and mental health." Criminology. 2018 Dec, 57:1. Link.

[32] Gifford E. "How Incarceration Affects the Health of Communities and Families." North Carolina Medical Journal. 2019 Nov, 80:6. Link.

[33] Binswanger I, Stern M, Deyo R, Heagerty P, Cheadle A, Elmore J, Koepsell T. "Release from Prison - A High Risk of Death for Former Inmates." New England Journal of Medicine. 2007 Jan, 356. Link.

[34] Colorado Department of Health Care Policy and Financing. "Health First Colorado and Criminal Justice Involved Populations." Link.

[35] Badaracco N, Burns M. "The Effects of Medicaid Coverage on Post-Incarceration Employment and Recidivism." Health Services Research. 2021 Sep, 56:52. Link.

[36] Watts M, et al. "Medicaid Home and Community-Based Services Enrollment and Spending". KFF. 2020 Feb. Link.

[37] Friedman C. "Social determinants of health, emergency department utilization, and people with intellectual and developmental disabilities." Disability and Health Journal. 2021 Jan, 14:1. Link.

[38] Watts M, et al. "Ongoing impacts of the pandemic on Medicaid Home & Community-Based Services (HCBS) programs: Findings from a 50-state survey". KFF. 2022 Nov. Link.

digital solutions exist, fragmented systems make it difficult for providers to coordinate their clients' care. The CoSHIE infrastructure can improve outcomes for those enrolled in HCBS by integrating the HCBS program's case management system with the RAEs' care coordination and health improvement program platforms to reduce duplication of efforts across agencies. The CoSHIE infrastructure can also allow HCBS case managers to view referrals their clients have received from other providers so they can follow up on the status of those referrals; the infrastructure will also eventually enable self-referrals so clients can feel empowered to drive their own care, which HCPF Office of Community Living staff have identified as a priority. With the existence of chronic conditions significantly higher than non-LTSS Medicaid members, the CoSHIE will also enable providers to more readily prescribe health improvement and condition management programs available through Medicaid to these members and all Medicaid members.

Individuals experiencing substance use disorder (SUD) are more likely to also have other health conditions such as lung and heart disease, mental health conditions, and cancer.[39] Managing multiple health conditions requires effective and efficient care coordination. SUD services are fragmented, and data sharing is difficult due to protections for SUD data under 42 CFR Part 2 (Website Link) regulations. A lack of data sharing makes it more difficult for individuals experiencing SUD to find the care they need. Additionally, according to the 2021 Colorado Health Access Survey, 80,000 Coloradans did not seek substance use treatment due to stigma (72.3%), concerns about health insurance coverage (36.6%), concerns about cost (55.9%), and difficulty booking an appointment (22.8%).[40] Finding treatment should not be a barrier to care in Colorado. The CoSHIE infrastructure will have strong privacy and confidentiality protections that act in accordance with state and federal laws. These protections, in addition to the ability to enhance care coordination efforts, will enable the CoSHIE to connect people to the SUD treatment they need to thrive, as well as SDoH services needed for people experiencing or recovering from SUD to be successful in their communities. Connection to necessary services will also reduce morbidity and mortality related to drug use and overdose.

Cost-Benefit Analysis and Project Alternatives (per H.B. 15-1266)

HCPF's planning activities to date, including business and technical requirements gathering, resulted in HCPFs's decision to pursue a competitive Invitation to Negotiate (ITN) process, rather than a standard Request for Proposal (RFP). The ITN process allowed HCPF to carefully assess vendor proposals based on both technical merit and cost, and to allow the vendor community to propose their best solutions without being artificially constrained by any requirements HCPF may have chosen either arbitrarily or out of a lack of knowledge as to the potential solutions available. Throughout the development of the ITN, Colorado has examined other state and community models, including North Carolina, California, Washington, and Michigan. HCPF also conducted interviews with county and local governments, all of Colorado's RAEs, and a multitude of CBOs to understand their technology needs and current workflows. Based on this extensive qualitative and quantitative research, HCPF is satisfied that this approach is the best fit for Colorado and that the resulting contract represents the most effective technology solution.

Without this funding, the system would remain at the base development level achieved through stimulus funds, and progress would stall. The vision of including additional state systems such as the SNAP and

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[39] National Institutes of Health, U.S. Department of Health and Human Services. "Addiction and Health." 2022 Mar. Link.

[40] CHI. Colorado Health Access Survey. Link.

WIC, or health improvement programs offered through Regional Accountable Entity and other potential benefits will not be achieved.

Success Criteria and Improved Performance Outcomes

OeHI's CoSHIE efforts support broader efforts to make a transformative impact on the way healthcare is delivered in Colorado by fully engaging communities, community-based resources and health improvement programs to provide whole-person, equitable care that improves quality and reduces costs. OeHI will be tracking the following metrics to understand the impact of CoSHIE implementation:

- Number of organizations accessing data through the CoSHIE infrastructure, by organization type;
- Number of individual users accessing data through the CoSHIE infrastructure or through connected applications/programs, by user type;
- Number of unique Medicaid members who have data being shared through CoSHIE (covered lives);
- Number of third-party applications/platforms integrated with the CoSHIE infrastructure;
- Number of referrals exchanged through the CoSHIE infrastructure;
- Number of SDoH screenings/assessments exchanged through the CoSHIE infrastructure;
- Number of unique Medicaid members with at least one SDoH screening/assessment exchanged through the CoSHIE infrastructure.

Assumptions for Calculations

Systems costs are based on vendor estimates for implementation in alignment with the HCPF's initial priority use cases, collected through the ITN process. OeHI also assumes that costs estimates for the request and out years remain the same as was submitting during the prior legislative cycle. All assumptions are remaining consistent.

The following assumptions were made:

- Cloud storage rates were estimated to increase 10% per year in alignment with inflation
- Staffing costs were estimated to increase 3% per year
- HCPF assumes it would receive a 90% federal match on all Medicaid implementation costs (Phase 1), and 75% federal match for Medicaid l costs related to maintaining (Phase 2) the portions of CoSHIE developed for the initial priority use cases as they are implemented. HCPF assumes a continued 90% federal match on Medicaid enhancements of the system that would support other use cases that are prioritized after the initial implementation is complete and certified. Based on the allowable federal participation for the other non-Medicaid programs, the weighted federal match is 86.05%
- HCPF assumes it will have all Advanced Planning Documents (APDs) submitted and approved by CMS prior to incurring any expenditure, allowing HCPF to receive the enhanced weighted federal match on all costs.
- HCPF assumes that the 5.5 State term-limited FTE would be required for 2-3 years and that any ongoing permanent need would be requested through an operating request.
- HCPF assumes that the OIT Staff will work full time for 40 hours a week, 52 weeks a year for a total of 2080 hours.

- HCPF included a 5% contingency buffer to the total to account for potential cost overruns as large-scale IT projects have a propensity to come in over budget by the time the project is finished.[41]

Consequences if not Funded

Without continued funding, the social care and health improvement program landscape will continue to be fragmented, and the State will not optimize its ability to improve health and quality outcomes, close disparities and improve affordability. Additionally, progress in development of the CoSHIE will be halted, resulting in a system with a narrow focus and limited ability to improve equity for all Coloradans. This would also impede Colorado's ability to reduce costs for patients, providers, and the community and be misaligned with the Governor's priorities of saving people money on health care, closing disparities, transforming the behavioral health system and evolving our health care payment system from volume to value.

Implementation Plan

Change Management

Change management is a requirement for all HCPF projects. HCPF has a robust internal change management process and requires all vendors to deliver a change management plan, which includes: the approach to change management, a scope control process, process to monitor and measure scope, testing strategy, training plan, and operational readiness plans.

HCPF follows CMS MES testing guidance framework, which outlines actions and deliverables states are required to demonstrate or provide as evidence. These include:
- Contract requirements for system testing
- Definition of defect severity
- Defect resolution
- Master test plans
- Test execution; including units, system integration, regression, user acceptance, performance and load testing, parallel and data migration testing
- Incident response handling
- Requirements' traceability
- Deployment plan
- On-going testing after production to validate any system changes

Alignment with OIT Best Practices and Standards

HCPF collaborates with the Office of Information Technology (OIT) to ensure that all CoSHIE vendors comply with OIT's best practices and standards. Additionally, this advances the OIT goal and Governor's priority to Advance Digital Government Services particularly through the pillar to "design around the life experiences of Colorado residents".

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[41] McKinsey Article: Delivering large-scale IT projects on time, on budget, and on value by Michael Bloch, Sven Blumberg, and Jürgen Laartz (Website Link)

Procurement

The CoSHIE ITN was a highly collaborative cross-agency negotiations effort. Subject-matter experts (SMEs) were included from across HCPF, OIT, CDHS, BHA, and CDPHE. OIT staff have been highly involved with the procurement process.

Disaster Recovery and Business Continuity

All implementations would be compliant with all existing state and federal IT architecture, security and business continuity requirements and guidelines, as well as state cybersecurity policies set forth by the Office of Information Security. Additionally, all OIT project gating would be closely followed to ensure adequate risk assessments are conducted and all necessary actions are taken as a result. The Disaster Recovery Plan is a requirement of gate 4 and the authorization to operate would not be granted without the required documentation and planning.

Accessibility Compliance

HCPF, in collaboration with OIT, is in the process of developing an accessibility compliance program for current and future vendors. The CoSHIE Contract contains explicit accessibility provisions to ensure compliance with these emerging requirements, as well as with federal and state accessibility legislation.

Additional Request Information

Please indicate if three-year roll forward spending authority is required.	Yes
Is this a continuation of a project appropriated in a prior year?	Yes
If this is a continuation project, what is the State Controller Project Number?	2025-043I24
If this request effects another organization, please provide a comfort letter.	N/A
Please attach a letter from OIT indicating review and approval of this project	Attached

Estimated Project Time Table

Steps to be completed	Start Date	Completion Date
CoSHIE Contract Phase 1: Planning and Discovery	11/14/2023	2/28/2024
CoSHIE Contract Phase 2: Design, Development, Implementation	3/1/2024	3/31/2027
CoSHIE Contract Phase 3: Maintenance and Operations	4/1/2027	6/30/2033
Implementation of Regional Proofs of Concept	11/1/2024	9/30/2027
Consent Management Proof of Concept	11/14/2023	6/30/2025

July 25, 2024

Mark Ferrandino
Director
Office of State Planning and Budgeting
111 State Capitol
Denver, Colorado 80203

RE: FY 2025-26 Office of eHealth Innovation (OeHI) Social Health Information Exchange
(SHIE)/Prescriber Tool Project IT Capital Funding request

Dear Director Ferrandino:

Pursuant to OSPB instructions, this letter is to confirm that the Office of Information
Technology (OIT) has been informed of the development and submission of this proposed FY
2025-26 request for the Office of eHealth Innovation (OeHI) requests $8,139,343 total funds,
including $1,203,920 Capital Construction Funds (CCF) and $6,935,423 Federal Funds for FY
2026-27, requests $4,049,989 total funds, including $743,838 Capital Construction Funds (CCF)
and $3,306,151 Federal Funds to support the continued expansion and implementation of a
technical infrastructure that enables prescribers and community partners to facilitate access
to health improvement supports and Social Health information Exchange (SHIE).

OIT has completed an internal review to ensure the project aligns with statewide IT
goals and determined that OIT has the capacity to deliver and meet the requirements
of the project.

Please note: OIT and OeHI are in agreement that a security review will be completed
as part of the project itself, when applicable. Also, any OIT specific work should be
reappropriated to OIT through the payments of OIT line, where applicable.

Sincerely,

Rus Pascual, OIT Budget Director   Jim Nethercott, OIT IT Director for HCPF

STATE OF COLORADO
DEPARTMENT OF HIGHER EDUCATION

FY25-26 CAPITAL INFORMATION TECHNOLOGY PROJECT REQUEST- *COST SUMMARY (CC_IT-C)* *

(A)	(1) **Funding Type (Cash, CCF, Cash & CCF):** CCF		(2) **Intercept Program Request? (Yes/No):** No	
(B)	(1) **Institution:** Auraria Higher Education Center (AHEC)		(2) **Name & Title of Preparer:** Ron Mitchell, Director of Information Technology	
(C)	(1) **Project Title:** Auraria Campus Network Infrastructure Modernization Project		(2) **E-mail of Preparer:** ron.mitchell@ahec.edu	
(D)	(1) **Project Phase (__ of __):** Phase 2 of 2		(2) **State Controller Project # (if continuation):** Yes, continuation, project number unknown at this time.	
(E)	(1) **Project Type (IT):** Capital IT		(2) **Institution Signature Approval:** Colleen Walker, 5/23/2024	
(F)	(1) **Year First Requested:** FY 24-25		(2) **CDHE Signature Approval:** Date	
(G)	(1) **Priority Number (Leave blank for continuation projects):** 1 of 1		(2) **OSPB Signature Approval:** Date	

(1)		(a) Total Project Costs	(b) Total Prior Year Appropriation(s)	(c) Current Budget Year Request	(d) Year Two Request	(e) Year Three Request	(f) Year Four Request	(g) Year Five Request
	Land /Building Acquisition							
(2)	Land Acquisition/Disposition	$ -	$ -	$ -	$ -	$ -	$ -	$ -
(3)	Building Acquisition/Disposition	$ -	$ -	$ -	$ -	$ -	$ -	$ -
(4)	*Total Acquisition/Disposition Costs*	$ -	$ -	$ -	$ -	$ -	$ -	$ -
	Professional Services							
(5)	Consultants/Contactors	$ 1,002,734	$ 573,210	$ 429,524	$ -	$ -	$ -	$ -
(6)	Quality Assurance	$ -	$ -	$ -	$ -	$ -	$ -	$ -
(7)	Training	$ -	$ -	$ -	$ -	$ -	$ -	$ -
(8)	Leased Space (Temporary)	$ -	$ -	$ -	$ -	$ -	$ -	$ -
(9)	Feasibility Study	$ -	$ -	$ -	$ -	$ -	$ -	$ -
(10)	Other Services/Costs	$ -	$ -	$ -	$ -	$ -	$ -	$ -
(11)	Inflation Cost for Professional Services	$ -	$ -	$ -	$ -	$ -	$ -	$ -
(12)	Inflation Percentage Applied		0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
(13)	*Total Professional Services*	$ 1,002,734	$ 573,210	$ 429,524	$ -	$ -	$ -	$ -
	Associated Building Construction							
(14)	Cost for New (GSF):	$ -	$ -	$ -	$ -	$ -	$ -	$ -
(15)	New $_____/GSF							
(16)	Cost for Renovate GSF:	$ -	$ -	$ -	$ -	$ -	$ -	$ -
(17)	Renovate $_____/GSF							
(18)	Site Work/Landscaping	$ -	$ -	$ -	$ -	$ -	$ -	$ -
(19)	Other (Specify)	$ -	$ -	$ -	$ -	$ -	$ -	$ -
(20)	Inflation for Construction	$ -	$ -	$ -	$ -	$ -	$ -	$ -
(21)	Inflation Percentage Applied		0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
(22)	*Total Construction Costs*	$ -	$ -	$ -	$ -	$ -	$ -	$ -
	Software Acquisition							
(23)	Software COTS	$ -	$ -	$ -	$ -	$ -	$ -	$ -
(24)	Software Built	$ -	$ -	$ -	$ -	$ -	$ -	$ -
(25)	Inflation on Software	$ -	$ -	$ -	$ -	$ -	$ -	$ -
(26)	Inflation Percentage Applied		0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
(27)	*Total Software*	$ -	$ -	$ -	$ -	$ -	$ -	$ -
	Equipment							
(28)	Servers	$ -	$ -	$ -	$ -	$ -	$ -	$ -
(29)	PCs, Laptops, Terminals, PDAs	$ -	$ -	$ -	$ -	$ -	$ -	$ -
(30)	Printers, Scanners, Peripherals	$ -	$ -	$ -	$ -	$ -	$ -	$ -
(31)	Network Equipment/Cabling	$ 6,303,241	$ 3,439,750	$ 2,863,491	$ -	$ -	$ -	$ -
(32)	Other (Specify)	$ -	$ -	$ -	$ -	$ -	$ -	$ -
(33)	Miscellaneous	$ -	$ -	$ -	$ -	$ -	$ -	$ -
(34)	*Total Equipment and Miscellaneous Costs*	$ 6,303,241	$ 3,439,750	$ 2,863,491	$ -	$ -	$ -	$ -
	Total Project Costs							$ -
(35)	*Total Project Costs*	$ 7,305,975	$ 4,012,960	$ 3,293,015	$ -	$ -	$ -	$ -
	Project Contingency							
(36)	5% for New	$ 384,382	$ 219,731	$ 164,651	$ -	$ -	$ -	$ -
(37)	10% for Renovation	$ -	$ -	$ -	$ -	$ -	$ -	$ -
(38)	*Total Contingency*	$ 384,382	$ 219,731	$ 164,651	$ -	$ -	$ -	$ -
	Total Budget Request							
(39)	*Total Budget Request*	$ 7,690,357	$ 4,232,691	$ 3,457,666	$ -	$ -	$ -	$ -
	Funding Source							
(40)	Capital Construction Fund (CCF)	$ 7,690,357	$ 4,232,691	$ 3,457,666	$ -	$ -	$ -	$ -
(41)	Cash Funds (CF)	$ -	$ -	$ -	$ -	$ -	$ -	$ -
(42)	Reappropriated Funds (RF)	$ -	$ -	$ -	$ -	$ -	$ -	$ -
(43)	Federal Funds (FF)	$ -	$ -	$ -	$ -	$ -	$ -	$ -
	TOTAL	7,690,357	4,232,691	3,457,666	-	-	-	-

*Should match CC_IT-N Form

STATE OF COLORADO
DEPARTMENT OF HIGHER EDUCATION

FY 2025-26 CAPITAL IT PROJECT REQUEST NARRATIVE

Capital Construction Fund Amount (CCF):	**$3,457,666**
Cash Fund Amount (CF):	$0 - exempt
Intercept Program Request? (Yes/No):	No
Institution Name:	Auraria Higher Education Center (AHEC) with support from Community College of Denver (CCD), University of Colorado Denver (CU Denver), and Metropolitan State University of Denver (MSU Denver)
Project Title:	Auraria Campus Network Infrastructure Modernization Project
Project Phase (Phase _of_):	Phase 2 of 2
State Controller Project Number (if continuation):	Yes, continuation, project number unknown at this time.
Project Type:	Technology Hardware
Year First Requested:	FY 2024 -25
Priority Number (Leave blank for continuation projects):	1 OF 1
Name & Title of Preparer:	Ron Mitchell – Director of Information Technology
E-mail of Preparer:	ron.mitchell@ahec.edu
Institution Signature Approval:	Colleen Walker, CEO 5/23/2024
OSPB Signature Approval:	Date
CDHE Signature Approval:	Date

A. PROJECT SUMMARY/STATUS:

This continuation project entails Phase II of updating the components at the core of the Auraria Campus Institutions' combined networking infrastructure. Every program offered by the Community College of Denver (CCD), University of Colorado Denver (CU Denver), and Metropolitan State University of Denver (MSU Denver) within 36 buildings on the Auraria Campus will be impacted by the project upgrades. The project includes modernizing system-wide network infrastructure and replacing aging wired and wireless network equipment and ethernet cabling throughout the shared classroom and office buildings. In addition to providing a more stable and reliable foundation for our combined enterprise networks, updating to a modern network platform will offer greater monitoring capabilities and security measures for increased cyber security, improving technological resources for students, staff, and faculty for all institutions on campus.

AHEC has started the process of modernizing the wired and wireless network delivered to the shared Tivoli Student Union on the Auraria Campus to support the latest technologies used by student learning spaces, study lounges, institutional offices, and event spaces throughout the

building. Funding of this project will allow AHEC to modernize the wired/wireless network in several buildings throughout campus that offer a multitude of services for the Auraria Campus and surrounding local community, including the Auraria Campus Police, Parking, ID Station, Early Learning Childcare Center, Facility and Grounds Maintenance Services, shared General Assignment Classrooms, and several Event spaces.

CCD has been upgrading classrooms with the latest technology to support technical requirements for learning pathways and is in the process of upgrading the Boulder Creek building to support the latest technology for their medical and stem programs. The AurariaNet network upgrades will support CCD's mission to provide a quality learning environment for our students.

CU Denver is a primary partner in implementing this project. This coordination will provide a seamless networking experience for all students, staff, faculty, and other organizations across the campus.

MSU Denver started modernizing network infrastructure to address deferred maintenance and outdated infrastructure. This program will enable MSU Denver to complete upgrades in the 4 remaining buildings by replacing edge/access distribution layer switches and wireless access points to align with existing upgrades and other campus institutions. These improvements will provide a more robust and stable network environment capable of supporting the university's evolving needs in a scalable and secure manner.

B. SUMMARY OF PROJECT FUNDING REQUEST:

Funding Source	Total Project Cost	Total Prior Appropriation	Current Budget Year Request	Year Two Request	Year Three Request	Year Four Request	Year Five Request
Capital Construction Funds (CCF)	$7,597,431	$4,232,691	**$3,457,666**	$0	$0	$0	$0
Cash Funds (CF)	$0	$0	**$0**	$0	$0	$0	$0
Reappropriated Funds (RF)	$0	$0	**$0**	$0	$0	$0	$0
Federal Funds (FF)	$0	$0	**$0**	$0	$0	$0	$0
Total Funds (TF)	$7,690,357	$4,232,691	**$3,457,666**	**$0**	**$0**	**$0**	**$0**

C. PROJECT DESCRIPTION/SCOPE OF WORK/JUSTIFICATION:

AHEC, CCD, CU Denver, and MSU Denver are collaboratively supporting the request for state funds for the second phase of a two-phase project to modernize our network infrastructure, address deferred maintenance, and provide current network infrastructure to support emerging technology for Hybrid Classrooms, Virtual Reality, Robotics for Simulated Medical/Surgery Labs, etc. This project would fund the replacement of the following items:

AHEC	Phase II Equipment Counts
Access / Edge Switches (Cisco 9300)	53
Distribution Routers / Switches (Cisco 9300)	0
Layer 3 Switches (Cisco 9300)	0
Meraki MR46 Access Point	0
Dual Cat 6a Cable Runs	0

CCD	Phase II Equipment Counts
Access / Edge Switches (Meraki MS355)	10
Distribution Routers / Switches (Meraki MS42)	4
Meraki MR46 Access Point	45
Dual Cat 6a Cable Runs	45
Campus Building Fiber Installation	0

CU Denver	Phase II Equipment Counts
Access / Edge Switches (Cisco 9200)	190
Distribution Routers / Switches (Cisco Router)	11
Mist Access Points	0
Dual Cat 6a Cable Runs	0

MSU Denver	Phase II Equipment Counts
Access / Edge Switches (Cisco 9200)	35
Distribution Routers / Switches (Cisco 9300)	3
Meraki MR46 Access Point	88
Meraki MR86 W/ ANT2513P4M-N	8

MSU Denver	Phase II Equipment Counts
Meraki MR86 W/ ANT20	1
Dual Cat 6a Cable Runs	74

These improvements would provide a more robust and stable network environment capable of supporting the Campus' evolving needs and future technological improvements in a scalable and secure manner.

Phase II funding will include:
- Final installation of Cat 6a cabling throughout 36 buildings on campus.
- Final installation of edge, distribution access level switches, and routers.
- Use of contracted labor, design, and implementation services.

D. PROGRAM INFORMATION:

This modernization project would benefit all AHEC, CCD, CU Denver, and MSU Denver students, faculty, and staff. The campus network infrastructure provides all network and telephony services, which in turn support the business of all campus institutions and all student-facing services, including admissions, registration, academic advising, financial aid, and online education programs. These services facilitate the delivery of learning content and support traditional and non-traditional students' recruitment, retention, and academic success.

E. CONSEQUENCES IF NOT FUNDED:

This project would address deferred maintenance of wired and wireless network infrastructure in 36 buildings and classrooms utilized by the entire campus community that were not addressed in Phase I of the project. Failure to fund the request would impact the successful delivery of several advanced technology-based educational programs being planned for student learning, including Health Institute Simulation Labs, Robotics, Remote/Hybrid, Virtual Reality Classroom Learning, etc.

Additionally, failure to fund this project will greatly impact the ability to align the campus networking infrastructure with the Strategic Plans being executed at all four campus institutions.

Failure to fund the project's second phase would leave the overall campus network modernization only fifty percent complete. This would increase the likelihood of legacy equipment failure as our IT continues to age and would not address the single points of failure in our network infrastructure. Both could result in unintended network outages, loss of critical business and academic services for students, faculty, and staff campus-wide, and systemwide inconsistency in performance, where half of the campus network infrastructure remains in need of replacement.

F. ASSUMPTIONS FOR CALCULATIONS:

Estimated switch and wireless access point costs are based on the number of devices and the average cost per device. Estimated installation and cabling costs are based on existing designs and conduit paths. The total costs for Phase 2 were estimated a year ago, and a 5.2% inflation factor has been applied to the bottom line estimate below ($3,286,755 x 5.2% = $3,457,666 as shown in the CC-C form).

AHEC	Expected Price	Phase II Equipment Counts	Phase II Expected Cost
Access / Edge Switches (Cisco 9300)	$7,000	53	$371,000
Distribution Routers / Switches (Cisco 9300)	$9,000	0	$0
Layer 3 Switches (Cisco 9300)	$9,000	0	$0
Meraki MR46 Access Point	$1,150	0	$0
Dual Cat 6a Cable Runs	$1,000	0	$0
Total	N/A	N/A	$371,000

CCD	Expected Price	Phase II Equipment Counts	Phase II Expected Cost
Access / Edge Switches (Meraki MS355)	$11,000	10	$110,000
Distribution Routers / Switches (Meraki MS42)	$14,000	4	$56,000
Meraki MR46 Access Point	$1,150	45	$51,750
Dual Cat 6a Cable Runs	$1,000	45	$45,000
Campus Building Fiber Installation	$50,000	0	$0
Total	N/A	N/A	$262,750

CU Denver	Expected Price	Phase II Equipment Counts	Phase II Expected Cost
Access / Edge Switches (Cisco 9200)	$7,000	190	$1,330,000
Distribution Routers / Switches (Cisco Router)	$25,000	11	$275,000
Mist Access Points	$1,150	0	$0
Dual Cat 6a Cable Runs	$1,000	0	$0
Total	N/A	N/A	$1,605,000

MSU Denver	Expected Price	Phase II Equipment Counts	Phase II Expected Cost
Access / Edge Switches (Cisco 9200)	$7,000	35	$245,000
Distribution Routers / Switches (Cisco 9300)	$9,000	3	$27,000
Meraki MR46 Access Point	$1,150	88	$101,200
Meraki MR86 W/ ANT2513P4M-N	$2,000	8	$16,000
Meraki MR86 W/ ANT20	$20,000	1	$20,000
Dual Cat 6a Cable Runs	$1,000	74	$74,000
Total	N/A	N/A	$483,200

G. OPERATING BUDGET IMPACT:

Funding this project's second phase positively impacts/benefits the operating budgets as the end-of-life or near-end-of-life equipment is replaced, reducing annual maintenance costs and funding needed for equipment repairs.   There are no material impacts to current FTE, as these resources are utilized across multiple workstreams. While this modernization effort will have a short-term demand on the staff to deploy, it will not negatively impact workload after upgrading the equipment (steady state FTE levels are not impacted by this approval). After successful integration, the Auraria campus network will provide a more stable and reliable foundation for our combined enterprise networks, with greater monitoring capabilities and

security measures for increased cyber security, all without negatively impacting operating budgets or FTE levels.

H. PROJECT SCHEDULE:

Phase 2 of 2	Start Date	Completion Date
Pre-Design	7/1/2025	8/14/2025
Design	8/10/2025	9/11/2025
Build Out/Implementation	9/15/2025	6/30/2026

I. ADDITIONAL INFORMATION:

Three-year roll forward spending authority is required:	**Yes**
Request 6-month encumbrance waiver:	No
Is this a continuation of a project appropriated in a prior year:	Yes
State Controller Project Number (if continuation):	Yes, continuation, project number unknown at this time.

Continuation History

Fund Types	FY 2024-25 Appropriated	Total Appropriations
Total Funds	$4,232,691	$4,232,691
General Fund	$4,232,691	$4,232,691
Cash Funds	$0	$0
Reappropriated	$0	$0
Federal Funds	$0	$0

J. COST SAVINGS / IMPROVED PERFORMANCE OUTCOMES:

Replacement of aging equipment and addressing single points of failure are risk mitigation strategies to avoid unintended network outages. These outages would result in the loss of critical business and educational services for our students, faculty, and staff across the entire shared Campus. Additionally, this upgrade will align the wireless technology and make the wireless experience seamless for all students on campus. In addition, students, staff, and faculty all experience poor network performance, which is impacting their ability to do their jobs. Unifying the network will allow for cost savings through common backend management tools and shared experience. Additional cost and outcomes content is also shared in section L.

K. SECURITY AND BACKUP / DISASTER RECOVERY:

Phase II of this project will continue implementing a more secure authentication process for users joining the shared campus wireless network, which reduces the number of vulnerabilities attackers can use within the wireless network. Also, the new design will provide more detailed wireless device information and logging to aid in assessing cyber security vulnerabilities on the shared campus wireless network.

The fully upgraded campus network will improve the shared campus camera surveillance system by supporting advanced features like facial recognition and video analytics. It will improve the ability to use new and advanced features in the shared campus Door Access and Electronic Security/Intrusion Detection systems connected to the campus networks. It will also improve the performance of systems related to building HVAC, Temperature Monitoring used for labs and biological storage, and shared Library services and computers.

In addition, Phase II of this project will continue to provide modern network equipment capable of supporting modern Cybersecurity architecture and current best practices. New network innovations such as Dynamic Segmentation, Role Based Access, Dynamic Role Assignment, Device Fingerprinting, and Micro Segmentation are features in new switching products. These advanced features would enable the campus institutions to provide a reliable, scalable, and secure network capable of supporting the ever-increasing number of wireless devices on campus.

L. BUSINESS PROCESS ANALYSIS:

As an infrastructure-focused initiative, Phase II of this project proposal is designed to ensure the ongoing availability of all AHEC, CCD, CU Denver, and MSU Denver academic and business services, which rely on IT systems to succeed.

Replacement of campus networking equipment has been recognized as a need, but to date, competing priorities have superseded a concerted infrastructure modernization effort. As a result, much of the campus network equipment has exceeded its anticipated lifespan – in some cases, dramatically.

AHEC, CCD, CU Denver, and MSU Denver's Information Technology Departments recommend a five-year network infrastructure lifecycle, aligning with many industry recommendations. However, most of the networking equipment deployed on campus today is outdated, has reached, or is rapidly approaching its EOL. Statistics for each institution's equipment ages are below:

<u>AHEC – Networking Equipment</u>
- Median age of equipment deployed is over 16 years.
- 95% production network switches exceed 6 years.
- 80% production network switches exceed 11 years.
- 90% of our devices were purchased prior to 2008

<u>CCD – Networking Equipment</u>
- Median age of equipment deployed is over 7 years.

- 95% production network switches exceed 6 years.
- 80% production network switches exceed 9 years.
- 90% of our devices were purchased prior to 2015.

<u>**CU Denver – Networking Equipment**</u>
- 5% older than 11 years (2960s)

- 50% about 9 years old (2960xr)

- 30% about 7 years old (3650)

- 15% about 4 years old (9300)

<u>**MSU Denver – Networking Wireless Technology**</u>
- The wireless technology (Aerohive) used in the (4) MSU Denver buildings slated for this upgrade is outdated and unable to provide current technology like Wi-Fi 6 and support emerging technologies like robotics, virtual reality, etc.

Continuing to operate equipment deemed to be past the End-of-Life (EOL) date (determined by the equipment manufacturer) is very risky and is not the best practice. This means that the equipment may no longer be serviceable and is not eligible for updates that provide security patches to mitigate cybersecurity vulnerabilities. Devices purchased prior to 2008 run an outdated version of the Cisco operating system software, which has not received security or feature updates since early 2013.

With these considerations in mind, AHEC, CCD, CU Denver, and MSU Denver analyzed the current environment, including multiple internal meetings and work sessions and consultation with external, independent vendors. From these efforts, the proposed phases were generated, and appropriate levels of consulting support – intended to supplement staff time and ensure project success – were identified. By pursuing the phases as specified, AHEC, CCD, CU Denver, and MSU Denver will be able to leverage greater purchasing power and minimize additional workload for procurement team members while simultaneously delivering the maximum benefit to the campus community on a compressed timeline.

Given the pace of change in network equipment, architecture, and capabilities, if Phase II of the project is funded, AHEC, CCD, CU Denver, and MSU Denver intend to continue the second half of the project with a consultant-supported design review to ensure that the proposed architecture and specified equipment remain best-of-breed and will provide the maximum return on investment for the Campus.

Another important aspect of this project is the addition of fiber optic cabling infrastructure on the Auraria Campus. This proposal includes implementing additional network links to create direct fiber connections between the Confluence, Boulder Creek, and Clear Creek buildings. Currently, the network connections for these (3) buildings are routed through a "daisy chain" of multiple fiber patch connections at several campus buildings. This inefficient design causes network performance loss and complicates ongoing maintenance and service. Installing direct fiber optic links will provide improved network, telephony, and emergency calling services for the Confluence, Boulder Creek, and Clear Creek buildings and network redundancy and resilience in the event of a major service disruption. Network stability and performance will be

highly important given the heavy reliance on web-based video calls and meetings and the fact that the CCD Executive Suite will eventually be housed within the Clear Creek building.

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May 23, 2024

Colorado Department of Higher Education
c/o Kennedy Evans, Lead Financial Analyst
1600 Broadway, Suite 2200
Denver, CO 80202

Re: AHEC's Capital IT Budget Submission for Fiscal Year 2025-26

To whom it may concern:

This letter confirms the priority of future projects for the Auraria Higher Education Center (AHEC) as presented on the Five-Year Capital IT Project Plan submission for the fiscal years 2025-26 through 2029-30. The Board of Directors of the Auraria Higher Education Center approved its Five-Year Capital IT Project Plan for the Auraria Campus at its regular meeting on May 15, 2024.

The Auraria Board approved:
- The Year One (FY 25-26) request and the number one IT priority project for AHEC is the Auraria Campus Network Infrastructure Modernization Project Phase 2 of 2. Phase 1 of this project was funded in this last budget cycle for $4,232,691. The current year request for Phase 2 is for $3,457,666. The total project cost is $7,690,357. This project seeks to replace the aging wired and wireless network equipment and ethernet cabling throughout all buildings on the Auraria Campus, impacting all three academic institutions: Community College of Denver, Metropolitan State University of Denver, and Colorado University Denver, as well as AHEC. This project will update the core components of the Auraria Campus combined networking infrastructure. In addition to providing a more stable and reliable foundation for our combined enterprise networks, updating to a modern network platform will offer greater monitoring capabilities and security measures for increased cyber security, improving technological resources for students, staff, and faculty for all institutions on campus.
- The Year Three (FY 27-28) funding request is for the AHEC IT Network Infrastructure Modernization Project. This project entails the update of critical components at the core of the Auraria Higher Education Center's Information Technology infrastructure. The systems included in this project are central to every computerized function of the agency, and include the replacement of anticipated "end-of-life" IT infrastructure components, such as (2) Network Firewalls, (2) Network Routers, (1) Physical Domain Controller, (1) Storage Area Network (SAN), (2) Core Distribution Switch Stacks, and various Wireless Networking components. This out-year project cost is estimated at $736,000.

These projects support the recommendations for utility improvements and maintenance as identified in the 2017 Auraria Campus Master Plan, the 2011 AHEC Infrastructure Master Plan, and the Auraria Campus IT Comprehensive Plan. AHEC's constituent institutions, the Community College of Denver, Metropolitan State University of Denver, and the University of Colorado Denver, support the AHEC five-year capital IT project plan and its corresponding project priorities.

Thank you,

Tracy Huggins

Tracy Huggins, Chair for the Board of Directors of the Auraria Higher Education Center

STATE OF COLORADO
DEPARTMENT OF HIGHER EDUCATION

Five-Year Capital Information Technology (IT) Project Plan FY 2025-26 to FY 2029-30 (CC_IT-5P)							
(A) (1) **Institution Name:** Auraria Higher Education Center (AHEC)				(2) **Institution Signature Approval:**		Colleen Walker, CEO 5/23/2024	
(B) (1) **Name & Title of Preparer:** Ron Mitchell				(2) **CDHE Signature Approval:**		Date	
(C) (1) **E-mail of Preparer:** ron.mitchell@ahec.edu							

(D) GRAND TOTALS	(b) Total Project Cost	(c) Total Prior Appropriation	(d) Current Budget Year Request	(e) Year Two Request	(f) Year Three Request	(g) Year Four Request	(h) Year Five Request
Capital Construction Funds (CCF)	$8,426,357	$4,232,691	$3,457,666	$0	$736,000	$0	$0
Cash Funds (CF)	$0	$0	$0	$0	$0	$0	$0
Reappropriated Funds (RF)	$0	$0	$0	$0	$0	$0	$0
Federal Funds (FF)	$0	$0	$0	$0	$0	$0	$0
Total Funds (TF)	**$8,426,357**	**$4,232,691**	**$3,457,666**	**$0**	**$736,000**	**$0**	**$0**

(1) Project Title & No. of Phases:	Auraria Campus Network Infrastructure Modernization. Phase 2 of 2	
(2) Brief Description of Project:	This continuation project entails Phase II of updating the components at the core of the Auraria Campus Institutions' combined networking infrastructure. Every program offered by the Community College of Denver (CCD), University of Colorado Denver (CU Denver) and Metropolitan State University of Denver (MSU Denver), within 36 buildings on the Auraria Campus will be impacted by the project upgrades. The project includes modernizing system-wide network infrastructure, replacing aging wired and wireless network equipment and ethernet cabling throughout the shared classroom and office buildings. In addition to providing a more stable and reliable foundation for our combined enterprise networks, updating to a modern network platform will provide greater monitoring capabilities and security measures for increased cyber security, improving technological resources for students, staff and faculty for all institutions on campus.	
(3) Intercept Program? (Yes/No):	No	

(4) (a) Priority Number: 1 of 1	(b) Project Type: IT	(c) Gross Square Feet: N/A					
(5) (a) Funding Source	(b) Total Project Cost	(c) Total Prior Appropriation	(d) Current Budget Year Request	(e) Year Two Request	(f) Year Three Request	(g) Year Four Request	(h) Year Five Request
(6) Capital Construction Funds (CCF)	$7,690,357	$4,232,691	$3,457,666	$0	$0	$0	$0
(7) Cash Funds (CF)	$0	$0	$0	$0	$0	$0	$0
(8) Reappropriated Funds (RF)	$0	$0	$0	$0	$0	$0	$0
(9) Federal Funds (FF)	$0	$0	$0	$0	$0	$0	$0
(10) Total Funds (TF)	**$7,690,357**	**$4,232,691**	**$3,457,666**	**$0**	**$0**	**$0**	**$0**

(1) Project Title & No. of Phases:	AHEC Network Infrastructure Modernization Phase 1 of 1	
(2) Brief Description of Project:	This project entails the update of critical components at the core of the Auraria Higher Education Center's Information Technology infrastructure. The systems included in this project are central to every computerized function of the agency, and include replacement of anticipated "end-of-life" IT infrastructure components, such as (2) Network Firewalls, (2) Network Routers, (1) Physical Domain Controller, (1) Storage Area Network (SAN), (2) Core Distribution Switch Stacks, and various Wireless Networking components.	
(3) Intercept Program? (Yes/No):	No	

(4) (a) Priority Number: out-year	(b) Project Type: IT	(c) Gross Square Feet: N/A					
(5) (a) Funding Source	(b) Total Project Cost	(c) Total Prior Appropriation	(d) Current Budget Year Request	(e) Year Two Request	(f) Year Three Request	(g) Year Four Request	(h) Year Five Request
(6) Capital Construction Funds (CCF)	$736,000	$0	$0	$0	$736,000	$0	$0
(7) Cash Funds (CF)	$0	$0	$0	$0	$0	$0	$0
(8) Reappropriated Funds (RF)	$0	$0	$0	$0	$0	$0	$0
(9) Federal Funds (FF)	$0	$0	$0	$0	$0	$0	$0
(10) Total Funds (TF)	**$736,000**	**$0**	**$0**	**$0**	**$736,000**	**$0**	**$0**

(1) Project Title & No. of Phases:		
(2) Brief Description of Project:		
(3) Intercept Program? (Yes/No):		

(4) (a) Priority Number:	(b) Project Type:	(c) Gross Square Feet:					
(5) (a) Funding Source	(b) Total Project Cost	(c) Total Prior Appropriation	(d) Current Budget Year Request	(e) Year Two Request	(f) Year Three Request	(g) Year Four Request	(h) Year Five Request
(6) Capital Construction Funds (CCF)	$0	$0	$0	$0	$0	$0	$0
(7) Cash Funds (CF)	$0	$0	$0	$0	$0	$0	$0
(8) Reappropriated Funds (RF)	$0	$0	$0	$0	$0	$0	$0
(9) Federal Funds (FF)	$0	$0	$0	$0	$0	$0	$0
(10) Total Funds (TF)	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**

(1) Project Title & No. of Phases:		
(2) Brief Description of Project:		
(3) Intercept Program? (Yes/No):		

(4) (a) Priority Number:	(b) Project Type:	(c) Gross Square Feet:					
(5) (a) Funding Source	(b) Total Project Cost	(c) Total Prior Appropriation	(d) Current Budget Year Request	(e) Year Two Request	(f) Year Three Request	(g) Year Four Request	(h) Year Five Request
(6) Capital Construction Funds (CCF)	$0	$0	$0	$0	$0	$0	$0
(7) Cash Funds (CF)	$0	$0	$0	$0	$0	$0	$0
(8) Reappropriated Funds (RF)	$0	$0	$0	$0	$0	$0	$0

		(b) Total Project Cost	(c) Total Prior Appropriation	(d) Current Budget Year Request	(e) Year Two Request	(f) Year Three Request	(g) Year Four Request	(h) Year Five Request
(9)	Federal Funds (FF)	$0	$0	$0	$0	$0	$0	$0
(10)	**Total Funds (TF)**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**

(1)	**Project Title & No. of Phases:**							
(2)	**Brief Description of Project:**							
(3)	**Intercept Program? (Yes/No):**							
(4)	(a) **Priority Number:**		(b) **Project Type:**		(c) **Gross Square Feet:**			
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(6)	Capital Construction Funds (CCF)	$0	$0	$0	$0	$0	$0	$0
(7)	Cash Funds (CF)	$0	$0	$0	$0	$0	$0	$0
(8)	Reappropriated Funds (RF)	$0	$0	$0	$0	$0	$0	$0
(9)	Federal Funds (FF)	$0	$0	$0	$0	$0	$0	$0
(10)	**Total Funds (TF)**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**

(1)	**Project Title & No. of Phases:**							
(2)	**Brief Description of Project:**							
(3)	**Intercept Program? (Yes/No):**							
(4)	(a) **Priority Number:**		(b) **Project Type:**		(c) **Gross Square Feet:**			
(5)	(a) **Funding Source**	(b) **Total Project Cost**	(c) **Total Prior Appropriation**	(d) **Current Budget Year Request**	(e) **Year Two Request**	(f) **Year Three Request**	(g) **Year Four Request**	(h) **Year Five Request**
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(7)	Cash Funds (CF)	$0	$0	$0	$0	$0	$0	$0
(8)	Reappropriated Funds (RF)	$0	$0	$0	$0	$0	$0	$0
(9)	Federal Funds (FF)	$0	$0	$0	$0	$0	$0	$0
(10)	**Total Funds (TF)**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**

(1)	**Project Title & No. of Phases:**							
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(6)	Capital Construction Funds (CCF)	$0	$0	$0	$0	$0	$0	$0
(7)	Cash Funds (CF)	$0	$0	$0	$0	$0	$0	$0
(8)	Reappropriated Funds (RF)	$0	$0	$0	$0	$0	$0	$0
(9)	Federal Funds (FF)	$0	$0	$0	$0	$0	$0	$0
(10)	**Total Funds (TF)**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**

(1)	**Project Title & No. of Phases:**							
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(3)	**Intercept Program? (Yes/No):**							
(4)	(a) **Priority Number:**		(b) **Project Type:**		(c) **Gross Square Feet:**			
(5)	(a) **Funding Source**	(b) **Total Project Cost**	(c) **Total Prior Appropriation**	(d) **Current Budget Year Request**	(e) **Year Two Request**	(f) **Year Three Request**	(g) **Year Four Request**	(h) **Year Five Request**
(6)	Capital Construction Funds (CCF)	$0	$0	$0	$0	$0	$0	$0
(7)	Cash Funds (CF)	$0	$0	$0	$0	$0	$0	$0
(8)	Reappropriated Funds (RF)	$0	$0	$0	$0	$0	$0	$0
(9)	Federal Funds (FF)	$0	$0	$0	$0	$0	$0	$0
(10)	**Total Funds (TF)**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**

(1)	**Project Title & No. of Phases:**							
(2)	**Brief Description of Project:**							
(3)	**Intercept Program? (Yes/No):**							
(4)	(a) **Priority Number:**		(b) **Project Type:**		(c) **Gross Square Feet:**			
(5)	(a) **Funding Source**	(b) **Total Project Cost**	(c) **Total Prior Appropriation**	(d) **Current Budget Year Request**	(e) **Year Two Request**	(f) **Year Three Request**	(g) **Year Four Request**	(h) **Year Five Request**
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(8)	Reappropriated Funds (RF)	$0	$0	$0	$0	$0	$0	$0
(9)	Federal Funds (FF)	$0	$0	$0	$0	$0	$0	$0
(10)	**Total Funds (TF)**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**

(1)	**Project Title & No. of Phases:**	
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(4)	(a) **Priority Number:**		(b) **Project Type:**		(c) **Gross Square Feet:**			
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(6)	Capital Construction Funds (CCF)	$0	$0	**$0**	$0	$0	$0	$0
(7)	Cash Funds (CF)	$0	$0	**$0**	$0	$0	$0	$0
(8)	Reappropriated Funds (RF)	$0	$0	**$0**	$0	$0	$0	$0
(9)	Federal Funds (FF)	$0	$0	**$0**	$0	$0	$0	$0
(10)	**Total Funds (TF)**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**

(1)	**Project Title & No. of Phases:**							
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(5)	(a) **Funding Source**	(b) **Total Project Cost**	(c) **Total Prior Appropriation**	(d) **Current Budget Year Request**	(e) **Year Two Request**	(f) **Year Three Request**	(g) **Year Four Request**	(h) **Year Five Request**
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(1)	**Project Title & No. of Phases:**							
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(5)	(a) **Funding Source**	(b) **Total Project Cost**	(c) **Total Prior Appropriation**	(d) **Current Budget Year Request**	(e) **Year Two Request**	(f) **Year Three Request**	(g) **Year Four Request**	(h) **Year Five Request**
(6)	Capital Construction Funds (CCF)	$0	$0	**$0**	$0	$0	$0	$0
(7)	Cash Funds (CF)	$0	$0	**$0**	$0	$0	$0	$0
(8)	Reappropriated Funds (RF)	$0	$0	**$0**	$0	$0	$0	$0
(9)	Federal Funds (FF)	$0	$0	**$0**	$0	$0	$0	$0
(10)	**Total Funds (TF)**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**

(1)	**Project Title & No. of Phases:**							
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(8)	Reappropriated Funds (RF)	$0	$0	**$0**	$0	$0	$0	$0
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(1)	**Project Title & No. of Phases:**							
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(4)	(a) **Priority Number:**		(b) **Project Type:**		(c) **Gross Square Feet:**			
(5)	(a) **Funding Source**	(b) **Total Project Cost**	(c) **Total Prior Appropriation**	(d) **Current Budget Year Request**	(e) **Year Two Request**	(f) **Year Three Request**	(g) **Year Four Request**	(h) **Year Five Request**
(6)	Capital Construction Funds (CCF)	$0	$0	**$0**	$0	$0	$0	$0
(7)	Cash Funds (CF)	$0	$0	**$0**	$0	$0	$0	$0
(8)	Reappropriated Funds (RF)	$0	$0	**$0**	$0	$0	$0	$0
(9)	Federal Funds (FF)	$0	$0	**$0**	$0	$0	$0	$0
(10)	**Total Funds (TF)**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**

(1)	**Project Title & No. of Phases:**							
(2)	**Brief Description of Project:**							
(3)	**Intercept Program? (Yes/No):**							
(4)	(a) **Priority Number:**		(b) **Project Type:**		(c) **Gross Square Feet:**			
(5)	(a) **Funding Source**	(b) **Total Project Cost**	(c) **Total Prior Appropriation**	(d) **Current Budget Year Request**	(e) **Year Two Request**	(f) **Year Three Request**	(g) **Year Four Request**	(h) **Year Five Request**
(6)	Capital Construction Funds (CCF)	$0	$0	**$0**	$0	$0	$0	$0
(7)	Cash Funds (CF)	$0	$0	**$0**	$0	$0	$0	$0
(8)	Reappropriated Funds (RF)	$0	$0	**$0**	$0	$0	$0	$0
(9)	Federal Funds (FF)	$0	$0	**$0**	$0	$0	$0	$0
(10)	**Total Funds (TF)**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**

(1)	**Project Title & No. of Phases:**							
(2)	**Brief Description of Project:**							
(3)	**Intercept Program? (Yes/No):**							
(4)	(a) **Priority Number:**		(b) **Project Type:**		(c) **Gross Square Feet:**			
(5)	(a) **Funding Source**	(b) **Total Project Cost**	(c) **Total Prior Appropriation**	(d) **Current Budget Year Request**	(e) **Year Two Request**	(f) **Year Three Request**	(g) **Year Four Request**	(h) **Year Five Request**
(6)	Capital Construction Funds (CCF)	$0	$0	**$0**	$0	$0	$0	$0
(7)	Cash Funds (CF)	$0	$0	**$0**	$0	$0	$0	$0
(8)	Reappropriated Funds (RF)	$0	$0	**$0**	$0	$0	$0	$0
(9)	Federal Funds (FF)	$0	$0	**$0**	$0	$0	$0	$0

(10)	Total Funds (TF)	$0	$0	$0	$0	$0	$0	$0

Project Block 1

(1)	Project Title & No. of Phases:							
(2)	Brief Description of Project:							
(3)	Intercept Program? (Yes/No):							
(4)	(a) Priority Number:		(b) Project Type:			(c) Gross Square Feet:		
(5)	(a) Funding Source	(b) Total Project Cost	(c) Total Prior Appropriation	(d) Current Budget Year Request	(e) Year Two Request	(f) Year Three Request	(g) Year Four Request	(h) Year Five Request
(6)	Capital Construction Funds (CCF)	$0	$0	$0	$0	$0	$0	$0
(7)	Cash Funds (CF)	$0	$0	$0	$0	$0	$0	$0
(8)	Reappropriated Funds (RF)	$0	$0	$0	$0	$0	$0	$0
(9)	Federal Funds (FF)	$0	$0	$0	$0	$0	$0	$0
(10)	Total Funds (TF)	$0	$0	$0	$0	$0	$0	$0

Project Block 2

(1)	Project Title & No. of Phases:							
(2)	Brief Description of Project:							
(3)	Intercept Program? (Yes/No):							
(4)	(a) Priority Number:		(b) Project Type:			(c) Gross Square Feet:		
(5)	(a) Funding Source	(b) Total Project Cost	(c) Total Prior Appropriation	(d) Current Budget Year Request	(e) Year Two Request	(f) Year Three Request	(g) Year Four Request	(h) Year Five Request
(6)	Capital Construction Funds (CCF)	$0	$0	$0	$0	$0	$0	$0
(7)	Cash Funds (CF)	$0	$0	$0	$0	$0	$0	$0
(8)	Reappropriated Funds (RF)	$0	$0	$0	$0	$0	$0	$0
(9)	Federal Funds (FF)	$0	$0	$0	$0	$0	$0	$0
(10)	Total Funds (TF)	$0	$0	$0	$0	$0	$0	$0

Project Block 3

(1)	Project Title & No. of Phases:							
(2)	Brief Description of Project:							
(3)	Intercept Program? (Yes/No):							
(4)	(a) Priority Number:		(b) Project Type:			(c) Gross Square Feet:		
(5)	(a) Funding Source	(b) Total Project Cost	(c) Total Prior Appropriation	(d) Current Budget Year Request	(e) Year Two Request	(f) Year Three Request	(g) Year Four Request	(h) Year Five Request
(6)	Capital Construction Funds (CCF)	$0	$0	$0	$0	$0	$0	$0
(7)	Cash Funds (CF)	$0	$0	$0	$0	$0	$0	$0
(8)	Reappropriated Funds (RF)	$0	$0	$0	$0	$0	$0	$0
(9)	Federal Funds (FF)	$0	$0	$0	$0	$0	$0	$0
(10)	Total Funds (TF)	$0	$0	$0	$0	$0	$0	$0

Project Block 4

(1)	Project Title & No. of Phases:							
(2)	Brief Description of Project:							
(3)	Intercept Program? (Yes/No):							
(4)	(a) Priority Number:		(b) Project Type:			(c) Gross Square Feet:		
(5)	(a) Funding Source	(b) Total Project Cost	(c) Total Prior Appropriation	(d) Current Budget Year Request	(e) Year Two Request	(f) Year Three Request	(g) Year Four Request	(h) Year Five Request
(6)	Capital Construction Funds (CCF)	$0	$0	$0	$0	$0	$0	$0
(7)	Cash Funds (CF)	$0	$0	$0	$0	$0	$0	$0
(8)	Reappropriated Funds (RF)	$0	$0	$0	$0	$0	$0	$0
(9)	Federal Funds (FF)	$0	$0	$0	$0	$0	$0	$0
(10)	Total Funds (TF)	$0	$0	$0	$0	$0	$0	$0

Project Block 5

(1)	Project Title & No. of Phases:							
(2)	Brief Description of Project:							
(3)	Intercept Program? (Yes/No):							
(4)	(a) Priority Number:		(b) Project Type:			(c) Gross Square Feet:		
(5)	(a) Funding Source	(b) Total Project Cost	(c) Total Prior Appropriation	(d) Current Budget Year Request	(e) Year Two Request	(f) Year Three Request	(g) Year Four Request	(h) Year Five Request
(6)	Capital Construction Funds (CCF)	$0	$0	$0	$0	$0	$0	$0
(7)	Cash Funds (CF)	$0	$0	$0	$0	$0	$0	$0
(8)	Reappropriated Funds (RF)	$0	$0	$0	$0	$0	$0	$0
(9)	Federal Funds (FF)	$0	$0	$0	$0	$0	$0	$0
(10)	Total Funds (TF)	$0	$0	$0	$0	$0	$0	$0

Project Block 6

(1)	Project Title & No. of Phases:							
(2)	Brief Description of Project:							
(3)	Intercept Program? (Yes/No):							
(4)	(a) Priority Number:		(b) Project Type:			(c) Gross Square Feet:		
(5)	(a) Funding Source	(b) Total Project Cost	(c) Total Prior Appropriation	(d) Current Budget Year Request	(e) Year Two Request	(f) Year Three Request	(g) Year Four Request	(h) Year Five Request
(6)	Capital Construction Funds (CCF)	$0	$0	$0	$0	$0	$0	$0
(7)	Cash Funds (CF)	$0	$0	$0	$0	$0	$0	$0
(8)	Reappropriated Funds (RF)	$0	$0	$0	$0	$0	$0	$0
(9)	Federal Funds (FF)	$0	$0	$0	$0	$0	$0	$0
(10)	Total Funds (TF)	$0	$0	$0	$0	$0	$0	$0

Project Block 7

(1)	Project Title & No. of Phases:				
(2)	Brief Description of Project:				
(3)	Intercept Program? (Yes/No):				
(4)	(a) Priority Number:		(b) Project Type:		(c) Gross Square Feet:

(5)	(a) **Funding Source**	(b) **Total Project Cost**	(c) **Total Prior Appropriation**	(d) **Current Budget Year Request**	(e) **Year Two Request**	(f) **Year Three Request**	(g) **Year Four Request**	(h) **Year Five Request**
(6)	Capital Construction Funds (CCF)	$0	$0	$0	$0	$0	$0	$0
(7)	Cash Funds (CF)	$0	$0	$0	$0	$0	$0	$0
(8)	Reappropriated Funds (RF)	$0	$0	$0	$0	$0	$0	$0
(9)	Federal Funds (FF)	$0	$0	$0	$0	$0	$0	$0
(10)	**Total Funds (TF)**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**

(1)	**Project Title & No. of Phases:**							
(2)	**Brief Description of Project:**							
(3)	**Intercept Program? (Yes/No):**							
(4)	(a) **Priority Number:**		(b) **Project Type:**			(c) **Gross Square Feet:**		
(5)	(a) **Funding Source**	(b) **Total Project Cost**	(c) **Total Prior Appropriation**	(d) **Current Budget Year Request**	(e) **Year Two Request**	(f) **Year Three Request**	(g) **Year Four Request**	(h) **Year Five Request**
(6)	Capital Construction Funds (CCF)	$0	$0	$0	$0	$0	$0	$0
(7)	Cash Funds (CF)	$0	$0	$0	$0	$0	$0	$0
(8)	Reappropriated Funds (RF)	$0	$0	$0	$0	$0	$0	$0
(9)	Federal Funds (FF)	$0	$0	$0	$0	$0	$0	$0
(10)	**Total Funds (TF)**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**

STATE OF COLORADO
DEPARTMENT OF HIGHER EDUCATION

	FY25-26 CAPITAL INFORMATION TECHNOLOGY PROJECT REQUEST- *COST SUMMARY (CC_IT-C)**							
(A)	(1) **Funding Type (Cash, CCF, Cash & CCF):** CCF			(2) **Intercept Program Request? (Yes/No):**				
(B)	(1) **Institution:** Colorado Northwestern Community College			(2) **Name & Title of Preparer:** Leland Byers				
(C)	(1) **Project Title:** South Campus Redundancy Upgrade			(2) **E-mail of Preparer:** Leland.Byers@cncc.edu				
(D)	(1) **Project Phase (__ of __):** 1 of 1			(2) **State Controller Project # (if continuation):**				
(E)	(1) **Project Type (IT):** Capital IT			(2) **Institution Signature Approval:** JOCaldwell 19Apr2024				
(F)	(1) **Year First Requested:** FY _____			(2) **CDHE Signature Approval:** Date				
(G)	(1) **Priority Number (Leave blank for continuation projects):** _____ of _____			(2) **OSPB Signature Approval** Date				

(1)		(a) Total Project Costs	(b) Total Prior Year Appropriation(s)	(c) Current Budget Year Request	(d) Year Two Request	(e) Year Three Request	(f) Year Four Request	(g) Year Five Request
	Land /Building Acquisition							
(2)	Land Acquisition/Disposition	$ -	$ -	$ -	$ -	$ -	$ -	$ -
(3)	Building Acquisition/Disposition	$ -	$ -	$ -	$ -	$ -	$ -	$ -
(4)	*Total Acquisition/Disposition Costs*	$ -	$ -	$ -	$ -	$ -	$ -	$ -
	Professional Services							
(5)	Consultants/Contactors	$ 282,810	$ 282,810	$ -	$ -	$ -	$ -	$ -
(6)	Quality Assurance	$ -	$ -	$ -	$ -	$ -	$ -	$ -
(7)	Training	$ -	$ -	$ -	$ -	$ -	$ -	$ -
(8)	Leased Space (Temporary)	$ -	$ -	$ -	$ -	$ -	$ -	$ -
(9)	Feasibility Study	$ -	$ -	$ -	$ -	$ -	$ -	$ -
(10)	Other Services/Costs	$ -	$ -	$ -	$ -	$ -	$ -	$ -
(11)	Inflation Cost for Professional Services	$ 16,969	$ 16,969	$ -	$ -	$ -	$ -	$ -
(12)	Inflation Percentage Applied		0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
(13)	*Total Professional Services*	$ 299,779	$ 299,779	$ -	$ -	$ -	$ -	$ -
	Associated Building Construction							
(14)	Cost for New (GSF):	$ -	$ -	$ -	$ -	$ -	$ -	$ -
(15)	New $_____/GSF							
(16)	Cost for Renovate GSF:	$ -	$ -	$ -	$ -	$ -	$ -	$ -
(17)	Renovate $_____/GSF							
(18)	Site Work/Landscaping	$ -	$ -	$ -	$ -	$ -	$ -	$ -
(19)	Other (Specify)	$ -	$ -	$ -	$ -	$ -	$ -	$ -
(20)	Inflation for Construction	$ -	$ -	$ -	$ -	$ -	$ -	$ -
(21)	Inflation Percentage Applied		0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
(22)	*Total Construction Costs*	$ -	$ -	$ -	$ -	$ -	$ -	$ -
	Software Acquisition							
(23)	Software COTS	$ -	$ -	$ -	$ -	$ -	$ -	$ -
(24)	Software Built	$ -	$ -	$ -	$ -	$ -	$ -	$ -
(25)	Inflation on Software	$ -	$ -	$ -	$ -	$ -	$ -	$ -
(26)	Inflation Percentage Applied		0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
(27)	*Total Software*	$ -	$ -	$ -	$ -	$ -	$ -	$ -
	Equipment							
(28)	Servers	$ 134,167	$ 134,167	$ -	$ -	$ -	$ -	$ -
(29)	PCs, Laptops, Terminals, PDAs	$ -	$ -	$ -	$ -	$ -	$ -	$ -
(30)	Printers, Scanners, Peripherals	$ -	$ -	$ -	$ -	$ -	$ -	$ -
(31)	Network Equipment/Cabling	$ 94,270	$ 94,270	$ -	$ -	$ -	$ -	$ -
(32)	Other (Specify) - Inflation on Equipment	$ 18,275	$ 18,275	$ -	$ -	$ -	$ -	$ -
(33)	Miscellaneous	$ -	$ -	$ -	$ -	$ -	$ -	$ -
(34)	*Total Equipment and Miscellaneous Costs*	$ 246,712	$ 246,712	$ -	$ -	$ -	$ -	$ -
	Total Project Costs							$ -
(35)	*Total Project Costs*	$ 546,491	$ 546,491	$ -	$ -	$ -	$ -	$ -
	Project Contingency							
(36)	5% for New	$ -	$ -	$ -	$ -	$ -	$ -	$ -
(37)	10% for Renovation	$ 24,671	$ 24,671	$ -	$ -	$ -	$ -	$ -
(38)	*Total Contingency*	$ 24,671	$ 24,671	$ -	$ -	$ -	$ -	$ -
	Total Budget Request							
(39)	*Total Budget Request*	$ 571,162	$ 571,162	$ -	$ -	$ -	$ -	$ -
	Funding Source							
(40)	Capital Construction Fund (CCF)	$ 571,162	$ 571,162	$ -	$ -	$ -	$ -	$ -
(41)	Cash Funds (CF)	$ -	$ -	$ -	$ -	$ -	$ -	$ -
(42)	Reappropriated Funds (RF)	$ -	$ -	$ -	$ -	$ -	$ -	$ -
(43)	Federal Funds (FF)	$ -	$ -	$ -	$ -	$ -	$ -	$ -
	TOTAL	571,162	571,162	-	-	-	-	-

*Should match CC_IT-N Form

COLORADO | **Department of Higher Education** | **CDHE**

STATE OF COLORADO
DEPARTMENT OF HIGHER EDUCATION

FY 2025-26 Capital IT Project Request Narrative

Capital Construction Fund Amount (CCF):	$571,163
Cash Fund Amount (CF):	$0
Intercept Program Request? (Yes/No):	No
Institution Name:	Colorado Northwestern Community College
Project Title:	South Campus Redundancy Upgrade
Project Phase (Phase _of_):	1 of 1
State Controller Project Number (if continuation):	
Project Type:	Technology Hardware
Year First Requested:	FY 2024 -2025
Priority Number (Leave blank for continuation projects):	2
Name & Title of Preparer:	Leland Byers, Director of IT
E-mail of Preparer:	Leland.Byers@cncc.edu
Institution Signature Approval:	*JOCaldwell*, VP of Business 19Apr2024
OSPB Signature Approval:	Date
CDHE Signature Approval:	Date

A. PROJECT SUMMARY/STATUS:

- The objective of this project is to add redundancy to CNCC's fiber network on the south side of its Rangely campus and add new uninterrupted power supplies (UPS) to all CNCC independent distribution frames (IDF).

- Figure 1 shows the Southern campus, with the dotted line showing the existing buried conduit and the straight lines showing where new conduit will need to be trenched or bored. The IDF for each building will have a new fiber patch panel installed, as well as a matching one in the Main Distribution Frame (MDF).

- The original fiber audit and FY21-22 bid documents missed a necessary fiber run between the McLaughlin MDF and Hefley building, shown in Figure 2. This line will complete the south campuses fiber ring and create redundancy.
  - Currently, and how originally scoped, both fiber bundles for the south campus would run through the Johnson/McLaughlin Tunnel and create a single failure point if the tunnel were to collapse.
  - Additionally, the utility tunnel that runs between Johnson/McLauglin buildings is structurally failing and is part of a recently submitted Controlled Maintenance request which was not funded. Given this situation and the high risk for failure, creating the proposed south ring fiber ring redundancy is a necessity to ensure continuity of IT services at CNCC.

- New uninterrupted power supplies (UPS) equipment will be purchased and then installed by CNCC's IT department. Repeated power failures have killed almost all campus UPS's backup capabilities. Power failures and related power surges when services are restored are a reoccurring problem with CNCC's rural location and extreme wind/weather. CNCC's aged UPS are no longer fully functional and are unable to handle power surges. Due to the replacement expense, regular surge protectors are being used. Storms

regularly knock out power to Rangely's south side, and brownouts can occur where power rapidly goes up and down. Without UPS protection, this has and will destroy network switches.
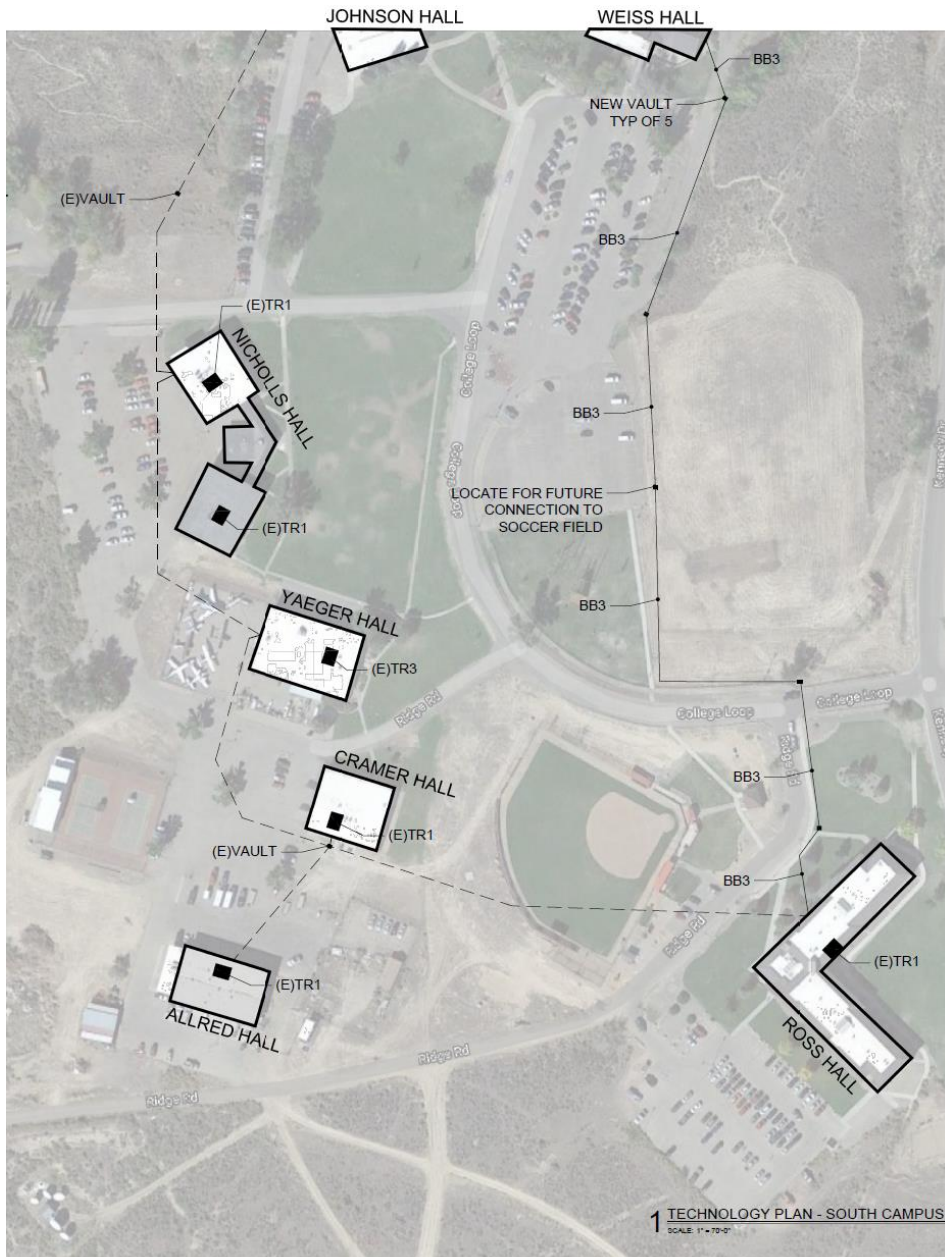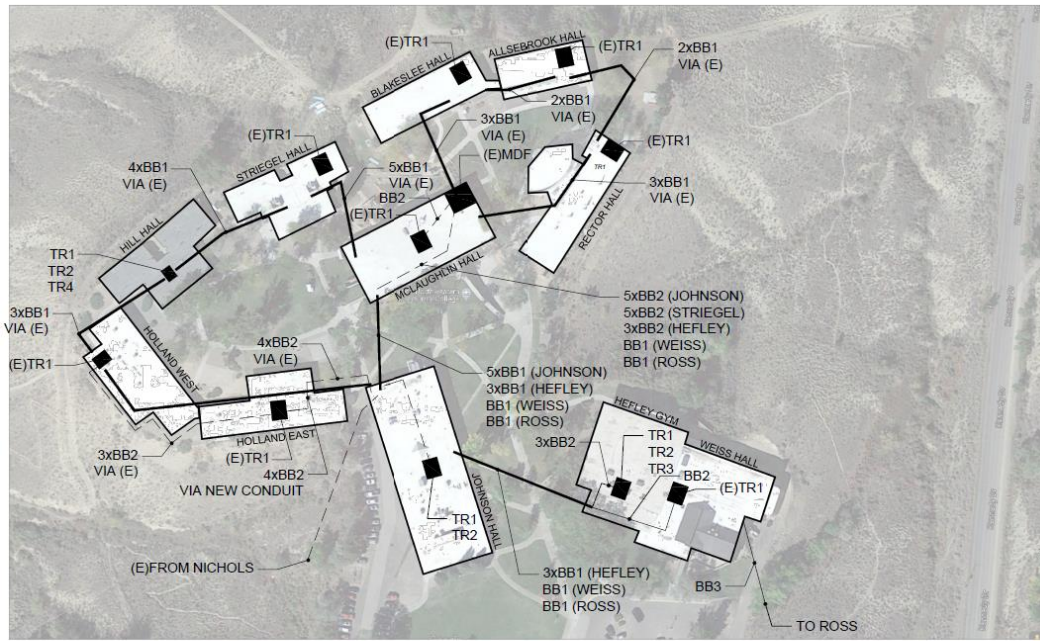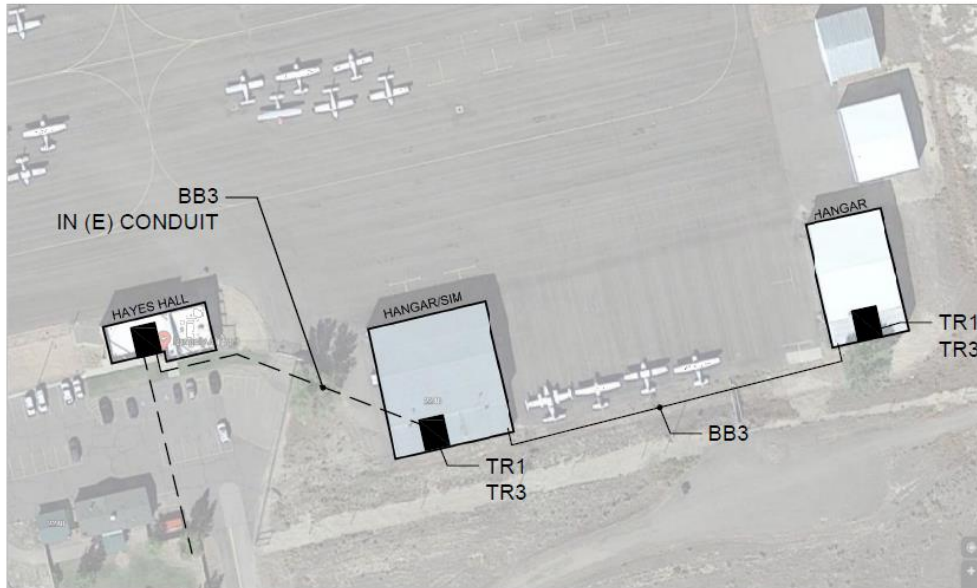

Figure 1 - CNCC Rangely - South Campus

Figure 2 - CNCC Rangely - North Campus

Figure 3 - CNCC Rangely - Airport

B. SUMMARY OF PROJECT FUNDING REQUEST:

Funding Source	Total Project Cost	Total Prior Appropriation	Current Budget Year Request	Year Two Request	Year Three Request	Year Four Request	Year Five Request
Capital Construction Funds (CCF)	$571,163	$0	$571,163	$0	$0	$0	$0
Cash Funds (CF)	$0	$0	$0	$0	$0	$0	$0
Reappropriated Funds (RF)	$0	$0	$0	$0	$0	$0	$0
Federal Funds (FF)	$0	$0	$0	$0	$0	$0	$0
Total Funds (TF)	**$571,163**	**$0**	**$571,163**	**$0**	**$0**	**$0**	**$0**

C. PROJECT DESCRIPTION/SCOPE OF WORK/JUSTIFICATION:

- This project is to upgrade CNCC's Rangely south campus with a new redundant fiber optic network as well as provide necessary UPS backups for all CNCC IDF's.
  - CNCC's existing fiber network on the Rangely south campus does not have any kind of redundancy in the event of a broken cable, and any building south of a break would be taken offline. Prior to the FY21-FY22 IT Capital Construction project, CNCC funded a fiber network audit to outline the creation of a redundant network on both sides of campus. This project would require the boring or trenching between Weiss Hall and Ross Hall, and during the FY21-FY22 project it was found that an additional trench will need to be made between the McLaughlin Building (CNCC date center) and Hefley Hall to finish the south campuses redundant network. Currently, all of the south campus would go through the Johnson/Mclaughlin tunnel, and this creates a single point of failure in the event of a tunnel collapse. The utility tunnel between the Johnson/McLauglin buildings is structurally failing and is part of a recently submitted Controlled Maintenance request which was not funded. Given this situation and the high risk for failure, creating the proposed south ring fiber ring redundancy is a necessity to ensure continuity of IT services at CNCC.
  - Two 24 strand fiber cables will be run through the old and new south campus conduit.
    - The old fiber will be left in place to limit down time.
    - Each building on the south campus will have two 12 pair LC fiber patch panels installed.
      - On the north campus, Johnson Hall, Hefley Hall, and Weiss Hall would have one 12 pair LC fiber patch panel installed, so that they would also have redundancy through the new Mclaughlin/Hefley trench. This is important as the Johnson Building is designated as one of CNCC's Emergency buildings, so reliable network access is a must.
  - New UPS's will be purchased and installed by CNCC. Old UPS's and surge protectors will be replaced. This part of the project would not be held up waiting for contractors and could be installed once the equipment is onsite. This equipment will include battery extensions to increase maximum uptime.
- As a designated rural college, CNCC is exempt from the requirement for other funding sources. Funding for this project will be primarily from the CC_IT Request.
- With a new and redundant fiber network, CNCC will be able deliver education reliably to those on and off campus in the College's Service District.
  - This project protects the ability of the College to deliver its mission to "enhance people lives by providing accessible, affordable, quality education".

- o This is best seen through the reliable remote delivery of education to our concurrent students. CNCC provides education to High School students throughout western Colorado. This includes students of all ethnic groups.
- o With enhanced delivery and technology students are more involved with their classes and have better access to instructors over D2L, email, and online conferences. This will keep students on track to continue their education. This also applies to CNCC's National Park Service (NPS) academy that has needed the use of video conferencing to access experts in the field.

D. PROGRAM INFORMATION:

- The new redundant fiber network will impact the following programs: NPS academy and Aviation Maintenance. These programs require special facilities that the rest of campus would not easily be able to provide. Many of the classes provided for these programs are longer than normal and don't allow for much downtime, so any significant network outages would greatly impact these programs.

- The building that hosts the NPS academy also provides network capabilities for Mesa Counties GPS antenna. This antenna is used for site surveying for the surrounding area and needs to remain active.

- The new UPS backup systems will impact the following areas: all business and administration, all faculty and staff, and all students (online, remote, and in the classroom) by keeping network functions active longer.

- Safety and Security: This proposal will impact all phones (including elevator phones) and Meraki security cameras throughout the campus as they are all powered over ethernet. These services are essential to ensure the safety and security of CNCC students, staff, and faculty in an emergency.

E. CONSEQUENCES IF NOT FUNDED:

- If this project is not funded, CNCC's Rangely south campus will continue to operate without network redundancy in the event of a fiber cable being damaged, or repeated power failure damaging network equipment. Classrooms and facility management will stay reliant on a single connection, and the college network will lack resiliency during power outages and fluctuations without updated UPS backups. This will have a direct impact on the security of the campus since phones and security cameras need a constant connection to the campus data center as well as power.

F. ASSUMPTIONS FOR CALCULATIONS:

- Project costs were estimated based on an independent fiber optic network audit that CNCC funded, bid documents from the FY21-22 IT Infrastructure Upgrade, and vendor quotes. All equipment will be new and provide warranties and support.
  - o Professional Services, 24 strand fiber cables, LC fiber connections: $297,625.00
    - ▪ Bore/Trench pathway to MDF from Hefley Hall: $79,455.40
    - ▪ 6% inflation percentage applied to professional services: $16,968.62
      - Based on the Mortensons Construction Cost Index for Denver.
      - Taken from 75% of project estimates.
    - ▪ Installation costs are normally higher by upwards of 47% when compared to Front Range markets due to CNCC's remote location, required travel and costs to stay in the area while work is being performed.
  - o UPS equipment: $134,167.47
  - o 8% Inflation value of UPS and fiber equipment: $18,275.01
    - ▪ Based on the Mortensons Construction Cost Index for Denver.

▪ 25% of project estimates considered fiber equipment.
 o 10% contingency was applied for Renovation: $24,671.26

G. OPERATING BUDGET IMPACT:

● While installing and upgrading the south campus fiber network, students, faculty, and staff might experience small windows of downtime. The largest downtime will be once all the fiber and UPS equipment is installed. Time will need to be scheduled for each building to be swapped over to the new fiber network and UPS equipment. Some buildings may be able to be worked on with little to no impact.

H. PROJECT SCHEDULE:

Phase	Start Date	Completion Date
Pre-Design	7/1/2025	8/1/2025
Design	8/1/2025	9/1/2025
Construction	9/1/2025	11/1/2025
FF&E /Other	N/A	N/A
Occupancy	11/1/2025	1/1/2026

I. ADDITIONAL INFORMATION:

Three-year roll forward spending authority is required:	**No**
Request 6-month encumbrance waiver:	No
Is this a continuation of a project appropriated in a prior year:	No
State Controller Project Number (if continuation):	N/A

J. COST SAVINGS / IMPROVED PERFORMANCE OUTCOMES:

● If the project is funded, it will reduce the possibility of significant downtime caused by a broken fiber cable, or network switch failure caused by power outages.

● With the creation of a redundant fiber network on the south campus, a single failure point would not bring down all buildings below the failure point. Anything past the failure point could just be moved to a redundant line going the opposite direction and bypass it. This would keep network and security capabilities up with very little downtime. This would also give CNCC the time needed to make any necessary repairs, since getting someone to repair 48 fiber lines could take weeks or longer.

● Each Building on the south campus has a Meraki switch that allows network access, wireless network access, security camera power and control, HVAC control, and door security control. If a switch dies, CNCC must go through Meraki to obtain a replacement, and this can take 1-2 days for approval and 1-2 days for delivery. A worst-case scenario would take a building down for almost a week. With new UPS's, the likelihood of a switch failing due to power fluctuations or sudden power failure would be drastically reduced.

K. SECURITY AND BACKUP / DISASTER RECOVERY:

- Due to server and backup failures in January 2020, CNCC and CCCS have already put into place a new data protection and disaster recovery plan. CCCS set up a server at CCCS in Denver that now hosts multiple drives and services for CNCC. In January 2020 all backups failed and CNCC was challenged to find one viable backup of the primary server before it entirely corrupted. This backup was restored on CCCS's server. This server is now regularly backed up and CNCC and CCCS are working together to determine which services can be hosted in Denver and off campus. CNCC will also be able to rely on CCCS's security measures for these servers and services.

- CNCC's adoption of the Meraki Network environment, with CCCS's full support, has modernized its network environment. This allows CNCC and CCCS to manage network switches and make quick changes when needing to lockdown individual port access or troubleshoot other problems.

- This project would add 12 redundant fiber pairs and would allow room for the separation and rerouting of security systems as needed. This will increase security and flexibility of future upgrades as well as continued access to CCCS servers.

L. BUSINESS PROCESS ANALYSIS:

- Due to the number of and distance between buildings, the only alternative to this project is to leave the current single fiber line in place and make repairs as needed. The dollar and time cost of a cut fiber line without redundancy would be massive. Multiple Academic and Dormitory buildings would lose internet, phones, security camera access, and door controller access. Getting a contractor to our remote location, that could splice the line back together, could take days or weeks, and during this time students and instructors would need to be relocated.

- The equipment to be installed is fully supported by the developer, and the cybersecurity of the IT systems/devices is up to industry standards. The Colorado Community College System uses DUO multi-factor authentication as well as other cybersecurity measures to prevent attacks.

- Safety and Security: These risks to student safety and security are unacceptable and necessitate in the installation of the south ring for redundancy.

- This project is consistent with the strategic IT plan by upgrading our infrastructure which will stabilize CNCC's learning environment for the foreseeable future. CNCC will also put in place proper measures to prevent time and cost overruns, particularly given the impact of any delays on students and staff. All CCCS colleges utilize the state pricing agreements for purchases, which helps to mitigate the potential for cost overruns. The project also aligns with the Colorado Higher Education Strategic Plan by allowing CNCC to continuing to provide valuable career skills to students that provide a positive return on investment.

STATE OF COLORADO
DEPARTMENT OF HIGHER EDUCATION

Five-Year Capital Information Technology (IT) Project Plan FY 2025-26 to FY 2029-30 (CC_IT-5P)

(A)	(1) **Institution Name:**	Colrado Northwestern Community College	(2) **Institution Signature Approval:**	*JOCaldwell* 19Apr2024
(B)	(1) **Name & Title of Preparer:**	Leland Byers, Director of IT	(2) **CDHE Signature Approval:**	Date
(C)	(1) **E-mail of Preparer:**	Leland.byers@cncc.edu		

(D)	**GRAND TOTALS**	(b) *Total Project Cost*	(c) *Total Prior Appropriation*	(d) *Current Budget Year Request*	(e) *Year Two Request*	(f) *Year Three Request*	(g) *Year Four Request*	(h) *Year Five Request*
	Capital Construction Funds (CCF)	$2,011,163	$0	$571,163	$360,000	$720,000	$360,000	$0
	Cash Funds (CF)	$0	$0	$0	$0	$0	$0	$0
	Reappropriated Funds (RF)	$0	$0	$0	$0	$0	$0	$0
	Federal Funds (FF)	$0	$0	$0	$0	$0	$0	$0
	Total Funds (TF)	**$2,011,163**	**$0**	**$571,163**	**$360,000**	**$720,000**	**$360,000**	**$0**

(1)	**Project Title & No. of Phases:**	South Campus Redundancy Upgrade, Ph 1 of 1
(2)	**Brief Description of Project:**	This project would install a new fiber backbone for the south side of the Rangely campus to complete a full loop to campus servers, and add new UPS's to switch closets. This scope would allow network reduncy in the event of a fiber line being destroyed between south campus buildings and the server room.
(3)	**Intercept Program? (Yes/No):**	
(4)	(a) **Priority Number:**	(b) **Project Type:** ... (c) **Gross Square Feet:**

(5)	(a) **Funding Source**	(b) **Total Project Cost**	(c) **Total Prior Appropriation**	(d) **Current Budget Year Request**	(e) **Year Two Request**	(f) **Year Three Request**	(g) **Year Four Request**	(h) **Year Five Request**
(6)	Capital Construction Funds (CCF)	$571,163	$0	**$571,163**	$0	$0	$0	$0
(7)	Cash Funds (CF)	$0	$0	**$0**	$0	$0	$0	$0
(8)	Reappropriated Funds (RF)	$0	$0	**$0**	$0	$0	$0	$0
(9)	Federal Funds (FF)	$0	$0	**$0**	$0	$0	$0	$0
(10)	**Total Funds (TF)**	**$571,163**	**$0**	**$571,163**	**$0**	**$0**	**$0**	**$0**

(1)	**Project Title & No. of Phases:**	Network & Security Upgrade - Craig Campus, Ph 1 of 1
(2)	**Brief Description of Project:**	In order to utilize equipment installed, this project will update and replace aging equipmentand on the Craig Campus to prepare for future growth and needs. This project supports replacing failing AV equipment, servers, UPS's, security cameras, and cabling.
(3)	**Intercept Program? (Yes/No):**	
(4)	(a) **Priority Number:**	(b) **Project Type:** ... (c) **Gross Square Feet:**

(5)	(a) **Funding Source**	(b) **Total Project Cost**	(c) **Total Prior Appropriation**	(d) **Current Budget Year Request**	(e) **Year Two Request**	(f) **Year Three Request**	(g) **Year Four Request**	(h) **Year Five Request**
(6)	Capital Construction Funds (CCF)	$720,000	$0	**$0**	$0	$720,000	$0	$0
(7)	Cash Funds (CF)	$0	$0	**$0**	$0	$0	$0	$0
(8)	Reappropriated Funds (RF)	$0	$0	**$0**	$0	$0	$0	$0
(9)	Federal Funds (FF)	$0	$0	**$0**	$0	$0	$0	$0
(10)	**Total Funds (TF)**	**$720,000**	**$0**	**$0**	**$0**	**$720,000**	**$0**	**$0**

(1)	**Project Title & No. of Phases:**	Classroom remodel for computer information systems technology, Ph 1 of 1
(2)	**Brief Description of Project:**	This project will support the technology needs of classroom spaces by remodeling classrooms to specificaly support computer and business information systems. This is in order to support program growth, and will include updating AV and associated infrustructure.
(3)	**Intercept Program? (Yes/No):**	
(4)	(a) **Priority Number:**	(b) **Project Type:** ... (c) **Gross Square Feet:**

(5)	(a) **Funding Source**	(b) **Total Project Cost**	(c) **Total Prior Appropriation**	(d) **Current Budget Year Request**	(e) **Year Two Request**	(f) **Year Three Request**	(g) **Year Four Request**	(h) **Year Five Request**
(6)	Capital Construction Funds (CCF)	$360,000	$0	**$0**	$0	$0	$360,000	$0
(7)	Cash Funds (CF)	$0	$0	**$0**	$0	$0	$0	$0
(8)	Reappropriated Funds (RF)	$0	$0	**$0**	$0	$0	$0	$0
(9)	Federal Funds (FF)	$0	$0	**$0**	$0	$0	$0	$0
(10)	**Total Funds (TF)**	**$360,000**	**$0**	**$0**	**$0**	**$0**	**$360,000**	**$0**

(1)	**Project Title & No. of Phases:**	Rangely Campus - Server Room upgrade, Ph 1 of 1
(2)	**Brief Description of Project:**	The Rangely campus server room is aging and starting to fall apart. This project will support the upgrade and replacement of AC and filtering equipment, replacing old foam insullation, and securing the room to further protect the campus network.
(3)	**Intercept Program? (Yes/No):**	
(4)	(a) **Priority Number:**	(b) **Project Type:** ... (c) **Gross Square Feet:**

(5)	(a) **Funding Source**	(b) **Total Project Cost**	(c) **Total Prior Appropriation**	(d) **Current Budget Year Request**	(e) **Year Two Request**	(f) **Year Three Request**	(g) **Year Four Request**	(h) **Year Five Request**
(6)	Capital Construction Funds (CCF)	$360,000	$0	**$0**	$360,000	$0	$0	$0
(7)	Cash Funds (CF)	$0	$0	**$0**	$0	$0	$0	$0
(8)	Reappropriated Funds (RF)	$0	$0	**$0**	$0	$0	$0	$0
(9)	Federal Funds (FF)	$0	$0	**$0**	$0	$0	$0	$0
(10)	**Total Funds (TF)**	**$360,000**	**$0**	**$0**	**$360,000**	**$0**	**$0**	**$0**

(1)	Project Title & No. of Phases:							
(2)	Brief Description of Project:							
(3)	Intercept Program? (Yes/No):							
(4)	(a) Priority Number:		(b) Project Type:		(c) Gross Square Feet:			
(5)	(a) Funding Source	(b) Total Project Cost	(c) Total Prior Appropriation	(d) Current Budget Year Request	(e) Year Two Request	(f) Year Three Request	(g) Year Four Request	(h) Year Five Request
(6)	Capital Construction Funds (CCF)	$0	$0	$0	$0	$0	$0	$0
(7)	Cash Funds (CF)	$0	$0	$0	$0	$0	$0	$0
(8)	Reappropriated Funds (RF)	$0	$0	$0	$0	$0	$0	$0
(9)	Federal Funds (FF)	$0	$0	$0	$0	$0	$0	$0
(10)	Total Funds (TF)	$0	$0	$0	$0	$0	$0	$0

(1)	Project Title & No. of Phases:							
(2)	Brief Description of Project:							
(3)	Intercept Program? (Yes/No):							
(4)	(a) Priority Number:		(b) Project Type:		(c) Gross Square Feet:			
(5)	(a) Funding Source	(b) Total Project Cost	(c) Total Prior Appropriation	(d) Current Budget Year Request	(e) Year Two Request	(f) Year Three Request	(g) Year Four Request	(h) Year Five Request
(6)	Capital Construction Funds (CCF)	$0	$0	$0	$0	$0	$0	$0
(7)	Cash Funds (CF)	$0	$0	$0	$0	$0	$0	$0
(8)	Reappropriated Funds (RF)	$0	$0	$0	$0	$0	$0	$0
(9)	Federal Funds (FF)	$0	$0	$0	$0	$0	$0	$0
(10)	Total Funds (TF)	$0	$0	$0	$0	$0	$0	$0

(1)	Project Title & No. of Phases:							
(2)	Brief Description of Project:							
(3)	Intercept Program? (Yes/No):							
(4)	(a) Priority Number:		(b) Project Type:		(c) Gross Square Feet:			
(5)	(a) Funding Source	(b) Total Project Cost	(c) Total Prior Appropriation	(d) Current Budget Year Request	(e) Year Two Request	(f) Year Three Request	(g) Year Four Request	(h) Year Five Request
(6)	Capital Construction Funds (CCF)	$0	$0	$0	$0	$0	$0	$0
(7)	Cash Funds (CF)	$0	$0	$0	$0	$0	$0	$0
(8)	Reappropriated Funds (RF)	$0	$0	$0	$0	$0	$0	$0
(9)	Federal Funds (FF)	$0	$0	$0	$0	$0	$0	$0
(10)	Total Funds (TF)	$0	$0	$0	$0	$0	$0	$0

(1)	Project Title & No. of Phases:							
(2)	Brief Description of Project:							
(3)	Intercept Program? (Yes/No):							
(4)	(a) Priority Number:		(b) Project Type:		(c) Gross Square Feet:			
(5)	(a) Funding Source	(b) Total Project Cost	(c) Total Prior Appropriation	(d) Current Budget Year Request	(e) Year Two Request	(f) Year Three Request	(g) Year Four Request	(h) Year Five Request
(6)	Capital Construction Funds (CCF)	$0	$0	$0	$0	$0	$0	$0
(7)	Cash Funds (CF)	$0	$0	$0	$0	$0	$0	$0
(8)	Reappropriated Funds (RF)	$0	$0	$0	$0	$0	$0	$0
(9)	Federal Funds (FF)	$0	$0	$0	$0	$0	$0	$0
(10)	Total Funds (TF)	$0	$0	$0	$0	$0	$0	$0

(1)	Project Title & No. of Phases:							
(2)	Brief Description of Project:							
(3)	Intercept Program? (Yes/No):							
(4)	(a) Priority Number:		(b) Project Type:		(c) Gross Square Feet:			
(5)	(a) Funding Source	(b) Total Project Cost	(c) Total Prior Appropriation	(d) Current Budget Year Request	(e) Year Two Request	(f) Year Three Request	(g) Year Four Request	(h) Year Five Request
(6)	Capital Construction Funds (CCF)	$0	$0	$0	$0	$0	$0	$0
(7)	Cash Funds (CF)	$0	$0	$0	$0	$0	$0	$0
(8)	Reappropriated Funds (RF)	$0	$0	$0	$0	$0	$0	$0
(9)	Federal Funds (FF)	$0	$0	$0	$0	$0	$0	$0
(10)	Total Funds (TF)	$0	$0	$0	$0	$0	$0	$0

(1)	Project Title & No. of Phases:							
(2)	Brief Description of Project:							
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(5)	(a) Funding Source	(b) Total Project Cost	(c) Total Prior Appropriation	(d) Current Budget Year Request	(e) Year Two Request	(f) Year Three Request	(g) Year Four Request	(h) Year Five Request
(6)	Capital Construction Funds (CCF)	$0	$0	$0	$0	$0	$0	$0
(7)	Cash Funds (CF)	$0	$0	$0	$0	$0	$0	$0
(8)	Reappropriated Funds (RF)	$0	$0	$0	$0	$0	$0	$0
(9)	Federal Funds (FF)	$0	$0	$0	$0	$0	$0	$0
(10)	Total Funds (TF)	$0	$0	$0	$0	$0	$0	$0

(1)	Project Title & No. of Phases:							
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(5)	(a) Funding Source	(b) Total Project Cost	(c) Total Prior Appropriation	(d) Current Budget Year Request	(e) Year Two Request	(f) Year Three Request	(g) Year Four Request	(h) Year Five Request

		(b) Total Project Cost	(c) Total Prior Appropriation	(d) Current Budget Year Request	(e) Year Two Request	(f) Year Three Request	(g) Year Four Request	(h) Year Five Request
(6)	Capital Construction Funds (CCF)	$0	$0	$0	$0	$0	$0	$0
(7)	Cash Funds (CF)	$0	$0	$0	$0	$0	$0	$0
(8)	Reappropriated Funds (RF)	$0	$0	$0	$0	$0	$0	$0
(9)	Federal Funds (FF)	$0	$0	$0	$0	$0	$0	$0
(10)	**Total Funds (TF)**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**

(1)	**Project Title & No. of Phases:**							
(2)	**Brief Description of Project:**							
(3)	**Intercept Program? (Yes/No):**							
(4)	(a) **Priority Number:**		(b) **Project Type:**		(c) **Gross Square Feet:**			
(5)	(a) **Funding Source**	(b) **Total Project Cost**	(c) **Total Prior Appropriation**	(d) **Current Budget Year Request**	(e) **Year Two Request**	(f) **Year Three Request**	(g) **Year Four Request**	(h) **Year Five Request**
(6)	Capital Construction Funds (CCF)	$0	$0	$0	$0	$0	$0	$0
(7)	Cash Funds (CF)	$0	$0	$0	$0	$0	$0	$0
(8)	Reappropriated Funds (RF)	$0	$0	$0	$0	$0	$0	$0
(9)	Federal Funds (FF)	$0	$0	$0	$0	$0	$0	$0
(10)	**Total Funds (TF)**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**

(1)	**Project Title & No. of Phases:**							
(2)	**Brief Description of Project:**							
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(4)	(a) **Priority Number:**		(b) **Project Type:**		(c) **Gross Square Feet:**			
(5)	(a) **Funding Source**	(b) **Total Project Cost**	(c) **Total Prior Appropriation**	(d) **Current Budget Year Request**	(e) **Year Two Request**	(f) **Year Three Request**	(g) **Year Four Request**	(h) **Year Five Request**
(6)	Capital Construction Funds (CCF)	$0	$0	$0	$0	$0	$0	$0
(7)	Cash Funds (CF)	$0	$0	$0	$0	$0	$0	$0
(8)	Reappropriated Funds (RF)	$0	$0	$0	$0	$0	$0	$0
(9)	Federal Funds (FF)	$0	$0	$0	$0	$0	$0	$0
(10)	**Total Funds (TF)**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**

(1)	**Project Title & No. of Phases:**							
(2)	**Brief Description of Project:**							
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(4)	(a) **Priority Number:**		(b) **Project Type:**		(c) **Gross Square Feet:**			
(5)	(a) **Funding Source**	(b) **Total Project Cost**	(c) **Total Prior Appropriation**	(d) **Current Budget Year Request**	(e) **Year Two Request**	(f) **Year Three Request**	(g) **Year Four Request**	(h) **Year Five Request**
(6)	Capital Construction Funds (CCF)	$0	$0	$0	$0	$0	$0	$0
(7)	Cash Funds (CF)	$0	$0	$0	$0	$0	$0	$0
(8)	Reappropriated Funds (RF)	$0	$0	$0	$0	$0	$0	$0
(9)	Federal Funds (FF)	$0	$0	$0	$0	$0	$0	$0
(10)	**Total Funds (TF)**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**

(1)	**Project Title & No. of Phases:**							
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(5)	(a) **Funding Source**	(b) **Total Project Cost**	(c) **Total Prior Appropriation**	(d) **Current Budget Year Request**	(e) **Year Two Request**	(f) **Year Three Request**	(g) **Year Four Request**	(h) **Year Five Request**
(6)	Capital Construction Funds (CCF)	$0	$0	$0	$0	$0	$0	$0
(7)	Cash Funds (CF)	$0	$0	$0	$0	$0	$0	$0
(8)	Reappropriated Funds (RF)	$0	$0	$0	$0	$0	$0	$0
(9)	Federal Funds (FF)	$0	$0	$0	$0	$0	$0	$0
(10)	**Total Funds (TF)**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**

(1)	**Project Title & No. of Phases:**							
(2)	**Brief Description of Project:**							
(3)	**Intercept Program? (Yes/No):**							
(4)	(a) **Priority Number:**		(b) **Project Type:**		(c) **Gross Square Feet:**			
(5)	(a) **Funding Source**	(b) **Total Project Cost**	(c) **Total Prior Appropriation**	(d) **Current Budget Year Request**	(e) **Year Two Request**	(f) **Year Three Request**	(g) **Year Four Request**	(h) **Year Five Request**
(6)	Capital Construction Funds (CCF)	$0	$0	$0	$0	$0	$0	$0
(7)	Cash Funds (CF)	$0	$0	$0	$0	$0	$0	$0
(8)	Reappropriated Funds (RF)	$0	$0	$0	$0	$0	$0	$0
(9)	Federal Funds (FF)	$0	$0	$0	$0	$0	$0	$0
(10)	**Total Funds (TF)**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**

(1)	**Project Title & No. of Phases:**							

(2)	Brief Description of Project:							
(3)	Intercept Program? (Yes/No):							
(4)	(a) Priority Number:		(b) Project Type:			(c) Gross Square Feet:		
(5)	(a) Funding Source	(b) Total Project Cost	(c) Total Prior Appropriation	(d) Current Budget Year Request	(e) Year Two Request	(f) Year Three Request	(g) Year Four Request	(h) Year Five Request
(6)	Capital Construction Funds (CCF)	$0	$0	$0	$0	$0	$0	$0
(7)	Cash Funds (CF)	$0	$0	$0	$0	$0	$0	$0
(8)	Reappropriated Funds (RF)	$0	$0	$0	$0	$0	$0	$0
(9)	Federal Funds (FF)	$0	$0	$0	$0	$0	$0	$0
(10)	Total Funds (TF)	$0	$0	$0	$0	$0	$0	$0

(1)	Project Title & No. of Phases:							
(2)	Brief Description of Project:							
(3)	Intercept Program? (Yes/No):							
(4)	(a) Priority Number:		(b) Project Type:			(c) Gross Square Feet:		
(5)	(a) Funding Source	(b) Total Project Cost	(c) Total Prior Appropriation	(d) Current Budget Year Request	(e) Year Two Request	(f) Year Three Request	(g) Year Four Request	(h) Year Five Request
(6)	Capital Construction Funds (CCF)	$0	$0	$0	$0	$0	$0	$0
(7)	Cash Funds (CF)	$0	$0	$0	$0	$0	$0	$0
(8)	Reappropriated Funds (RF)	$0	$0	$0	$0	$0	$0	$0
(9)	Federal Funds (FF)	$0	$0	$0	$0	$0	$0	$0
(10)	Total Funds (TF)	$0	$0	$0	$0	$0	$0	$0

(1)	Project Title & No. of Phases:							
(2)	Brief Description of Project:							
(3)	Intercept Program? (Yes/No):							
(4)	(a) Priority Number:		(b) Project Type:			(c) Gross Square Feet:		
(5)	(a) Funding Source	(b) Total Project Cost	(c) Total Prior Appropriation	(d) Current Budget Year Request	(e) Year Two Request	(f) Year Three Request	(g) Year Four Request	(h) Year Five Request
(6)	Capital Construction Funds (CCF)	$0	$0	$0	$0	$0	$0	$0
(7)	Cash Funds (CF)	$0	$0	$0	$0	$0	$0	$0
(8)	Reappropriated Funds (RF)	$0	$0	$0	$0	$0	$0	$0
(9)	Federal Funds (FF)	$0	$0	$0	$0	$0	$0	$0
(10)	Total Funds (TF)	$0	$0	$0	$0	$0	$0	$0

(1)	Project Title & No. of Phases:							
(2)	Brief Description of Project:							
(3)	Intercept Program? (Yes/No):							
(4)	(a) Priority Number:		(b) Project Type:			(c) Gross Square Feet:		
(5)	(a) Funding Source	(b) Total Project Cost	(c) Total Prior Appropriation	(d) Current Budget Year Request	(e) Year Two Request	(f) Year Three Request	(g) Year Four Request	(h) Year Five Request
(6)	Capital Construction Funds (CCF)	$0	$0	$0	$0	$0	$0	$0
(7)	Cash Funds (CF)	$0	$0	$0	$0	$0	$0	$0
(8)	Reappropriated Funds (RF)	$0	$0	$0	$0	$0	$0	$0
(9)	Federal Funds (FF)	$0	$0	$0	$0	$0	$0	$0
(10)	Total Funds (TF)	$0	$0	$0	$0	$0	$0	$0

(1)	Project Title & No. of Phases:							
(2)	Brief Description of Project:							
(3)	Intercept Program? (Yes/No):							
(4)	(a) Priority Number:		(b) Project Type:			(c) Gross Square Feet:		
(5)	(a) Funding Source	(b) Total Project Cost	(c) Total Prior Appropriation	(d) Current Budget Year Request	(e) Year Two Request	(f) Year Three Request	(g) Year Four Request	(h) Year Five Request
(6)	Capital Construction Funds (CCF)	$0	$0	$0	$0	$0	$0	$0
(7)	Cash Funds (CF)	$0	$0	$0	$0	$0	$0	$0
(8)	Reappropriated Funds (RF)	$0	$0	$0	$0	$0	$0	$0
(9)	Federal Funds (FF)	$0	$0	$0	$0	$0	$0	$0
(10)	Total Funds (TF)	$0	$0	$0	$0	$0	$0	$0

(1)	Project Title & No. of Phases:							
(2)	Brief Description of Project:							
(3)	Intercept Program? (Yes/No):							
(4)	(a) Priority Number:		(b) Project Type:			(c) Gross Square Feet:		
(5)	(a) Funding Source	(b) Total Project Cost	(c) Total Prior Appropriation	(d) Current Budget Year Request	(e) Year Two Request	(f) Year Three Request	(g) Year Four Request	(h) Year Five Request
(6)	Capital Construction Funds (CCF)	$0	$0	$0	$0	$0	$0	$0
(7)	Cash Funds (CF)	$0	$0	$0	$0	$0	$0	$0
(8)	Reappropriated Funds (RF)	$0	$0	$0	$0	$0	$0	$0
(9)	Federal Funds (FF)	$0	$0	$0	$0	$0	$0	$0
(10)	Total Funds (TF)	$0	$0	$0	$0	$0	$0	$0

(1)	Project Title & No. of Phases:							
(2)	Brief Description of Project:							
(3)	Intercept Program? (Yes/No):							
(4)	(a) Priority Number:		(b) Project Type:			(c) Gross Square Feet:		
(5)	(a) Funding Source	(b) Total Project Cost	(c) Total Prior Appropriation	(d) Current Budget Year Request	(e) Year Two Request	(f) Year Three Request	(g) Year Four Request	(h) Year Five Request
(6)	Capital Construction Funds (CCF)	$0	$0	$0	$0	$0	$0	$0

		(b)	(c)	(d)	(e)	(f)	(g)	(h)
(7)	Cash Funds (CF)	$0	$0	$0	$0	$0	$0	$0
(8)	Reappropriated Funds (RF)	$0	$0	$0	$0	$0	$0	$0
(9)	Federal Funds (FF)	$0	$0	$0	$0	$0	$0	$0
(10)	**Total Funds (TF)**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**

(1)	**Project Title & No. of Phases:**							
(2)	**Brief Description of Project:**							
(3)	**Intercept Program? (Yes/No):**							
(4)	(a) **Priority Number:**		(b) **Project Type:**			(c) **Gross Square Feet:**		
(5)	(a) **Funding Source**	(b) **Total Project Cost**	(c) **Total Prior Appropriation**	(d) **Current Budget Year Request**	(e) **Year Two Request**	(f) **Year Three Request**	(g) **Year Four Request**	(h) **Year Five Request**
(6)	Capital Construction Funds (CCF)	$0	$0	$0	$0	$0	$0	$0
(7)	Cash Funds (CF)	$0	$0	$0	$0	$0	$0	$0
(8)	Reappropriated Funds (RF)	$0	$0	$0	$0	$0	$0	$0
(9)	Federal Funds (FF)	$0	$0	$0	$0	$0	$0	$0
(10)	**Total Funds (TF)**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**

CC-IT: CAPITAL CONSTRUCTION INFORMATION TECHNOLOGY REQUEST FOR FY 2025-26

Department	**Department of Personnel and Administration**	Signature Department Approval: Lauren Gilliland Date: 9/5/24
Project Title	Office of Admnistrative Courts Court Management System	Signature OIT Approval: Rus Pascual Date: 9/6/24
Project Year(s):	FY 2025-26	Signature OSPB Approval: Date
Department Priority Number	4	
Five-Year Roadmap?		Name and e-mail address of preparer: Lauren Gilliland, lauren.gilliland@state.co.us

Revision? Yes No If yes, last submission date: _____	Total Project Costs	Total Prior Year Appropriations	Request Year (FY 2025-26) Request	Year 2 Request	Year 3 Request	Year 4 Request	Year 5 Request
A.	**Contract Professional Services**						
(1) OIT Contracted Program Manager	$ 64,000	$ -	$ 64,000	$ -	$ -	$ -	$ -
(2) Quality Assurance	$ -	$ -	$ -	$ -	$ -	$ -	$ -
(3) Independent Verification and Validation (IV&V) - OIT Project Manager	$ -	$ -	$ -	$ -	$ -	$ -	$ -
(4) Training	$ -	$ -	$ -	$ -	$ -	$ -	$ -
(5) Leased Space (Temporary)	$ -	$ -	$ -	$ -	$ -	$ -	$ -
(6) Feasibility Study	$ -	$ -	$ -	$ -	$ -	$ -	$ -
(7a) Inflation for Professional Services	$ 1,664	$ -	$ 1,664	$ -	$ -	$ -	$ -
(7b) Inflation Percentage Applied	$ 0	0.00%	2.60%	0.00%	0.00%	0.00%	0.00%
(8) Hourly OIT Project Manager	$ 12,240	$ -	$ 12,240	$ -	$ -	$ -	$ -
(9) Term-Limited FTE	$ 384,417	$ -	$ 384,417	$ -	$ -	$ -	$ -
(10) Total Professional Services	$ 462,321	$ -	$ 462,321	$ -	$ -	$ -	$ -
B.	**Software Acquisition**						
(1) Software COTS Purchase	$ 1,924,000	$ -	$ 1,924,000	$ -	$ -	$ -	$ -
(2) Software Built	$ -	$ -	$ -	$ -	$ -	$ -	$ -
(3a) Inflation on Software	$ 50,024	$ -	$ 50,024	$ -	$ -	$ -	$ -
(3b) Inflation Percentage Applied	$ 0	0.00%	2.60%	0.00%	0.00%	0.00%	0.00%
(4) Total Software	$ 1,974,024	$ -	$ 1,974,024	$ -	$ -	$ -	$ -
C.	**Equipment**						
(1) Servers/Storage	$ 19,200	$ -	$ 19,200	$ -	$ -	$ -	$ -
(2) PCs, Laptops, Terminals, PDAs	$ -	$ -	$ -	$ -	$ -	$ -	$ -
(3) Printers, Scanners, Peripherals	$ -	$ -	$ -	$ -	$ -	$ -	$ -
(4) Network Equipment/Cabling	$ -	$ -	$ -	$ -	$ -	$ -	$ -
(5) Licensing, Subscriptions, Support, Misc.	$ 708,000	$ -	$ 708,000	$ -	$ -	$ -	$ -
(6) Maintenance/Security/Support	$ 42,000	$ -	$ 42,000	$ -	$ -	$ -	$ -
(7) Term-Limited FTE Operating & Phone	$ 2,146		$ 2,146	$ -	$ -	$ -	$ -
(8) Office Furniture for Term-Limited FTE	$ 7,000	$ -	$ 7,000	$ -	$ -	$ -	$ -
(9) Total Equipment and Miscellaneous	$ 778,346	$ -	$ 778,346	$ -	$ -	$ -	$ -
D.	**Project Contingency**						
(1) 5% project contingency	$ 160,735	$ -	$ 160,735	$ -	$ -	$ -	$ -
(2) IT ADLE Payment	$ 1,350,170	$ -	$ -	$ 337,543	$ 337,543	$ 337,543	$ 337,543
E.	**Total Request**						
Total Budget Request [A+B+C+D]	$ 4,725,596	$ -	$ 3,375,426	$ 337,543	$ 337,543	$ 337,543	$ 337,543
F.	**Source of Funds**						
GF	$ -	$ -	$ -	$ -	$ -	$ -	$ -
CF/RF	$ 4,725,596	$ -	$ 3,375,426	$ 337,543	$ 337,543	$ 337,543	$ 337,543
FF	$ -	$ -	$ -	$ -	$ -	$ -	$ -
check (should = E)	$4,725,596	$0	$3,375,426	$337,543	$337,543	$337,543	$337,543

FY 2025-26 - DPA OAC Court Management System: IT-CC-04

Request Year	Total Funds	CCF-IT	Cash Funds	Reappropriated Funds	Federal Funds
FY 2025-26	$3,375,426	$0	$0	$3,375,426	$0
FY 2026-27	$337,543	$0	$0	$337,543	$0
FY 2027-28	$337,543	$0	$0	$337,543	$0

Categories of IT Capital Projects

Category	Rationale	Applicable
System Replacement	Costs escalating, failing technology, software or vendor support ended, or new technology, e.g., DRIVES, CHATS	Yes
System Enhancement Regulatory Compliance	(new functionality, improved process or functionality, new demand from citizens, regulatory compliance, e.g, CBMS	No
Tangible Savings Process Improvement	conscious effort to reduce or avoid costs, improve efficiency, e.g., LEAN, back office automation	No
Citizen Demand	"The Ways Things Are" (transformative nature of technology, meet the citizens where they are, e.g., pay online, mobile access)	No

Request Summary:

The Department of Personnel & Administration (DPA) requests $3,375,426 reappropriated funds for a new case management system and supporting term-limited FTE and operating costs for the duration of the 3-year appropriation. Replacement of the current system will allow Coloradans to more easily file, receive, and view electronic pleadings with the Office of Administrative Courts (OAC) while at the same time creating efficiencies and improving accuracy for staff by reducing manual entries. A new system will also create a more effective document storage solution for all cases that have exceeded storage limits. This request represents the IT Capital Project category of "System Replacement."

Project costs by category are estimated at $462,321 for Professional Services, $1,924,000 for Software Acquisition, $778,346 for Equipment, with a 5 percent project contingency of

$160,735. IT ADLE Payment assumptions are based on a 10 percent straight-line depreciation schedule for 10 years and are assumed to begin after project completion.

All project stakeholders, including external users who file cases, other parties to filed cases, administrative law judges, case managers within the Office of Administrative Courts, and the Office of Information Technology, will see a positive impact. This request is not a continuation or multiphase project.

Project Description:

The current Salesforce system would be replaced in its entirety, ideally, with an off-the-shelf product that meets the OAC's requirements. The current licensing agreements with Salesforce and Conga would eventually be terminated, which currently cost approximately $40,000 per year.

Anticipated functionality includes the following:
   a. A robust e-filing system that enhances the external stakeholder interaction and experience with OAC, such as:
      ● Automatic notifications to impacted case parties, the assigned ALJ, and the case manager when a document is e-filed;
      ● Date and time stamping of filed documents;
      ● Automatic routing of the filed document to the case file;
      ● Increased file size limits for e-filed documents;
      ● Real-time docketing - parties may select or reserve hearing dates without the need to interact with OAC staff; and
      ● Simplified search features so external users can locate cases in which they are involved.

   b. Internal stakeholder functionality improvements include:
      ● Automated data input based on information provided by the external stakeholder during case initiation (eliminate the need for significant manual data entry);
      ● Automatic routing of new cases to the correct internal user;
      ● A document search feature;
      ● Multi-document download options;
      ● Automated workflow tools;
      ● Internal document storage solution (rather than storing in a separate solution); and
      ● Automated record retention/deletion options.

End users of the current e-filing system have complained that the system does not consistently confirm a successful filing resulting in the need to make a separate email or telephone inquiry to confirm receipt; sometimes, they must re-file by email or other means. End users have experienced difficulty locating their files in the system. End users have complained about the lack of time and date stamping features and that they cannot serve their filings to the opposing

party through the e-filing system. Instead, they must separately serve documents through other means such as email, mail, or fax.

Currently, the e-filing system is not set up to accept workers' compensation filings and more than 50 percent of OAC's caseload is workers' compensation related. The OAC is instead accepting filings by email which is highly inefficient and time consuming.

The current case management system does not provide real time dashboards for tracking cases, caseload,and turnaround times. Data has to be extracted and analyzed through other systems. And the system does not meet state accessibility requirements.

A court management system product owner (project manager) will plan, direct, train, and coordinate activities relating to the development and implementation of the system to ensure that goals and objectives are accomplished within the scope and funding parameters. The product owner will develop an understanding of the needs of stakeholders, including external users who file cases, other parties to filed cases, administrative law judges, case managers within the Office of Administrative Courts, and the Office of Information Technology (OIT). The needs and shortcomings of the current system will be communicated to an external consultant and an OIT project manager.

It is expected that it will take one month to hire a project manager. This position would coordinate system build and roll out, then transition to ongoing system administration. The ongoing project manager role will be integral to ensuring the long-term success of the new system through continuous support, including such activities as training for new employees as they begin with the OAC, daily technical support for internal and external users, serving as a liaison between the vendor and the stakeholders, and identifying evolving needs and opportunities for improvement.

An OIT project manager will partner with the DPA project manager to provide focused services for gating and acting as the point of contact for OIT services. The majority of assistance provided by OIT will be needed at the beginning of the project and again during implementation/go-live.

Systems Integration Opportunities –

The new solution is expected to interface with Google Workspace.

Risks and Constraints –

This software implementation should not present significant risks or constraints to the OAC or OIT.

The Department of Human Services uses the OAC's Salesforce platform for food assistance cases. It would either have to find another solution or partner with OAC in its new solution. Initial discussions with the Department of Human Services suggests that it would anticipate partnering with OAC in its new solution depending on costs.

Operating Budget Impact –

No funding relating to the operating budget will be requested for FY 2025-26. It is assumed that all necessary expenses are accounted for in this Capital-IT request, however, funding for ongoing costs may be required in a future budget cycle.

Background of Problem or Opportunity:

The OAC's legacy court management system, which has been in use since 2018, does not have modern functionality. Internal users perform a significant amount of manual and duplicate data entry, which leaves room for inaccurate data output and clerical errors. The scheduling or docketing system is duplicative and lacks modern features. The current system's intent was to interact with external users reserving available hearing dates while initiating a case. Instead, external users must select a date from a list of available dates that the OAC must publish every few weeks, then submit a form selecting and confirming the hearing date. Internal users must manually enter data into the system by entering hearing information.

While the OAC has an e-filing system for external users, it has significant limitations. File size limitations for attached documents result in users submitting several separate filings that internal users must then combine back into one document. None of the processes are automated. Once a document is e-filed, an internal user must review and approve it and then manually enter the data into the system. External users struggle to locate case files and review documents.

The current system's data storage has exceeded its maximum capacity. Data storage alternatives are costly, and implementation is time-consuming.

Justification:

The OAC provides services to individuals with disabilities, yet the current system does not meet accessibility requirements. A more robust e-filing system and mobile application capabilities would also improve access to justice for individuals who rely primarily on smartphones for internet access. In addition, preliminary audit findings raised concerns about the ineffectiveness of the e-filing system. A new system will allow OAC to become compliant with rules of procedure that govern when and to whom a legal proceeding is sent.

This budget request promotes equitable outcomes for historically underserved, marginalized or adversely affected groups. The OAC's customers include individuals with low socioeconomic status, and individuals with disabilities, most of whom represent themselves during the administrative proceedings. According to a Pew Research study, 28% of individuals in households earning less than $30,000 annually rely solely on smartphones for internet access.[1] A modernized case management system that includes a mobile application would create

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[1] "Americans' Use of Mobile Technology and Home Broadband." Pew Research Center, Washington, D.C. (January 31, 2024) Link

greater accessibility to the court, especially for self-represented litigants with low socioeconomic status.

Business Process Analysis –

Feedback from external stakeholders combined with an internal process review revealed significant limitations and deficiencies in existing business processes associated with the e-filing system and additional concerns with the quality and functionality of the court management system generally. Preliminary audit findings also identified stakeholder concerns regarding the limitations and deficiencies of the e-filing system.

Cost-Benefit Analysis and Project Alternatives (per H.B. 15-1266) –

If nothing is done, the OAC will continue to use its outdated system with limited functionality. Continued use of this system impedes employee productivity and limits the stakeholder access to the court. An application (Cirus) will soon be unsupported, lacks security, and will need replacement although OIT has not found a suitable replacement to-date. Alternatively, an entirely new document storage solution will need to be purchased and implemented to mitigate the security risks. The full cost associated with migration to a new document management solution is currently unknown.

An RFI conducted in January 2024 found adequate competition in the marketplace to issue a competitive solicitation to acquire a court management system that will meet OAC's needs by increasing productivity and efficiencies while also improving external stakeholder experience. The RFI focused on customizable workflows, e-filing system improvements, document and data management, robust support and training, and compliance with OIT security and accessibility standards. The RFI focus aligns with the scope of work that will be sought through a solicitation. No vendors assisted with preparing the scope of work.

Success Criteria and Improved Performance Outcomes –

The primary method to measure the success of this project is implementing a new system. A new system will improve the external stakeholder e-filing experience with a more modern and user-friendly web-based interface. External stakeholders can avoid making telephone or email inquiries to internal staff to confirm the status of filings or obtain copies of filings. A robust e-filing system will save significant time for both internal and external stakeholders as well. Court clerks will be able to focus on their core responsibilities and will be less likely to burn out.

Assumptions for Calculations –

Capital IT Costs

The initial costs for purchase and implementation during the first year are estimated at $900,000 to $2,000,000 based on RFI responses which yielded cost estimates as high as $5,000,000. Annual costs for maintenance and licensing were estimated at $150,000 to $300,000. OIT provided input to refine the estimate based on projects of similar scope. The CC-IT Cost Sheet is [linked here](#) and summarized below.

- OIT-contracted program manager (vendor):
  - To provide end-to-end services as well as project management that would partner with the DPA Project Manager II and provide focused services for gating and acting as the point of contact for OIT services.
  - The costs are estimated to be between $48,000 and $64,000 for the development work, in which the vendor would provide developers, business analyst and testing services.

- OAC Term-Limited FTE-related (Project Manager II):
  - 1) Personal Services;
  - 2) Central Appropriations (Health/Life/Dental, Short-term Disability, Paid Family Medical Leave Insurance, and Unfunded Liability AED;
  - 3) One-Time Operating for the Project Manager II; and
  - 4) Ongoing Operating for a Project Manager II.

- Hourly OIT project manager:

  ($136/hr) should be expected to participate no less than 15 hours per month for an estimated period of six months for a total of $12,240.

Hourly Rate	Hours per Month	Months	FY 2025-26	FY 2026-27
$136	15	6	$12,240	$0

- Software Acquisition:
  - COTS Purchase
  - 2.6% inflation

- Additional system-specific operating:
  - Server;
  - Storage;
  - Licensing/Subscriptions, Support, Misc.;
  - Maintenance, Security; and
  - IT Assistance for Business Continuity & Access.

- IT Annual Depreciation Lease Equivalent (ADLE) payment: calculated based on straight-line depreciation over 10 years, scheduled to begin after completion of the project. (10% x $3,375,426 IT Capital Request = $337,543).

Category	Description	FY 2025-26	FY 2026-27	FY 2027-28	Request Total
Professional Services	OIT-Contract Prof. Services (Vendor)	$64,000			$64,000
Professional Services	2.6% inflation	$1,664			$1,664
Professional Services	Hourly OIT, Project Manager ($136/hr x 15 hr/mo x 6 mo)	$12,240			$12,240
Professional Services	Term-Limited OAC FTE Salary & Related - Project Manager II	$99,711	$108,382	$108,382	$316,475
Professional Services	subtotal	**$177,615**	**$108,382**	**$108,382**	**$394,379**
Term-Limited FTE Centrally Associated (POTS)	*Health, Life, and Dental*	$11,426	$13,414	$13,414	$38,254
Term-Limited FTE Centrally Associated (POTS)	*Short-term Disability*	$132	$153	$153	$438
Term-Limited FTE Centrally Associated (POTS)	*Paid Family Medical Leave Insurance*	$397	$431	$431	$1,259
Term-Limited FTE Centrally Associated (POTS)	*Unfunded Liability AED*	$8,819	$9,586	$9,586	$27,991
Term-Limited FTE Centrally Associated (POTS)	subtotal	**$20,774**	**$23,584**	**$23,584**	**$67,942**
Software Acquisition	Software COTS Purchase	$1,924,000			$1,924,000
Software Acquisition	2.6% inflation	$50,024			$50,024
Software Acquisition	subtotal	**$1,974,024**	**$0**	**$0**	**$1,974,024**
Equipment	Server	$12,000			$12,000
Equipment	Storage	$2,400	$2,400	$2,400	$7,200
Equipment	Licensing/subscriptions, support, other misc.	$236,000	$236,000	$236,000	$708,000
Equipment	Maintenance, Security	$8,000	$8,000	$8,000	$24,000
Equipment	IT Assistance for Business Continuity & Access	$6,000	$6,000	$6,000	$18,000
Equipment	*Operating (one-time) - Desk/Cubicle Furnishings*	*$7,000*			$7,000
Equipment	*Operating (ongoing) - Standard Allowable for FTE*	*$676*	*$735*	*$735*	*$2,146*

Consequences if not Funded –

If this request is not approved, OAC will need to shift its document storage to another solution. OIT is no longer supporting the current solution and it will become a security risk. The OAC will continue to spend on fixing and upgrading the current system, but it will never have the modern functionality expected of a court management system. Further, the current system is not fully compliant with the ADA. Based on data from a vendor specializing in compliance management, the costs of addressing a web-based e-filing system may include one-time costs $18,900 to $29,250 for auditing and remediation and ongoing costs approaching $1,000 per month (if continued support was needed).

There are no advantages to delaying the project, as the existing inefficiencies are only exacerbated by caseload growth. The longer the State waits to replace the system, the more exposure there will be to security risks.

Within the current outdated, unsupported system, customers will continue to use the electronic filing interface to type data into fields that do not resemble the actual forms. This necessitates the use of an intermediary software platform (Conga) to generate the form/pleading. End users of the current e-filing system who are unable to receive system confirmation of receipt will continue to have to email and call OAC and even re-file in some cases by alternate methods. Many will continue to be unsuccessful in finding their files in the system. The current system will remain unable to time and date stamp and end users will be unable to serve their filings to the opposing party through the e-filing system.

The OAC will have to pay for additional storage with Salesforce and it will continue to grow and become more expensive. If not funded, the end users will continue to not have access to the form/pleading that is only created when it is delivered by OAC. Furthermore, OAC will continue to have to free up storage through the transfer of many documents to a Google Drive, which is not a long-term solution.

Internal users of the current system will still spend unnecessary time and effort on manual data entry which is duplicative and leads to errors. They will continue to field emails and phone calls to confirm receipt of forms and arrange other methods of submission when receipt fails. Because the current e-filing system is not set up to accept workers' compensation filings (constituting more than half of cases), OAC will be forced to continue to accept filings by email which is highly inefficient. The Department of Human Services will continue to use OAC's unsupported, at-risk Salesforce platform for food assistance cases.

Implementation Plan
Change Management –

The OAC will require vendors to provide detailed change management plans as part of the RFP process. Based on preliminary information obtained through the RFI process, a change management plan will include the following:

- A communication plan with key internal stakeholders;

- User (both internal and external) experience testing, system integration; performance, and data migration prior to launch;
- Training, including creation of documentation, for all staff on new business processes and the system prior to launch;
- Specialized training by the vendor for the Project Manager on systems administration; and
- System training for external stakeholders, including office hours.

Alignment with OIT Best Practices and Standards –

Any vendor considered for this contract will be required to comply with all of OIT's security and accessibility standards.

Procurement -

The OIT will be involved in the planning process once the procurement process commences after funding has been obtained.

Disaster Recovery and Business Continuity –

This project would be implemented while the current court management system is operational. The current system would not be replaced until the new system is fully operational and ready to sustain business operations both internally and externally. The Department intends for the solution to be a cloud-based system.

Accessibility Compliance (Must be addressed) –

Through the solicitation process, OAC will select a vendor that will ensure compliance with all accessibility standards.

Impact to IT Common Policy (For Statewide OIT Projects Only) –

This request is not expected to have an impact on the OIT Common Policy. However, OAC is funded through the Administrative Law Judge common policy as indicated in the Long Bill. The amount requested for this capital construction request and the corresponding decision item would be forwarded on to the client agencies through the cost allocation method.

Additional Information

Additional Request Information

Please indicate if three-year roll forward spending authority is required.	Yes
Is this a continuation of a project appropriated in a prior year?	No
If this is a continuation project, what is the State Controller Project Number?	N/A
If this request affects another organization, please provide a comfort letter.	The three departments most affected by this request are supportive. ● Department of Labor and Employment/Division of Workers' Compensation; ● Department of Human Services; ● Department of Healthcare Policy and Financing
Please attach a letter from OIT indicating review and approval of this project	Attached

Department	FY 2023-24 Utilization Percentage	FY 2024-25 Appropriations	FY 2025-26 Common Policy ALJ Request	FY 2025-26 Capital IT: Court Management System
Department of Agriculture	0.09%	$704	$7,370	$3,194
Department of Corrections	0.00%	$0	$0	$0
Department of Early Childhood	0.02%	$20,366	$1,920	$832
Department of Education	2.20%	$209,603	$171,027	$74,116
Office of the Governor	0.00%	$0	$0	$0
Office of the Governor - Information Technology	0.00%	$0	$0	$0
Department of Health Care Policy & Finance *	20.54%	$822,526	$1,600,036	$693,389
Department of Higher Education	0.00%	$574	$0	$0
Department of Human Services	14.37%	$834,562	$1,118,957	$484,909
Judicial	0.00%	$0	$0	$0
Department of Labor and Employment	56.10%	$4,472,982	$4,369,675	$1,893,635
Department of Law	0.00%	$517	$293	$127
Legislature	0.00%	$0	$0	$0
Department of Local Affairs	0.06%	$9,580	$4,601	$1,994
Department of Military Affairs	0.00%	$0	$0	$0
Department of Natural Resources	0.00%	$0	$0	$0

Department	FY 2023-24 Utilization Percentage	FY 2024-25 Appropriations	FY 2025-26 Common Policy ALJ Request	FY 2025-26 Capital IT: Court Management System
Department of Personnel and Administration	0.00%	$0	$0	$0
Department of Public Health & Environment	0.25%	$115,007	$19,268	$8,350
Department of Public Safety	0.00%	$517	$0	$0
Department of Regulatory Agencies	6.10%	$372,715	$474,793	$205,755
Department of Revenue	0.10%	$1,565	$7,737	$3,353
Department of State	0.09%	$48,950	$7,194	$3,118
Department of Transportation	0.08%	$38,433	$6,125	$2,654
Department of Treasury	0.00%	$0	$0	$0
TOTAL	100.00%	$6,948,601	$7,788,996	$3,375,426

* Does not include State Temp ALJ hours for PHE Unwind Surge; appropriated outside of Common Policy.

Estimated Project Time Table

Steps to be completed	Start Date	Completion Date
Hire OAC Project Manager II FTE	7/1/2025	8/1/2025
Contracting	8/2/2025	9/30/2025
Requirements and architecture design	10/1/2025	10/31/2025
Development of sprint plan ● User (both internal and external) experience testing, system integration, performance, and data migration prior to launch. ● Training, including creation of documentation, for all staff on new business processes and the system prior to launch.	11/1/2025	4/30/2026
Specialized training by the vendor for the Project Manager on systems administration.	5/1/2026	5/14/2026
System training for external stakeholders.	5/15/2026	5/30/2026
Go live (Authority to Operating / ATO)	6/1/2026	

Cash Fund Projections (Details)

Cash Fund name and number:	Administrative Hearings Fund - 6110
Statutory reference to Cash Fund:	24-30-1002, C.R.S.
Describe how revenue accrues to the fund:	Revenues are generated from state agencies and schools that use Administrative Law Judge services. Billings are calculated annually, based on a common policy methodology that determines the total allocable base for the OAC in the current year divided by the total hours rates from two fiscal years prior (the most recent fiscal year with complete data)

	and then multiplied by the percent utilization for each state agency.
Describe any changes in revenue collections that will be necessary to fund this project:	An overall addition of $3,375,426 from the IT capital request will be added to the total allocable base of projected expenses for the OAC, to be factored into common policy billings for FY 2025-26. ADLE payments will be factored into the billings in the year that they begin.

Cash Fund Projections (Funding)

FY 2023-24 Actual Ending Fund Balance	FY 2024-25 Projected Ending Fund Balance	FY 2025-26 Projected Ending Fund Balance with Project Approval	FY 2026-27 Projected Ending Fund Balance with Project Approval
$1,129,022	$542,949	$821,422	$570,796

July 25, 2024

Mark Ferrandino
Director
Office of State Planning and Budgeting
111 State Capitol
Denver, Colorado 80203

RE: FY 2025-26 Dept. of Personnel and Administration IT Capital OAC Court Management System

Dear Director Ferrandino:

Pursuant to OSPB instructions, this letter is to confirm that the Office of Information Technology (OIT) has been informed of the development and submission of this proposed FY 2025-26 request for the Department of Personnel and Administration requests $3,375,426 in reappropriated funding for a new case management system and supporting term-limited FTE and operating costs for the duration of the 3-year appropriation, replacing an existing system.

OIT has completed an internal review to ensure the project aligns with statewide IT goals and determined that OIT has the capacity to deliver and meet the requirements of the project.

Please note: OIT and DPA are in agreement that a security review will be completed as part of the project itself, when applicable. Also, any OIT specific work should be reappropriated to OIT through the payments of OIT line, where applicable.

Sincerely,

Rus Pascual, OIT Budget Director

Rus Pascual

Rita DeFrange

Rita DeFrange, OIT IT Director for DPA

FY 2025-26 Cash Funded IT Capital Requests, Recommended for Funding, in OSPB Prioritized Order

Agency/ Ranking	Project Name	TF	CCF/GF	CF	RF	FF
DOR - 01	MED Seed to Sale	$3,080,000	$0	$3,080,000	$0	$0
CDLE - 01	Colorado Division of Workers' Compensation (CoCo) Database Replacement System	$12,140,213	$0	$12,140,213	$0	$0
CDE - 01	BEST Assessment IT System	$1,400,000	$0	$1,400,000	$0	$0
CDEC - 01	Colorado Child Care Assistance Program	$1,781,556	$0	$194,190	$0	$1,587,366
DPA - 03	Statewide Procurement System	$1,420,957	$0	$1,420,957	$0	$0
DNR - 01	Modernizing the Colorado Oil and Gas Information System	$2,000,535	$0	$2,000,535	$0	$0
DPS - 01*	Colorado Games Database	$1,600,000	$0	$1,600,000	$0	$0
All Cash Funded Projects	Total FY 2025-26 Cash Funded IT Capital Projects prioritized by OSPB	$23,423,261	$0	$21,835,895	$0	$1,587,366

*This request represents a placeholder for a January 2nd budget submission

CC-IT: CAPITAL CONSTRUCTION INFORMATION TECHNOLOGY REQUEST FOR FY 2025-26

Department	**Colorado Department of Revenue**	Signature Department Approval: *Jason Grothaus* 1-Aug-24
Project Title	MED Seed to Sale Tracking SW	Signature OIT Approval: *Matthew St. John* 5-Aug-24
Project Year(s):	FY 2025-26	Signature OSPB Approval: Date
Department Priority Number	1	
Five-Year Roadmap?	Yes	Name and e-mail address of preparer:

Revision? Yes x No If yes, last submission date: _____	Total Project Costs	Total Prior Year Appropriations	Request Year (FY 2025-26) Request	Year 2 Request	Year 3 Request	Year 4 Request	Year 5 Request
A. *Contract Professional Services*							
(1) OIT Contracted Program Manager	$ -	$ -	$ -	$ -	$ -	$ -	$ -
(2) Quality Assurance	$ -	$ -	$ -	$ -	$ -	$ -	$ -
(3) Independent Verification and Validation	$ -	$ -	$ -	$ -	$ -	$ -	$ -
(4) Training	$ 2,000,000	$ 495,000	$ 1,505,000	$ -	$ -	$ -	$ -
(5) Leased Space (Temporary)	$ -	$ -	$ -	$ -	$ -	$ -	$ -
(6) Feasibility Study	$ -	$ -	$ -	$ -	$ -	$ -	$ -
(7a) Inflation for Professional Services	$ -	$ -	$ -	$ -	$ -	$ -	$ -
(7b) Inflation Percentage Applied		0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
(8) Other Services/Costs	$ 75,000	$ 75,000	$ -	$ -	$ -	$ -	$ -
(9) *Total Professional Services*	$ 2,075,000	$ 570,000	$ 1,505,000	$ -	$ -	$ -	$ -
B. *Software Acquisition*							
(1) Software COTS Purchase	$ 1,000,000	$ -	$ 1,000,000	$ -	$ -	$ -	$ -
(2) Software Built	$ 925,000	$ 350,000	$ 575,000	$ -	$ -	$ -	$ -
(3a) Inflation on Software	$ -	$ -	$ -	$ -	$ -	$ -	$ -
(3b) Inflation Percentage Applied		0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
(4) *Total Software*	$ 1,925,000	$ 350,000	$ 1,575,000	$ -	$ -	$ -	$ -
C. *Equipment*							
(1) Servers	$ 50,000	$ 50,000	$ -	$ -	$ -	$ -	$ -
(2) PCs, Laptops, Terminals, PDAs	$ -	$ -	$ -	$ -	$ -	$ -	$ -
(3) Printers, Scanners, Peripherals	$ -	$ -	$ -	$ -	$ -	$ -	$ -
(4) Network Equipment/Cabling	$ 30,000	$ 30,000	$ -	$ -	$ -	$ -	$ -
(5) *Miscellaneous*	$ -	$ -	$ -	$ -	$ -	$ -	$ -
(6) *Total Equipment and Miscellaneous*	$ 80,000	$ 80,000	$ -	$ -	$ -	$ -	$ -
D. *Project Contingency*							
(1) 5% project contingency	$ 194,300	$ -	$ 194,300	$ -	$ -	$ -	$ -
(2) IT ADLE Payment	$ -	$ -		$ -	$ -	$ -	$ -
E. *Total Request*							
Total Budget Request [A+B+C+D]	$ 4,080,000	$ 1,000,000	$ 3,080,000	$ -	$ -	$ -	$ -
F. *Source of Funds*							
GF	$ -	$ -	$ -	$ -	$ -	$ -	$ -
CF/RF	$ 4,080,000	$ 1,000,000	$ 3,080,000	$ -	$ -	$ -	$ -
FF	$ -	$ -	$ -	$ -	$ -	$ -	$ -
check (should = E)	$4,080,000	$1,000,000	$3,080,000	$0	$0	$0	$0

FY 2025-26 - DOR MED Seed to Sale: IT-CC-01

Request Year	Total Funds	CCF-IT	Cash Funds	Reappropriated Funds	Federal Funds
FY 2025-26	$3,080,000	$0	$3,080,000	$0	$0
FY 2026-27	$0	$0	$0	$0	$0
FY 2027-28	$0	$0	$0	$0	$0

Categories of IT Capital Projects

Category	Rationale	Applicable
System Replacement	Costs escalating, failing technology, software or vendor support ended, or new technology, e.g., DRIVES, CHATS	No
System Enhancement Regulatory Compliance	(new functionality, improved process or functionality, new demand from citizens, regulatory compliance, e.g, CBMS	Yes
Tangible Savings Process Improvement	conscious effort to reduce or avoid costs, improve efficiency, e.g., LEAN, back office automation	No
Citizen Demand	"The Ways Things Are" (transformative nature of technology, meet the citizens where they are, e.g., pay online, mobile access)	No

Request Summary:

The Department of Revenue (DOR) requests $3M from the Marijuana Tax Cash Fund to continue funding for the seed-to-sale inventory tracking system project that was approved for its first phase in FY 2024-25. The funds will be used by the Marijuana Enforcement Division (MED) to maintain regulatory compliance with procurement rules and guidelines as well as meet statutory requirements for the regulation of the marijuana industry. The total amount requested for implementing an inventory tracking system was $4,080,000. While the Joint Technology Committee (JTC) agreed with and prioritized this system replacement, the requested amount of funding was split into two separate appropriation amounts. For FY 2024-25, $1,000,000 was recommended by JTC and approved by the Joint Budget Committee, and

DOR is now requesting the continuation of the remaining $3,080,000 to fully fund the system replacement.

The schedule for this project is anticipated to begin with a solicitation in October 2024, if funding is secured. Implementation would occur through calendar year 2025, with an intended go-live date by October 2026. The project schedule will include solicitation, contract, analysis and software requirements, design, development and testing preparation, training, communication and documentation, and cutover.

The stakeholders for this project include:
- The Department of Revenue, Marijuana Enforcement Division, and Taxation Division.
- All marijuana licensees in the State, as licensees are required to access and enter information into the state-mandated inventory tracking system on a daily basis.
- Third-party software companies that offer programs and platforms that assist marijuana licensees with inventory tracking responsibilities and other critical operational processes and connect with the state-mandated inventory tracking system through file uploads and through an Application Programming Interface (API).
- Local jurisdictions that request information collected in the inventory tracking system to support their local regulation of marijuana.

Project Description:

Pursuant to Colorado Revised Statute 44-10-202 (1)(a), "*The state licensing authority shall… Develop and maintain a seed-to-sale tracking system that tracks regulated marijuana from either the seed or immature plant stage until the regulated marijuana or regulated marijuana product is sold to a patient at a medical marijuana store or to a customer at a retail marijuana store or a retail marijuana hospitality and sales business to ensure that no regulated marijuana grown or processed by a medical marijuana business or retail marijuana business is sold or otherwise transferred except by a medical or retail marijuana store or a retail marijuana hospitality and sales business;…*".

The inventory tracking system is a critical component to the successful regulation of the commercial marijuana industry. Regulators use the system to monitor compliance with state law and regulations, assist in preventing the diversion of regulated marijuana to other jurisdictions, mitigate opportunities for youth access, and assist with the recall of regulated marijuana that leads to potential consumer safety issues. Licensees use the system to track marijuana from seed to sale, including documenting the transfer of regulated marijuana from business to business, and from business to consumer. In addition, it tracks the testing of regulated marijuana as entered by licensed testing facilities contributing to consumer safety efforts.

The current contract for the inventory tracking system will expire in October 2026. Procurement rules require the Division to pursue a competitive solicitation process in order to select a vendor to provide inventory tracking system services after October 2026. The MED has also recently undergone a performance audit with the Office of the State Auditor during which the procurement process and the existing sole source were questioned.

The ideal system will be able to integrate with dependent software systems used by the Division, such as the licensing database, case management system, and the data lake hosted in the Google Cloud platform. In addition, the system must be compatible with systems used by marijuana licensees, such as point-of-sale systems and additional softwares provided by third-party vendors that support the operations of marijuana businesses.

- **Risk -** A system must be in place by November 1, 2026. Not having an operational system would introduce significant challenges to the regulation of marijuana, resulting in potential public and consumer safety concerns.

- **Constraint** - Currently the Division does not have sufficient funds to cover the costs of acquiring a new inventory tracking system. Without securing funding, costs for an inventory tracking system would be passed on to licensees through significantly higher fees at a time when market conditions make additional costs to licensees extremely challenging.

The MED is responsible for the regulation and enforcement of the commercial medical and retail marijuana industry. The MED's mission is to "*Promote public safety and reduce public harm by regulating the Colorado commercial marijuana industry through consistent administration of laws and regulations and strategic integration of process management, functional expertise, and innovative problem-solving*". An inventory tracking system is critical to this mission.

Colorado Revised Statute 44-10-202 (1)(a) states the MED shall develop and maintain a seed-to-sale tracking system. Under this authority, the MED currently tracks the cultivation of marijuana plants, processing and packaging of marijuana plant products, manufacture of marijuana infused products and concentrates, the testing of marijuana, and the transfer and sale of marijuana between licensed businesses and to patients and consumers.

In addition, the inventory tracking system tracks employees of the licensed businesses and the patients associated with the medical licenses. There are approximately 1,000 store licenses, where patients and consumers can purchase marijuana, plus approximately 430 product manufacturers licenses, 860 licensed cultivation facilities, 7 testing facility licenses, 50 transporter licenses, and 12 hospitality licenses across Colorado. There are approximately 31,000 occupational licensees qualified to work in the industry and there are about 64,000 medical marijuana patients registered in Colorado. All marijuana-related activities conducted

by these business licenses, are all employees working in these businesses, and all patient purchases are tracked in the State's inventory tracking system. A seamless transition to implement an inventory tracking system when this contract expires is critical to ensure the operations of these businesses and the availability of marijuana remains for the citizens of Colorado.

This request has been identified as the best solution to address the issue at hand based on a thorough analysis of:

- Constitutional and statutory requirements related to the regulation of commercial marijuana, specifically focused on requirements for state-mandated inventory tracking systems.
- The Marijuana Cash Fund, which funds the Marijuana Enforcement Division, and its obligation to meet constitutional and statutory requirements. This included a significant analysis of division fees, budget, expenses, potential cost reductions, and resource deployment.
- Market research from across the country for inventory tracking systems implemented by other states regulating the commercial marijuana industry.

The current system has been in place since January 1, 2014, and has been specifically developed, designed, and implemented to meet the regulatory requirements for the commercial marijuana industry in Colorado. There was no previous system in place or IT system designed to meet these requirements. A third-party system developed, hosted, and maintained by a vendor has been the only solution utilized by the state to this point in time.

Cost-Benefit Analysis and Project Alternatives (per HB15-1266)

1) Competitively solicit for a seed-to-sale system. The estimated cost of soliciting and implementing a system is approximately $4.1 million with $600,000 of annual maintenance.

   Benefits include fostering effective broad-based competition within the free enterprise system, selecting the system that is most advantageous to the State within the current marketplace, and compliance with Procurement Code and Rule.

2) A Special Circumstance Procurement would be needed if this funding is not approved. The estimated cost of a special circumstance procurement to extend the existing system is approximately $107,000 annually. This would be the option available to maintain compliance with Procurement Code and Rule. This would be only a short-term solution (1 - 2 years) until funding was available to competitively solicit.

3) Previous market research shows that the Marijuana Enforcement Division does not have sufficient funds in current cash reserves to secure a new system. If the funding request is not approved, MED will not be able to consider other platforms due to a lack of available funds. The alternative in this case would be to increase fees to licensees significantly in order to afford the cost of implementation.

The U.S. legal cannabis sales totaled $29.5 billion in 2023. Sales are expected to grow to $32.4 billion in 2024 and reach $46 billion in 2028. Colorado is an industry leader and is looked to as one of the most mature markets in the nation.

Seed-to-sale solutions span multiple software commodity categories depending on the state's regulations and compliance structures. The scope of seed-to-sale solutions ranges by state but may include:
- Compliance and Enforcement
- Inventory Management and Tracking
- Licensing
- Hosting
- User Support

The supply of vendors who can meet seed-to-sale solution requirements is slowly increasing but there is still little competition with vendors who are able to track inventory by RFID and barcodes. Demand is growing as more states legalize medicinal or recreational use of cannabis and due to overall consumption trends rising across the country.

The Oregon Liquor and Cannabis Commission issued a report in 2021 that highlights the pricing structure and costs around RFID tagging for various states, as shown below.

Table 1: Tagging and Tagging Costs

State	Plant Tags	Harvest lot tags	Package tags	Tagging approach	Who pays for tags?
CA	X ($0.38/plant)	N/A	X ($0.27/package)	RFID	State
CO	X ($0.43/plant)	N/A	X ($0.25/package)	RFID	Licensees
IL	X (tags do not have to be purchased)	X (tags do not have to be purchased)	X (tags do not have to be purchased)	RFID *or* an electronic tag	Tags do not have to be purchased
ME	X ($0.45/plant)	N/A	X ($0.25/package)	RFID	Licensees
MA	X ($0.45/plant)	N/A	X ($0.25/package)	RFID	Licensees
MI	X ($0.45/plant)	N/A	X ($0.25/package)	RFID	Licensees
NV	X	N/A	X	RFID	Licensees

State	Plant Tags	Harvest lot tags	Package tags	Tagging approach	Who pays for tags?
	($0.45/plant)		($0.25/package)		
OR	X ($0.45/plant)	N/A	X ($0.25/package)	RFID	Licensees
WA	X (cost is for printing/paper only)	X (cost is for printing/paper only)	X (cost is for printing/paper only)	Self-printed tags; Written tags	Tags do not have to be purchased (cost is only for printing/paper)

Table 2: Details on plant tagging and tracking

State	How do rules distinguish plant growth cycles (if at all)?	Do you distinguish between seedlings and immature plants?	Do you have different tracking requirements for seedlings?	At what point do plants need to be individually tracked?	If you distinguish between immature and mature plants, what is the cut point you use for tagging purposes?
CA	Rules distinguish only between immature and mature plants.	No	No	Plants are tracked initially in batches and then must be tracked individually **once they are in the designated canopy where they will flower, or when the pistil is ½" or greater.**	Mature plant for tagging: A plant in the designated canopy where it will flower, or with a pistil of ½" or greater.
CO	Rules distinguish between immature, vegetative, and flowering plants.	No, not for tagging purposes	Yes They are tracked as immature plants in batches vs. being tagged individually	Plants are tracked in batches and then tracked individually **after reaching a height or width of 8".**	Mature plant for tagging: greater than or equal to 8" in height or width
IL	Rules distinguish only between immature and mature plants.	No	No	Plants are tracked in batches and then tracked individually **after reaching a height of 6".**	Mature plant for tagging: greater than or equal to 8" in height or width
ME	Rules distinguish between seedlings, immature plants, and mature plants.	Yes	Yes Can track in seedling "batch" - no tags	Plants are tracked initially in batches, and then must be tracked individually **after reaching 24" in height or width, or flowering.**	Mature plant for tagging: greater than or equal to 24" in height or width and flowering, or any flowering plant (of any size)
MA	Rules distinguish only between immature and mature plants.	No Seeds are no more than 50 seeds/package.	Yes Clones/immature plant batches are in groups of no more than 100. Seeds are no more than 50 seeds/package.	Plants are tracked in batches and then tracked individually **after reaching a height of 8".**	Mature plant for tagging: Flowering stage, 8"
MI	Rules distinguish between immature, vegetative and flowering plants.	No, not for tagging purposes.	Yes They are tracked as immature plants in batches vs. being tagged individually	Plants are tracked in batches and then tracked individually **after reaching a height or width of 8"**	Mature plant for tagging: greater than or equal to 8" in height or width
NV	Rules distinguish between seedlings, immature plants, and mature plants (flowering).	Yes Based on rooting of the plant	No	Plants are tracked in batches and then individually **after reaching a height of 8"**	Mature plant for tagging: greater than or equal to 8" in height, or flowering
OR	Rules distinguish between immature and mature in terms of growth stage. Because tagging is required at 24", "vegetative" is used in Track and Trace System to distinguish immature	No	Yes Seedlings are allowed to be tracked in batches of 100.	Plants are tracked in batches and then individually **after they reach a height of 24" or flower (whichever is first).**	Mature plants are defined as "flowering". "Flowering" means a marijuana plant that has formed a mass of pistils measuring greater than two centimeters wide at its widest point.

State	How do rules distinguish plant growth cycles (if at all)?	Do you distinguish between seedlings and immature plants?	Do you have different tracking requirements for seedlings?	At what point do plants need to be individually tracked?	If you distinguish between immature and mature plants, what is the cut point you use for tagging purposes?
	(<24") from mature plants (≥24")				
WA	Rules distinguish between immature and mature plants. Immature plant or clone means a marijuana plant or clone that has no flowers, is less than 12" in height and diameter.	No	No Seedlings are not defined separately or tracked in the system.	Plants always need to be tracked individually, starting at the point of propagation. Plants must be individually tagged **after reaching a height of 8 inches.**	The distinguishing factor is height and viability based on the definition of immature plants. The system does not force a workflow related to demarcation of when an immature plant becomes a mature plant. However, as the plant moves through the traceability record, there are points in which the ID number changes as part of the workflow from immature plant through to harvest.

Some states using vendors who do not have any RFID patents are using bar codes instead of RFID tags to avoid patent infringement. However, Colorado requires RFID technology to be used.

Costs are increasing for seed-to-sale software as most states legalize cannabis and there are newer vendors entering the market. While the primary solutions proposed to states have focused on the seed-to-sale lifecycle over the past decade, there is now more focus on the seed-to-bank lifecycle as financial requirements are slightly loosening at a federal level and on the point of sale and enterprise resource planning (ERP) lifecycles.

Due to the diversity in how state agencies have addressed cannabis compliance and tracking, there are significant variations in pricing models, overall costs and scope of the solicitations and contracts states are using for seed-to-sale solutions.

Some states structure their seed-to-sale solutions to include inventory tracking, licensing and compliance under one vendor (e.g. Louisiana) while others separate licensing and inventory tracking under multiple solutions (e.g. Colorado).

Oregon is one of the states with the most comparable sales and volume for marijuana in Colorado for the 2022 calendar year, as shown in the table below:

State	Marijuana Plants Harvested	Annual Sales
Colorado	14 Million	$1.8 Billion
Oregon	9.6 Million	$994 Million

Oregon state entered a contract with a seed-to-sale vendor for inventory tracking, licensing and hosting at a total cost of $10 million over a 5 year term. This contract also includes liquor licensing so the $10 million cost is not entirely for marijuana compliance.

New York state issued a competitive solicitation for a seed-to-sale solution and three vendors submitted bids ranging from $2.1 million to $10.9 million. They awarded to the vendor who bid $2.1 million for a seven year term with $1.3 million of that allotted solely for implementation services.

Competition in the Market
There is an oligopoly in the seed-to-sale software market where a few vendors control the vast majority of the market. While there are emerging vendors in the space, most vendors have focused on a niche or novel aspect of the market (seed-to-bank, point of sale, ERP solutions, etc.) while offering integrations with the dominant market vendors.

Conclusion
With more states legalizing the use of cannabis and due to the consumption trends rising across the country, this is a software market that is expected to continue growing. The variations in how state agencies structure their tracking and compliance requirements also adds a layer of complexity to how these software vendors bid on these opportunities. Additionally, the technology used for tracking this inventory is still evolving which in the future should allow for more competition within the vendor landscape. Consequently, there is adequate competition in the marketplace to merit a competitive solicitation by the state for a seed-to-sale solution.

Success Criteria and Improved Performance Outcomes
Regulation doesn't exist at the federal level officially and the MED is responsible for the proper tracking and regulation of all marijuana products. The top success criterion is the tracking of all marijuana plants, products and byproducts sold by legal means statewide through a software solution. That includes the tagging technology (barcode or RFID), the system's ability to manage and maintain those records, user support and ensuring that data's accuracy and availability to both regulators and licensees.

Assumptions for Calculations –

The total amount requested for implementing an inventory tracking system is $4.1 million (including contingency), which consists of $2.1 million for the system with an additional $2.0 million for an estimated 10,000 hours of system specialists and training resources over the two-year timeline to provide the primary line of support for transition and training for the new system. In addition, there is an annual cost of $600,000, which is $500,000 more than the current licensing system's annual cost.

Consequences If Not Funded
If this request is not approved, DOR would need to request approval of a Special Circumstance Procurement (C.R.S. 24-103-208, R-24-103-208-04) from the Chief Procurement Official to allow for an extension of the current contract based on lack of available funds to competitively solicit the contract. If approved, this would allow for continued operation of the existing system until funding is available to issue a competitive solicitation, award, execute a contract, and implement the awarded solution.

If the request for funding and the extension of the current contract are both not approved, the Division would be at risk of falling out of compliance with statutory requirements for maintaining a seed-to-sale tracking system. If that were the case, there would be a significant risk to public safety, consumer safety, and product safety based on the lack of tracking marijuana activity and processes, the loss of the ability to monitor compliance with regulations, an inability to effectively and efficiently conduct recalls of potentially hazardous regulated marijuana, and a lack of oversight to the transactions of regulated marijuana increasing the risk of diversion to other jurisdictions and sale of regulated marijuana to youth.

Implementation Plan

When a solicitation results in a new Seed to Sale inventory tracking platform this will result in a major implementation with the selected vendor partner. The MED expects the vendor partner will bring a series of best practices to inform the implementation plan that is based upon their experience from prior platform implementations. The two largest areas of complexity will be related to the data migration from the existing platform and the training effort to support the diverse user community. The MED has approximately 1,000 store licenses, where patients and consumers can purchase marijuana plus approximately 430 product manufacturers licenses, 860 licensed cultivation facilities, 7 testing facility licenses, 50 transporter licenses, and 12 hospitality licenses across Colorado. There are approximately 31,000 occupational licensees qualified to work in the industry and there are about 64,000 medical marijuana patients registered in Colorado. All marijuana-related activities conducted by these business licenses, all employees working in these businesses, and all patient purchases are tracked in the state's inventory tracking system. A seamless transition to implement a new inventory tracking system is critical to ensure the operations of these businesses and the availability of marijuana remains for the citizens of Colorado.

- With a new seed to sale inventory tracking platform the DOR knows there will be impacts to the user experience using the software and likely process impacts to maximize the strengths of a new platform so the DOR expects the change to this very large user community to be significant.

- o Training may include: (1) business process training due to changes as a result of the technology; (2) system navigation training; and (3) technical training for resources supporting the system.

- o Training media might include instructor-led classes, webinars, on-demand computer-based training, or online help.

Alignment with OIT Best Practices and Standards
The DOR will engage OIT for review/approval of the solicitation to ensure the statement of work has appropriate OIT standards for network access, system security, and architecture compliance is maintained with a new vendor.

Procurement
If funding is approved, DOR would engage OIT for review/approval of the solicitation and draft statement of work. The OIT's role and responsibilities in the procurement process would be determined at that time. At a minimum, OIT would provide review and approval to solicit and would review/approve the contract resulting from the solicitation prior to execution.

Disaster Recovery and Business Continuity
Our Seed to Sale Inventory Management system has an extremely low tolerance for data loss which means the recovery point objective will ideally be within minutes to ensure minimal data loss. In addition, due to the operational reliance the user community has on the system the recovery time objective also needs to be very low. This ensures time required to have access restored to the system is as quickly as possible.

The new platform will inform a runbook for the user community to help define options they have available when the system isn't available. The goal is to extend continuity of operations for as long as possible in the case of a catastrophic failure of the system.

Accessibility Compliance
As part of the procurement process, DOR will ensure the vendor and platform meet the statutory requirements regarding IT Accessibility from HB21-1110 and SB23-244. Per Section 24-85-103, C.R.S., OIT is statutorily obligated to set and maintain rules for accessibility standards for IT systems statewide.

Additional Information

Additional Request Information

Please indicate if three-year roll forward spending authority is required.	**Yes**
Is this a continuation of a project appropriated in a prior year?	Yes
If this is a continuation project, what is the State Controller Project Number?	2025-029I24
If this request affects another organization, please provide a comfort letter.	N/A
Please attach a letter from OIT indicating review and approval of this project	Attached

Appropriation Continuation History

Funding Source	FY 2024-25 Appropriated	FY 2025-26 Requested	FY 2026-27 Appropriated	Total Appropriations
Total Funds	$1,000,000	$3,080,000	$0	**$4,080,000**
Capital Construction Funds	$1,000,000	$3,080,000	$0	**$4,080,000**
Cash Funds	$0	$0	$0	$0
Reappropriated Funds	$0	$0	$0	$0
Federal Funds	$0	$0	$0	$0

Available Funds Continuation History

Funding Overview	FY 2024-25	FY 2025-26	FY 2026-27	Total
Amount Spent	$0	$0	$0	$0
Amount Encumbered	$0	$0	$0	$0
Total Funds Available	$1,000,000	$0	$0	$1,000,000

Estimated Project Time Table

Steps to be completed	Start Date	Completion Date
Estimate of Solicitation Timeline	October 2024	March 2025
Estimate of New Contract Execution Timeline	April 2025	June 2025
Estimate of Implementation Timeline	July 2025	October 2026
Expiration of Current Contract	10/31/2026	**TBD**

August 1, 2024

Mark Ferrandino
Director
Office of State Planning and Budgeting
111 State Capitol
Denver, Colorado 80203

RE: FY 2025-26 Department of Revenue - ITCC-01 SBG Seed to Sale Tracking

Dear Director Ferrandino:

Pursuant to OSPB instructions, this letter is to confirm that the Office of Information Technology (OIT) has been informed of the development and submission of this proposed FY 2025-26 request for the Department of Revenue - ITCC-01 SBG Seed to Sale inventory tracking system that was approved in FY 2024-25 for the Marijuana Enforcement Division (MED) to maintain regulatory compliance with procurement rules and guidelines as well as meet statutory requirements for the regulation of the marijuana industry. This requests the continuation of the remaining $3,080,000 (in Cash Funds) to fully fund the system replacement.

OIT has completed an internal review to ensure the project aligns with statewide IT goals and determined that OIT has the capacity to deliver and meet the requirements of the project.

Please note: OIT and the Department of Revenue are in agreement that a security review will be completed as part of the project itself, when applicable. Also, any OIT specific work should be reappropriated to OIT through the payments of OIT line, where applicable.

Sincerely,

Rus Pascual

Rus Pascual, OIT Budget Director

Matthew St John

Matthew St. John, OIT IT Director for DOR

CC-IT: CAPITAL CONSTRUCTION INFORMATION TECHNOLOGY REQUEST FOR FY 2025-26

Department	**Labor and Employment**	Signature Department Approval: *Christine Bonorino* Date 09/06/2024
Project Title	CoCo Replacement System	Signature OIT Approval: Benjamin Moeller Date 09/06/2024
Project Year(s):	FY 2025-26, FY 2026-27	Signature OSPB Approval: Date
Department Priority Number		
Five-Year Roadmap?		Name and e-mail address of preparer: Christine Bonorino (christine.bonorino@state.co.us)

Revision? Yes   No
If yes, last submission date: _____

		Total Project Costs	Total Prior Year Appropriations	Request Year (FY 2025-26) Request	Year 2 Request	Year 3 Request	Year 4 Request	Year 5 Request
A.	*Contract Professional Services*							
(1)	OIT Contracted Program Manager	$ 309,655	$ 106,886	$ 99,886	$ 102,883	$ -	$ -	$ -
(2)	Quality Assurance	$ -	$ -	$ -	$ -	$ -	$ -	$ -
(3)	Independent Verification and Validation	$ 750,000	$ 250,000	$ 250,000	$ 250,000	$ -	$ -	$ -
(4)	Training	$ 150,000	$ 50,000	$ 50,000	$ 50,000	$ -	$ -	$ -
(5)	Leased Space (Temporary)	$ -	$ -	$ -	$ -	$ -	$ -	$ -
(6)	Feasibility Study	$ 300,000	$ 300,000	$ -	$ -	$ -	$ -	$ -
(7a)	Inflation for Professional Services	$ -	$ -	$ -	$ -	$ -	$ -	$ -
(7b)	Inflation Percentage Applied	$ 0	3.00%	3.00%	0.00%	0.00%	0.00%	0.00%
(8)	Other Services/Costs	$ 1,978,113	$ 685,671	$ 636,671	$ 655,771	$ -	$ -	$ -
(9)	*Total Professional Services*	$ 3,487,768	$ 1,392,557	$ 1,036,557	$ 1,058,654	$ -	$ -	$ -
B.	*Software Acquisition*							
(1)	Software COTS Purchase	$ -	$ -	$ -	$ -	$ -	$ -	$ -
(2)	Software Built	$ 24,000,000	$ 6,000,000	$ 10,000,000	$ 8,000,000	$ -	$ -	$ -
(3a)	Inflation on Software	$ -	$ -	$ -	$ -	$ -	$ -	$ -
(3b)	Inflation Percentage Applied	$ -	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
(4)	*Total Software*	$ 24,000,000	$ 6,000,000	$ 10,000,000	$ 8,000,000	$ -	$ -	$ -
C.	*Equipment*							
(1)	Servers	$ 450,000	$ 450,000	$ -	$ -	$ -	$ -	$ -
(2)	PCs, Laptops, Terminals, PDAs	$ -	$ -	$ -	$ -	$ -	$ -	$ -
(3)	Printers, Scanners, Peripherals	$ -	$ -	$ -	$ -	$ -	$ -	$ -
(4)	Network Equipment/Cabling	$ -	$ -	$ -	$ -	$ -	$ -	$ -
(5)	*Miscellaneous*	$ -	$ -	$ -	$ -	$ -	$ -	$ -
(6)	*Total Equipment and Miscellaneous*	$ 450,000	$ 450,000	$ -	$ -	$ -	$ -	$ -
D.	*Project Contingency*							
(1)	10% project contingency	$ 2,793,777	$ 784,256	$ 1,103,656	$ 905,865	$ -	$ -	$ -
(2)	IT ADLE Payment	$ -	$ -		$ -	$ -	$ -	$ -
E.	*Total Request*							
	Total Budget Request [A+B+C+D]	$ 30,731,545	$ 8,626,813	$ 12,140,213	$ 9,964,519	$ -	$ -	$ -
F.	*Source of Funds*							
	GF	$ -	$ -	$ -	$ -	$ -	$ -	$ -
	CF/RF	$ 30,731,545	$ 8,626,813	$ 12,140,213	$ 9,964,519	$ -	$ -	$ -
	FF	$ -	$ -	$ -	$ -	$ -	$ -	$ -
	check (should = E)	$30,731,545	$8,626,813	$12,140,213	$9,964,519	$0	$0	$0

FY 2025-26 - Colorado Division of Workers' Compensation (CoCo) Database Replacement System: IT-CC-01

Request Year	Total Funds	CCF-IT	Cash Funds	Reappropriated Funds	Federal Funds
FY 2025-26	$ 12,140,213	$0	$ 12,140,213	$0	$0
FY 2026-27	$ 9,964,519	$0	$ 9,964,519	$0	$0
FY 2027-28	$0	$0	$0	$0	$0

Categories of IT Capital Projects

Category	Rationale	Applicable
System Replacement	Costs escalating, failing technology, software or vendor support ended, or new technology, e.g., DRIVES, CHATS	Yes
System Enhancement Regulatory Compliance	(new functionality, improved process or functionality, new demand from citizens, regulatory compliance, e.g, CBMS	No
Tangible Savings Process Improvement	conscious effort to reduce or avoid costs, improve efficiency, e.g., LEAN, back office automation	No
Citizen Demand	"The Ways Things Are" (transformative nature of technology, meet the citizens where they are, e.g., pay online, mobile access)	No

Request Summary:

The Division of Workers' Compensation (DOWC) requests $12,140,213 cash fund for the second of three phases of the Database Replacement System (CoCo) project. The project was initially funded in FY 2024-25 for $8,626,812 cash fund. DOWC completed a system modernization project in 2018 which migrated the legacy system off of the mainframe (GGCC). While the state mandate to transition off of a legacy system was met, limited funding prevented a full system modernization. The recent COVID-19 pandemic has expedited our need to transform our system, streamline workflows, and eliminate our reliance on paper filings.

At this time, the CoCo system primarily operates as a database with limited workflow incorporation. This requires many work units to create separate, non-OIT supported, external systems for their workflows. This includes access databases, excel spreadsheets, or snoozing

emails until they're due. All of these items require duplication of effort to document in both the external system and CoCo, along with the added likelihood of user error.

The vendor will analyze workflows, recommend improvement areas, design, develop, and deploy the replacement system. The new system will provide a modern work-related injury claims system that allows DOWC to leverage technology options unavailable within the existing CoCo system.

The new system will be designed and implemented in tandem with the CoCo system, as it is essential that no interruption of existing services occurs. It is anticipated that when the new system is ready, the old system will be irrelevant.

The new system is expected to provide user controlled access to DOWC/OIT staff, approved vendors, and designated external stakeholders -- including insurance carriers, employers, injured workers, medical providers, and attorneys.

This project has an anticipated duration of 3 calendar years spanning July 1, 2024 through June 30, 2027. We anticipate this project to be implemented through project phases: discovery, requirements, design, development, testing, deployment, and maintenance.

Project Description:

The DOWC is requesting a full system replacement of the migrated mainframe legacy workers' compensation application and database, CoCo. The new system will integrate all workers' compensation system related workflows and processes, allow all forms to be filed electronically, eliminate potential entry errors, allow external stakeholder access, improve reliability of data and access to it, and align with other industry accepted filing standards. The implementation and delivery of the new DOWC system will require a multi-year effort and must be completed before current problems reach critical levels. The system will likely require annual licensing fees and regular maintenance and upgrades to accommodate changes in rules, legislation, industry standards, and security standards.

Systems Integration Opportunities –
While the initial migration from the legacy mainframe system was successful, limited funding prevented full modernization of all system components, such as the directory for accredited medical providers and employer proof of coverage systems. Our strategic plan includes integration of new technology to replace our non-modernized system coding language and user-interface components. This modernization will allow our business services to become more closely aligned to stakeholder needs. This system replacement further enables us to successfully navigate the rapidly changing technological landscape for realizing improvements in agency strategies, business intelligence, regulatory requirements, and skills (both technical and business) availability.

Other system integrations:

It is anticipated that the new system will integrate all DOWC related processes and workflows, eliminating unsupported employee designed systems and current risks associated with potentially high-risk email form submissions. The new system will also integrate with the

Electronic Data Interchange (EDI) system aligning with national industry standards. Other opportunities for integration would include improved coverage reporting and artificial intelligence to identify potential non-compliant employers, shared hearing data from the Office of Administrative Courts, and offer potential real-time monitoring and data-mining for data management partnerships, such as Unemployment Insurance, FAMLI, CDPHE, and CDHS.

Risks and Constraints –
The DOWC relies exclusively on cash fund revenue from the Workers' Compensation Cash Fund to support the Workers Compensation Program. The increased spending authority from the legislature will allow the Department to finance the replacement of the system and enhance the user experience, while allowing the Department to maximize the utilization of existing resources. The risks associated with this project include limited additional funding in instances of scope creep (which will be monitored and managed intensely), limited vendor selection with specific experience designing systems for the workers' compensation industry, increased risk of external data breaches by allowing external stakeholders to have user-controlled system access, and limited time allowed for the project. A risk register within the DOWC business team will contain all identified known risks and exhausted mitigation for each identifiable known risk in this project. Included in the risk register will be a potential for unknown risks, of which there will be triple-constraint consideration (time, cost, and scope) for those potentially unknown realized risks. Dedicated resources and partnership with the Governor's Office of Information Technology will also be key to ensuring the success of this project.

Operating Budget Impact –
The request is for the purchase, design, and implementation of a new technology solution. After the requested funding has been fully expended, there will be ongoing licensing fees for the system, estimated to be up to $100,000 per year, which will require an increase in spending authority. We also anticipate that this project will require four full time DOWC employees for the duration of this project and future maintenance of the implemented system. The increased spending authority funding will come from the fund balance of the Workers' Compensation Cash Fund and will not require any funding from general, federal, or grant fund sources.

Background of Problem or Opportunity:
When a Colorado worker is injured on the job, the State has a responsibility to regulate the system that provides benefits to the injured worker, pursuant to the Colorado Workers' Compensation Act. CoCo is the DOWC's claims database and management system that has the ability to provide on-demand electronic information for any reported work-related injury in Colorado.

In the early 1990's, DOWC created a computer system that was hosted on the General Government Computing Center (GGCC) platform. This mainframe computer system utilized Adabas/Natural programming language and was supported by the Governor's Office of Information Technology (OIT). GGCC provided stability in availability and performance and hosted DOWC database records for approximately 23 years, spanning 1991 to 2015.

In 2015, DOWC partnered with OIT and a State-awarded vendor to complete a full system migration that allowed the DOWC to migrate the database and applications off of the GGCC

mainframe, onto a hybrid java environment and MSSQL database platform. Claim information is currently stored on multiple Microsoft SQL2012R2. Application and database servers reside in a secure state cloud environment.

The CoCo database has the ability to provide various types of information relative to individual work-related injury claims, in response to inquiries from stakeholders that include insurance adjusters, employers, attorneys, injured workers, and DOWC staff. A complete chronological history of any work-injury claim submitted to DOWC is archived within the SQL database, including benefit summaries and orders.

Throughout the claims process, insurance carriers, injured workers, employers, medical providers, and attorneys, use forms to supply information to the DOWC and other parties to the claim. At the time of this filing, there are 71 active forms required to navigate a workers' compensation claim or operate in our system. Prior to the recent COVID-19 pandemic, these paper forms were collected by mail or in person and the data was entered into the computer system by DOWC staff.

In 2020, the DOWC transitioned to accepting these forms as a PDF attachment via email through a general filings inbox. This process was implemented as a temporary solution due to an immediate requirement to work from home. Since making this change, DOWC stakeholders are uninterested in returning to a paper filing system. This remains one of our biggest vulnerabilities for potential exposure to phishing and malware attacks. Further, while these requests have been turned into PDF format and are accepted via email, it has not eliminated touchpoints and still requires manual data entry into the CoCo system.

The current system does not interface with external stakeholders, one of our desired system improvements. CoCo primarily operates as a database with limited workflow incorporation, requiring many work units to create stand-alone systems through access databases, manual Excel spreadsheets, and non OIT supported systems.

While the database continues to function and technical staff are performing exceptionally well on maintaining and improving the current system, the skills needed to maintain and the speed required to make relevant changes, require specialized training, and as developers retire or leave for other employment, DOWC and OIT have documented increased challenges in finding qualified individuals to maintain and upgrade the system.

Justification:

The DOWC stakeholder community is in need of a secure and accessible workers' compensation technology system. DOWC has existing cash funds to cover the costs of this new system. The recent COVID-19 pandemic has expedited our need to transform our system to a digital environment and eliminate our reliance on paper, or PDF based, filings. The system will also allow external stakeholders to access pertinent information about their workers' compensation claim. The Division intends to include a focus on accessibility in the design of the new system. At this time, the DOWC CoCo system primarily operates as a database with limited workflow incorporation. This requires many work units to create separate, non-OIT supported external systems for their workflows. This could include an access database, excel spreadsheets, or

snoozing emails until they're due. All of these items require duplication of effort to document in both the external system and CoCo database along with the added likelihood of user error.

Many other states have migrated off of their legacy systems and the Colorado DOWC has a unique opportunity to learn not only from our last experience but also from other state's successes and failures.

While the current system is working properly, updating the new system has proven to be a slow process and the hybrid language used still requires specialized training which creates hiring challenges as the language and desire to work in this system is replaced with newer technology and skill sets. This also creates a limitation in vendors available to support and make future upgrades to the system. This being the case, DOWC has concluded that the most efficient, cost effective, and sustainable option would be replacing the existing system

Additionally, recent process changes that were required to allow a quick transition to a virtual environment have left the DOWC vulnerable to phishing and malware attacks. The DOWC stakeholder community has no interest in returning to a paper filing system and therefore, a new system is required.

The migration that occurred from 2015-2018 would require additional upgrades for best functionality at a later date. The COVID-19 pandemic required DOWC to pivot quickly from an entirely paper-based system to an electronic one. The speed which was required to make that transition, led to temporary solutions that cannot be sustained in the long run, thus expediting our need to move more quickly with the next portion of a system rebuild. In the decision-making that occurred leading up to the 2015 migration, many other states were facing similar system upgrade requirements. We have reached a time where we are able to assess the decisions made by each state, and learn lessons not only from our migration but from many others who chose a different path. In this, there are also vendors that have emerged with specific experience designing workers' compensation systems, limiting our risks of being the first.

Business Process Analysis –
During the prior system migration, completed in 2018, a significant amount of time and effort was spent to document the DOWC's processes, workflows, and to identify areas for improvement. At that time, the primary goal of the project was to migrate the system off of the mainframe, which was met. To ensure the project's success, the scope and funding remained fairly limited to meet that objective. Through our partnership with OIT, our developers have been able to maintain and work through some of the process improvement and modernization efforts that were identified in the initial scope.

In 2020, the State of Colorado, along with the rest of the nation, was required to rethink all of our processes and implement solutions that allowed for the electronic exchange of information. Very quickly, our agency implemented short-term solutions to meet this requirement. When implemented, the current solutions were intended to be short-term, and over time have shown their vulnerabilities in both security and sustainability. Over the past three years, we have analyzed these new processes and identified additional areas of improvement that will be needed in order to sustain the system for long-term success. Through this process, our Division

has determined that the current model of making updates to the existing CoCo system is no longer feasible for the extent of the changes that are necessary.

Following the system migration, completed in 2018, it was always known that a system upgrade would be needed to improve usability and access to the system. In mid 2020, DOWC had been operating in the migrated system for one and a half years and began considering ways to integrate and improve processes in light of the pandemic and meet demands of changing rules and legislation. With the system operating correctly, OIT resources had to be diverted to helping to develop employee-designed systems such as access databases. These items are not typically supported by OIT but were determined to be the most efficient method for meeting the high demand for the remote workplace. Changes to the CoCo database have proven to be slow and take extended time. This has led us to a situation where we tend to accrue technical debt almost as quickly as we eliminate it, meaning that while progress is made the net technical debt remains relatively unchanged.

The current CoCo system was migrated to do exactly what it had done in the past, with only minimal process improvement occurring at that time. The new approach has led the Department to determine the best option is to build a new system, which integrates our new processes, and makes further improvements on those. The current option of updating the old system to the new processes without vendor support is not feasible.

Cost-Benefit Analysis and Project Alternatives (per H.B. 15-1266) –
The first alternative we will explore is keeping the system as is. The highest risk of this option is the inability to find developers and vendors familiar with the hybrid-java language used in our current system, requiring specialized expertise and ultimately driving up maintenance costs as time goes on. Progress on updating the system with needed integrations and improvements has proven to be slow and, in the long run, has not resolved technical debt. The current system requires annual licensing fees of over $80,000/year with anticipated 5-8% license cost increase each successive year beyond 2024. The system requires 4 OIT dedicated developers to maintain the current system. OIT's master contract for the licensing used by DOWC (Maxenso) is no longer in place and other agencies have shifted to different technologies, placing DOWC's current system at risk of being the sole user of this technology, leaving it vulnerable to non-support by OIT in the future. The most significant security risk associated with the current system is that electronic PDF forms must be accepted by a widely published email inbox. The staff who process this inbox must click on links and attachments, sometimes from unknown sources, in order to accept them into our system. While staff stays current with required cybersecurity training, this is a significant risk we have identified with the current system.

A second option available includes keeping the current CoCo database system as-is and investing in other technologies for the additional portions needed, such as digital filing system, digital storage, outreach tools, digital scheduling tools, etc. These technologies would require extensive work to integrate into the current CoCo system, if possible at all. Lack of integration would result in duplicative effort from DOWC staff, increased data entry and processing errors, and require excess license funding and processing for these technologies. If integrated, this would also require us to use and maintain the selected technologies, locking us into rate increases and potential risk as version upgrades are released. The same staffing, technical debt issues related to keeping the current CoCo system would also apply as in option 1. Additional

technologies have been quoted as approximately $85,000 implementation costs with annual licensing fees ranging $30,000-$50,000, per technology needed.

The final option of full system replacement allows DOWC to expedite the elimination of technical debt and integration of workflows into the system. The integration of workflow and external stakeholder system access create improvements for both DOWC and our external stakeholders. Because other states have implemented similar systems, DOWC will not be the first state to undertake this challenge eliminating some of the risk. A new system will also upgrade our technology to current languages enabling us to have a wider pool of DOWC/OIT staff and vendor selection.

The RFI process has been completed with vendor capability and cost estimates taken into consideration for this request. DOWC staff have met and conferred with multiple other states who have implemented system changes since 2015 to receive feedback, explore system options, and expose unidentified risks.
The Division is seeking a vendor based solution for the system build, with post implementation maintenance and upgrades to be maintained in a hybrid model of DOWC and OIT staff and vendor support.

Assumptions for Calculations –
Through market research and discussions with the Governor's Office of Information Technology, the Department has reviewed prospective solutions and the table outlines estimated costs.

Total Project Cost: $30,731,543 Summary Calculations Linked Here (Google Sheets);

Less FY24-25 Appropriation: -$8,626,812

Remaining Project Funding needed in FY 2025-26 and FY 2026-27: $22,104,731

Total FTE Costs $2,287,767 FTE Calculations (Google Sheets)

This request does not include funding for on-going maintenance support after full system implementation. At this time, the Division believes it has four options for ongoing maintenance: OIT will fully support the system; the Vendor will fully support the system for an unknown cost; DOWC will fully support the system; or a combination of DOWC, OIT & Vendor support for system maintenance. The cost for OIT is part of the annual cost allocation process and we anticipate no change in funding if OIT maintains support. Current maintenance support DOWC receives from OIT is approximately $1.1M annually and we expect it to be similar with this new system. If a vendor or DOWC is chosen solely for maintenance, a request for additional funding will be done at that time, if needed. Therefore, until the Division has a clear picture of maintenance requirements, no funding is being requested.

Consequences if not Funded –
If the request is not funded, the Department will continue to see a degradation in the current outdated technologies, increased exposure to security threats, increased costs to maintain, develop, and integrate alternative solutions, ultimately preventing the DOWC from serving the stakeholders of the Colorado workers' compensation system. The current system requires the use of a proprietary tool for run time which has reached end of life and is proving difficult and

potentially impossible to update for the future, putting the application in serious risk. The specialized skills for developers and database analysts who can manage and improve the system is proving to be increasingly difficult to staff. The stakeholder community is in need of an automated interface with ability to file electronically and access to status and documentation associated with claims. The current solutions that have been required to be put in place to meet these demands are creating serious risk of phishing and malware attacks.

Implementation Plan

Change Management –
- The change management and overall implementation strategy will use human centered design, an agile approach to iteratively building a new product with a focus on the budget and scope. There will be focus on Organizational Change Management to bring the DOWC community forward, and the external user community will be engaged for usability feedback. It is the intent of DOWC to engage a vendor for this replacement who has experience in the claims management field with a focus on Workers' Compensation processes. If possible, the use of a customizable off the shelf product will be used, engaging industry best practices.

Alignment with OIT Best Practices and Standards –
- This request aligns with the Department goal of ensuring our products align with the architectural and security standards as set forth by the Governor's Office of Information Technology in accordance with Colorado's Chief Information Security Office (CISO). Practices like multi-factor authentication, role based access, a secure stakeholder portal and meeting all security standards, automation, and a positive end user experience are all at forefront in developing a modern Workers' Compensation system for the oversight and management of this program.

Procurement -
- The Department, in partnership with OIT, has worked together to identify the requirements of a system replacement. A Request for Information was completed on June 20, 2022, indicating the project is feasible and identifying reasonable costs for the project. The procurement process will meet the Colorado Procurement Code requirements for competitive, equitable, and fair purchasing. The project has received a conditional approval for Gate 1 through OIT to proceed.

Disaster Recovery and Business Continuity –
- The Department will be seeking, via the solicitation, for the vendor to implement a full Disaster Recovery system to ensure business continuity and secure practices for data storage and retention. Disaster Recovery (Real-Time System Failover) will be a crucial requirement of the awarded vendor pertaining to all planned and unplanned outages within this project duration. Potential Service interruptions are to be minimal (as outage timelines and Service Level Agreements advertise within the mission critical guidelines), as the new system is constructed and implemented within the OIT/Business platform. Best practices for implementation amid Zero-outage initiatives will be the highest

priority in all phases of this project. Security features will be predicated upon business requirements of full encryption of all PII data at rest and in transit. The new system and normalized Database will be required to adhere to the CISO (Colorado's Chief Information Security Office) data and computer system security protocols. Each Security Protocol detail that will be required for awarded Vendor to be in compliance on the new system is listed on the following link.

Accessibility Compliance (Must be addressed) –
● The new system will offer the ability to address and further enhance accessibility compliance requirements not present or capable of being implemented in the current system. The software vendor will be required to adhere to OIT statutory obligations regarding Accessibility Compliance and new requirements as required in WCAG 2.1 and HB21-1110 for individuals with disabilities.

Impact to IT Common Policy (For Statewide OIT Projects Only) –
● It is anticipated that DOWC will require technology contractors to participate in the project (figures included in this request) for architecture, project management, data conversion and migration efforts, and interface builds. Historically, these costs would have been tied to an inter-agency agreement with OIT. However, those costs as of July 1, 2022 have been moved to common policy real time billing.

Additional Request Information

Please indicate if three-year roll forward spending authority is required.	**Yes**
Is this a continuation of a project appropriated in a prior year?	Yes
If this is a continuation project, what is the State Controller Project Number?	2025-038I24
If this request affects another organization, please provide a comfort letter.	N/A
Please attach a letter from OIT indicating review and approval of this project	Attached

September 6, 2024

Mark Ferrandino
Director
Office of State Planning and Budgeting
111 State Capitol
Denver, Colorado 80203

RE: FY 2025-26 Dept. of Labor and Employment IT Capital request - CoCo DOWC
Project

Dear Director Ferrandino:

Pursuant to OSPB instructions, this letter is to confirm that the Office of Information
Technology (OIT) has been informed of the development and submission of this proposed FY
2025-26 request for the Department of Labor and Employment - Division of Workers'
Compensation (DOWC) is requesting $12,140,213 starting in FY 2025-26 Cash Funded Capital IT
Appropriation to replace their workers' compensation computer system and database,
commonly known as CoCo. DOWC completed a system modernization project in 2018 which
migrated our legacy system off of the mainframe (GGCC). While the state mandate to
transition off of a legacy system was met, limited funding prevented a full system
modernization. The impact of the COVID-19 pandemic expedited CDLE's need to transform
their system, streamline workflows, and eliminate their reliance on paper filings.

OIT has completed an internal review to ensure the project aligns with statewide IT
goals and determined that OIT has the capacity to deliver and meet the requirements
of the project.

Please note: OIT and CDLE are in agreement that a security review will be completed
as part of the project itself, when applicable. Also, any OIT specific work should be
reappropriated to OIT through the payments of OIT line, where applicable.

Sincerely,

Rus Pascual

Benjamin Moeller

Rus Pascual, OIT Budget Director   Benjamin Moeller, OIT IT Director for CDLE

CC-IT: CAPITAL CONSTRUCTION INFORMATION TECHNOLOGY REQUEST FOR FY 2025-26

Department	Education	Signature Department Approval: *Wayne Peel* 11-Oct-24
Project Title	Statewide Facility Assessments	Signature OIT Approval: *Rus Pascual* Date 10/11/2024
Project Year(s):	Ongoing	Signature OSPB Approval: Date
Department Priority Number	1	
Five-Year Roadmap?		Name and e-mail address of preparer: Michael Marsala, marsala_m@cde.state.co.us

Revision? Yes No
If yes, last submission date: _____

		Total Project Costs	Total Prior Year Appropriations	Request Year (FY 2025-26) Request	Year 2 Request	Year 3 Request	Year 4 Request	Year 5 Request
A.	***Contract Professional Services***							
(1)	OIT Contracted Program Manager	$ -	$ -	$ -	$ -	$ -	$ -	$ -
(2)	Quality Assurance	$ -	$ -	$ -	$ -	$ -	$ -	$ -
(3)	Independent Verification and Validation	$ -	$ -	$ -	$ -	$ -	$ -	$ -
(4)	Training	$ -	$ -	$ -	$ -	$ -	$ -	$ -
(5)	Leased Space (Temporary)	$ -	$ -	$ -	$ -	$ -	$ -	$ -
(6)	Feasibility Study	$ -	$ -	$ -	$ -	$ -	$ -	$ -
(7a)	Inflation for Professional Services	$ -	$ -	$ -	$ -	$ -	$ -	$ -
(7b)	Inflation Percentage Applied		0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
(8)	Other Services/Costs	$ -	$ -	$ -	$ -	$ -	$ -	$ -
(9)	*Total Professional Services*	$ -	$ -	$ -	$ -	$ -	$ -	$ -
B.	***Software Acquisition***							
(1)	Software COTS Purchase	$ 3,800,000	$ 150,000	$ 1,400,000	$ 600,000	$ 600,000	$ 600,000	$ 600,000
(2)	Software Built	$ -	$ -	$ -	$ -	$ -	$ -	$ -
(3a)	Inflation on Software	$ -	$ -	$ -	$ -	$ -	$ -	$ -
(3b)	Inflation Percentage Applied	$ -	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
(4)	*Total Software*	$ 3,800,000	$ 150,000	$ 1,400,000	$ 600,000	$ 600,000	$ 600,000	$ 600,000
C.	***Equipment***							
(1)	Servers	$ -	$ -	$ -	$ -	$ -	$ -	$ -
(2)	PCs, Laptops, Terminals, PDAs	$ -	$ -	$ -	$ -	$ -	$ -	$ -
(3)	Printers, Scanners, Peripherals	$ -	$ -	$ -	$ -	$ -	$ -	$ -
(4)	Network Equipment/Cabling	$ -	$ -	$ -	$ -	$ -	$ -	$ -
(5)	*Miscellaneous*	$ -	$ -	$ -	$ -	$ -	$ -	$ -
(6)	*Total Equipment and Miscellaneous*	$ -	$ -	$ -	$ -	$ -	$ -	$ -
D.	***Project Contingency***							
(1)	5% project contingency	$ 70,000	$ -	$ 70,000	$ -	$ -	$ -	$ -
(2)	IT ADLE Payment	$ -	$ -		$ -	$ -	$ -	$ -
E.	***Total Request***							
	Total Budget Request [A+B+C+D]	$ 3,870,000	$ 150,000	1,470,000	$ 600,000	$ 600,000	$ 600,000	600,000
F.	***Source of Funds***							
	GF	$ -	$ -	$ -	$ -	$ -	$ -	$ -
	CF/RF	$ 3,870,000	$ 150,000	$ 1,470,000	$ 600,000	$ 600,000	$ 600,000	$ 600,000
	FF	$ -	$ -	$ -	$ -	$ -	$ -	$ -
	check (should = E)	$3,870,000	$150,000	$1,470,000	$600,000	$600,000	$600,000	$600,000

FY 2025-26 - CDE Best Assessment IT System Project: IT-CC-01

Request Year	Total Funds	CCF-IT	Cash Funds	Reappropriated Funds	Federal Funds
FY 2025-26	$1,470,000	$0	$1,470,000	$0	$0
FY 2026-27	$600,000*	$0	$600,000*	$0	$0
FY 2027-28	$600,000*	$0	$600,000*	$0	$0

*included for informational purposes, reflect ongoing operating costs

Categories of IT Capital Projects

Category	Rationale	Applicable
System Replacement	Costs escalating, failing technology, software or vendor support ended, or new technology, e.g., DRIVES, CHATS	No
System Enhancement Regulatory Compliance	(new functionality, improved process or functionality, new demand from citizens, regulatory compliance, e.g, CBMS	Yes
Tangible Savings Process Improvement	conscious effort to reduce or avoid costs, improve efficiency, e.g., LEAN, back office automation	No
Citizen Demand	"The Ways Things Are" (transformative nature of technology, meet the citizens where they are, e.g., pay online, mobile access)	No

Request Summary:

The Colorado Department of Education (CDE) requests $1,470,000 for FY 2025-26 and $600,000/annually for each following fiscal year for ongoing maintenance and operations. The funding source is the Public School Capital Construction Assistance Fund, created in CRS 22-43.7-104.This project falls under the system enhancement regulatory compliance category for state IT Capital Projects.

Pursuant to C.R.S. 22-43.7-108, the Capital Construction Assistance Board (CCAB), with the assistance of the Capital Construction Unit (CCU), contracts with a third-party vendor for software to complete statewide financial assistance priority assessments also known as a facility condition assessment (FCA). Two separate vendors have been used for this effort: one from FY09 to FY16 and another from

FY16 to FY26. The contract with the current vendor is set to expire in FY26 and per State Controller Policy and Fiscal Rules, the CCU is required to issue a new RFP for these services. A Request for Information (RFI) was completed in 2023. The RFI indicated annual costs ~$600,000/year and one-time implementation costs of up to $800,000.00 if a new vendor is selected. We will also include costs associated with the overlap with the existing vendor during FY 2025-26 to ensure a seamless transition if a new vendor is selected.

Stakeholders include CDE staff, CCAB, other state agencies, federal agencies, the general public, and every public school facility in the state: School Districts, Charter Schools, Boards of Cooperative Educational Services (BOCES), and the Colorado School for the Deaf and Blind. The project directly supports the Building Excellent Schools Today (BEST) grant and school facility and operations departments who utilize the data. Over the past five years, BEST averaged about $175 million/year in grant awards. There are no negative impacts of the project or its deliverables.

Project Description:
Pursuant to C.R.S. 22-43.7-108, this project has been operating since 2009. CDE employs a staff of 9.0 FTE dedicated to collecting and maintaining up-to-date facility condition data on all public schools in Colorado. This effort is critical to operations of the BEST grant program, which has generated over $3.5 Billion in funding to resolve health and safety issues in Colorado schools. CDE uses this data for targeted outreach as well. Additionally, all schools and districts are able to use the information for long-term capital and maintenance planning. The general public has access to the information as well.

As noted, the contract with the current vendor is set to expire in FY26 and per State Controller Policy and Fiscal Rules, it is necessary to issue a new RFP. The 2023 RFI indicated that licensing, data storage, hosting, and maintenance costs for these services have increased. In addition if a new vendor is selected one-time implementation costs will need funding. Additionally, if a new vendor is selected the project would result in the replacement of the current vendor provided software tools. The project includes access to industry experts, resources, and software tools to complete the FCA work that includes:

- Mobile collection app that can be used on a tablet for collecting the FCA data. Information collected includes data on the building such as year constructed, year renovated, size, location, etc. Data also includes details

on all major building systems (roofing, HVAC, electrical, plumbing, etc.) such as:
- ○ Name
- ○ Description
- ○ Photos
- ○ Quantities (how many doors, SF of flooring, etc.)
- ○ Unit costs
- ○ Replacement values
- ○ Year installed
- ○ Years of life remaining
- ○ Identified needs of a system
- ○ And more
- Workflow for reviewing and approving collected data.
- Database for storing, reporting, forecasting, etc. Includes ad hoc reporting, pre-built template reports, and custom reports built specifically for CDE.
- System lifecycle tracking and renewals.
- System template library to be used when conducting FCAs.
- Industry construction cost estimating data (RSMeans Website Link) embedded in the database and updated annually.
- Hosting, maintenance, and updating of these tools.
- Public web dashboard (Link) for sharing the FCA information. Required by statute.

Systems Integration Opportunities –
To the Department's knowledge there are no other state systems for FCA data collection, storage, and reporting. The project is funded by internal cash fund resources.

Risks and Constraints –
Since this is a continuation of an existing project we don't anticipate any risks or constraints with implementation. The Department's biggest risk is if the increased appropriations to use the Public Assistance Capital Construction cash fund are not approved, CDE would be unable to comply with statute or fulfill the critical function of the program.

Operating Budget Impact –
As noted this is a continuation of an existing project with a current annual budget for the software of $150,000/year. Staffing is already in place and not being

included in this request. The request does represent an increase in costs from previous years and this was determined by an RFI issued in 2023 along with a fair and reasonable pricing letter provided by our current vendor in 2019. Even with the increase in costs the impact to the operating budget is minimal. This request should allow the project to operate for at least another 10 years, through FY36 when another RFP may be required.

Background of Problem or Opportunity:

Pursuant to C.R.S. 22-43.7-108, the Capital Construction Assistance Board (CCAB) with the assistance of the Capital Construction Unit (CCU) contracted with a third-party vendor to complete a one-time statewide financial assistance priority assessment also known as a facility condition assessment (FCA). These FCAs were completed in 2009 and the data was stored and maintained by the vendor through FY16. The cost for this was around $12.3 Million.

A performance audit completed in 2013 identified a need for a process to update the FCA data and keep it current. In 2015 it was determined the most effective and affordable way to keep the statewide FCA data current would be to employ an in-house assessment team. At that time, the Joint Budget Committee approved ongoing funding and FTE for the in-house assessment team. The program is now referred to as Facility Insight. As part of this work, a Request for Proposal (RFP) was issued to contract for a software tool to meet the statutory requirement of collecting, storing, reporting, etc. of the FCA data. Upon the completion of the RFP in 2016 the CCU contracted with a new vendor and has successfully been utilizing the software to complete FCAs. The first year vendor implementation costs were ~$770,000 and the ongoing hosting and maintenance is ~$150,000/year. The contract with the current vendor is set to expire in FY25-26 and per State Controller Policy and Fiscal Rules, the CCU is required to issue a new RFP for these services.

The annual operating costs of the current CCU Facility Insight program including the software and staff is approximately $1.2M annually. In comparison the current estimated costs for a vendor to complete one-time FCAs of the entire state is $16.5M to $19.2M and annual software costs for licensing, data storage, hosting, maintenance, forecasting, reporting, etc. would still be necessary. A Request for Information (RFI) was completed in 2023. The RFI indicated annual cost increases of up to $600,000/year for licensing, data storage, hosting, maintenance, etc. and one-time implementation costs up to $800,000 if a new vendor is selected. In addition the vendor provided one-time FCAs have no mechanism for updates so they would need to be repeated every 5 to 10 years to keep the data viable.

FCA data is critical to CCAB work, to make informed decisions when prioritizing Building Excellent Schools Today (BEST) grant applicants. The CCU also uses it to effectively provide targeted outreach to prospective applicants.

Justification:
As noted in the background section above, this project is required to stay in compliance with Statute. Posting a new RFP is required per State Controller Policy and Fiscal Rule.

Market research including an RFI and a Fair and Reasonable Pricing letter from our current vendor justify the costs being requested.

Without funding CDE would be out of compliance with the statute, the Facility Insight Program would be unable to perform its work, the CCAB would not be able to make informed decisions when prioritizing the selection of BEST grant applicants, and the CCU would be unable to effectively provide targeted outreach to prospective applicants. Additionally, districts that use this data for facility capital and maintenance planning would have to procure their own service, at an additional cost burden to Colorado public schools.

Business Process Analysis –
As noted above the Statute requires this work to be completed. The most effective and affordable way to complete this work is with an in-house team utilizing software as a service (SaaS) tools.

The project was developed to fix the need to update and keep current the FCA data. As noted in the background section above a cost comparison was conducted leading to the current program.

Cost-Benefit Analysis and Project Alternatives (per H.B. 15-1266) –
As noted, Statute directs this work, so doing nothing is not an option. If no additional funding is approved it is unlikely CDE will find a vendor within the existing 10-year-old appropriation. Without the vendor provided tools, CDE would likely attempt to manually collect FCA data and would not have the ability to utilize it for the intended purpose. It would not be possible to publicly share the data as required by statute. More funding would be requested again in the future and during the 2023 RFI, vendors indicated annual inflation of 3 to 5%. This project is the most effective and affordable way to complete this work.

The BEST grant that this project supports has averaged more than $175 million in grant awards per year since FY20. This will likely increase due to increased funding made available through HB24-1448. The ongoing software costs of this project are 0.3% of the awarded grants it supports.

As another cost analysis, the Department of Education classifies districts into 5 settings. The largest districts (based on SF) from each setting were selected and estimated costs to hire a vendor to complete facility condition assessments (FCA) are provided in the table below. The software costs would be necessary to store and utilize the data fully. Additionally the current estimated cost for a vendor to complete one-time FCAs of the entire state is $16.5 to $19.2 Million and in addition annual software costs for licensing, data storage, hosting, maintenance, forecasting, reporting, etc. would still be necessary. These estimates also do not include any of the significant one-time implementation expenses.

District/ BOCES	Building SF	District Settling	Contracted FCA - Low ($0.12/SF)	Contracted FCA - High ($0.14/SF)	Annual Software Costs - Low	Annual Software Costs - High	Total - Low	Total - High
Denver County 1	16,188,850	Denver Metro	$1,942,662	$2,266,439	$32,378	$202,361	$1,975,040	$2,468,800
Poudre R-1	3,972,666	Urban-Suburba	$476,720	$556,173	$7,945	$49,658	$484,665	$605,832
Eagle County RE 50	1,494,635	Outlying Town	$179,356	$209,249	$2,989	$18,683	$182,345	$227,932
Roaring Fork RE-1	1,121,547	Outlying City	$134,586	$157,017	$2,243	$14,019	$136,829	$171,036
Weld County RE-3J	522,330	Remote	$62,680	$73,126	$1,045	$6,529	$63,724	$79,655

As mentioned an RFI was completed in 2023 and is the basis for the dollars being requested here. Seven vendors submitted and six of them provided some cost information. The RFI indicated annual costs up to $600,000/year and a one-time implementation costs up to $800,000 if a new vendor is selected. Additionally we obtained a Fair and Reasonable Pricing letter from the current vendor in 2019. This information aligned with the information received through the RFI.

A scope of work was utilized in the RFI and attached as a separate document (Appendix A). CCU staff developed the scope of work based on past RFPs and experience administering the current program; no vendors were involved.

This is the only option being proposed in this request. Issue an RFP as required by State Controller Policy and Fiscal Rule. The RFP could result in keeping the current vendor with $0 in one-time implementation costs and up to $600,000/year for software licensing, data storage, hosting, maintenance, forecasting, reporting, etc. It could also result in the selection of a new vendor with the potential for the same $600,000/year, plus additional one-time implementation costs of up to $800,000.

Success Criteria and Improved Performance Outcomes –
Continued measures of success for this project will include having up-to-date FCA data for every BEST applicant in each annual grant cycle. The FCA data is critical to CCAB work, to make informed decisions when prioritizing grant applicants. The CCU will also continue to use the data to effectively provide targeted outreach to prospective applicants. The project will continue to attain accurate and consistent data for every public school to be used as a statewide resource for school facility data. The project helps to provide all of Colorado's children equal access to quality, thorough, uniform, well rounded educational opportunities in a safe and civil learning environment. The project will continue to provide reporting to clients and stakeholders for school facility planning and capital improvement needs.

Assumptions for Calculations –
Exact vendor expenses are dependent on a future RFP. If a new vendor is selected, one time implementation fees will be required along with annual licensing, hosting, and maintenance. This makes the total FY25-26 estimated request $1,470,000. Ongoing annual cost for future fiscal years which includes licensing, hosting, and maintenance is estimated at $600,000/year.

This project is for web based SaaS tools and installation is not necessary. However one-time setup and implementation costs of up to $800,000 are being planned for, which would include the migration of existing data into the new system and all setup necessary for a functioning system. Storage is included in the annual hosting estimate. Most FCA vendors price their product off the total square footage of buildings that will be stored. No separate cost for network, servers, or other hardware is expected as this is a web based system. Laptops and tablets are

the only hardware that CCU staff require to utilize the tools. All of the CCU staff currently have this hardware and regular updating and maintenance is within the CCU operating budget.

The $600,000 annual estimate includes software licenses and are a combined cost with hosting and maintenance. These costs include any system updates released by the vendor.

Consequences if not Funded –
Without funding we would be out of compliance with statute, the Facility Insight Program would be unable to perform its work, the CCAB would not be able to make informed decisions when prioritizing the selection of BEST grant applicants, and the CCU would be unable to effectively provide targeted outreach to prospective applicants. Additionally, the CCAB would continue to make funding decisions based on missing or dated data. As noted, Statute directs this work, so doing nothing is not an option. If no additional funding is approved it is unlikely CDE will find a vendor within the existing 10 year old budget. Without the vendor provided tools the existing team would likely try to manually collect FCA data and would not have the ability to utilize it for the intended purpose. It would not be possible to publicly share the data as required by statute. Delaying the project would likely increase costs. The 2023 RFI notes annual inflation of 3 to 5%.

Implementation Plan
Change Management –
If a new vendor is selected, training on the new tools is planned to be led by the vendor and most likely in a virtual team setting. Training will be recorded for future reference. Ongoing hosting and maintenance technical support will be provided by the vendor. If the current vendor is selected additional training is not necessary and continued technical support will be ongoing.

Testing is again dependent on the RFP vendor selection. If a new vendor is selected it will require existing data migration and setup/implementation. The RFP will outline various stages of user testing and acceptance, data migration quality control, and performance testing and this will ultimately be included in the vendor's contract. If the current vendor is selected this will not be necessary and the system will continue to be utilized as is.

The CCU will keep key stakeholders such as the CCAB and school clients up-to-date on the status of this project and RFP. If a new vendor is selected we will make the impact on stakeholders/clients as minimal and possible by ensuring a seamless transition from one vendor to another.

Alignment with OIT Best Practices and Standards –
CDE is exempt from OIT oversight and has an internal IT (IMS) team. The CCU engaged with the CDE IMS team during the 2015 RFP, having a member of the IMS team on the RFP selection committee and during contract review. CDE intends to do this again for the upcoming RFP. The CDE IMS team must also approve all IT related purchases and will ensure alignment with CDE best practices and the agency technology planning.

Procurement -
CDE is exempt from OIT oversight and has an internal IT (IMS) team. The CCU engaged with the CDE IMS team during the 2015 RFP, having a member of the IMS team on the RFP selection committee and during contract review. CDE intends to do this again for the upcoming RFP. The CDE IMS team must also approve all IT related purchases and will ensure alignment with CDE best practices and the agency technology planning.

Disaster Recovery and Business Continuity –
The current agreement specifies the vendor shall maintain a disaster recovery plan to ensure the system is not down for longer than twenty-four hours. The vendor must maintain a backup of the data at a secondary secure data center. Future agreements will be reviewed with CDE IMS to ensure industry standards are being met for disaster recovery.

Accessibility Compliance
The CCU has been working closely with the newly formed CDE A11Y accessibility team. The RFI that was completed in 2023 included the required accessibility standards and the future RFP will do so as well.

Additional Information

Additional Request Information

Please indicate if three-year roll forward spending authority is required.	Yes
Is this a continuation of a project appropriated in a prior year?	No
If this is a continuation project, what is the State Controller Project Number?	N/A
If this request affects another organization, please provide a comfort letter.	N/A

Please attach a letter from OIT indicating review and approval of this project	Attached

Appropriation Continuation History

Funding Source	FY 2022-23 Appropriated	FY 2023-24 Appropriated	FY 2024-25 Appropriated	Total Appropriations
Total Funds	$150,000	$150,000	$150,000	**$450,000**
Capital Construction Funds	$0	$0	$0	**$0**
Cash Funds	$150,000	$150,000	$150,000	**$450,000**
Reappropriated Funds	$0	$0	$0	**$0**
Federal Funds	$0	$0	$0	**$0**

Available Funds Continuation History

Funding Overview	FY 2022-23	FY 2023-24	FY 2024-25	Total
Amount Spent	$144,800	$113,200	$89,400	**$347,400**
Amount Encumbered	$0	$0	$60,600	**$60,600**
Total Funds Available	$150,000	$150,000	$150,000	**$450,000**

Estimated Project Time Table

Steps to be completed	Start Date	Completion Date
RFI - Completed	OCT - 2023	**DEC - 2023**
Budget Requests	JUL-2024	**MAY-2025**
RFP	NOV - 2024	**MAY - 2025**
Contract Negotiations	MAY - 2025	**JUN - 2025**
Contract Implementation	AUG - 2025	

Cash Fund Projections

Cash Fund name and number:	**Capital Construction Assistance Fund (22A0)**
Statutory reference to Cash Fund:	**C.R.S. 22-43.7-104**
Describe how revenue accrues to the fund:	**• 50 percent of the gross amount of income received during the fiscal year from income, mineral royalties, and interest derived from state public school lands (or more if required to make lease payments under the terms of lease-purchase agreements);** **• All net proceeds from the sale of certificates of participation (COPs) payable to the State under the terms of such lease-purchase agreements;**

	• **All local matching moneys;** • **Lottery proceeds that would otherwise be transferred to the General Fund;** • **Marijuana excise taxes; and •interest earnings**
Describe any changes in revenue collections that will be necessary to fund this project:	**No additional revenue will be needed to fund this project.**

10/11/2024

Mark Ferrandino
Director
Office of State Planning and Budgeting
111 State Capitol
Denver, Colorado 80203

RE: FY 2025-26 Dept. of Education - Building Excellent Schools Today (BEST) Project request

Dear Director Ferrandino:

Pursuant to OSPB instructions, this letter is to confirm that the Office of Information Technology (OIT) has been informed of the development and submission of this proposed FY 2025-26 request for the Department of Education - Building Excellent Schools Today (BEST) Project request of $1,470,000 for FY 2025-26 and $600,000/annually for each following fiscal year in cash funds. The funding source is the Public School Capital Construction Assistance Fund, created in CRS 22-43.7-104. This project falls under the system enhancement regulatory compliance category for state IT Capital Projects.

OIT has completed an internal review to ensure the project aligns with both the agency's and statewide IT goals and determined that OIT supports this funding request.

Please note: OIT and the Department of Education are in agreement that a security review will be completed as part of the project itself, when applicable. Also, any OIT specific work requiring OIT's support should be reappropriated to OIT through the payments of OIT line, where applicable.

Sincerely,

Rus Pascual, OIT Budget Director

Davyd Smith, OIT IT Director for Non-Consolidated Agencies

CC-IT: CAPITAL CONSTRUCTION INFORMATION TECHNOLOGY REQUEST FOR FY 2025-26

Department	**Department of Early Childhood**	Signature Department Approval: *Kathryn Kornacki* 10/11/2024
Project Title	Colorado Child Care Assistance Program	Signature OIT Approval: 10/11/2024
Project Year(s):	1	Signature OSPB Approval: Date
Department Priority Number	1	
Five-Year Roadmap?	Yes	Name and e-mail address of preparer:

Revision? Yes   No
If yes, last submission date: _____

		Total Project Costs	Total Prior Year Appropriations	Request Year (FY 2025-26) Request	Year 2 Request	Year 3 Request	Year 4 Request	Year 5 Request
A.	*Contract Professional Services*							
(1)	OIT Contracted Program Manager	$ -	$ -	$ -	$ -	$ -	$ -	$ -
(2)	Quality Assurance	$ -	$ -	$ -	$ -	$ -	$ -	$ -
(3)	Independent Verification and Validation	$ -	$ -	$ -	$ -	$ -	$ -	$ -
(4)	Training	$ -	$ -	$ -	$ -	$ -	$ -	$ -
(5)	Leased Space (Temporary)	$ -	$ -	$ -	$ -	$ -	$ -	$ -
(6)	Feasibility Study	$ -	$ -	$ -	$ -	$ -	$ -	$ -
(7a)	Inflation for Professional Services	$ -	$ -	$ -	$ -	$ -	$ -	$ -
(7b)	Inflation Percentage Applied		0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
(8)	Other Services/Costs	$ 1,692,477	$ -	$ 1,692,477	$ -	$ -	$ -	$ -
(9)	*Total Professional Services*	$ 1,692,477	$ -	$ 1,692,477	$ -	$ -	$ -	$ -
B.	*Software Acquisition*							
(1)	Software COTS Purchase	$ -	$ -	$ -	$ -	$ -	$ -	$ -
(2)	Software Built	$ -	$ -	$ -	$ -	$ -	$ -	$ -
(3a)	Inflation on Software	$ -	$ -	$ -	$ -	$ -	$ -	$ -
(3b)	Inflation Percentage Applied	$ -	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
(4)	*Total Software*	$ -	$ -	$ -	$ -	$ -	$ -	$ -
C.	*Equipment*							
(1)	Servers	$ -	$ -	$ -	$ -	$ -	$ -	$ -
(2)	PCs, Laptops, Terminals, PDAs	$ -	$ -	$ -	$ -	$ -	$ -	$ -
(3)	Printers, Scanners, Peripherals	$ -	$ -	$ -	$ -	$ -	$ -	$ -
(4)	Network Equipment/Cabling	$ -	$ -	$ -	$ -	$ -	$ -	$ -
(5)	*Miscellaneous*	$ -	$ -	$ -	$ -	$ -	$ -	$ -
(6)	*Total Equipment and Miscellaneous*	$ -	$ -	$ -	$ -	$ -	$ -	$ -
D.	*Project Contingency*							
(1)	5% project contingency	$ 89,078	$ -	$ 89,078	$ -	$ -	$ -	$ -
(2)	IT ADLE Payment	$ -	$ -		$ -	$ -	$ -	$ -
E.	*Total Request*							
	Total Budget Request [A+B+C+D]	$ 1,781,555	$ -	$ 1,781,555	$ -	$ -	$ -	$ -
F.	*Source of Funds*							
	GF	$ -	$ -	$ -	$ -	$ -	$ -	$ -
	CF/RF	$ 1,781,555	$ -	$ 1,781,555	$ -	$ -	$ -	$ -
	FF	$ -	$ -	$ -	$ -	$ -	$ -	$ -
	check (should = E)	$1,781,555	$0	$1,781,555	$0	$0	$0	$0

FY 2025-26 - CDEC CCCAP: IT-CC-01

Request Year	Total Funds	CCF-IT	Cash Funds	Reappropriated Funds	Federal Funds
FY 2025-26	$1,781,555	$0	$194,190	$0	$1,587,366
FY 2026-27	$0	$0	$0	$0	$0
FY 2027-28	$0	$0	$0	$0	$0

Categories of IT Capital Projects

Category	Rationale	Applicable
System Replacement	Costs escalating, failing technology, software or vendor support ended, or new technology, e.g., DRIVES, CHATS	No
System Enhancement Regulatory Compliance	(new functionality, improved process or functionality, new demand from citizens, regulatory compliance, e.g, CBMS	Yes
Tangible Savings Process Improvement	conscious effort to reduce or avoid costs, improve efficiency, e.g., LEAN, back office automation	No
Citizen Demand	"The Ways Things Are" (transformative nature of technology, meet the citizens where they are, e.g., pay online, mobile access)	No

Request Summary:

The Colorado Department of Early Childhood (CDEC) requests a total of $1,781,555 in FY 2025-26, with $1,587,366 in Child Care Development Funds (CCDF) and $194,190 from the Local Government Fund (cash funds). The funds will be used to implement the Child Care Development Fund (CCDF) Final Rule requirements published on March 1, 2024, for the Colorado Child Care Assistance Program (CCCAP) to support system enhancements and ensure compliance with the CCDF Final Rule by August 2026.

The Department requests a total of $1,781,555 in spending authority in FY 2025-26 to enhance the Child Care Automated Tracking System (CHATS) and website tools in order to comply with the federal CCCAP rule changes to improve child care access and affordability. CHATS is used by the State of Colorado to manage child care services provided to low income families or

families who are receiving public assistance through CCCAP. There are approximately 600 state and county users of the CHATS system. Requested funding will support the estimated enhancement costs to CHATS and the CDEC website to ensure compliance with the CCDF Final Rule.

The new federal rule requires the Department to increase a family's knowledge ofCCDF requirements. To meet these requirements, the Department will be developing more comprehensive information for parents on the costs of parent fees, including fee amounts and policies for waiving parent fees, as well as the addition of a parent fee calculator on the Department website.

Project Description:

The Department is requesting additional resources to enhance the Child Care Automated Tracking System (CHATS) to support the Colorado Child Care Assistance Program (CCCAP) to comply with new federal regulations. The CHATS application system must be able to support families by providing proper means for accessing information.

The requested funds will be used to enhance the technology, infrastructure and system integrations needed to support the changes in rule. The upgrades will allow the Department to improve processes and functionality in a manner that is responsive to the updated rules and regulations. The Department plans to enhance the CHATS system to provide more capabilities for users, increased reporting features and allow parents more choices to meet the families needs.

The system changes are outlined below:

Application Simplification & Transparency - The system will require updates to simplify the CCCAP application process for families to include income eligibility for transparency in advance of a family applying. Additionally, parent fee formulas will be updated in the system to reduce barriers to families receiving assistance.

Enhancing Parent Choice - The rule is intended to increase parent choice. As part of the project, the system would be updated by providing a portion of the delivery of CCCAP direct services through grants and contracts for underserved populations.

Enrollment & Payment Updates - CCCAP has historically paid providers based on a child's attendance, rather than on a child's enrollment, meaning that if a child enrolled in CCCAP does not attend care on a given day, the provider will not receive reimbursement for that child through CCCAP. The Department is required to shift payment practices based on enrollment, not attendance, and shift to pay providers based on a part-time or full-time basis rather than paying for hours of service. The system must be updated to reflect these payment changes.

Registration Fees - The system must be updated to tabulate registration fees that providers charge to private-pay parents.

Reporting & Licensing - The Department needs to update reporting features with additional data and capabilities that allow access to the operational, management and executive information needed to ensure timelines of payments and review of information. There are also additional licensing requirements for the overall project.

Systems Integration Opportunities –
It is anticipated that the system will result in a need for continued integration of technology to other existing systems, including but not limited to the Unified Experience and Early Childhood Integrated Data System (ECIDS), for better insights into ensuring Colorado's most vulnerable children are benefitting from available opportunities. These efforts focus on data functions critical to supporting the goals of CDEC.

CDEC will continue to leverage opportunities to integrate all systems including the Attendance Tracking System (ATS) and the Grants Management and Operating Status modules, including enabling the ATS to send CCCAP-related information to the Child Care Automated Tracking System (CHATS); and the Universal Preschool Program Application system with Provider Hub changes, including Quality Rating and Improvement System (QRIS), also known as Colorado Shines.

Risks and Constraints –
The risks associated with this funding request include the potential for delayed launch of enhancements and subsequent impact on counties and families. Design and implementation is key to align with the effective dates of the new federal regulations (August 2026).

Operating Budget Impact –
The Department will submit a subsequent decision item for CCCAP which will include any additional operating funding needed to comply with the new federal regulations. CHATS has an existing operating and maintenance budget that can be used for the continued ongoing support of the maintenance and operations of the system.

Background of Problem or Opportunity:
In 2010 the original CHATS was deployed, creating technology to track attendance, improve financial management and access to data. HB14-1317 made substantial changes to policies related to CCCAP to improve access to quality child care and resulted in the Department completing a CHATS modernization in FY 2016-17 that worked to address the needs of tracking attendance, improving financial management and access to data to sustain the business practices. The FY 2016-17 modernization enhanced functionality to support all statewide

policies and reduce the administrative manual burdensome processes for county staff and families.

The Department receives an annual appropriation of approximately $4 million to continue the general operations, maintenance and enhancements of CHATS that the Department uses to continue to make minor changes to the systems to comply with federal regulations and state law. However, new federal rules published in 2024 require significant adjustments to the existing system that can not be covered with existing resources. While the Department prioritizes system changes to comply with the CCDF Final Rule, previously identified system enhancements will be deprioritized and some costs could be absorbed through this process. The system enhancements that have the sole intent to improve state and county user experience will be deprioritized unless they align with a system enhancement that must be made to implement the new regulations. Where possible, the Department can incorporate previously requested changes, which can be absorbed into the cost of implementing the enhancements that are required to comply with the CCDF final rule. Furthermore, the Department will continue to conduct ongoing operations and maintenance in support of its CHATS system. This ensures that the ongoing process of monitoring, upgrading, and maintaining CHATS will occur so the state and counties have the expected use of the system and the system remains secure and reliable.

On March 1, 2024, the Biden-Harris Administration's U.S. Department of Health and Human Services (HHS), through the Administration for Children and Families (ACF), published a new federal rule, Improving Child Care Access, Affordability, and Stability in the Child Care and Development Fund (CCDF)[1].

Policies included in this final rule are designed to:
- Lower child care costs for families,
- Improve payments to child care providers,
- Increase child care options for families,
- Make enrollment easier and faster for families and
- Increase clarity in CCDF requirements.

The proponents of the final rule require extensive changes to the CHATS system, the Department is required to establish procedures and policies to ensure parents, especially parents receiving assistance through the Temporary Assistance for Needy Families (TANF) program, are not required to unduly disrupt their education, training or employment in order to complete the eligibility determination process and allow for the increase in parent choice by providing some portion of the delivery of direct services through grants or contracts to providers.

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[1]https://www.federalregister.gov/documents/2024/03/01/2024-04139/improving-child-care-access-affordability-and-stability-in-the-child-care-and-development-fund-ccdf

The Department will also need to update parent fee formulas and external facing calculators for families to use to adequately reduce barriers to families receiving assistance as well as establish a plan for payment practices applicable to all CCDF child care providers that reflects generally accepted payment practices of child care providers that serve children who do not receive CCDF subsidies. This updated payment plan must include practices to ensure prospective payment to child care providers, supporting fixed costs of providing child care services and paying providers on a part-time or full-time basis, rather than by hours of service, and paying for reasonable mandatory registration fees that the provider charges to private paying parents.

Justification:

CDEC is statutorily required and federally mandated to comply with changes in federal regulations. The Department must work to implement rules, website tools and system changes to CCCAP to implement federal final rule requirements by August 1, 2026.

The CHATS application will undergo significant changes to meet the requirements outlined in HB 24-1223; update several rules to address compliance findings from the Department's 2023 federal monitoring visit; address the roll-off of stimulus strategies; implement the federally approved alternative rate methodology for paying providers; and address new federal rules with staggered implementation timelines concluding with full implementation by August 1, 2026.

Business Process Analysis – The CHATS system was originally developed to support CCCAP and includes required functionalities for timely and accurate attendance tracking and reporting.

Cost-Benefit Analysis and Project Alternatives (per H.B. 15-1266) –
The Department could continue to use the existing system as is, but doing so would result in non-compliance with the federal rules.

The Department originally elected to streamline the original CHATS modernization by issuing a single Request for Proposal (RFP) allowing vendors to bid on any and all options. The Department reviewed the proposals in consultation with the Governor's Office of Information Technology and selected a vendor for the modernization. The structure of the contract provides the maximum flexibility for the State that continues to evaluate the CHATS application's capabilities and enhancements.

Success Criteria and Improved Performance Outcomes –
Success of this project will be determined based on the following criteria:
- Simplification -The changes implemented should simplify the CCCAP processes and functions to serve clients and providers.
- Reporting -The changes will provide the ability to create and enhance the reporting mechanism.

- Data -The changes will create the ability to collect data on determination and payments based on enrollment.
- The changes will create the ability to properly track and report key performance metrics as mandated by the federal requirements.

Assumptions for Calculations –

Through market research and discussions with the Governor's Office of Information Technology (OIT), CDEC has reviewed prospective solutions, and the breakdown below outlines estimated total costs of $4.3 million. The Department requests $1.8 million in Child Care Development Funds (CCDF) funding to cover some of the associated costs. The remaining $2.5 million will be absorbed through the Department's existing appropriations.

IT Capital Component	Total Costs	FY 2025-26 Request
Application Simplification & Transparency	$733,365	$278,679
Enhancing Parent Choice	$525,769	$199,792
Enrollment & Payment Updates	$2,748,961	$1,044,605
Registration Fees	$273,541	$103,945
Reporting & Licensing	$68,901	$65,456
5% contingency	$217,527	$89,078
Total	*$4,568,064*	*$1,781,555*

Link to tables/calculations (Google Sheets)

Consequences if not Funded –

Without increased budgetary support that allows technology to respond to the pressures of the new federal requirements, constraints on upgrades may mean CDEC broadly falls short on compliance needs that are especially related to the most vulnerable populations.

Implementation Plan

Change Management –

The project will take an Agile approach. This project represents multiple opportunities to improve the current automated processes and data system.

This project will establish and adhere to a change management plan, including stakeholder identification, communication plans contextualized for stakeholder roles, a user acceptance testing plan, usability testing and a training plan. The training plan will address changes to manual and automated business processes, navigation of the user interface and the technical knowledge transfer necessary for those administering and/or customizing the system. This project will ensure that non-production environments exist for user acceptance testing and training. Where possible, these environments will integrate with test environments and otherwise will provide stubs to mimic other interface activity.

The Department will continue diligently working with counties and child care providers to ensure CHATS and ATS changes that are required to comply with the CCDF Final Rule meet stakeholder needs through collaboration with the CHATS Change Management Group and other stakeholder groups.

Alignment with OIT Best Practices and Standards –
CDEC will align with OIT best practices by developing a system services solution that meets OIT long-term objectives for more virtual services that engage citizens in the most effective and efficient manner possible. This request also aligns with CDEC's goal of providing data-driven, high quality and equitable early childhood care and education in all settings. The management of this project will follow OIT's gating process for Agile projects and will ensure that deliverables comply with OIT's Technology Standards and Security Policies.

Procurement -
CDEC, in partnership with OIT, is working on the planning and procurement components of this request. The procurement process will abide by the Colorado Procurement Code requirements for competitive, equitable and fair purchasing. The procurement process will utilize methods specified in the Colorado Procurement Code, including but not limited to competitive solicitations and contract negotiation, utilization of state price agreements and discretionary purchases to ensure completion of the project within a specific timeline, deliverables and payment milestones to the greatest value to the state.

Disaster Recovery and Business Continuity –
The automated processes and data management systems for reporting are business critical for counties, providers and families. This project will include an assessment of system vulnerabilities, establish disaster avoidance and prevention procedures, stand up disaster recovery infrastructure, establish a disaster response and business continuity plan and validate these through tabletop exercises.

Accessibility Compliance –
The enhancements of the CHATS system will offer the ability to address and further enhance accessibility compliance requirements that are not present or capable of being implemented in the current system. CDEC maintains that an enhancement of the current system will allow the Department the ability to provide more effective accessible services so that people with disabilities will be better able to access the family application and provider portal. This project will include requirements for compliance with OIT accessibility standards as well as metrics and methods for validation of compliance.

Impact to IT Common Policy –
This request will not have an impact on the OIT Common Policy funding since CDEC manages information technology projects related to CHATS.

Additional Information

Additional Request Information

Please indicate if three-year roll forward spending authority is required.	Yes
Is this a continuation of a project appropriated in a prior year?	No
If this is a continuation project, what is the State Controller Project Number?	N/A
If this request affects another organization, please provide a comfort letter.	N/A
Please attach a letter from OIT indicating review and approval of this project	Attached

Estimated Project Time Table

Steps to be completed	Start Date	Completion Date
Update CHATS application	July 1, 2025	**August 1,2026**
Update CHATS calculations	July 1, 2025	**August 1,2026**
Update CHATS reporting	July 1, 2025	**August 1,2026**

Cash Fund Projections

Cash Fund name and number:	**Local Government Fund (9900)**
Statutory reference to Cash Fund:	**26.5-4-115-MOU for CCCAP**
Describe how revenue accrues to the fund:	**This is a county share reimbursement fund.**
Describe any changes in revenue collections that will be necessary to fund this project:	**N/A**

August 1, 2024

Mark Ferrandino
Director
Office of State Planning and Budgeting
111 State Capitol
Denver, Colorado 80203

RE: FY 2025-26 Dept. of Early Childhood's IT capital to enhance the Child Care
Automated Tracking System (CHATS)

Dear Director Ferrandino:

Pursuant to OSPB instructions, this letter is to confirm that the Office of Information
Technology (OIT) has been informed of the development and submission of this proposed
funding request for the Department of Early Childhood a total of $1,781,555 ($1,587,366 in
Child Care Development Federal Funds (CCDF) and $194,190 in Local Government Cash Fund
to implement the Child Care Development Fund (CCDF)) in spending authority in FY 2025-26
to enhance the Child Care Automated Tracking System (CHATS) and website tools in order to
comply with the federal rule changes related to the Colorado Child Care Assistance Program
(CCCAP) to improve child care access and affordability. CHATS is the system used by the State
of Colorado to manage child care services provided to low income families or families who are
receiving public assistance through CCCAP.

OIT has completed an internal review to ensure the project aligns with both the
agency's and statewide IT goals and determined that OIT supports this funding
request.

Please note: OIT and the Department of Early Childhood are in agreement that a
security review will be completed as part of the project itself, when applicable. Also,
any OIT specific work requiring OIT's support should be reappropriated to OIT through
the payments of OIT line, where applicable.

Sincerely,

Rus Pascual, OIT Budget Director
Tony Rodasta, OIT Interim IT Director for CDEC

CC-IT: CAPITAL CONSTRUCTION INFORMATION TECHNOLOGY REQUEST FOR FY 2025-26

Department	**Personnel & Administration**	Signature Department Approval:	Lauren Gilliland Date: 10/22/24
Project Title	Statewide Procurement System/Study	Signature OIT Approval:	Rus Pascual Date: 10/22/2024
Project Year(s):	1 of 1	Signature OSPB Approval:	Date
Department Priority Number	3		
Five-Year Roadmap?		Name and e-mail address of preparer:	Lauren Gilliland, lauren.gilliland@state.co.us

Revision? Yes No If yes, last submission date: _____	Total Project Costs	Total Prior Year Appropriations	Request Year (FY 2025-26) Request	Year 2 Request	Year 3 Request	Year 4 Request	Year 5 Request
A. *Contract Professional Services*							
(1) Vendor Contract Support & OIT Contracted PM	$ 1,750,000	$ -	$ 607,143	$ 1,142,857	$ -	$ -	$ -
(2) Quality Assurance	$ -	$ -	$ -	$ -	$ -	$ -	$ -
(3) Independent Verification and Validation	$ -	$ -	$ -	$ -	$ -	$ -	$ -
(4) Training	$ -	$ -	$ -	$ -	$ -	$ -	$ -
(5) Leased Space (Temporary)	$ -	$ -	$ -	$ -	$ -	$ -	$ -
(6) Feasibility Study	$ 350,000	$ -	$ 350,000	$ -	$ -	$ -	$ -
(7a) Inflation for Professional Services	$ 54,600	$ -	$ 24,886	$ 29,714	$ -	$ -	$ -
(7b) Inflation Percentage Applied		0.00%	2.60%	2.60%	0.00%	0.00%	0.00%
(8) Term-Limited FTE	$ 362,243	$ -	$ 362,243	$ -	$ -	$ -	$ -
(9) *Total Professional Services*	$ 2,516,843	$ -	$ 1,344,272	$ 1,172,571	$ -	$ -	$ -
B. *Software Acquisition*							
(1) Software COTS Purchase	$ 1,000,000	$ -	$ -	$ 1,000,000	$ -	$ -	$ -
(2) Software Built	$ -	$ -	$ -	$ -	$ -	$ -	$ -
(3a) Inflation on Software	$ 26,000	$ -	$ -	$ 26,000	$ -	$ -	$ -
(3b) Inflation Percentage Applied	$ 0	0.00%	2.60%	2.60%	0.00%	0.00%	0.00%
(4) *Total Software*	$ 1,026,000	$ -	$ -	$ 1,026,000	$ -	$ -	$ -
C. *Equipment*							
(1) Servers	$ -	$ -	$ -	$ -	$ -	$ -	$ -
(2) PCs, Laptops	$ 2,000	$ -	$ 2,000	$ -	$ -	$ -	$ -
(3) Printers, Scanners, Peripherals	$ -	$ -	$ -	$ -	$ -	$ -	$ -
(4) Network Equipment/Cabling	$ -	$ -	$ -	$ -	$ -	$ -	$ -
(5) Term-Limited FTE Operating & Phone Service	$ 2,021	$ -	$ 2,021	$ -	$ -	$ -	$ -
(6) Office Furniture for Term-Limited FTE	$ 5,000	$ -	$ 5,000	$ -	$ -	$ -	$ -
(7) *Total Equipment and Miscellaneous Costs*	$ 9,021	$ -	$ 9,021	$ -	$ -	$ -	$ -
D. *Project Contingency*							
(1) 5% project contingency	$ 177,593	$ -	$ 67,664	$ 109,929	$ -	$ -	$ -
(2) IT ADLE Payment	$ -	$ -		$ -	$ -	$ -	$ -
E. *Total Request*							
Total Budget Request [A+B+C+D]	$ 3,729,457	$ -	$ 1,420,957	$ 2,308,500	$ -	$ -	$ -
F. *Source of Funds*							
GF	$ -	$ -	$ -	$ -	$ -	$ -	$ -
CF/RF	$ 3,729,457	$ -	$ 1,420,957	$ 2,308,500	$ -	$ -	$ -
FF	$ -	$ -	$ -	$ -	$ -	$ -	$ -
check (should = E)	$3,729,457	$0	$ 1,420,957	$2,308,500	$0	$0	$0

FY 2025-26 - DPA Statewide Procurement System: IT-CC-03

Request Year	Total Funds	CCF-IT	Cash Funds	Reappropriated Funds	Federal Funds
FY 2025-26	$1,420,957	$0	$1,420,957	$0	$0
FY 2026-27	$2,308,500	$0	$2,308,500	$0	$0
FY 2027-28	$0	$0	$0	$0	$0

Categories of IT Capital Projects

Category	Rationale	Applicable
System Replacement	Costs escalating, failing technology, software or vendor support ended, or new technology, e.g., DRIVES, CHATS	No
System Enhancement Regulatory Compliance	(new functionality, improved process or functionality, new demand from citizens, regulatory compliance, e.g, CBMS	No
Tangible Savings Process Improvement	conscious effort to reduce or avoid costs, improve efficiency, e.g., LEAN, back office automation	Yes
Citizen Demand	"The Ways Things Are" (transformative nature of technology, meet the citizens where they are, e.g., pay online, mobile access)	No

Request Summary:

The Department of Personnel & Administration (DPA) requests $1,420,957 in cash funds (Supplier Database Cash Fund) for FY 2025-26 to fund the first phase of a two phase Statewide Procurement System project. The project aims to collect information on present State procurement systems and processes across the State and to implement a new system and/or integrate with and improve existing systems, where needed. The data from the initial phase would be used to create a roadmap in pursuing and procuring a centralized procurement system. The first phase of funding will offer a path towards execution of a system with DPA spearheading a more effective and efficient state.

The requested amount would be for contracted professional services and a term-limited FTE. The estimated consulting costs for a market scan, roadmap development, and support for the

procurement and contracting process total $859,100. The second phase of the project will require $2,308,500 CF for system enhancements and to increase functionalities, including $500,000 for integrations, $1,000,000 for SAAS/Cloud Solution, $400,000 for redundancy, $100,000 for reporting, $250,000 for project support, and $58,500 for inflation. The term-limited product owner who would lead the effort no later than October 1, 2025, accounting for 0.75 FTE in Year 1, annualizing to 1.0 FTE in Year 2 and Year 3. The three year FTE costs are projected at $298,130, $64,113 for centrally appropriated costs, and $9,021 for associated standard operating costs. A 5% contingency was added to the total.

Project stakeholders include various groups in the Department within the Office of the State Controller (the State Purchasing & Contracts Office, the CORE team, the Financial Services Unit, Risk Management), vendors, state agencies in the executive branch, possibly local government, the judicial branch, and the legislative branch. The Office of the State Controller (OSC) would be directly involved and have influence, as would the Office of Information Technology per SB22-191 (Link). All groups listed could be positively impacted by the recommendations of the effort.

This request is not a continuation project.

Project Description:

The project goal is to determine what eProcurement systems exist in the State, analyze the current state procurement process and systems as well as implement a new system and integrate/upgrade existing systems as needed. A valuation will be completed to ensure an accurate evaluation of these systems while developing the goals (initial requirements) of a centralized system for the Office of the State Controller to initiate. The details collected will ensure the recommendation of a system which will improve the efficiency of the procurement process, align with state mandated practices and allow the State to make changes identified by the Equity Office and small business stakeholders, such as certification documentation and publishing upcoming solicitations to assist with vendor preparedness.

Project requirements include, but are not limited to:
- Develop requirements for a centralized procurement system;
- Solicit a new system (posting, vendor evaluation, award);
- Replace or upgrade the contract management system (CMS);
- "Amazon" cart capabilities for price agreements;
- Tracking and reporting of price agreements;
- Ability to use the selected application to publish future solicitations;
- Conduct full e submission requests; and
- Small business/supplier diversity tracking and reporting.

The pursuit of a new and upgraded centralized procurement system will allow statewide knowledge sharing of purchasing patterns, vendor ratings, spend tracking and the optimization of bulk purchasing creating statewide operating efficiencies and avoiding unnecessary costs for the State of Colorado going forward.

Systems Integration Opportunities:

Today there are multiple systems or agreements that capture spending, track procurement and offer some level of bulk spending benefits. During the project there will be limited programming/development of system integrations. The anticipation of an integration requirement would become apparent after requirements are known and the execution trajectory is mapped. Thus, in year one there are no anticipated costs of system integration.

Interfaces would be identified after the new central procurement system is selected. Interfaces with disparate applications would include, but not be limited to CORE or other DPA, OIT, or agency e-procurement systems.

Risks and Constraints:

The project will take an Agile approach to implementation thus minimizing risk and ensuring that value is created for the state after each sprint. The project will start with an inventory of the State's procurement systems and requirements but move quickly into agile implementation including sprint planning and prioritizing the backlog. The project will implement a minimally valuable product that will be deployed and utilized by procurement officials.

Operating Budget Impact:

There will be no impact to the operating budget, as all costs identified can be expended within the three-year capital appropriation timeframe. Costs for the term-limited FTE and standard operating needs are included in the IT Capital Construction Calculations in the Assumptions and Calculations section below.

Background of Problem or Opportunity:

eProcurement is decentralized at the State of Colorado, which has resulted in agencies having duplicative systems), lack of efficiency, and increased costs. The pursuit of information summarizing how procurement is accomplished in the State will offer insight into developing a clear path toward pursuing a centralized system that integrates or replaces the additional systems supporting agencies across the State. The consequences of the present decentralized process include minimal statewide analytical data, few opportunities to use the system to improve the procurement process, the need to use several systems to complete one procurement, and disjointed systems resulting in inefficiencies and increased costs for maintaining interfaces.

Current procurement systems include CORE, the Contract Management System (CMS), the SPCO eSubmission system, the State Price Agreement Website, Rocky Mountain BidNet, Box.com, Salesforce, eClearance, agency-created evaluation, workflow, and/or procurement time tracking sheets, grants systems, and likely other systems used by agencies that have yet to be identified.

Justification:

A study and recommendation of a path forward for procurement systems would improve the overall procurement process, including better analytics, more timely procurements, more transparency and vendor preparedness, and increased support for the Equity Office and small business stakeholders.

Business Process Analysis:

The effort will include a business process analysis. The project will help DPA identify inefficiencies, potential risks within the current process across the State and focus on all the redundancies that exist in today's landscape of procurement at the State of Colorado.

Cost-Benefit Analysis and Project Alternatives:

Per House Bill 15-1266 (Link) any request for expenditure must clearly identify and quantify operating efficiencies as a result of the request for funding. Per Gartner (Website), procurement leadership (cost management) must invest in supplier risk management of future work during this post pandemic recovery. Thus, the department's pursuit of funds for a contracted vendor to analyze the benefits of the central procurement system will offer:
- a focus on the benefits of centralized procurement;
- a forum to ensure sourcing policies are developed using best practices;
- supplier resilience and responsible sourcing as a result of guardrails for procuring technology; and
- the potential for cost optimization with the use of a system that can support all agencies.

Amazon offers a "2024 State of Procurement Data Report" where the data shows that 95% of decision-makers acknowledge the need for procurement optimization, 85% of leaders find that suppliers do not follow sustainable practices, and 81% look to buy from certified sellers, all with the difficulty in tracking purchasing. Thus, pursuing a centralized system that initiates responsible purchasing will support the State of Colorado's pursuance of achieving budget goals and reducing over expenditures.

Success Criteria and Improved Performance Outcomes:

The success criteria is defined as a summary of the standard(s) that DPA will produce as the result of the evaluation of the current state of applications/systems used for procurement. These standards will be used to develop policies for procurement as well as measurable terms to satisfy sister agencies on procurement practices, budget savings, and vendor evaluations. The implementation of a central procurement system will guarantee standards and policies related to procurement as well as added functionality for State employees, vendors, and possibly even local government and institutions of higher education.

Performance outcomes would be driven by the adoption rate of the selected application/system, the type(s) of training offered or developed and offered to the end user community, along with reporting driven by the requirements developed during the initial phase of the project.

Assumptions for Calculations:

[IT Capital Construction Calculations (Google Sheet)](#)

- $872,100 for contracted professional services to conduct a study which will include:
    - Consultants;
    - Equipment required by the contractor;
    - Other standard operating expenses for the contractor;
    - $22,100 for inflation on the feasibility study estimate at 2.6%, consistent with the Denver-Aurora-Lakewood CPI from the Bureau of Labor Statistics in May 2024; and

- $371,264 for a term-limited product owner (Program Management II) will include:
    - Salary costs and HLD, AED, SAED, and STD for 33 months;
    - One-time operating costs, including a laptop and cubicle; and
    - Three years of operating costs, including an FTE-associated standard allowance and phone.

- $177,593 for a 5% contingency

- $2,308,500 System Implementation
    - Integrations $500,000 ($50K per system for 10 systems)
    - SAAS/Cloud Solution - Off Shelf - $1,000,000
    - Redundancy - $400,000
    - Reporting - $100,000
    - Project Support - $250,000 (OIT project manager, DPA project staff, etc).
    - $58,500 inflation

All Program Management II (Term-Limited) - Related Costs	FY 2025-26	FY 2026-27	FY 2027-28	3-Year Total	CC-IT Cost Category
Total FTE	0.75	1.0	1.0	2.75	N/A
Total Salary Cost (Salary, Medicare, PERA)	$81,308	$108,411	$108,411	$298,130	CC-IT - (A)(8) Term-Limited FTE
Total Centrally Appropriated Costs (HLD, AED, SAED, STD)	$16,939	$23,587	$23,587	$64,113	CC-IT - (A)(8) Term-Limited FTE
Total One-Time Operating Costs (Standard new FTE-associated)	$7,000	$0	$0	$7,000	CC-IT - (C) Equipment
PC	$2,000	$0	$0	$2,000	(C)(2) PC, Laptop

All Program Management II (Term-Limited) - Related Costs	FY 2025-26	FY 2026-27	FY 2027-28	3-Year Total	CC-IT Cost Category
Cubicle	$5,000	$0	$0	$5,000	(C)(6) Office Furniture for FTE
Total Project (3-year) Operating	$551	$735	$735	$2,021	CC-IT - (C) Equipment
Standard Allowance	$375	$500	$500	$1,375	(C)(5) FTE Standard Operating & Phone
Communications	$176	$235	$235	$646	(C)(5) FTE Standard Operating & Phone
Total Costs	$105,798	$132,733	$132,733	$371,264	N/A

Proposed funding for this request would come from a surplus fund balance in the Supplier Database Cash Fund. This revenue source is used to fund a portion of the Procurement and Contracts Personal Services budget as well as as an offset to the CORE budget, which is also funded from the collection of agency billings through the CORE common policy.

Consequences if not Funded:

If this request is not approved, agencies will continue to utilize their existing procurement systems that are not part of a central procurement system/process. As a result, the State will continue to lack meaningful analytics. The State would continue to be challenged with supporting the Statewide Equity Office with the existing decentralized systems. In addition, these systems may be duplicative across agencies.

Implementation Plan
Change Management:

The project change management and implementation plan will utilize a standard governance model with both executive and end user workgroups as well as a product owner and project change management and communications staff. The specific engagement will be with the Office of the State Controller and their State agency accounting and purchasing delegates. However, the project team will develop regular outreach and office hours to ensure anyone in the State can gain knowledge of the project and its outcomes.

As noted above the project will leverage an agile project implementation approach which pushes usable software functionality to users as soon as possible to minimize project risk and assist with change management.

Alignment with OIT Best Practices and Standards:

The results of this effort would provide meaningful formal market research, as required for IT projects, and provide recommendations for State goals for eprocurement systems and processes. The age of current technology and duplicative systems at agencies is likely not in line with OIT Best Practices and Goals but more information is required to ascertain the current situation.

Procurement:

OIT's engagement would not be needed for the procurement, but they would be included in the stakeholder process. Procuring consultants for an e-procurement systems review would involve a sourcing method in the Procurement Code, to be conducted by the Department and would not be considered a technology procurement. For example, the sourcing method could be a solicitation, or utilizing pre-solicited cooperative agreements/State Price Agreements. The Department would issue a purchase order or contract as required by Fiscal Rule.

Disaster Recovery and Business Continuity:

Disaster recovery and business continuity are currently unknown except to agency IT staff/contract managers. The results of this effort would enlighten the Department on the current state and future possibilities regarding disaster recovery for e-procurement systems in the State.

Accessibility Compliance:

This effort will take accessibility compliance into consideration to adhere to Accessibility Law for Colorado State through HB21-1110 (Link).

Impact to IT Common Policy (For Statewide OIT Projects Only):

N/A - the Department does not anticipate that OIT will lead this study. The Office of Information Technology will be a "vendor" during implementation and the requested budget is inclusive of the costs.

Additional Information

Additional Request Information

Please indicate if three-year roll forward spending authority is required.	Yes

Is this a continuation of a project appropriated in a prior year?	No
If this is a continuation project, what is the State Controller Project Number?	N/A
If this request affects another organization, please provide a comfort letter.	N/A
Please attach a letter from OIT indicating review and approval of this project	Attached

Estimated Project Time Table

Steps to be completed	Start Date	Completion Date
Contract with vendor for a market scan/roadmap development	07/2025	10/2025
Stakeholding and consultant learning about systems and processes	10/2025	01/2026
Create draft recommendations	01/2026	03/2026
Solicit and Contract with system vendor(s)	03/2026	11/2026
Implementation of system/system improvements	11/2026	07/2027

Cash Fund Projections (Details)

Cash Fund name and number:	**Supplier Database Fund - 2810**
Statutory reference to Cash Fund:	24-102-202.5, C.R.S.
Describe how revenue accrues to the fund:	The annual BIDS fee of $40 was eliminated in FY 2013-14 and is no longer a revenue source. Revenues are generated through a 1% rebate the State is given based upon State Price Agreement total spend.
Describe any changes in revenue collections that will be necessary to fund this project:	There will be no changes to revenue collections for this cash fund required to fund this project. It will be paid through excess fund balance. However, it will result in less excess being available to offset CORE common policy statewide revenues from the Statewide IT Systems Cash Fund.

Cash Fund Projections (Funding Amounts)

FY 2023-24 Actual Ending Fund Balance	FY 2024-25 Projected Ending Fund Balance	FY 2025-26 Projected Ending Fund Balance with Project Approval	FY 2026-27 Projected Ending Fund Balance with Project Approval
$9,526,943	$6,525,406	$1,246,410	$1,689,633

October 23, 2024

Mark Ferrandino
Director
Office of State Planning and Budgeting
111 State Capitol
Denver, Colorado 80203

RE: FY 2025-26 Dept. of Personnel and Administration IT Capital Supplier Database

Dear Director Ferrandino:

Pursuant to OSPB instructions, this letter is to confirm that the Office of Information Technology (OIT) has been informed of the development and submission of this proposed FY 2025-26 request for the Department of Personnel and Administration requests $1,420,957 in cash funds (Supplier Database Cash Fund) to pursue the collection of information on present State procurement systems and processes across the State and to implement a new system and/or integrate with and improve existing systems, where needed. The data from the initial phase would be used to create a roadmap in pursuing and procuring a centralized procurement system. The first phase of funding will offer a path towards execution of a system with DPA spearheading a more effective and efficient state.

OIT has completed an internal review to ensure the project aligns with statewide IT goals and determined that OIT has the capacity to deliver and meet the requirements of the project.

Please note: OIT and DPA are in agreement that a security review will be completed as part of the project itself, when applicable. Also, any OIT specific work should be reappropriated to OIT through the payments of OIT line, where applicable.

Sincerely,

Rus Pascual

Rita DeFrange

Rus Pascual, OIT Budget Director

Rita DeFrange, OIT IT Director for DPA

	CC-IT: CAPITAL CONSTRUCTION INFORMATION TECHNOLOGY REQUEST FOR FY 2025-26							

					Signature Department Approval:			Date
	Department	**Natural Reources**						
	Project Title	Modernization of Colorado Oil and Gas Information System			Signature OIT Approval:			Date
	Project Year(s):	2026 - 2028			Signature OSPB Approval:			Date
	Department Priority Number	1						
	Five-Year Roadmap?	Yes			Name and e-mail address of preparer:	Matthew Blackmon matthew.blackmon@state.co.us		

	Revision? No If yes, last submission date: _____	**Total Project Costs**	**Total Prior Year Appropriations**	**Request Year (FY 2025-26) Request**	**Year 2 Request**	**Year 3 Request**	**Year 4 Request**	**Year 5 Request**
A.	*Contract Professional Services*							
(1)	OIT Contracted Program Manager	$ 366,600	$ -	$ 366,600	$ -	$ -	$ -	$ -
(2)	OIT Cloud Security Specialist/Engineer	$ 70,180	$ -	$ 70,180	$ -	$ -	$ -	$ -
(3)	OIT Application Engineer	$ 337,820	$ -	$ 337,820	$ -	$ -	$ -	$ -
(4)	Contractor Staffing	$ 975,100	$ -	$ 975,100	$ -	$ -	$ -	$ -
(5)	Leased Space (Temporary)	$ -	$ -	$ -	$ -	$ -	$ -	$ -
(6)	Feasibility Study	$ -	$ -	$ -	$ -	$ -	$ -	$ -
7a	Inflation for Professional Services	$ -	$ -	$ -	$ -	$ -	$ -	$ -
7b	Inflation Percentage Applied		0.00%	3%%	0.00%	0.00%	0.00%	0.00%
(8)	Other Services/Costs - Training	$ 25,000	$ -	$ 25,000	$ -	$ -	$ -	$ -
(9)	*Total Professional Services*	$ 1,774,700	$ -	$ 1,774,700	$ -	$ -	$ -	$ -
B.	*Software Acquisition*							
(1)	Software COTS Purchase	$ 63,600	$ -	$ 63,600	$ -	$ -	$ -	$ -
(2)	Software Built	$ -	$ -	$ -	$ -	$ -	$ -	$ -
3a	Inflation on Software	$ -	$ -	$ -	$ -	$ -	$ -	$ -
3b	Inflation Percentage Applied	$ -	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
(4)	*Total Software*	$ 63,600	$ -	$ 63,600	$ -	$ -	$ -	$ -
C.	*Equipment*							
(1)	Cloud Hosting	$ 362,854	$ -	$ 70,000	$ 70,000	$ 72,100	$ 74,263	$ 76,491
(2)	PCs, Laptops, Terminals, PDAs	$ -	$ -	$ -	$ -	$ -	$ -	$ -
(3)	Printers, Scanners, Peripherals	$ -	$ -	$ -	$ -	$ -	$ -	$ -
(4)	Network Equipment/Cabling	$ -	$ -	$ -	$ -	$ -	$ -	$ -
(5)	*Miscellaneous*	$ -	$ -	$ -	$ -	$ -	$ -	$ -
(6)	*Total Equipment and Miscellaneous*	$ 362,854	$ -	$ 70,000	$ 70,000	$ 72,100	$ 74,263	$ 76,491
D.	*Project Contingency*							
(1)	5% project contingency	$ 92,235	$ -	$ 92,235	$ -	$ -	$ -	$ -
(2)	IT ADLE Payment	$ -	$ -		$ -	$ -	$ -	$ -
E.	*Total Request*							
	Total Budget Request [A+B+C+D]	$ 2,293,389	$ -	$ 2,000,535	$ 70,000	$ 72,100	$ 74,263	$ 76,491
F.	*Source of Funds*							
	GF	$ -	$ -	$ -	$ -	$ -	$ -	$ -
	CF/RF	$ 2,000,535	$ -	$ 2,000,535	$ -	$ -	$ -	$ -
	FF	$ -	$ -	$ -	$ -	$ -	$ -	$ -
	check (should = E)	$2,000,535	$0	$2,000,535	$0	$0	$0	$0

FY 2025-26 - DNR Modernizing the Colorado Oil and Gas Information System: IT-CC-01

Request Year	Total Funds	CCF-IT	Cash Funds	Reappropriated Funds	Federal Funds
FY 2025-26	$2,000,535	$0	$2,000,535	$0	$0
FY 2026-27	$0	$0	$0	$0	$0
FY 2027-28	$0	$0	$0	$0	$0

Categories of IT Capital Projects

Category	Rationale	Applicable
System Replacement	Costs escalating, failing technology, software or vendor support ended, or new technology, e.g., DRIVES, CHATS	Yes
System Enhancement Regulatory Compliance	(new functionality, improved process or functionality, new demand from citizens, regulatory compliance, e.g, CBMS	No
Tangible Savings Process Improvement	conscious effort to reduce or avoid costs, improve efficiency, e.g., LEAN, back office automation	No
Citizen Demand	"The Ways Things Are" (transformative nature of technology, meet the citizens where they are, e.g., pay online, mobile access)	No

Request Summary:

The Department of Natural Resources (DNR) and the Energy and Carbon Management Commission (ECMC) request $2,000,535 ECMC cash funds to replace the division's mission critical technology data infrastructure starting in FY 2025-26. Changing regulatory and operational needs have required the implementation of new features to existing applications and substantially increased the complexity of information the data system architecture must support. This has strained ECMC's ability to maintain data integrity, confidentiality, and accessibility for stakeholders, including members of the conservation community, oil and gas operators, and concerned citizens. The transition to a modernized data architecture for ECMC will elevate the agency's operational effectiveness in managing regulatory information by optimizing internal processes, resources, and activities for enhanced overall performance, and is one of ECMC's strategic goals. The modernization of the backend data architecture and

migration of data to the cloud is expected to provide alignment with state-mandated policies and deliver continuous service availability, thereby providing a more reliable and agile experience for stakeholders with easier access to data and resulting in increased transparency. This comprehensive approach will also align ECMC with the rapidly changing landscape of data management in the energy and oil and gas regulatory sector.

Project Description:

ECMC is requesting an IT capital appropriation to replace the division's critical technology infrastructure. The new system will:

- Modernize the Colorado Oil and Gas Information System (COGIS) backend architecture including setting up a fault-tolerant infrastructure, updating the frontend applications, and changing how data is moved throughout the system.
- Migrate the database and web applications to the cloud from the current on-premises hosting.
- Migrate the GIS mapping application from a no-longer-supported third-party application to the OIT- and DNR- supported environment.
- Optimize COGIS to embrace industry-leading practices for continuous development and operations (DevOps), Performance Optimization, and Automation of Maintenance and Monitoring.
- Accelerate development and deployment of electronic forms utilizing a modern technology stack; a set of technologies used by organizations to build and run websites, applications, and/or data systems.
- Incorporate accessibility best practices.

Modernizing the COGIS technology stack will have a tangible impact on system performance which will in turn (1) improve customer service to better meet public demand for providing and accessing ECMC data; (2) increase ECMC Staff efficiency and effectiveness; and (3) ensure data integrity for protecting public health, safety, welfare, the environment and wildlife resources.

Systems Integration Opportunities –

One of ECMC's strategic goals is to leverage technical transformation to ensure the delivery of superior customer service to internal and external stakeholders. To this end, the project will build upon the existing IT environment utilizing the current application development platform and resources. ECMC will work with the Governor's Office of Information Technology (OIT) to implement the best cloud-hosted solution for database and application needs. Further, this modernized system will allow for cleaner database integration with the division's eFilings system. ECMC will also explore opportunities to better integrate relevant data systems with other government agencies - such as CDPHE for air quality information - as well as implement more direct bulk data transfers to meet stakeholder needs.

Risks and Constraints –

As with most critical infrastructure replacement projects, replacing and enhancing the COGIS database and applications will require maintaining the existing operational environment while simultaneously building the new system. Additionally, having timely access to OIT resources and staff will be important for success, as well as capacity and expertise from ECMC staff. To

help ensure success, an inventory of anticipated risks along with a mitigation plan will be created for the project.

Operating Budget Impact –

Currently, the Department is not submitting an additional budget request for operating resources because the planning and implementation for the modernization project is not complete. The Department does not yet know if the current appropriation for licensing and support would be enough to cover the modernized system. If funding is either higher or lower than current appropriations, the Department will submit an operating request to true-up appropriations in a future budget cycle. If additional spending authority is needed, it will come from the Energy and Carbon Management Cash Fund and will not require General Fund spending.

Background of Problem or Opportunity:

COGIS is the ECMC's primary digital data collection, management, and information resource system. Consisting of SQL databases, web applications (including electronic forms, website query tools, and GIS), and an image document repository, COGIS has been developed and maintained for over 25 years by ECMC technical staff, OIT resources (application developers, database administrators, enterprise infrastructure personnel), and external vendors.

The COGIS SQL database was implemented in 1999. There have been periodic SQL server updates since 1999, but as statutory requirements and program growth have expanded for ECMC over the years, the database has not kept pace resulting in inadequate stability and performance of applications that depend on the database. For example, many operators submitting electronic forms as required by statute have found the process to be more onerous and time consuming since the application was first available in 2008. Further, support for the original permutation of the ECMC web form application was discontinued by Microsoft in 2021.

COGIS technology stack upgrades during the past two decades have been made in response to the discontinuation of support for platforms and operating systems, and/or security concerns. Additionally, changing regulatory and operational needs have required the implementation of incremental feature additions to applications as well as a substantial increase in the number of database tables, the complexity of the system architecture, and the effort to maintain data integrity, confidentiality, and access for all Colorado stakeholders. As an example, an outcome of SB 19-181 and subsequent rulemakings, was the requirement to collect cumulative impact data that resulted in a complex new form - a form that required 11 new database tables with 200+ fields and relationships to be created. More than a dozen new forms have been added since 2021, each requiring more and more backend resources. As ECMC involvement in energy transition technologies grows, so will the accompanying data volume, complexity of data, and the need for a more robust and state-of-the-art technology data system infrastructure to consume and manage this data. Once the modernization project is complete, the system must be maintained and changed to accommodate additional features needed as a result of rulemakings, law changes, and input from public users of the system.

In particular, the system architecture has remained largely unchanged since its inception in 1999, leading to performance issues and timeouts for users and increased complexity in managing and enhancing the application and database. Complicated data replication and

integration patterns have further contributed to performance issues. The lack of a clear strategy for continuous maintenance and optimization has exacerbated these challenges.

Identified pain points include:

1) User timeouts and sluggish responsiveness when using the website leading to poor quality of submitted data that needs correction. This is typically caused by a communication failure between servers.
2) Limited client-side validation in the application creating data inconsistencies, data corruption, exposure to security threats, and increased resource usage.
3) Complex operations to replicate data between servers in current configuration can result in errors that need manual correction, more performance issues, data conflicts, and increased data management oversight.
4) Performance tuning and maintenance not performed regularly which can lead to loss of data integrity, disk space issues, and outdated security.
5) Single server instances create an environment that can fail easily increasing downtime and limiting scalability.
6) Insecure communication channels used internally can result in a data breach and compromise the system.
7) Poor documentation can lead to knowledge loss, increased onboarding time, difficulties in system maintenance and enhancement, and increased cost.

A successor application supporting the front end forms interface, eForms, was recently developed with an aim to phase out the legacy WebForms application. eForms utilizes a modern technology stack, including React, SQL Server, and APIs. While some forms have been transitioned to eForms, the bulk of them remain in the legacy application because the configuration of the current system makes it difficult and time consuming to move forms to the new system. Currently eForms and the legacy application share the same SQL Server, but use separate databases. Ideally, electronic form data would be collected and managed in a single database.

Both applications are currently hosted on-premises, without robust fault-tolerant architectures in place, resulting in a reliance on single production instances for both web and database operations. This setup introduces a single point of failure, leading to significant downtime during disruptions. Furthermore, both Online Transaction Processing (OLTP) and analytics processing (reporting) are performed on the same database/server instance, creating resource contention that has resulted in downtime due to resource constraints.

The ECMC online interactive mapping application is the primary tool many use to access COGIS information. The application displays permit locations, detailed well information, flowlines, surface information, and numerous other data sets helpful for protecting public health, safety, welfare, the environment and wildlife resources, as well as giving users an effective tool for tracking and monitoring oil and gas activities of concern. The current third-party application used for the interactive map is no longer developed or supported, and lacks important functions in comparison to other currently available mapping tools. Any OIT security or support requirements to upgrade the application server operating system could render this application unusable.

Justification:

To provide secure, reliable, accessible, and timely information to its stakeholders, ECMC needs to move away from legacy tools and processes and create a system roadmap for the future. A modern IT solution, such as moving data from single point of failure servers to the cloud, has become critical. ECMC has incurred substantial technical debt, focusing on funding minor fixes to keep an aged system running - a band aid approach - the result of which is a slowed system, prone to intermittent outages that prevents future growth, and the public, including the regulated community, and staff from accessing data, or submitting forms. The instability of the ECMC data infrastructure results in lost productivity for staff and delayed resolution of issues. These problems will only increase until the system is no longer functional.

Modernization of the COGIS system will allow for improved customer interactions, enhanced staff workflow, better system performance, improved security, extended support, and access to advanced analytics capabilities. The transition to a modernized data architecture for ECMC is anticipated to significantly elevate the division's operational effectiveness in managing regulatory information by optimizing internal processes, resources, and activities for enhanced overall performance. The modernization of the backend architecture and migration of data to the cloud is expected to provide alignment with state-mandated policies, improve fault tolerance (system persists to operate in the event of a failure), and deliver continuous service availability, thereby providing a more reliable and agile data framework. Migrating to eForms will create a robust, user-centric experience that jumpstarts the transition from legacy systems and reduces server load, leading to improved system performance, user experience, and laying the groundwork for future technological enhancements. Standardizing client-side business rules will address current system deficiencies, enhancing data validation processes and reducing the need for correcting frequent database inaccuracies. Implementing performance optimization tools will help in identifying and remedying bottlenecks, which will improve query execution and system scalability while reducing downtimes. Automating maintenance and diagnostic tasks will further reinforce server reliability and operational efficiency, minimizing time-intensive error resolution.

In addition to these improvements, ECMC will develop a mature DevOps environment that prioritizes collaboration, automation, and strategic tooling, contributing to a culture of continuous improvement and innovation. The centralization of documentation and knowledge management proficiency will alleviate knowledge silos, streamline onboarding, enhance troubleshooting, and contribute to organizational agility. The establishment of structured project management frameworks will aid in managing priorities, optimizing resource utilization, and ensure consistency and accountability across projects. Clarifying roles and responsibilities between ECMC and OIT will streamline collaboration, reduce redundancy, and establish clear ownership for supporting the data platform. The creation of ECMC-specific Architecture and/or Change Review Boards will provide necessary oversight and ensure projects are aligned with strategic business objectives and data standards, maintaining system integrity during this pivotal transformation. These initiatives, once integrated, are positioned to significantly mitigate operational risks, reduce manual work, result in cost savings, and improve data processing efficiency. Overall, this comprehensive approach is designed to align ECMC with the rapidly changing landscape of data management in the energy and oil and gas regulatory sector.

Business Process Analysis –

ECMC engaged an external technology consultant to perform an eight-week assessment of COGIS applications including electronic forms, with an intent of gaining recommendations toward optimizing the existing database infrastructure to meet evolving regulatory requirements, improve data management, accessibility, and data understanding for stakeholders. The assessment focused on a current state data platform gap analysis identifying areas for improvement; recommendations to improve system performance, stability, and data accessibility; and producing a roadmap of categorized and prioritized list of initiatives, timeline, and cost. The assessment consisted of three phases (Discovery, Prioritization, Roadmap) and involved (1) gathering input, insights, and requirements from stakeholders; (2) assessing the existing database system, documenting its architecture, components, and data flow; and (3) delivering gap analysis, recommendations, and guidance for strategic implementation approach.

The discovery phase identified the following themes regarding ECMC's current data system environment and workflows:

- Performance constraints
- Dedicated, talented and knowledgeable team
- Lack of basic optimization across databases
- Disorganized and inefficient data architecture
- Inadequate diagnostic tools
- Unclear operational ownership, roles and responsibilities
- Non-standardized client-side business rules
- Significant reliance on few SMEs
- Substantial and manual procedures
- Lack of automated maintenance
- Time-intensive error resolution
- Complex replication and redundancy
- Support for multiple frontend systems

The prioritization phase scored and grouped key process improvement areas based on their ease to implement plotted against their value to consumers and the business. The outcome of this analysis places the following initiatives in the 'First' group:

Performance and Optimization Strategy and Tools
Automate Maintenance and Monitoring Tasks
Webforms to eForms Migration
Knowledge Management Strategy and Process
Project Management Framework
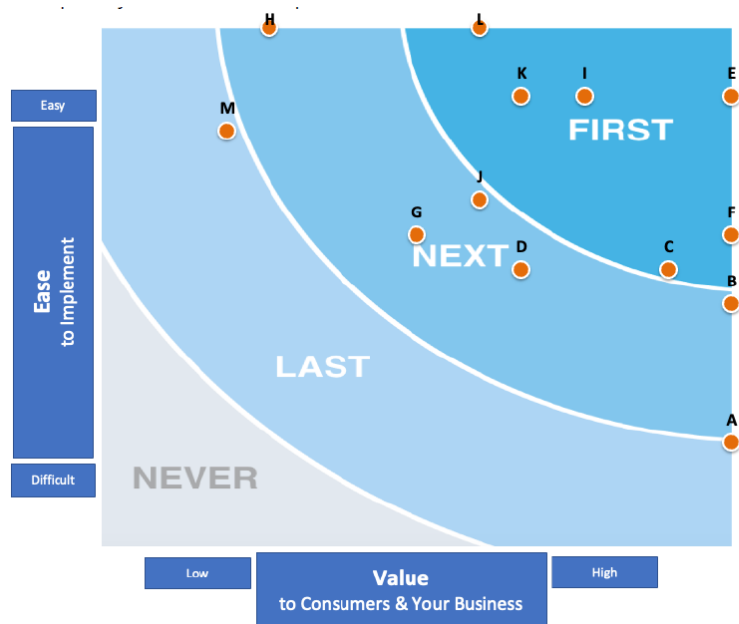Document ECMC/OIT Roles and Responsibilities

The 'Next' group includes:

Migrate Data Platform to Cloud
Backend Architecture Modernization
Standardize Client-Side Business Rules
Establish DevOps Development Strategies

Data Accessibility Improvements
DevOps Maturity Enhancement (Assessment)

And the 'Last' group initiative involves:

Establishing a Change Review Board/Process

Initiative Legend

First

E - Performance and Optimization Strategy and Tools
F - Automate Maintenance and Monitoring Tasks
C - Webforms to eForms Migration
I - Knowledge Management Strategy and Process
K - Project Management Framework
L - Document ECMC/OIT Roles and Responsibilities

Next

B - Migrate Data Platform to Cloud
A - Backend Architecture Modernization
D - Standardize Client-Side Business Rules
J - Establish DevOps Development Strategies
G - Data Accessibility Improvements
H - DevOps Maturity Enhancement (Assessment)

Last

M - Establish Change Review Board/Process

Finally, detailed roadmaps have been established for two stages: (1) modernizing the data platform and (2) optimizing and expanding the platform emphasizing industry-leading practices and efficiency.

A high-level roadmap combining these stages outlines the initiatives and timing as follows:

A first phase, over 6 to 12 months, will include modernizing the backend architecture; migrating the data platform to cloud; documenting ECMC/OIT roles & responsibilities; and migrating WebForms to eForms.

A second phase, lasting 6 to 12 months, will involve developing performance and optimization strategy and tools; improving knowledgment management strategy and process; automating maintenance and monitoring tasks; performing a DevOps Maturity Assessment and establishing development strategies; creating a project management framework; implementing data accessibility improvements; and, establish client-side business rules.

A final 1-2 month phase will be used to establish a change review board.

Cost-Benefit Analysis and Project Alternatives (per H.B. 15-1266) –
The first alternative ECMC explored is keeping the system as is. The highest risk of this option is the inability to adequately develop new program areas that are required by statute. Also manufacturer patches are no longer being released to fix vulnerabilities for parts of the

system. The system suffers from inadequate client-side validation prior to data commitment, lacking the necessary checks at the application level. Progress on updating the system with needed integrations and improvements has proven to be slow and, in the long run, has not resolved technical debt.

The alternative option selected is to modernize the current COGIS system and create enhanced ECMC governance capacity to ensure the modernized system is kept up-to-date to accommodate necessary ongoing changes to information and architecture due to rulemaking or law changes. ECMC engaged an external IT consultant to conduct a system evaluation and feasibility study for COGIS technology needs. As part of this work, the consultant identified the need to modernize the current SQL database. This includes establishing a firm, secure and robust cloud architecture, migrating the current database, and updating the front-end applications in order to help customers submit required information. This request will help to expedite the elimination of technical debt and integration of workflows into the system. The integration of workflow and external stakeholder system access create improvements for both ECMC and its external stakeholders. This technology modernization and transformation request provides an opportunity to make Colorado's government services more transparent and accessible to everyone including those with disabilities - promoting an inclusive culture.

Success Criteria and Improved Performance Outcomes –

- The timely implementation of a new data platform and architecture that allows for sustainable development, operational support, and a best-practice security environment.
- The minimization of data-system downtime, including ECMC's electronic form applications, COGIS, and other web-based data tools and reports.
- An improved efficiency and ease-of-use for users to submit, and staff to process, electronic forms.
- The ability to perform multiple, faster, and more complex database queries.
- Improved data access and reporting capabilities for all stakeholders.
- Improved governance of the system and system maintenance capabilities that allow responsiveness to stakeholder and public feedback.
- Improved digital accessibility for users of the system who access ECMC's critical regulatory data.

Assumptions for Calculations –

OIT Staff Costs

Job Title	OIT Hours	Rate/hr	Cost
Project Manager	2,600	$141	366,600
Cloud Security Specialist/Engineer (Business Systems Analyst)	580	$121	70,180
Application Engineer	2,540	$133	337,820

Job Title	OIT Hours	Rate/hr	Cost
(Business Systems Analyst)			
Total Costs	N/A	N/A	$774,600

COGIS Modernization Vendor

Job Title	Vendor Hours	Rate/hr	Cost
Cloud/Data Architect	760	260	197,600
Data/Cloud Engineer	1,600	215	344,000
Data/Integration Engineer	860	225	193,500
Business Analyst (devops)	400	225	90,000
Total Costs	N/A	N/A	825,100

GIS Upgrade Vendor

Vendor Activity	Cost
Migrate the ECMC GIS data environment and online map application	30,000
Develop new map viewer functionality - including integration of business intelligence and data analytics	72,000
Spatial data integrity and accessibility improvements	24,000
Refine spatial data inputs and process for prioritizing well-site inspections, integrity and reclamation reviews, and the orphaned well program	24,000
Training	25,000
Total Costs	175,000

Software Acquisition

- 2x ArcGIS Enterprise Professional Advanced (2 x $4,150 x 3 = $24,900)

- 3x ArcGIS Enterprise Standard (3 x $3,025 x 3 = $27,225)
- 5x ArcGIS Enterprise Professional Basic (5 x $765 x 3 = $11,475)
- Total Software costs: $63,600
- Annual Cloud Hosting: $70,000
- Project Contingency (5%): $92,235

Consequences if not Funded –

ECMC's dependence on a dated SQL Server database has a noticeable impact on the efficiency and reliability of Colorado's oil and gas sector data management. The outdated data architecture slows system responses and promotes data inaccuracies, demanding ongoing, intensive data correction. The maintenance of disparate front-end systems taxes resources and scatters the development team's focus, elevating costs and causing frequent and disruptive server downtimes. The frequent server downtime has an especially negative impact on external stakeholders and members of the public seeking information on ECMC processes. Too often members of the public are either unable to access ECMC data, or may receive conflicting data depending on which system they are searching. The system's reliance on data replication for the movement of data increases the risk of errors and system failures, diverting staff from innovative, strategic projects to routine firefighting. Constrained team capacity intensifies these challenges, leading to bottlenecks that obstruct timely responses to system issues and routine maintenance. Inadequate diagnostic tools for error resolution extend downtime, degrade performance, and prevent the team from keeping pace with technological changes and industry best practices. The absence of standardized development processes, including source control, and code promotion, further impairs productivity and system stability. Without building a modernized data solution, ECMC risks continued inefficiency and unreliability in its data platform resulting in inconsistent or inaccurate data delivery, lost productivity, and the potential for varying regulatory outcomes. Failure to fund and prioritize this transformation will likely exacerbate these issues and limit ECMC's ability to efficiently manage regulatory information, or to incorporate its new regulatory oversight of carbon sequestration, geothermal, and underground natural gas storage.

Implementation Plan
Change Management –

Developing and adopting the ECMC new backend system architecture while maintaining the existing system will require thoughtful planning and preparation. The anticipated implementation will occur in phases to include (1) identification, design, setup, and configuration of new environment (i.e. cloud-hosted solution) for database backend including training of relevant OIT and ECMC technical staff; (2) evaluation and detailed mapping of existing relational database; (3) development of new database architecture; (4) update and configuration of database-dependent applications; (4) testing in development environment; (5) concurrent adoption, testing, and monitoring of new and old systems in production environment by key internal and external stakeholders; (6) final migration and decommissioning of old system; (7) ongoing system maintenance and ECMC system governance, including prioritization of backlogs, disaster recovery planning for business continuity, vendor management, and system documentation.

Change management during the project will focus on maintaining system usability, stability, and data integrity. Redundancies will be kept in place throughout the implementation to minimize downtime and the risk of any potential data loss.

Key stakeholders will be invited to help test in both the development and production environments with feedback solicited regarding performance, user interfaces (where applicable), data migration and integrity, and accessibility considerations. Stakeholders will include OIT database support staff, ECMC technical staff, ECMC subject content experts, industry users, and a selection of public and government stakeholders who regularly access and analyze ECMC regulatory information.

Alignment with OIT Best Practices and Standards –

- ECMC works in lock step with OIT leadership to comply with policies and processes that support the full lifecycle of technology implementation and looks to OIT as a key partner and vendor for this implementation. ECMC, in concert with DNR leadership, contributes annually to a review of all division technology using OIT's Technology Planning workbook process and Application health assessment. The results of these strategic planning activities inform the Agency and OIT technology roadmaps each year. Current and future products in the ECMC Technology Planning workbook will benefit from a more modern, stable, and performant data platform.

Procurement -

- OIT has been involved in the project planning and design for these efforts. ECMC will continue to collaborate with the Governor's Office of Information Technology, as well as the Department of Natural Resources in the development of the procurement as well as the negotiation of the contract.
- The ECMC will competitively procure vendor services in consultation with OIT.

Disaster Recovery and Business Continuity –

- The Department addresses disaster recovery and business continuity as part of the procurement requirements, design, and implementation. The new system and a normalized Database will be required to adhere to the CISO (Colorado's Chief Information Security Office) data and computer system security protocols which can be found through this website (Link).

Accessibility Compliance (Must be addressed) –

- The new system will offer the ability to address and further enhance accessibility compliance requirements not present or capable of being implemented in the current system. The Department will work with OIT to ensure that best practices and standards for accessibility compliance are integrated into the Request for Proposals procurement process and subsequent design and implementation.

Impact to IT Common Policy (For Statewide OIT Projects Only) –

- N/A

Additional Information

Additional Request Information

Please indicate if three-year roll forward spending authority is required.	Yes
Is this a continuation of a project appropriated in a prior year?	No
If this is a continuation project, what is the State Controller Project Number?	N/A
If this request affects another organization, please provide a comfort letter.	N/A
Please attach a letter from OIT indicating review and approval of this project	Attached

Estimated Project Time Table

Steps to be completed	Start Date	Completion Date
Contract for detailed mapping of current database	July 1, 2025	December 1, 2025
Develop and build new database	December 1, 2025	December 31, 2026
Update interconnected IT applications	April 1, 2026	January 1, 2027
Adopt and test new database and database environment	January 1, 2027	March 1, 2027
Complete data migration, train staff, and if necessary operators on the updated features.	March 1, 2027	June 30, 2027

Cash Fund Projections (Details)

Cash Fund name and number:	Energy and Carbon Management Fund - 1700
Statutory reference to Cash Fund:	34-60-122 (5)
Describe how revenue accrues to the fund:	Conservation Levy, which assumes a constant rate of 1.5 mils.
Describe any changes in revenue collections that will be necessary to fund this project:	No changes in revenue collections will be necessary to fund this project.

Cash Fund Projections (Funding)

FY 2022-23 Actual Ending Fund Balance	FY 2023-24 Projected Ending Fund Balance	FY 2024-25 Projected Ending Fund Balance with Project Approval	FY 2025-26 Projected Ending Fund Balance with Project Approval
$49,731,130	$42,055,316	$41,099,8884	$35,721,552

COLORADO
Governor's Office of
Information Technology

July 26, 2024

Mark Ferrandino
Director
Office of State Planning and Budgeting
111 State Capitol
Denver, Colorado 80203

RE: FY 2025-26 Dept. of Natural Resources IT-CC 01 Energy and Carbon Management
Commission (ECMC) Modernizing the Colorado Oil and Gas Information System (COGIS)
project funding request

Dear Director Ferrandino:

Pursuant to OSPB instructions, this letter is to confirm that the Office of Information
Technology (OIT) has been informed of the development and submission of this proposed FY
2025-26 request for the Department of Natural Resources IT-CC 01 Energy and Carbon
Management Commission (ECMC) modernizing the Colorado Oil and Gas Information System
(COGIS) project funding request of $2,000,535 in Cash Funds (CF) to replace and modernize
the division's mission critical technology data infrastructure.

OIT has completed an internal review to ensure the project aligns with statewide IT
goals and determined that OIT has the capacity to deliver and meet the requirements
of the project.

Please note: OIT and the Department of Natural Resources are in agreement that a
security review will be completed as part of the project itself, when applicable. Also,
any OIT specific work should be reappropriated to OIT through the payments of OIT
line, where applicable.

Sincerely,

Rus Pascual, OIT Budget Director   *Rus Pascual*
Chris Durham, OIT IT Director for DNR   *Chris Durham*