Legislative Council Staff

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Memorandum

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January 22, 2022

TO: Joint Technology Committee Members

FROM: Luisa Altmann, Senior Research Analyst, 303-866-3518
Joint Technology Committee Staff

SUBJECT: JTC Staff Analysis of JBC-Referred FY 2022-23 Operating Budget Request
Colorado Department of Revenue
R-01 DMV DRIVES System Support

Summary of Request

The Colorado Division of Motor Vehicles (DMV) within the Department of Revenue (DOR) is requesting $3,075,916 and 11.0 FTE for FY 2022-23 and $3,053,916 and 11.0 FTE for FY 2023-24 and ongoing to help support the Colorado Driver License, Record, Identification, and Vehicle Enterprise Solution (DRIVES) system. The Joint Budget Committee (JBC) has asked the Joint Technology Committee (JTC) to provide a technical review of this request.

Program Information

The DRIVES system, which was implemented in August 2018, replaced the outdated Driver License System and Colorado State Titling and Registration System with a modern, unified, web-based system. DRIVES is the state's driver and motor vehicle services software platform and is owned and developed by FAST Enterprises. The system is used by the DMV, all counties for vehicle titling and registrations, the DOR's Hearings Division, the Department of Public Safety, local law enforcement agencies, and others. The JTC approved funding and DOR was appropriated a total of $93.3 million for the initial DRIVES project, $41.0 million in FY 2014-15 and $52.3 million in FY 2015-16. In FY 2019-20, $18.8 million of state funds were reverted to the state by DOR following the under-budget completion of the DRIVES system.

Request Details

According to the department, there is currently a backlog of 2,400 programming change requests for DRIVES, of which more than 100 items have been identified as high priority, and this backlog is growing by over 400 requests each year. This request consists of the following components that are intended to help the DMV begin to address this backlog and make critical system improvements:

- $1,296,225 for 11.0 FTE within DOR and $1,351,242 for OIT staff services, as discussed below;
- $32,450 for affiliated operating expenditures; and
- $396,000 for additional vendor support for the DRIVES system.

State DRIVES development teams. Currently, FAST Enterprises provides all developers for programming the DRIVES system. However, under the vendor contract, FAST developers are focused on fixing system functionality issues, system maintenance, and platform upgrades, and only provide very limited support for addressing user-requested changes to the system. In an effort to begin to address the backlog of user-requested changes, the department surveyed other states and jurisdictions that use FAST Enterprises and found that many of these jurisdictions use non-FAST teams to address other requests for enhancements, data, legislation, and other changes. A similar approach was also implemented by DOR for the department's GenTax system, which is also supported by FAST Enterprises.

Based on this analysis, the FTE positions requested will be used to create state DRIVES development teams. The department has submitted a request to the Governor to use American Rescue Plan Act (ARPA) stimulus funds to create two temporary development teams for two years to help address pandemic-related changes within the DRIVES system. Funding from this R-01 request will be used to create two additional development teams that will be able to focus on new requests and strategic project requests. If the department receives funding for the full four teams, it anticipates having the following staffing:

- one DOR project manager;
- one DOR supervisor;
- eight DOR business analysts;
- nine DOR user acceptance testers;
- two OIT scrum masters;
- twelve OIT developers;
- four OIT quality assurance specialists; and
- one FAST implementation consultant.

DMV contract management. The department is also requesting one FTE to manage and maintain a variety of DMV vendor contracts.

DRIVES Cash Fund. Funding for these staff would come from the DRIVES Cash Fund. As part of this request, the department is also seeking to consolidate two cash funds, the DRIVES Cash Fund, and the License Services Cash Fund, which were originally created to support the two original systems.

Options for Committee Action

The JTC has three options for committee action when it provides a technical review of an operating budget request to the JBC. The JTC can:

- recommend the request to the JBC for funding with no concerns;
- recommend the request to the JBC for funding with concerns; or
- not recommend the request for funding with concerns.

Question Responses Provided by the Department

1. **How does this request compare to the staff the department added to engage in similar work on the GenTax system? Are there any efficiencies that the department may be able to realize from both systems being with FAST?**

   A similar staffing model is being followed in GenTax as what is proposed in R-01. Both enable state-controlled development teams to integrate within FAST development teams to support development efforts and increase throughput once sufficiently trained. Average length to proficiency within each platform is 6-12 months due to the complexity of the systems, tools, and methodologies used to administer and develop changes.

   While there are no crossover development scenarios where state-controlled developers that support GenTax could work on DRIVES tasks or vice versa, there are efficiencies to be found when considering the lessons learned from implementing this model previously within the GenTax environment and significantly greater cost-efficiency compared to FAST-provided development resources.

   Below you will find the pre/post R-01 staffing charts for the ISD Delivery team. This development support team gathers requirements, manages throughput, and administers the processes that allow for the efficient use of development resources. The primary resource with ISD Delivery are Business Analysts who support FAST and OIT developers, Quality Assurance resources, Project Managers, and User Acceptance Testing resources within ISD and the Mission Divisions. Their numbers increase as a result of R-01 in order to support the additional OIT and DOR resources that enable the remainder of the development and testing pipeline, and bring the overall number of resources supporting DRIVES into alignment with the current staffing levels that support the GenTax platform:

ISD Delivery Current State
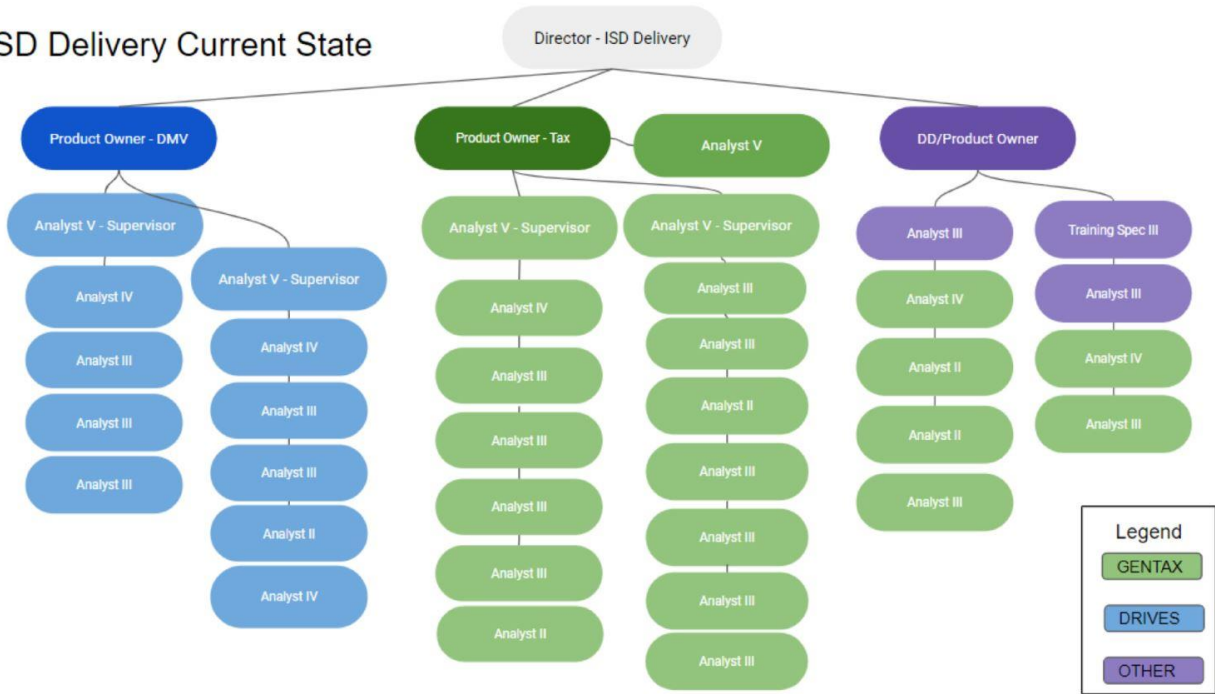
ISD Delivery Post R-01
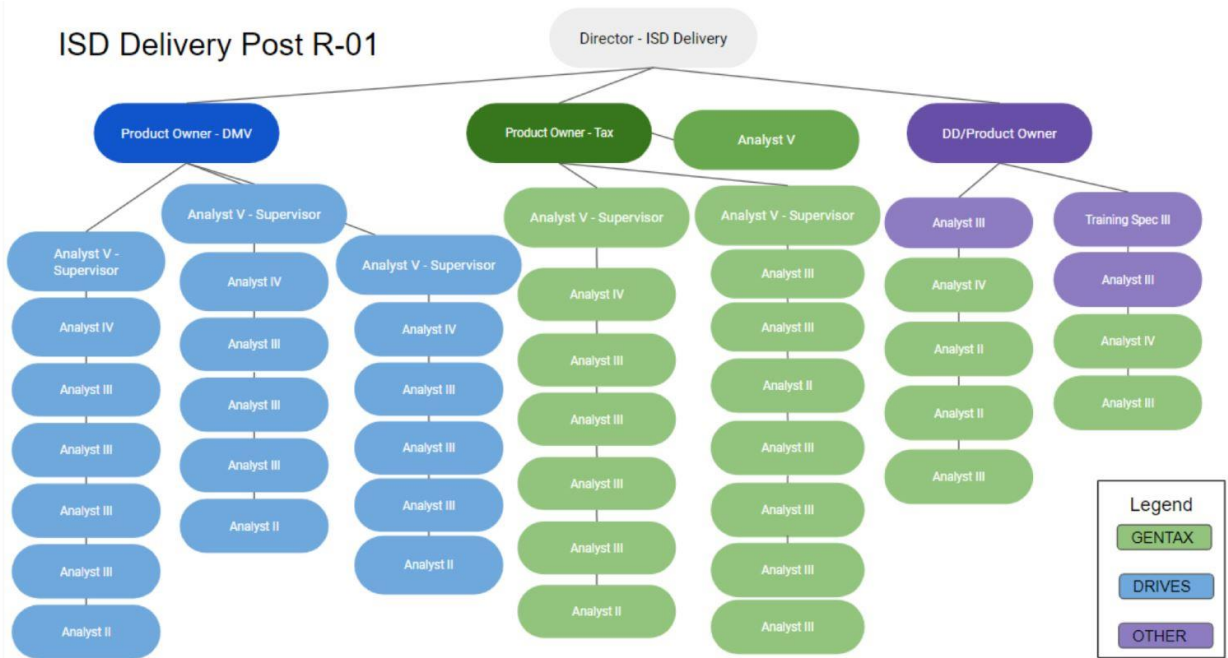
a. **Please provide an update on the progress the GenTax teams have made in addressing the GenTax ticket backlog.**

Hiring for the state-controlled development resources for the GenTax program was approved in July of 2019, with a 2nd round of funding to be made available in July of 2020. The first year of funding allowed for the onboarding of 4 OIT developers and support staff that joined the teams in August and September of 2019. The 2nd round was delayed due to the COVID-19 pandemic, with hiring extending into 2022 for the final 7 FTE. Due to these delays, the GenTax ticket backlog has been maintained at healthy levels, but was not reduced significantly.

In addition to hiring challenges, there was a major tax overhaul we are working to program into 2023 that has taken priority over our backlog work.

GenTax SQR Backlog Running Total
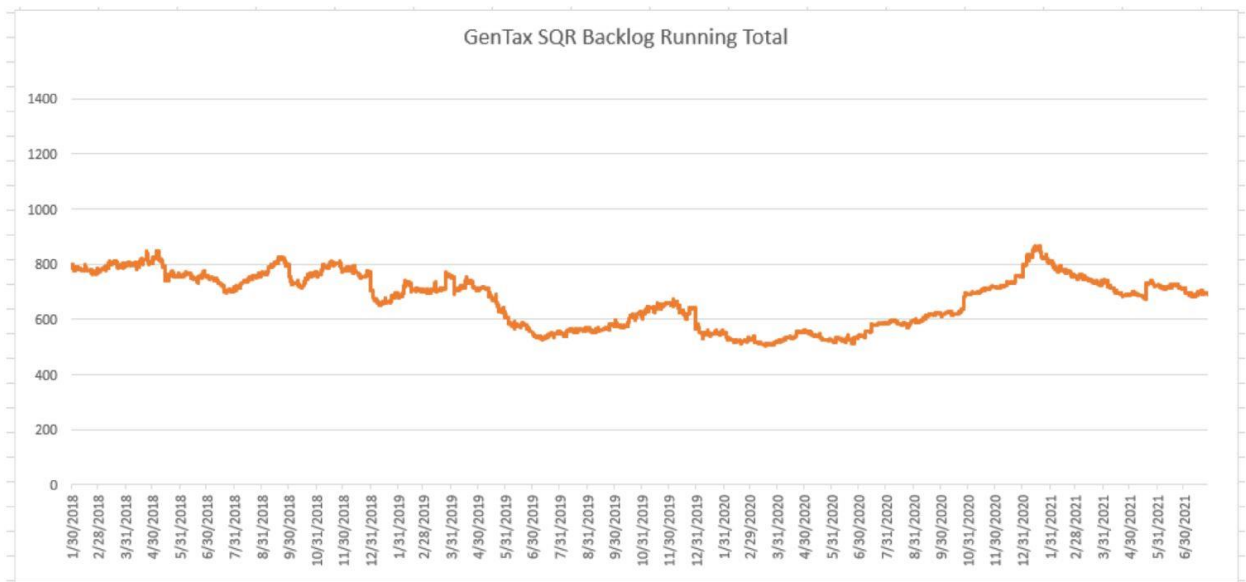
2. **Out of the 2,400 programming change requests for DRIVES how many have been identified as being high priority? What criteria does the department use to flag a request as being high priority?**

Our current methodology in determining top priorities is to draw from the 'Top10' items from any area of the business. With 10+ lines of business (Driver Issuance, Driver Control, Hearings, State Vehicle Services, County Vehicle Services, State Financials, County Financials, Investigations, Security, & Integrations -- among others) this means that there are greater than 100 items of work that the business has indicated would be of high priority to them to have addressed.

We close an average of 80-85 SQRs of varying size and complexity per month. Between September 2015 and January 2022, there have been an average of 279 SQRs opened per month. The established process for inclusion into a sprint is to work with each line of business to identify and refine their Top10 SQRs, and to include only those items into sprints as capacity allows. Additional critical system maintenance and contractual service pack items are included in this process as well.

As of 1/10/2022, DRIVES Development Support (ISD) has closed 19,272 SQRs. The average number of calendar dates between SQR creation and completion for all completed SQRs is 65 days. When considering the backlog, DRIVES Development Support has 2200 open SQRs. The average number of days between Backlog SQR creation and today is 718 days. This indicates that new and escalated issues are processed and completed with speed and urgency. It does, however, also indicate that aging SQRs are not making significant progress and are languishing in the backlog.

ISD is leading a process change to inject greater control, deliberation, and accountability in assessing the top priorities for the stakeholder groups. We are in initial conceptual talks now with the key leaders of the organization, and will be publishing guidelines/processes to allow the SQR scoring to carry more weight and allow for greater consumption of requests across the many lines of business later this year.