

Article 4: Relating to Debt Management Act Joint Resolutions

SECTION 6: DCYF CHILD WELFARE INFORMATION SYSTEM REPLACEMENT

Article 4 authorizes the issuance of \$17.0 million in certificates of participation (COPs) to provide 60.0 percent of the estimated \$28.0 million required to replace the Department of Children, Youth, and Families' child welfare case management system, known as RICHIST. The remaining 40.0 percent, or \$11.0 million, would be supported by federal funds.

The total funding of \$28.0 million would be utilized over three years, FY2022 through FY2024, as follows:

Rhode Island Children's Information System	FY2022	FY2023	FY2024	Total
Certificates of Participation	\$2,000,000	\$10,000,000	\$5,000,000	\$17,000,000
Federal Funds	1,300,000	6,500,000	3,200,000	11,000,000
Total	\$3,300,000	\$16,500,000	\$8,200,000	\$28,000,000

RICHIST was developed in 1998 and serves as a registry for all confidential case, financial, provider, and staff management information. RICHIST also generates the caseload and financial data which the Department reports to the Governor, General Assembly, and federal government. While Rhode Island was a national leader when RICHIST was first developed, it now relies on antiquated technology that has not adapted well to changes over the last 23 years. Most significantly, the existing RICHIST system does not enable easy mobility for staff in the field which inhibits the Department's ability to operate efficiently.

The new system would be a modular system that enables data analytics and reporting, allows easy access to real-time information when making important decisions for children and families, and simplifies the system's mobile interface. The federal government encourages use of modular systems because they are more comprehensive and flexible, and enhance the ability to navigate case information and incorporate data analytics into child welfare practice. Modern systems are also more dynamic, allowing child welfare agencies to respond more adeptly to frequent changes in standards and practices. The Governor's Budget assumes the use of a Custom Off the Shelf (COTS) software package which can be adapted from interfaces being used in other states, as opposed to custom-building a solution from scratch. The existing system will be maintained as portions of the new system are developed and phased in, with a full transition occurring when all components of the new system are sufficiently tested.

The annual debt service on the COPs authorized by this article would be approximately \$2.0 million, based on an assumed interest rate of 2.75 percent over ten years. These payments would be budgeted within the Department of Administration beginning in FY2023, with payments through FY2032. Including interest, the total cost to the State will be \$19.7 million at the end of the ten-year period.

Analyst Note: Following the budget submission, the Office of Management and Budget provided updated budget projections and details regarding the cost to build a new system with a consultant as well as the expense to maintain the current RICHIST system while development is underway. Based on this information, it appears that the total cost for the system is expected to be \$28.5 million, with the majority of the costs being incurred in FY2023 and FY2024

Purpose	FY2022	FY2023	FY2024	Total
Planning Vendor and Project Governance	\$1,200,000	\$1,000,000	\$1,000,000	\$3,200,000
Implementation Vendor	1,000,000	14,500,000	7,250,000	22,750,000
Independent Verification and Validation	-	1,000,000	1,500,000	2,500,000
Total	\$2,200,000	\$16,500,000	\$9,750,000	\$28,450,000

The \$28.5 million estimate only reflects the costs attributable to the new system. The costs to maintain the current system during the phase-in period are included in DCYF's base budget. Ongoing RICHIST maintenance is expected to cost \$6.9 million over the three-year period.