

<b>Dividend Application Information System Replacement - Phase 1</b>	<b>FY2025 Request:</b>	<b>\$7,500,000</b>
	<b>Reference No:</b>	<b>AMD 56757</b>

<b>AP/AL:</b> Appropriation  <b>Category:</b> General Government <b>Location:</b> Statewide <b>Impact House District:</b> Statewide (HD 1 - 40) <b>Estimated Project Dates:</b> 07/01/2024 - 06/30/2029	<b>Project Type:</b> Information Technology / Systems / Communication <b>Recipient:</b> NA <b>House District:</b> Statewide (HD 1 - 40) <b>Contact:</b> Adam Crum <b>Contact Phone:</b> (907)465-2300
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**Brief Summary and Statement of Need:**

The Dividend Application Information System (DAIS) system requires updates, improvements, and modernization to improve performance, efficiency, reliability, and security. A new system will be developed using modern technologies to ensure the Permanent Fund Dividend Division is able to administer the program into the foreseeable future.

<b>Funding:</b>	<u>FY2025</u>	<u>FY2026</u>	<u>FY2027</u>	<u>FY2028</u>	<u>FY2029</u>	<u>FY2030</u>	<u>Total</u>
1004 Gen Fund	\$7,500,000						\$7,500,000
<b>Total:</b>	<b>\$7,500,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$7,500,000</b>

<input type="checkbox"/> State Match Required	<input type="checkbox"/> One-Time Project	<input checked="" type="checkbox"/> Phased - new	<input type="checkbox"/> Phased - underway	<input type="checkbox"/> Ongoing
0% = Minimum State Match % Required		<input checked="" type="checkbox"/> Amendment	<input type="checkbox"/> Mental Health Bill	

**Operating & Maintenance Costs:**

	<u>Amount</u>	<u>Staff</u>
Project Development:	0	0
Ongoing Operating:	0	0
One-Time Startup:	0	0
<b>Totals:</b>	<b>0</b>	<b>0</b>

**Prior Funding History / Additional Information:**

Sec1 Ch16 SLA2013 P76 L8 SB18 \$1,500,000

**Project Description/Justification:**

The new Dividend Application Information System (DAIS) will streamline the dividend application process by alleviating backlog and reducing the number of fraudulent applications with an innovative suite of tools for automated security testing, fraud detection, auditing, data analytics, and reporting.

The key to transitioning to a new system is to build it around a modern software architecture and language environment. This will allow the State of Alaska to leverage improvements that have already been made to back-end server and database environments, artificial intelligence (AI) applications, and enhanced security frameworks.

This project will rebuild the DAIS into a cloud environment, leveraging modern microservice, open architecture, open-data platform, and incorporate artificial intelligence (AI) frameworks to futureproof DAIS with enhanced security framework. Additionally, this project will incorporate AI-ready data lakehouse to allow maximum agility and flexibility for both standard and ad-hoc reporting that integrates with MyPFD to improve the experience for Alaskans. Furthermore, this option will

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streamline the administrative process and alleviate the backlog of the application process. The cloud application removes the reliance on staff time which ultimately results in operations and maintenance cost savings.

Phase one of this project provides initial funding to allow the Department to advance through the procurement and contract award process, estimated for the summer of 2024, and to begin work on the new system. Future capital project phases will include additional cost and timeline estimates based on a successful procurement process.

The total cost for this project is estimated to be in the range of \$14 to \$20 million, depending on the implemented technologies and features. This estimate is based on other information system projects initiated in other divisions within the Department.