June 16, 1958

Mr. Deane C. Davis, Chairman
Committee to Study State Government
Montpelier, Vermont

Dear Mr. Davis:

The purpose of the attached report is to outline in brief form the
suggested State Government activities which would be studied for
possible mechanization of Data Processing.   Upon conclusion of
our study, a final report will be presented.

In the final recommendation, we shall put forth the types, descriptions,
and cost of centralized IBM Data Processing Equipment to
economically perform suggested applications.   Also included will
be flow charts describing procedures for the various applications
and illustrative material of the information to be derived.

A "building block" approach is virtually mandatory in any mech-
anization program, especially one of this magnitude.   In view of
this, an orderly and sequential installation of recommended applications
will be outlined.

We sincerely appreciate this opportunity to survey the State Government
Operation for IBM Data Processing Systems and feel confident that the
final report submitted will show how the State of Vermont may
economically utilize our systems.

Very truly yours,

R. K. Gallic
Sales Representative
Data Processing Division

RKG/rm

GEORGE H. AMIDON
MONTPELIER

RALPH A. FOOTE
MIDDLEBURY

LAWRENCE W. HINDS
ST. ALBANS

EDWARD G. JANEWAY
SOUTH LONDONDERRY

GRAHAM S. NEWELL
ST. JOHNSBURY

DAN J. HEALY, VICE-CHAIRMAN
RUTLAND

DEANE C. DAVIS, CHAIRMAN
MONTPELIER

STATE OF VERMONT
COMMISSION TO STUDY STATE GOVERNMENT
131 STATE STREET
MONTPELIER

June 19, 1958

Mr. George H. Amidon, State Treasurer
State Capitol
Montpelier, Vermont

Dear Mr. Amidon:

Mechanized data processing systems are presently being utilized by a number of Vermont state departments. Others have indicated interest, but have noted that they currently were unable to justify the expense.

It has been suggested that the State Government consider the establishment of a central tabulating division as is being utilized in several other New England States (Maine, Rhode Island, etc.) and elsewhere. The Commission to Study State Government, has therefore, approved a study which will seek to determine the following:

1. The recording, tabulating, and other clerical and statistical activities in the various state departments which might more effectively be performed through the use of data processing equipment.

2. The advantage which might be derived from the establishment of a central data processing service.

3. Indications of the kinds of information not now available which can be made available, with relative ease, as central tabulating services come into operation.

4. The sequence which would be appropriate for a step by step installation of equipment, through which central services to departments would be developed.

5. The sequence of accompanying developments within individual departments through which present methods would be converted for use of the central data processing service.

6. The probable costs of the initial installation and the increase in cost at each step, with an estimate of the probable cost of complete installation and services.

7. Estimate of saving which might be expected to result at the successive break-over points from old to new systems.

Within the next month, a brief study of your operations will be made to assess both needs and possible applications. We sincerely hope that you will aid the surveying personnel with your suggestions.

Sincerely,

Rolf N. B. Haugen
Executive Secretary

VERMONT STATE DEPARTMENTAL OPERATIONS
TO BE STUDIED RELATIVE TO
MECHANIZED DATA PROCESSING

The following list of applications includes those which are presently performed on machine tabulating equipment or which, prior to study, would justify further examination and possible mechanization. The phrase descriptions are, of course, subject to refinement and other possible applications may appear during the course of study.

AUDITOR

1. Payroll
2. Accounts Payable and Distribution
3. Appropriation Accounting
4. Cost Accounting

BUILDING COUNCIL

1. Plant & Fixed Equipment Records
2. Maintenance Program
3. Space Use

PERSONNEL

1. Individual Personnel Records
2. Job Classification Control (Classified Positions)
3. Administration of Job Openings & Personnel Selection
4. Position Control (All positions)
5. Service Rating
6. Retirement Administration

PURCHASING

1. Purchase Analysis
2. Vendor Control File
3. Purchase order writing for items with standard nomenclature
4. Standardization of purchased items
5. Inventory Control

TAX DEPARTMENT
(has key punch - uses Agriculture's Equipment)

1. Audit of Tax Returns
2. Delinquency Control
3. Accounts Receivable
*4. Statistical Analysis of Tax Returns

SERGEANT-AT-ARMS

1. Plant and Equipment Accounting
2. Maintenance Records
3. Space Use

TREASURER

1. Payroll Records
2. Check Reconciliation
3. General Fund Accounting
4. Social Security Administration (for municipalities)
5. Investments

AGRICULTURE DEPARTMENT
(now has two key punches, a sorter, a tabulator)

*1. Livestock Testing Records
*2. Veterinary Fees Payable
*3. Appropriation Accounting

EDUCATION DEPARTMENT
(has test scoring machine located at UVM)

1. Accounting Control of grants-in-aid to towns
   and cities
2. Curriculum Statistics
3. Teacher-qualification Statistics

FISH & GAME SERVICE
   (has one key punch - uses Agriculture's equipment)

   * 1. Appropriation and Expenditure Accounting
     2. Licensing
     3. Inventory
     4. Wildlife Statistics
     5. Cost Accounting

FOREST AND PARKS DEPARTMENT
   (has key punch - uses Agriculture's equipment)

   * 1. Appropriation and Expenditure Accounting
     2. Inventory Control
     3. Scientific Forestry Control

HEALTH DEPARTMENT
   (now has key punch, verifier, statistical sorter)

   *1. Communicable disease statistics
   *2. Birth, marriage, and death statistics
   * 3. Public health nurse workloads and exposure

HIGHWAY DEPARTMENT
   (now has two key punches, sorter, collator, gang punch,
   tabulator)

   *1. Appropriation and Expenditure Accounting
   *2. Control Section Maintenance Cost
   *3. Labor Distribution
   *4. Equipment and Garage Cost
    5. Engineering

INSTITUTIONS DEPARTMENT

     1. Appropriation and Expenditure Accounting
     2. Plant, Equipment, and Material
     3. Cost Distribution and Control
     4. Patient-Cross Index
     5. Rehabilitation Statistics
     6. Vermont Central Index

LIQUOR CONTROL BOARD

1. Store Inventory Control
2. Warehousing Inventory Control
3. Purchase Control
4. Statistical Reports and Sales Analysis
5. Accounts Payable

MOTOR VEHICLE

1. Driver Control Records, if point system were installed

PUBLIC SAFETY DEPARTMENT

1. Criminal Index Files
2. Modus Operandi Files (convictions, etc.)
3. Fingerprint Identification

SOCIAL WELFARE DEPARTMENT

1. Public Assistance Payments
2. Vermont Central Index
3. Automatic Computation of Benefits (computer)
4. Case Worker Work-Load Analysis
5. Compilation of supporting statistics for reporting
   on Federal Aid Programs

UNEMPLOYMENT COMPENSATION COMMISSION
   (now has three key punches, 1 verifier, 1 tape-to-card
   punch, 2 sorters, 1 collator, 2 tabulators)

*1. Employee Wage Earnings Records
*2. Benefit Payment Records
*3. Employer Chargeback Control System
*4. Employer and Industry Experience Rating

VERMONT DEVELOPMENT COMMISSION

1. Subscription Label Writing for Vermont Life
2. Pro-ration of subscription funds
3. Subscription Expiration Reporting
4. Appropriation Accounting
5. Analysis of Inquiries Received
6. Basic Econimic Data

*Denotes operations presently being performed
on Data Processing Equipment.

STATE GOVERNMENT
FUNCTIONAL ORGANIZATION AND IBM APPLICATIONS

LEGISLATIVE BRANCH
STATE SENATE
—
HOUSE OF
REPRESENTATIVES
—
LEGISLATIVE COUNCIL
LEGISLATIVE REFERENCE
SERVICE
LEGISLATIVE AUDITOR

EXECUTIVE BRANCH
GOVERNOR

JUDICIAL BRANCH
STATE SUPREME COURTS

REVENUE
Administration of Laws covering the Collection of and Accounting for the Major Portion of State Revenue.

*Sales and Use Tax
*Personal Income Tax
*Corporate Income Tax
*The following applications are found under each of these headings:
 Addressing Returns
 Cash Receipts
 Deposit Listings
 Delinquency
  Control
 Mathematical
  Audit of Returns
 Installment Billing
  and Accounts
  Receivable
 Information Return
  Audit
 Refunds
 Statistics
 Revenue Forecasting
Motor Fuel Tax
Motor Fuel Tax Refund
Weight Mileage Tax

Equalization, Valuation
 and Assessment
Abandoned Property
Franchise Tax
Tobacco Excise Tax
Severance Tax
Professional,
 Occupational and
 Establishment
Licensing:
 IBM Card Licenses
 Paper Licenses
 IBM Card License
  Renewal
  Application
 Paper License
  Renewal
  Application
 Inspection
 Reporting
 Roster Preparation
Complaints,
 Suspension,
 Revocation

PERSONNEL
Administration of Laws and Regulations Governing the Selection and Employment of Public Employees.

Employment Applications
 Notification and
  Examination Records
Test Scoring
Examination Rating
Establishment of
 Eligibility Rosters
Selection and
 Certification Records
Qualification Records
Payroll Verification and
 Certification
Position Control
Leave Records
Personal Services
 Budgeting
Merit Awards

FINANCE
Administration of the Fiscal Affairs of a State through Centralized Accounting for the Control of Assets, Investments, Inventories and Expenditures.

Budget Estimates
Budget Preparation
Fund Ledgers
Appropriation Ledgers
Allotments
Encumbrances
Expenditures
Cost Accounting
Vendor Accounts Payable
Vendor IBM Checks
Vendor Paper Checks
Salary Payroll
Hourly and per Diem
 Payroll
Federal Withholding Tax
 Records

Payroll Checks—IBM
 Cards
Payroll Checks—Paper
Check Reconciliation
Social Security Records
Supply Sources
Bid and Vendor Analyses
Furniture and Fixture
 Accounting
Equipment Accounting
Stores Accounting
Investment Accounting
Security Liability
 Accounting
Accounts Receivable
Proof Machine

(Revenue, Personnel and Finance Applications may be found to some degree in some or all of the functions shown below)

HIGHWAYS	PUBLIC HEALTH	EMPLOYMENT SECURITY	PUBLIC ASSISTANCE	EDUCATION	MOTOR VEHICLE	MILITARY AFFAIRS	REGULATORY	ALCOHOLIC BEVERAGE CONTROL	LABOR	CONSERVATION AND AGRICULTURE	PUBLIC SAFETY	EMPLOYEE RETIREMENT	INSTITUTIONS	TOLL ROADS, BRIDGES AND TUNNELS	LAND, BUILDINGS AND HOUSING
Planning, Constructing, and Maintaining Highways and Highway Structures.	*Prevention, Control and Treatment of Disease and its causes through Research, Diagnosis and Service; and Preparation of Vital and Morbidity Statistics.*	*Administration of Unemployment and Disability Compensation Laws and operation of Public Employment Offices, Including Registration and Placement of Applicants.*	*Administration of Laws Providing for Direct Financial and Material Aid to Needy Persons.*	*Central Administration and Regulation of Public Educational Facilities and Personnel.*	*Administration of Laws Regulating and Controlling the Ownership and Operation of Motor Vehicles and the Licensing of Operators (Except Police Activity).*	*Administration of Laws and Programs concerned with State Militia.*	*Administration of the Laws Regulating Operation of Businesses and certain Professions, and the Development of State Industrial and Recreational Assets.*	*Administration of Laws Regulating the Manufacture, Distribution, Sale and Use of Alcoholic Beverages, whether Monopoly or Private Sale Laws.*	*Administration of Labor Laws including Workmen's Compensation, Wages and Hours.*	*Administration of Laws and Programs Concerned with the Use, Preservation and Improvement of Farms, Forests, Parks, Water, Mines and Wildlife.*	*Enforcement of Highway Laws and the Protection of Public Safety through the Medium of State Police.*	*Administration of Public Employees Retirement and Pension Systems.*	*Management and Operation of State Hospitals, Penal and Mental Institutions, Asylums and Sanitoria.*	*Planning, Constructing and Maintaining Toll Roads and Bridges, and the Collection and Accounting for Revenue therefrom.*	*The acquisition, construction, maintenance and accounting for State owned or leased Land and Buildings, including the operation of Public Housing Developments and the Offices of the State Architect and State Engineer.*

Salary Payroll
Hourly and per Diem
 Payroll
Pay Checks—IBM Card
Pay Checks—Paper
Personnel Records
Maintenance Labor
 Distribution
Maintenance Supply
 Distribution
Maintenance Equipment
 Distribution
Engineering

Federal and other
 Receivables
Vendor Accounts Payable
Vendor IBM Checks
Vendor Paper Checks
Furniture and Fixture
 Accounting
Road Equipment
 Accounting
Stores Accounting
Continuous Traffic
 Counts,
Loadometer Studies,
Scale Weighing,

Birth Index
Death Index
Marriage Index
Divorce Index
Vital Statistics
Medical Care Statistics
Medical Care Accounting
TB Case Study
TB Statistics
TB Case Indexing
TB Case Holding
VD Case Study
VD Statistics
VD Case Indexing

Preparation of Reports
 for Offset Printing
Publication
Crippled Children
 Records
Maternal and Child
 Health Records
Laboratory Records
Industrial Health Records
Inspection Records
Nursing Records
Morbidity Statistics
Doctor and Nurses
 Register

Employer Tax Accounting
Wage Records
Benefit Wage Transcript
Automatic Determination
 of Benefits
Cycle Pay Order
Unemployment Compensation Payments—
 IBM Checks
Unemployment Compensation Payments—
 Paper Checks
Disability Compensation
 Payments—

Old Age Assistance
 Accounting
Old Age Assistance
 Payment—IBM Checks
Old Age Assistance
 Payment—Paper Checks
Aid to Dependent
 Children Accounting
Aid to Dependent
 Children Payment—
 IBM Checks
Aid to Dependent
 Children Payment—
 Paper Checks

Vocational Rehabilitation
 Accounting
Vocational Rehabilitation
 Statistics
Teacher Qualification
Teacher Certification
Student Census
Apportionment of
 State Aid
Test Scoring
School Finance
School Lunch Program
Facilities Survey
School Bus Operation

Certificate of Title
 Preparation
Title Reference Files—
 IBM Card
Title Reference Files—
 Paper
Lien Records
Motor Vehicle
 Registration
Registration Reference
 Files—IBM Card
Registration Reference
 Files—Paper
Vehicle Inspection

Stock Control
Strength Records
Equipment Accounting

Evaluation of Insurance
 Policy Reserves
Public Carrier Traffic
 Records
Industrial Facilities
Professional, Occupational and Establishment Licensing:
 IBM Card Licenses
 Paper Licenses
 IBM Card License
 Paper License Renewal Application
 Roster Preparation
 Complaints, Suspen-

Alcoholic Beverage
 Excise Tax
Occupational and Establishment Licensing:
 IBM Card Licenses
 Paper Licenses:
 IBM Card License
  Renewal Application
Paper License Renewal Application
Inspection Reporting
Roster Preparation
Complaints, Suspension
Paper License Re-

Premium Billing
Premium Accounting
Experience Rating
Compensation Payment—
 IBM Card Checks
Compensation Payment—
 Paper Checks
Medical Payment—
 IBM Card Checks
Medical Payment—
 Paper Checks
Actuarial Records
Evaluation of State Fund
 Reserves

Game Control
Fish Control
Live Stock Testing and
 Certification
Veterinary Accounts
 Payable
Milk Control
Forestry Records
Hunting and Fishing
 Licenses
Producer and Dealer
 Licensing

Vehicle Accidents
Patrol Activity
Complaints, Arrests and
 Convictions
Modus Operandi
Fingerprints
Civil Defense

Payroll Deduction
 Reporting, IBM Cards
Payroll Deductions,
 Paper
Ledger Posting
Member Loans
Interest Calculations
Statements of Account
Contributors Billing
Pension Payrolls
Investment Accounting
Actuarial Studies

Stores Accounting
Payroll Accounting
Patient Billing
Patient Records
Mental Health Statistics
Personal Fund and
 Property Accounting
Probation, Prisoner and
 Parole Records
Furniture and Fixtures
 Accounting
Equipment Accounting
Budget Estimates
Allotments

Fare Audit
Charge Account Billing
Traffic and Revenue
 Records
Bond Retirement
Payroll
Construction Cost
Maintenance Cost
 Accounting
Road Cost History and
 Valuation
Equipment Accounting

Property Evaluation,
 Reserves and
 Depreciation
Bond Retirement
Leases Receivable
Leases Payable
Land and Housing Loans
 to Individuals
Property Maintenance
 Costs
Space Utilization