

# FloridaPALM

Planning, Accounting, and Ledger Management



# EXECUTIVE STEERING COMMITTEE

DEPARTMENT OF FINANCIAL SERVICES

FEBRUARY 26, 2025



# CONTRACT AMENDMENT REVIEW

JIMMY COX, STEVEN FIELDER



# Road to Amendment 12

- ▶ Amendment 8 (signed April 26, 2023)
  - Amendment served as a project restart point; everything was changed
  - Combined the Financials and Payroll implementations into one Major Implementation – Scheduled for January 2026
  - Updated Financials and Payroll scope to meet Proviso requirements of replacing all FLAIR functionality
  - Added Florida PALM Data Warehouse to replace the FLAIR IW, to go live with the Financials and Payroll implementations
  - Updated UAT to begin 9-months prior to go-live and added additional support for UAT
  - Added Hypercare Services
  - Expanded Post-Implementation Support to 8-months following Hypercare
  - Changed the Deliverable approach to paying for key implementation activities (e.g., design, build, test, deployment)
- Included requirements to allow the Department to review/unit test build items before moving them to system testing
- Removed remaining OCM and training requirements from the Contractor (most aspects were removed in Amendments 3 – 5), making it the Department's sole responsibility
- Updated Production Support Tier 2 and 3 to require the Contractor to complete 100% of this support, which was previously transitioned to the Department
- Moved Phase 2 to Optional Services
- Increased interfaces to 200
- Increased Connections to 600



# Road to Amendment 12

- ▶ Amendment 9 (no cost amendment)
  - Added requirements to automate 20% of regression testing scripts
  - Clarified requirements for system testing, traceability of testing and acceptance criteria for testing completion
- ▶ Amendment 10
  - Codified PCRs 99 – 121 and associated cost
  - Included additional virus scanning for attachments
  - Provided the Department the ability to complete certain configurations
  - Created System Testing Segment III
  - Total cost change of \$2,094,123
- ▶ Amendment 11
  - Codified PCRs 122 – 123 and associated cost
  - Total cost change of \$130,987



# Amendment 12

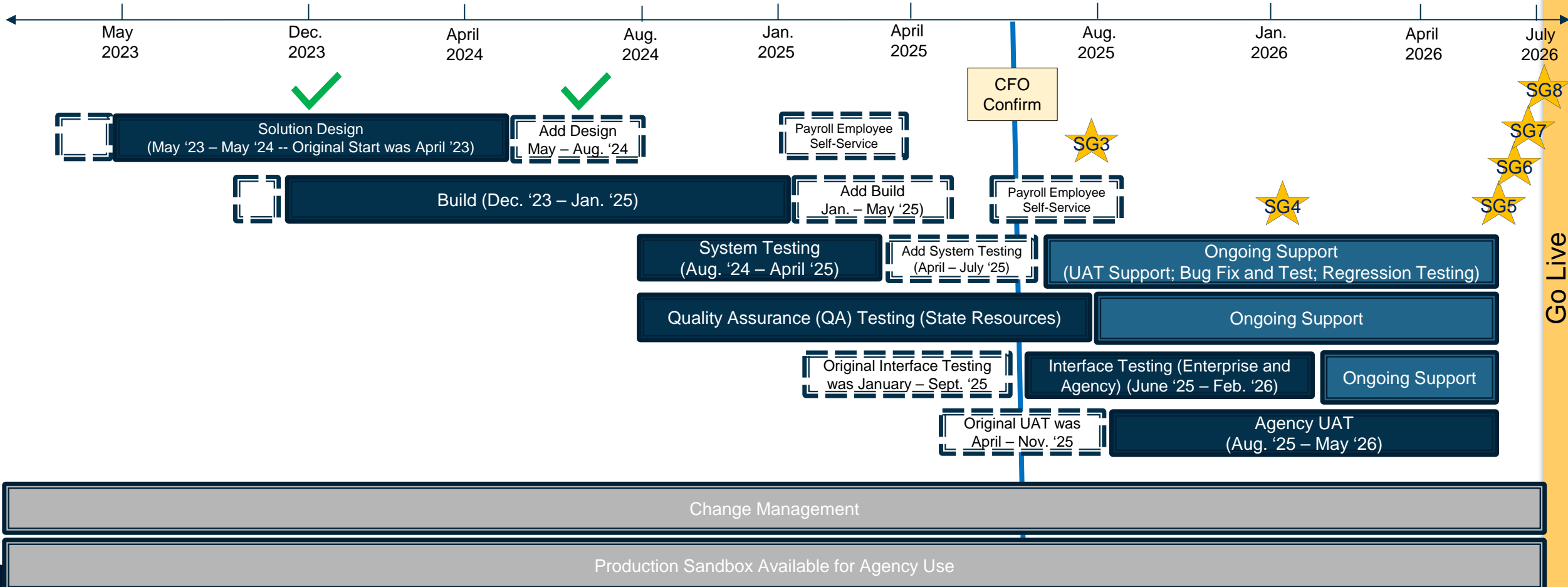
## Key Updates to A12

- ▶ Risk 10 (New) – Failure to timely execute Amendment 12 will significantly impact the Project’s ability to proceed with implementation activities
- ▶ Adds a contingent go-live for January 2027 if the State is not ready
- ▶ Adds a new Stage Gate that allows the ESC to determine if the July implementation should be deferred to January 2027
- ▶ Adds optional services, including new Monthly Deliverables, that will kick in if the ESC determines the implementation should be deferred to January 2027
  - Optional service is defined in Attachment 1, Statement of Work, Section 12
  - Monthly Deliverables are added in Attachment 2, Payment Schedule, and Attachment 8, Deliverable Acceptance Criteria
- ▶ Adds an additional Dry Run to be executed if the implementation is deferred to January 2027
- ▶ Updates tables, figures and relevant language to represent both the July 2026 and January 2027 implementation dates
- ▶ Restores providing support for ACFR related activities as part of Post-Implementation Support (Section 4.9)
  - Keeps the additional optional ACFR support as removed as this would occur outside the contract period
- ▶ Adds a new Department responsibility to confirm the Major Implementation Schedule with the to-be-appointed Chief Financial Officer by June 30, 2025



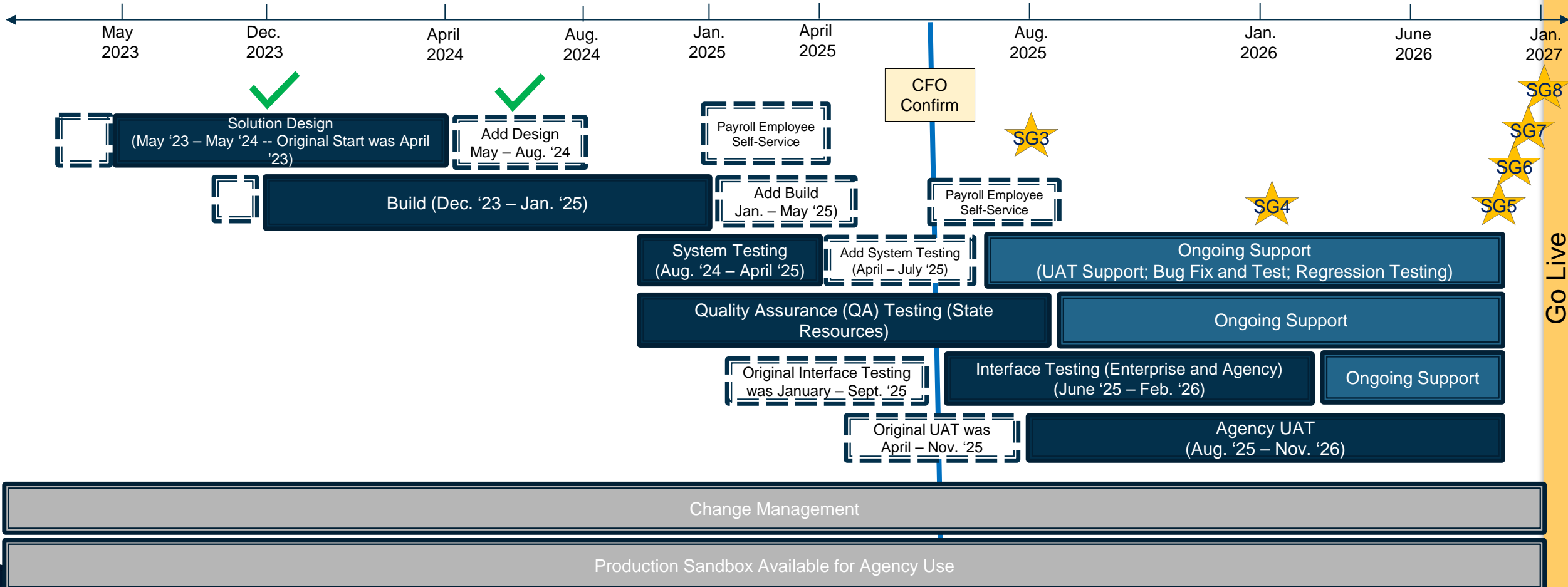
# Amendment 12

## Updated Financials and Payroll Schedule – July 2026



# Amendment 12

## Updated Financials and Payroll Schedule – January 2027





# IV&V Update

## Amendment 12 Updates Review Summary

- ▶ Key IV&V Review Notes:
- ▶ Includes an option for a 6-month extension of UAT and a contingent go-live for January 2027
  - Adds a new Stage Gate 4 that will be a decision point for ESC to determine whether contingency go-live is required
  - All dates leading up to start of UAT remain the same, only dates after the start of UAT are impacted by the contingency go-live date
  - Exercising contingency results in increased cost of \$12.26M
  - If the contingency is implemented, it will add six new monthly deliverables, each costing \$3 million
  - Reduces post-implementation support period from 8 months to 2.5 months (Hypercare period remains unchanged)



# IV&V Update

## Amendment 12 Updates IV&V Observations

- ▶ Key IV&V Observations:
  - The contingency will cost the State an additional \$12.3 million
  - As the Project approaches Stage Gate 4, it is important to assess if execution of the contingency is caused by the State or SSI Vendor. If the delay is caused by the SSI Vendor, the State should review options for contractual penalties or options.
  - Contingency go-live provides six additional months for UAT, if needed
  - Contingency go-live extends end user training by an additional six months
  - Contingency go-live reduces post-implementation support from eight months to 2.5 months
- ▶ Florida PALM IV&V recommends approval of Amendment 12
  - Florida PALM IV&V Team concurs with schedule changes in Amendment 12
  - While previous concerns raised remain in the updated amendment, given the new version's content and our prior recommendation for approval, we continue to recommend approving the amendment



# Voting Action

- ▶ Request for Public Comment
- ▶ Amendment 12



# ADMINISTRATIVE

TOMMY WERNER



# Administrative Budget

FY 2024-2025 Spend Plan Summary as of January 31, 2025				
Category	Projected FYTD	Incurred FYTD	Released FYTD	Release Remaining
<b>FLAIR System Replacement</b>	<b>\$22,434,199</b>	<b>\$14,482,097</b>	<b>\$30,916,123</b>	<b>\$16,434,026</b>
SSI Implementation Services	\$13,900,000	\$6,800,000		
Facilities and Maintenance	\$242,487	\$242,487		
Production Support	\$5,712,638	\$5,712,638		
Additional Facilities	\$75,293	\$75,293		
Production Support Administration	\$41,683	\$37,642		
Oracle Software and Maintenance	\$752,717	\$55,330		
Project Administration	\$146,087	\$57,921		
ERP and OC Support Services	\$1,032,508	\$982,438		
QA Support Services	\$530,787	\$518,348		
IT Service Management	\$206,332	\$207,184	\$1,304,572	\$1,097,388
Contingency	\$0	\$0	\$0	\$0
Salaries & Benefits	\$5,436,926	\$5,399,406	\$10,220,897	\$4,821,491
HR Transfer and Risk Management Insurance	\$31,957	\$19,957	\$37,957	\$18,000
<b>Total:</b>	<b>\$28,109,415</b>	<b>\$20,108,644</b>	<b>\$42,479,549</b>	<b>\$22,370,905</b>



# Administrative Risks and Issues

- ▶ Open Issue – Inability to Achieve Stage Gate 3 on the Current Timeline
  - Issue due date updated to March 24, 2025
  - Action Plan Steps:
    - Negotiate and execute Amendment – Due March 3, 2025
    - Update the Project Schedule – Due March 24, 2025
    - Communicate changes to Stakeholders – Due March 24, 2025



# Administrative Risks and Issues

- ▶ One new Risk has been identified
  - Risk 10 – Failure to timely execute Amendment 12 will significantly impact the Project's ability to proceed with implementation activities
  - Risk Score = 6
- ▶ No Risks have been closed
- ▶ Updates to existing Risks:
  - Risk 5 – Timing and efficiency of information sharing
    - Increased probability to 3, raising the Risk Score to 9
  - Risk 6 – Execution of contracts and procurement activity outside the Project
    - Increased probability to 3, raising the Risk Score to 9



# Administrative Risks and Issues

- ▶ Two Risks with a score of 6
  - Risk 2 – External stakeholders and agencies expectations
  - Risk 10 – Timely execution of Amendment 12
- ▶ Five Risks with a score of 9
  - Risk 4 – Agency engagement
  - Risk 5 – Timing and efficiency of information sharing
  - Risk 6 – Execution of contracts and procurement activity outside of the Project
  - Risk 8 – Scope and timing of Build may impact Stage Gate 3
  - Risk 9 – Overlap of System Testing with UAT





# INDEPENDENT VERIFICATION AND VALIDATION (IV&V)

CONTENT PROVIDED BY PUBLIC  
CONSULTING GROUP



# IV&V Summary

## Risk Rating Trends

- ▶ Overall Project Risk Rating:
  - Continues to be a High Risk for January
  - Contributing factors include:
    - Open Finding 14 for the Delays to Build, Finding 15 for the Reports, Interfaces, Conversions, Extensions, Flows, Workflow (RICEFW) related Test Script Failure Rate and Finding 16 for compounding delays in Mock 0 and 1 leading to a compressed timeline for Mock 2
    - High Risk Rating for the Development Focus Area and Declining Risk Ratings for Organizational Change Management (OCM) and Data, Conversion, and Interfaces Focus Area



# IV&V Update

## New Findings

- ▶ Finding 19 – The Florida PALM Project could benefit from increased adherence and updates to the Risk and Issue Management process
  - Risk statuses and mitigation strategies were not updated or escalated timely per the Changes, Risks, Action Items, Issues, Decisions, and Lessons Learned (CRAIDL) management process outlined in the Florida PALM Project Management Plan (PMP)
  - Two Florida PALM Project Risks were escalated to an Issue on 01/28/25, with a mitigation strategy including negotiating an amendment. Before escalation, both Risks had a score of 6 and a status of Mitigating until 01/17/25, when the Risk score for both Risks was increased to 9. An amendment was not identified as a mitigation strategy in the CRAIDL log for either Risk.
  - The Florida PALM Project Team must follow specific instructions and processes during amendment negotiations. This limits their ability to escalate Risks or document a timeline extension as a mitigation strategy, per the PMP, until negotiations reach a certain point.
  - An effective Risk management framework is critical to identifying, assessing, and mitigating critical impacts like missed Risks, escalated costs, Project delays, and scope creep
  - The Florida PALM Project Director committed to reviewing and updating the Risk Management Process for open Risks and Issues



# IV&V Update

## Open Findings

- ▶ Finding 14 – Risk that Delays to Build Could Impact the Completion of System Testing and the Start of User Acceptance Testing (UAT)
  - 120 of the 122 Segment III Application Development (AD) documents have been approved as of 02/14/25. 4.5 months behind the current planned completion of Segment III.
  - Segment IV Build is also behind schedule with 78 of the 112 AD documents drafted
    - Build Segment IV pre-meetings and build review meetings are occurring
    - Additional Development staff are being added, but the pace of drafting AD documents was relatively slow in December and January but started to pick up in February
    - Build overlaps with review and approval of Segment III AD documents
  - Current Florida PALM IV&V Team projection is that Development would not complete until 04/11/25
    - Significant delay based on current schedule (03/06/25) but earlier than revised timeline in Amendment 12

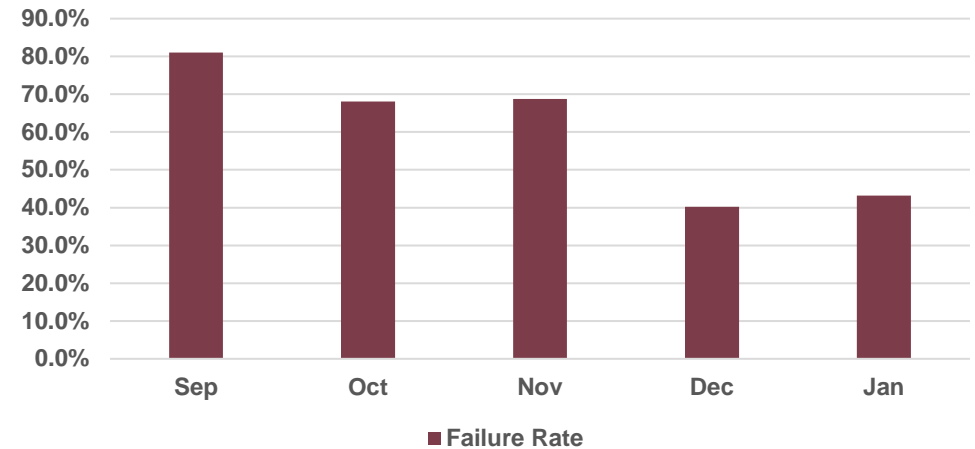


# IV&V Update

## Open Findings

- ▶ Finding 15 – Risk that High Failure Rate For RICEFW-related Test Scripts May Impact Stage Gate 3 – Ready to Begin UAT
  - Improvement initiatives put in place by Software and System Integrator (SSI) Vendor
  - Improvement in the initial failure rate for RICEFW-related Test Scripts in December and January
  - Growing number of active Medium System Investigation Requests (SIRs) as testing continues

RICEFW Test Cases Initial Failure Rate



# IV&V Update

## Open Findings

- ▶ Finding 16 – Compounding delays in Mock Conversion 0 and 1 have led to a compressed timeline for Mock Conversion 2 and have the potential to impact multiple downstream activities, such as Interface Testing, future Mock Conversions, and UAT
  - All SIRs have been resolved for Mock Conversion 0
  - Mock Conversion 1 (originally scheduled for early September through November) is now 11 weeks behind schedule and remains incomplete as of 02/21/25, continuing to delay the start of Mock Conversion 2
  - The delay to Mock Conversion 2 will impact Interface Testing and subsequent Conversion activities. A revised timeline will mitigate the Risk of delays to subsequent activities.



# IV&V Update

## Open Findings

- ▶ Finding 17 – Preliminary concern that the overlapping timing of UAT, Training activities, and Year End Close (YEC) tasks may create resource constraints, increase Subject Matter Expert (SME) and end-user change fatigue and burnout, and reduce the effectiveness of Training delivery
  - The current condensed timeline for production and delivery of UAT materials leave this Finding as a Risk. Agencies continue to express concerns about the timing of UAT, Training, and YEC activities. This timeline is subject to change with Amendment 12.
  - The Florida PALM IV&V Team continues to recommend increased engagement with Agencies to identify Training needs and gaps, as well as workshops for collaboration in key Project areas



# IV&V Update

## Open Findings

- ▶ Finding 18 – The current pace of System Test execution by the SSI Vendor and the addition of Test Scripts as Build Segments are completed could delay the completion of System Testing and increase the overlap with UAT
  - At the current pace of Test Script execution, System Testing completion is projected at 06/16/25
    - 7-week projected delay based on current scheduled completion date (04/30/25) and an 11-week overlap between System Testing and UAT, exceeding the currently approved one-month overlap
    - Projected to meet Amendment 12 revised System Test completion date (06/30/25)





# IV&V Update

## Project Management

- ▶ Delayed Tasks have increased from 401 at the end of January to 502 as of the 02/14/25 status date in the Florida PALM Project Schedule. The late tasks fall primarily in:
  - D654 – Completion of Build Segment IV
- ▶ The Schedule Performance Index (SPI) has decreased from .90 at the end of January to .88 as of 02/14/25. The Florida PALM Project is progressing at 88% of the planned pace.
- ▶ The Florida PALM IV&V expects these numbers to improve if Amendment 12 is approved



# IV&V Update

## Development

- ▶ **Build Segment III:**
  - Targeted for completion by 09/27/24
  - As of 02/14/25, 120 of the 122 AD documents have been approved
  - Multiple cycles of updates are required during the review process to address comments
  - Review and Approval is concurrent with Build Segment IV
- ▶ **Build Segment IV (not including Data Warehousing/Business Intelligence (DW/BI) or Project Change Request (PCR) 121 extensions):**
  - 112 AD documents are part of Build Segment IV
  - Planned completion date of 03/06/25
  - 78 of the 112 AD documents drafted as of 02/14/25
    - Florida PALM IV&V Team projection is that Build would complete by 04/11/25
    - 5 weeks behind current schedule but ahead of revised timeline in Amendment 12



# IV&V Update

## System Testing

- ▶ System Testing for Test Segment II is near completion
  - 98% Test Scripts executed and an overall pass percentage of 90%
- ▶ Approximately 500 Test Scripts are marked as Canceled (80) or Deferred (430)
  - A Project Decision is in review and is pending approval
  - Primary deferment reason: functionality exists in Build Segment IV to be tested in Test Segment III
- ▶ The average time to resolve Medium Priority SIRs increased from 8 days to 11.25 days



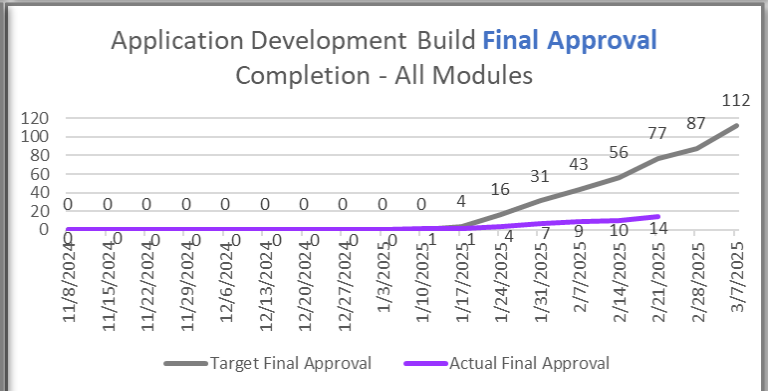
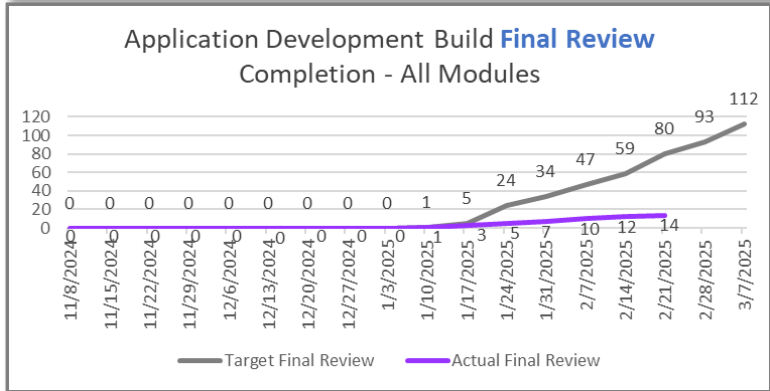
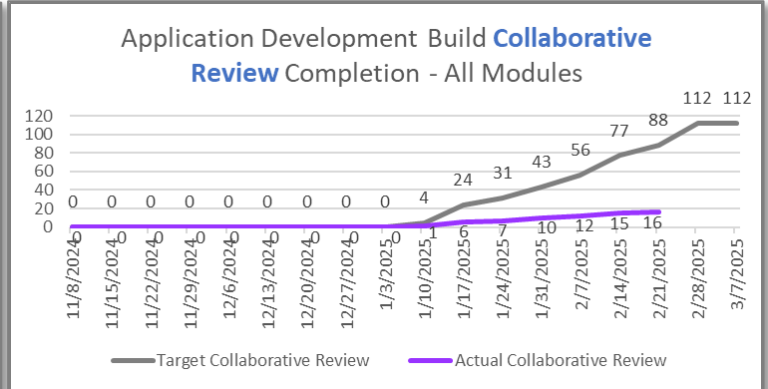
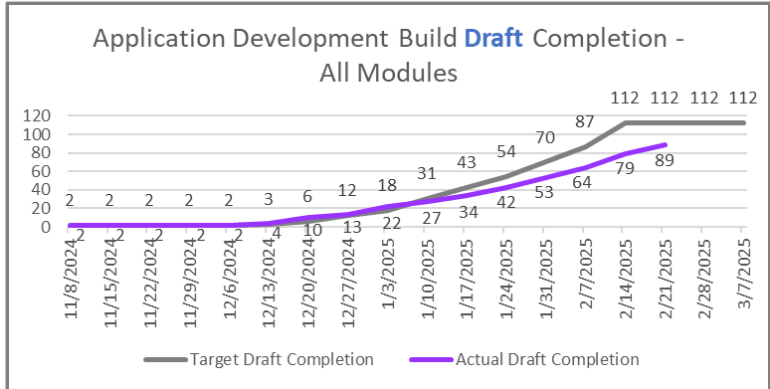
# IMPLEMENTATION ACTIVITIES

STACEY TERRY



# Implementation Activities

## App Dev Build



### Segment III App Dev Build

- 1 work unit pending review and approval; targeting completion week of 2/24

### Segment IV App Dev Build

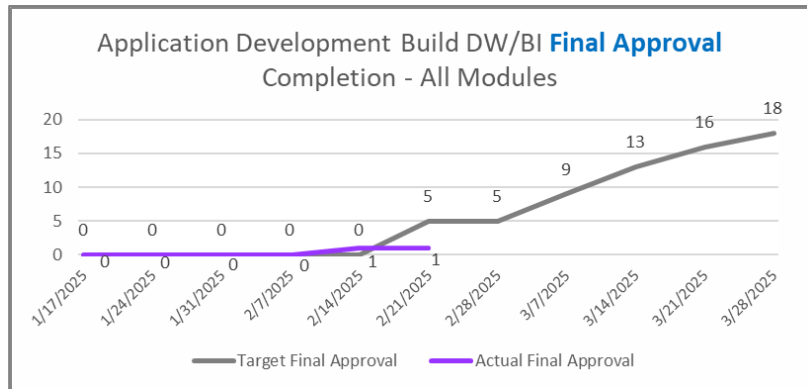
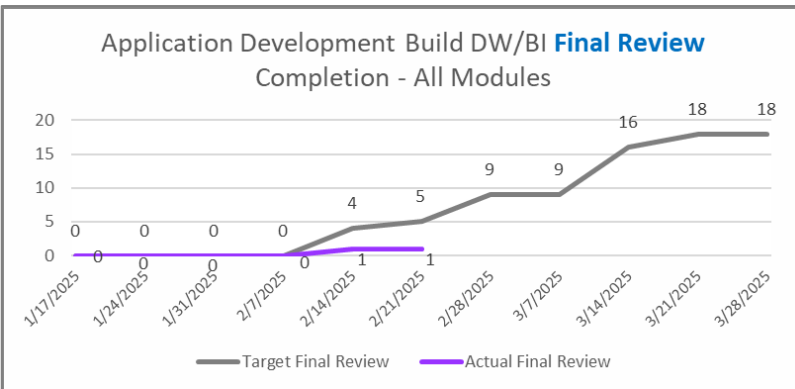
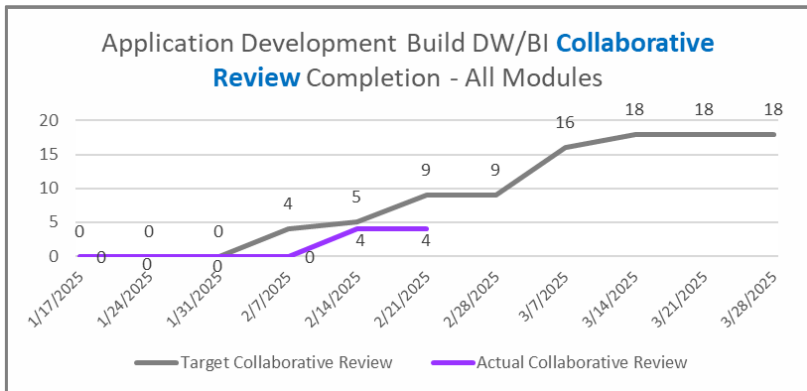
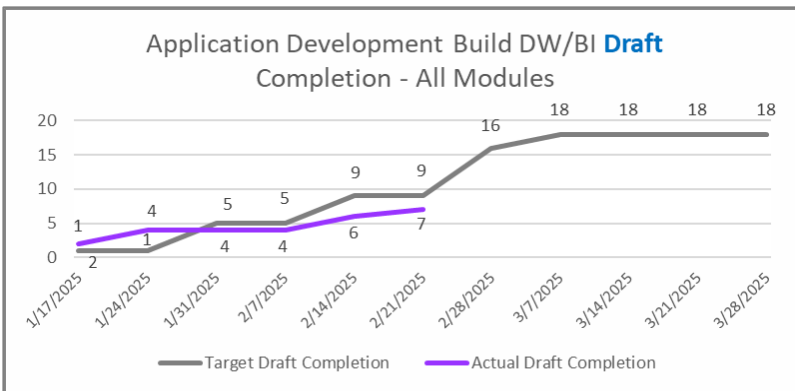
- 106 of 112 (94.6%) draft AD work units have completed coding:
  - Targeting submission of remaining work unit drafts by 3/7
    - Delays due to work unit complexities and/or design changes resulting in re-work
- 89 of 112 (79.5%) draft ADs submitted for review / approval
  - Targeting AD reviews/approvals to complete in April to maintain System Test III execution
  - Review completion delays impacted by resource constraints, State closure and build revisions

## Segment IV App Dev Build Status (as of 2/21/2025)



# Implementation Activities

## DW/BI – Build



### DW/BI Build Segment II

- DW/BI Build Segment II completed on schedule

### DW/BI Build Segment III

- DW/BI Build Segment III is in progress; planned completion end of March
- 18 work units included in DW/BI Build III
  - 7 of 9 drafts due to be submitted to date
- 74 ETL jobs have been customized to-date for modules where reports have been built
  - Complete – 64 (AP, AM, GM and GL)
  - In Progress - 10 (IU, KK)
  - Data gathering in progress for payroll
  - AR and PO jobs will be evaluated after completion of Build III

## DW/BI Build Segment II Status (as of 2/21/2025)



# Implementation Activities

## System Testing

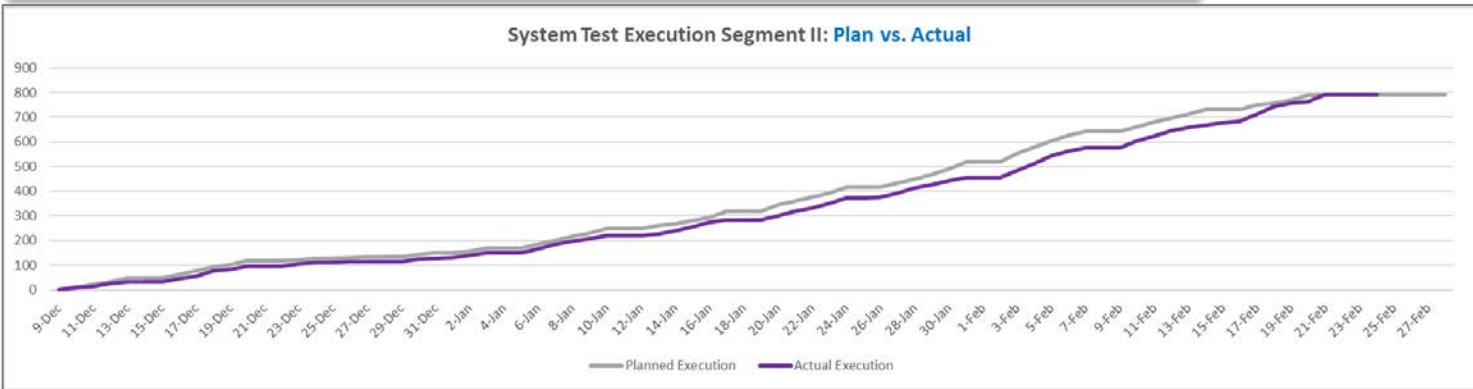
System Test Execution Segment II	Count	% Against Total	% Against Executed to Date
Original Total Number of Scripts	816	-	-
New Total Number of Scripts	793	-	-
Planned to Date	793	100.0%	-
Executed to Date	793	100.0%	-
1st Run Pass Rate	530	66.8%	66.8%
1st Run Fail Rate	263	33.2%	33.2%
Pass Rate	718	90.5%	90.5%
Fail Rate	75	9.5%	9.5%

### System Test Execution – Segment II

- Completed test script execution ahead of schedule
- Resolution of outstanding High SIRs is in progress

### System Test Execution – Segment III

- Targeted to being early March



## System Testing Segment II Status

(as of 2/21/2025)





# Implementation Activities

## Mock Conversion

<b>Mock 0</b>	Complete	Scope	Schedule
<ul style="list-style-type: none"> <li>Completed January 2025</li> </ul>			
<b>Mock 1</b>	In Progress	Scope	Schedule
<ul style="list-style-type: none"> <li>Mock 1A completed in October 2024 (10 work units)</li> <li>Mock 1B in progress (9 of 10 work units complete); data analysis and reviews are being completed on remaining payroll conversion</li> <li>Resolving outstanding High SIRs; continuing to improve on execution performance</li> </ul>			
<b>Mock 2</b>	Not Started	Scope	Schedule
<ul style="list-style-type: none"> <li>Conducting preparation activities in February</li> <li>Targeting to begin execution in March</li> </ul>			



### Mock Conversion Status (as of 2/25/2025)



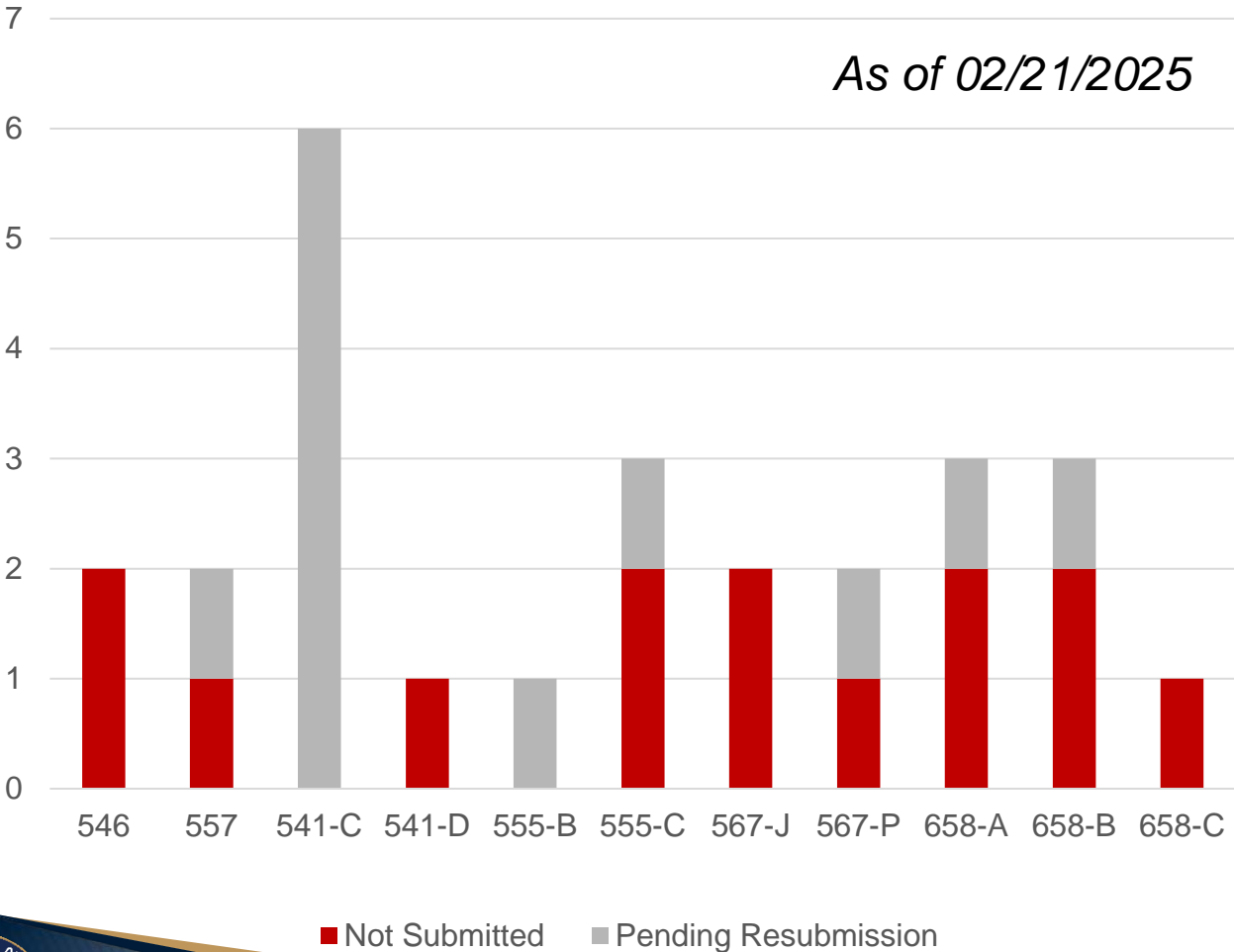
# READINESS ACTIVITIES

NIKKI KLEIN



# Readiness Activities

## Outstanding Direct Impact RW Tasks



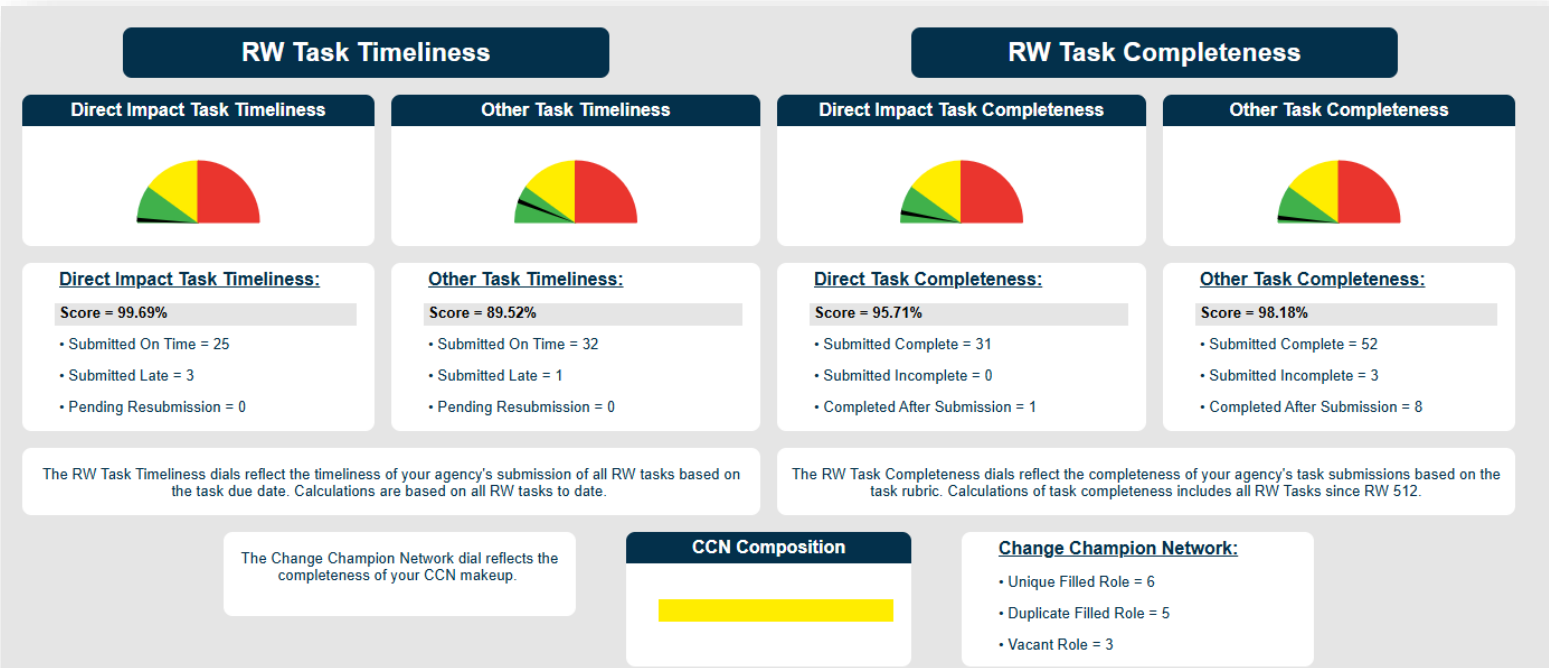
- **Interface Selections** (546 and 557) – Impacts Project planning for interface testing
- **Configurations** (541-C, 541-D, 567 – J and 567-P) – Impacts Project’s ability to validate and load agency data in test environment and in mock conversions
- **Data Readiness and Mapping** – (555-B, 555-C, 658-A, 658-B, 658-C) – Impacts the effectiveness and quality of mock conversions



# Readiness Activities

## Bimonthly Agency Readiness Status Reports

- ▶ Proposed Updates
  - Splits RW Task Timeliness and Completion Dials to emphasize importance of Direct Impact tasks
  - Removes Participation Dial
  - Replaces CCN Composition Dial



# Readiness Activities

## Upcoming

- ▶ Planned Future Updates to Bimonthly Status Report
  - Change grading scale for dials
  - Add Readiness Certification Criteria metrics
  - Add interface testing readiness status
  - Other ESC feedback/suggestions
- ▶ Readiness Workplan
  - RW and agency roadmap planned release in March to align to Project schedule
  - RW enhanced with additional information including more detailed task type and correlation to applicable Agency Readiness Certification
- ▶ Direct RW Tasks – Payroll Configuration Workbooks in March



# TRAINING ACTIVITIES

KIMBERLY KEMP



# Training Activities

## Agency Training Plan

RW 568  
Create Training Plan for  
Agency Managed End  
User Training

Elements to Include:

- Overview
- Roles and Responsibilities
- Training Planning and Execution



RW 604  
Create Agency  
Specific Training



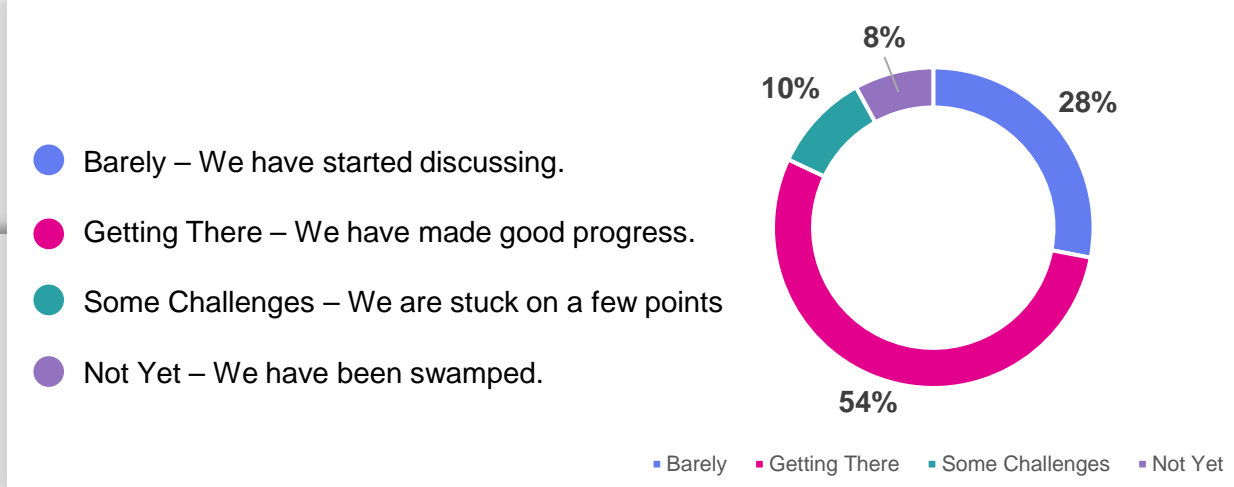
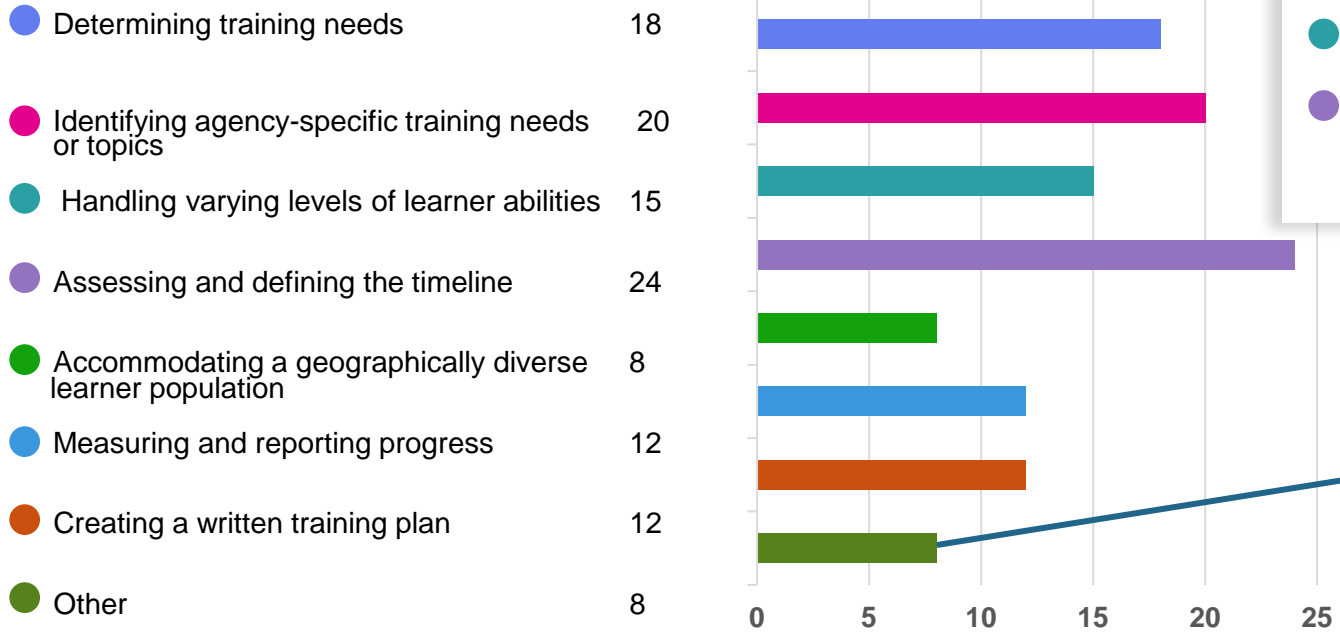
RW 625  
Conduct Agency  
Specific  
Training



# Training Activities

## Agency Training Plan Survey Results

Responses Received from 27 Agencies and 1 Enterprise Partner



- Staffing issues – Limited resources
- Unknown elements of Florida PALM-provided training and resources
- UAT timeline and overlap with Training



# Training Activities

## Agency Training Plan

- ▶ Areas where the Project can support agencies in their creation of agency-specific training plan and materials:
  - Provide more information about the Florida-specific training plans and topics
  - Provide access to Florida PALM-created training materials
  - Provide access to the system to create and finalize their training materials





# FUTURE MEETINGS

JIMMY COX, STEVEN FIELDER



# Future ESC Meetings

## Structure and Topics

- ▶ Open discussion on the standing meeting topics
- ▶ Previously requested from the ESC
  - Budget Contingency
  - User Acceptance Testing
  - Agency Readiness



# NEXT MEETING

PROPOSED NEW STANDARD MEETING TIME: 1:30 – 4:30 P.M.

MARCH 26, 2025  
DEPARTMENT OF REVENUE



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