

Florida Department of Financial Services
Planning, Accounting, and Ledger Management Project

Independent Verification & Validation
October 2023 Mid-Month Progress Report

Reporting Period October 1 – 15, 2023

October 18, 2023

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Executive Summary

The Florida PALM IV&V Mid-Month Progress Report will act as a progress report and is not intended to be an in-depth assessment. This report will capture trends and keep the Florida PALM Project Team and Stakeholders apprised of any developing Findings and IV&V progress between IV&V Monthly Assessment Report submissions.

For the Mid-Month Progress Report period of 10/1/2023 through 10/15/2023, the following lists the key items the Florida PALM IV&V Team has reviewed:

- The Florida PALM Project Schedule is seeing an increase in the number of delayed tasks from a total of 188 across the entire project lifecycle in the September Monthly Assessment Report to a total of 312 in the October Mid-Month Report. 294 of the 312 late tasks are related to the Design Review and Approval Segment II activities. The delayed tasks will not likely impact the Project Team’s ability to meet the Stage Gate 1: Ready to Build milestone, but it does demonstrate an increased risk probability and magnitude of impact to the overall Project Schedule should the increased count of delayed tasks continue at this pace.
- The Florida PALM Project Team released several key Readiness Workplan tasks that aim to improve Agency project management and governance planning.

Focus Area Summary

The table below summarizes the Florida PALM IV&V Team’s updates for the various Focus Areas for the reporting period 10/1/2023 to 10/15/2023. These preliminary updates may continue to evolve as information becomes available for the next Florida PALM IV&V Monthly Assessment Report. This section intends to be a summary only; a more detailed capture regarding these Focus Areas is provided in this document’s Focus Area Update Details section further below. Some Focus Areas may be marked as Not Applicable (NA) as they have not started or there is no significant activity during this reporting period.

Table 1: Focus Area Summary

Focus Area	Last Month’s Indicator	Mid-Month Risk Trend	Rationale
Overall Project Indicator	Low	Unchanged	The Florida PALM Project’s overall risk trend is unchanged, remaining Low Risk in this reporting period. While there is some risk in Requirements and Design and in late tasks, the Florida PALM Project continues to make good progress and is likely to meet the upcoming Stage Gate 1: Ready to Build milestone.

Focus Area	Last Month's Indicator	Mid-Month Risk Trend	Rationale
Project Management	Low	Increasing	The Florida PALM Project Schedule demonstrates an increasing delay in tasks and activities related to Design Segment II. The Florida PALM IV&V Team rates the Mid-Month Risk Trend as increasing toward a High Green due to the increase in probability and magnitude of impact on the overall Project Schedule should the delayed task count continue to increase.
Organizational Change Management	Low	Unchanged	The Florida PALM Project Team released three important Readiness Workplan Tasks in the first week of October that aim to establish further and/or improve the project management and governance capabilities of the Florida PALM Project. The creation of successful readiness plans by Agencies will help improve their ability to prepare for the Florida PALM transition.
Requirements and Design	Medium	Unchanged	The Florida PALM Project Team is making continued progress on requirements analysis and design activities for Segment II. Review and approval of Segment II Functional Designs are behind schedule; however, this is not expected to impact the Start of Build Stage Gate milestone. The project also conducted design review workshops with the Agencies on October 4, and October 5, 2023. These sessions were well attended and interactive, with Agencies asking and receiving clarification on Segment I functionality.
Development	NA	NA	The Florida PALM IV&V Team will begin reporting progress once development efforts start.
Testing	NA	NA	The Florida PALM IV&V Team will be reviewing and distributing the Deliverable Assessment Report (DAR) for the Florida PALM Deliverable Expectation Document (DED) for the Updated System Testing Plan with the Florida PALM Project Team.
Conversion	NA	NA	The Florida PALM IV&V Team will begin reporting progress once conversion efforts start.
Implementation Readiness	NA	NA	The Florida PALM IV&V Team will begin reporting progress once implementation readiness efforts start.
Production Support	Low	Unchanged	A Project Change Request was approved to improve Treasury reconciliation processes. 54 tickets closed No Risks or Issues related to production support reported

Potential New Findings

There are no potential new findings in this mid-month report period.

Open Findings

Finding Number and Statement: Finding 12 – Inconsistency in Requirements Traceability.

Impact Update: Medium (Unchanged)

Probability Update: Medium (Unchanged)

Priority Update: Medium (Unchanged)

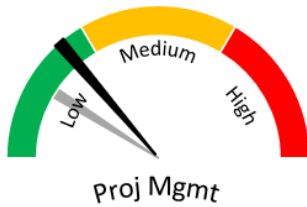
Status Update: The Florida IV&V Team provided a list of identified inconsistencies associated with D636, which were addressed before the Deliverable's Acceptance. Additionally, the Florida PALM Project team incorporated additional cross-checks between the Requirements Traceability Matrix (RTM), Reports, Interfaces, Conversions, Extensions, Forms, and Workflows (RICEFW), and Functional Designs before submitting the subsequent Completion of Solution Design deliverables. Finally, the Florida PALM IV&V Team also discussed the option only to update the RTM or RICEFW and then reference those documents in the subsequent Functional Designs and deliverables to avoid future inconsistencies. The Florida PALM Project Team discussed this option with the SSI vendor, but their preference is to keep the requirement traceability tables within each of the Functional Design specifications. Keeping traceability in both the RTM and the Functional Design Specifications continues to pose a risk that they will not be in sync. The Florida PALM IV&V Team will review traceability between the Functional Design specifications and the RTM to determine if the additional reviews and checkpoints that have been put in place are mitigating potential inconsistencies.

Potential Findings Closing

No findings were closed in this reporting period.

Focus Area Update Details

Project Management



Schedule

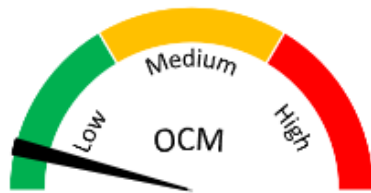
The Florida PALM IV&V Team continues to assess the Florida PALM Project Schedule and is seeing an increasing number of delayed tasks. This has resulted in an increased risk rating trend in October. The details from the IV&V analysis for the Florida PALM Project Schedule indicate that the number of delayed tasks has increased from 188 as of the Florida PALM IV&V September

Monthly Assessment Report to 312 delayed tasks as of 10/15/23. Of those 312 delayed tasks, 94%, or 294 are related to Requirements and Design tasks and activities. Of the 294 delayed Requirements and Design tasks, 97 are related to Deliverable 637 – Completion of Solution Design (Requirements) Segment II and 197 are related to Deliverable 640 – Development of the Master Data Configuration Workbook.

These delays do not indicate an immediate impact on the Project’s State Gate 1 milestone set for December 2023; however, they are demonstrating a consistent and increased delay in overall design, which may pose a risk to the overall project schedule in the future.

Despite the increased number of total tasks delayed, the Florida PALM Project Schedule continues to hold steady with a Schedule Performance Indicator (SPI) of 0.88. In addition to the stabilizing SPI, the Florida PALM Project Team closed 144 tasks in the first two weeks of October, which keeps the task closure rate closely on pace with September’s task closure rate. This demonstrates that although there are certain tasks related to Segment II Design that are facing delays, the Florida PALM Project Team is moving the overall Project Schedule forward at a consistent pace keeping very close alignment with the planned task completion rate.

Organizational Change Management

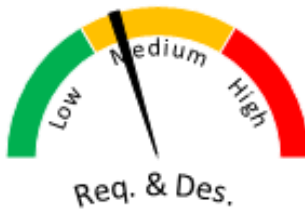


Agency Readiness Planning Tasks

The Florida PALM Project Team released three Readiness Workplan tasks in early and mid-October which aim to address critical components of Agency project planning as Agencies prepare for their role in the testing, implementation, and use of Florida PALM. These are Tasks 500, 501, and 502, which ask

Agencies to create, respectively, an Agency-Specific Project Charter, an Agency-Specific Implementation Schedule, and an Agency-Specific Risks and Issues Management Plan. Agencies are key partners in the Florida PALM Project, and coordinating activities between dozens of state institutions and their employees requires project management and governance structure to be established across all stakeholders. The above tasks are foundational elements that will help Agencies establish these management processes. Instructions are thorough, and a variety of templates and examples are provided to aid in the completion of these tasks.

Requirements and Design



The Florida PALM IV&V Team attended design workshops where Agency representatives reviewed business process models for Setup and Maintain Chart of Accounts, Enter and Process Budget Journals, Disbursement Management and Entering and Processing Vouchers. Agency representatives and the Florida PALM Project Team participated in discussing these business process models and how these processes are designed to address business challenges. In addition to the business process models, reporting aspects of the business process were discussed and how reporting tools can augment the reporting capabilities for the end users across Agencies. During the design

workshop sessions, the Florida PALM Team discussed conversion, stating that, since Agencies own the data, the data validation must be performed by the Agencies before loading the data into the Florida PALM application. During the design workshop, confidential transactions were discussed, and the Florida PALM Project Team confirmed that any confidential transactions would not be going to public transparency sites, and the data would be masked. Any access to such confidential transactions will require appropriate access.

The Florida PALM Project Team continues to progress with Functional Design for Segment II as well as configuration activities. However, the review and approval of the Functional Designs are behind schedule (See Charts in the Key Metrics and Analysis Section). The Florida PALM IV&V Team currently projects that if the current trend is continued, all the Functional Designs will not be approved until the beginning of December. This projection is based on the average number of design specifications approved over the last 3 weeks. However, it is expected that the target for the Start of Build Stage Gate, which is 50% of the Segment II design specifications approved, will be met by the end of October. Therefore, even though the completion of Segment II design is expected to be delayed, there is not any significant risk to the first Stage Gate.

Testing

The Florida PALM IV&V Team has completed drafting the DAR for the Florida PALM DED for the Updated System Testing Plan, which is planned for draft review with the Florida PALM Project Team the week of October 16, 2023, and distribution thereafter.

Production Support



Production support activities continue within service-level expectations. No risks or issues related to production support are reported.

Key Metrics or Analysis

This section provides metrics used by the Florida PALM IV&V Team to assess processes and activities.

Completion of Functional Design through the Team Manager Reviews (Segment II)

The diagram in Figure 1 shows the expected and actual count of Functional Designs that have progressed through the team manager review as of 10/13/2023. It also shows the projected completion of the team manager reviews and the target for the Start of Build Stage Gate which is approval of 39 Functional Designs. The chart shows that the Florida PALM IV&V Team is projecting that all team manager reviews of Functional Designs will not be complete until November 10th which is a two-week delay. The projection is based on the average number of reviews completed in the last 2 weeks. However, the team manager review is complete for 44 Functional Design Specifications, which does exceed the 39 required for the Start of Build Stage Gate. The team manager review is one of the more intensive and thorough reviews and took the longest to complete during Segment I.

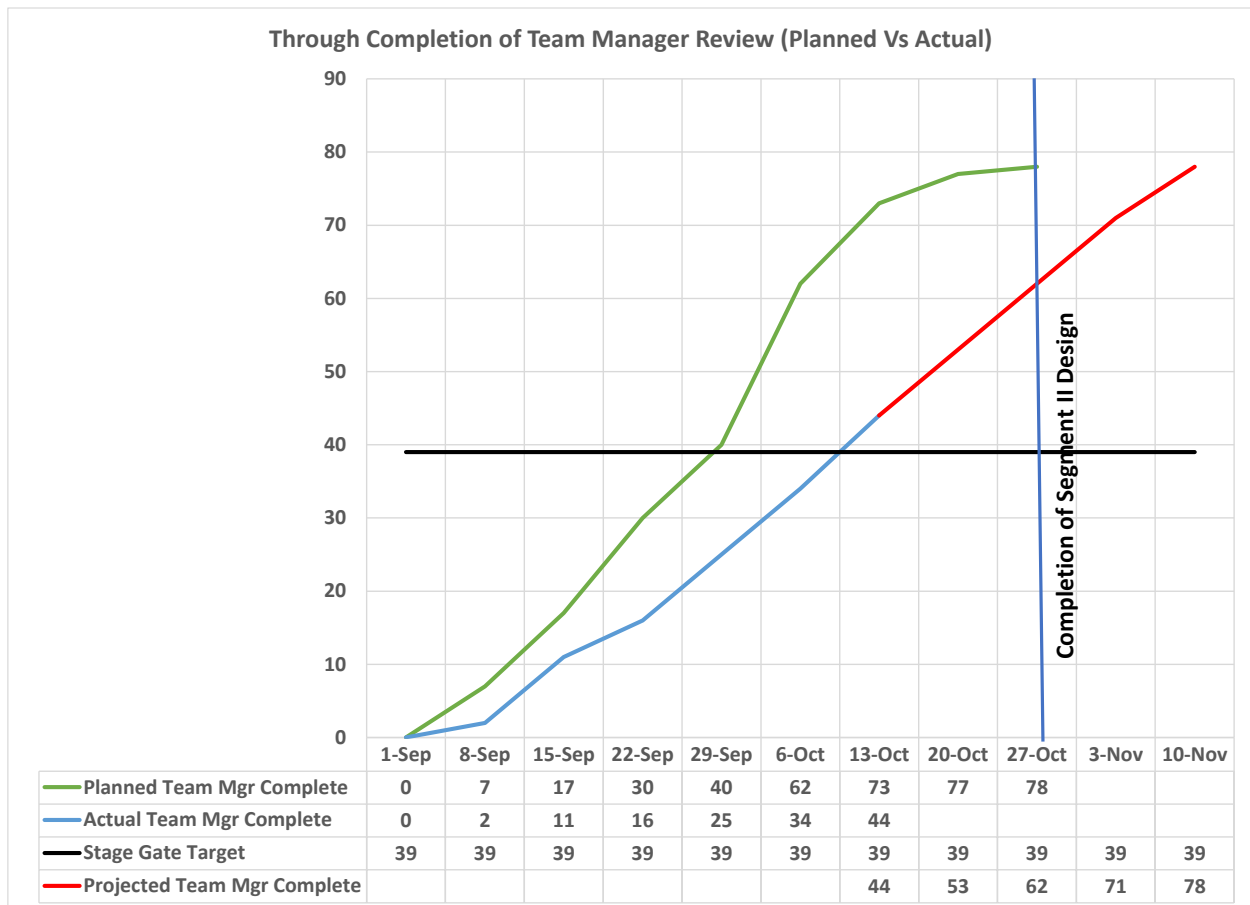


Figure 1: Target to Actual Comparison of Team Manager Reviews

Completion of Functional Design through the Final Approval (Segment II)

The diagram in Figure 2 shows the expected and actual count of Functional Designs that have made it through the final approval as of 10/13/2023. It also shows the projected completion of the final approval and the target for the Start of Build Stage Gate which is approval of 39 Functional Designs. The diagram shows that the Florida PALM IV&V Team is projecting that all approvals will not be complete until 12/1/2023 which is a four-week delay. The projection is based on the average number of reviews completed in the last 2 weeks. However, the projection also shows that 39 Functional Designs should be approved by the end of October which is the criteria for the Start of Build Stage Gate. Overall, the completion of the Segment II design is expected to be delayed, but there does not appear to be any significant risk to the first Stage Gate.

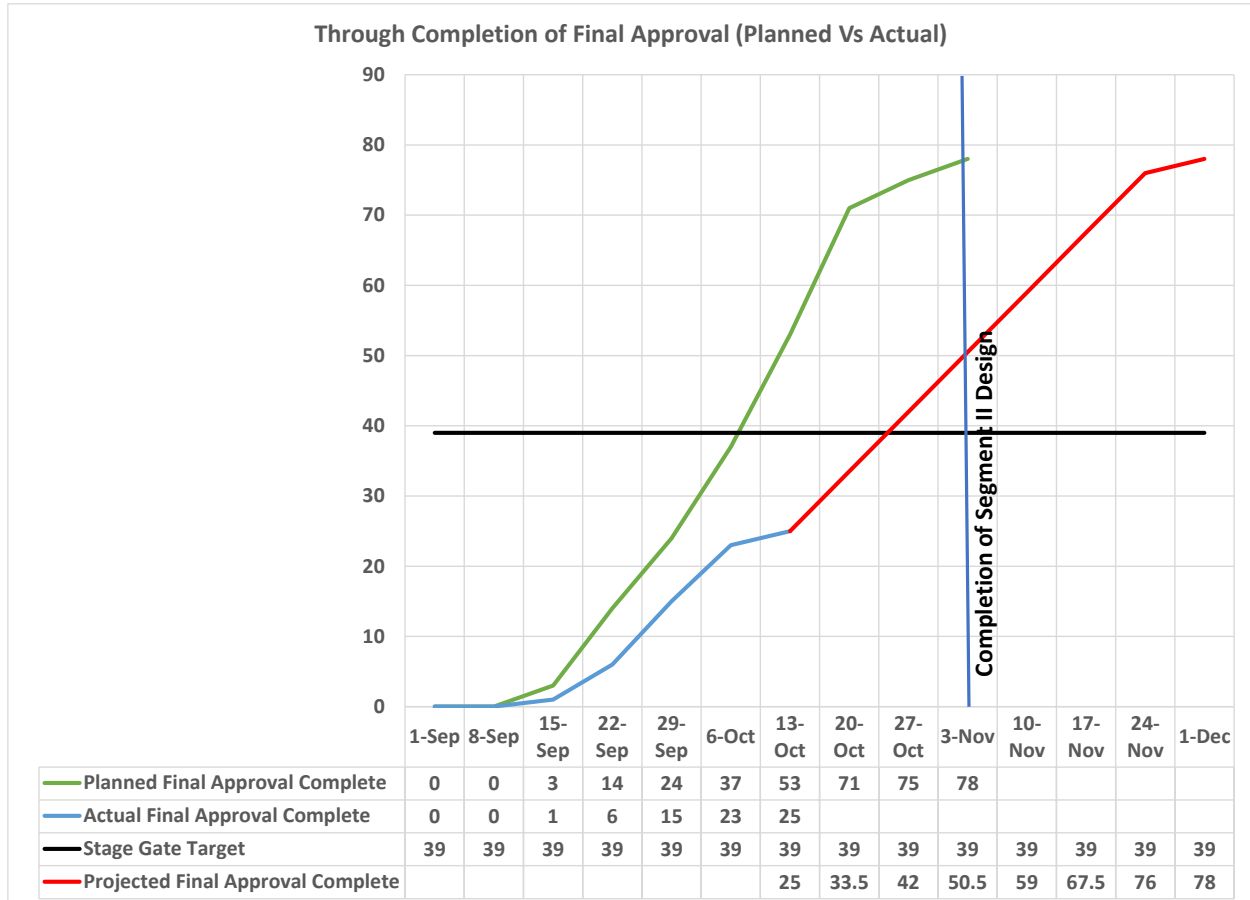


Figure 2: Target to Actual Comparison of Team Manager Reviews

IV&V Upcoming Schedule Activities

Project Management

- Assess the Florida PALM Project Schedule SPI and schedule variances, including potential impacts of late tasks to the Critical Path.

Organizational Change Management

- The Florida PALM IV&V Team has scheduled meetings with several Agencies to discuss their experiences, challenges, and successes with Agency readiness for Florida PALM.

Requirements and Design

- Participate in meetings with People First Team;
- Continue review and analysis of Design Work Unit Tracker, RICEFW Inventory, and RTM;
- Participate in Functional Design sessions; and
- Review Functional Design Specifications.

Testing

- Distribute the DAR for the DED for the Florida PALM Updated System Testing Plan.

IV&V Information Requests

The table below includes the status of the outstanding Florida PALM IV&V Team information requests from the Florida PALM Project Team.

Table 2: IV&V Information Requests

Information Request	Date of Request	Status
None	N/A	N/A

Appendix A – Documents Reviewed

The table below shows documents the Florida PALM IV&V Team reviewed during the period.

Table3: IV&V Documents Reviewed

Document Name	Date	Version
Task Instructions 500 – Create Agency Specific Project Charter	10/9/23	1.0
Task Instructions 501 – Create Agency Specific Implementation Schedule	10/9/23	1.0
Task Instructions 502 – Create Agency Specific Risks and Issues Management Plan	10/2/23	1.0

Appendix B – IV&V Documents Delivered

The table below shows documents the Florida PALM IV&V Team delivered during the period.

Table 4: IV&V Documents Delivered

Document Name	Date	Version	Delivered Date	Follow Up Required
IVV4-D05 Florida PALM IVV Lessons Learned Report for Reporting Period 07012023-09202023	9/20/2023	1.0	10/5/2023	None
Florida PALM IV&V Monthly Assessment Report September 2023	10/11/2023	1.0	10/11/2023	None

Appendix C – Risk Priority Matrix

The Florida PALM IV&V Analysts will use the following table to assign a Risk probability rating to each identified Risk.

Table 5: Risk Probability Rating

Risk Probability Rating	Probability of Occurrence	Probability Description
1	Improbable	Risk has between a 1%-19% likelihood of occurring.
2	Unlikely	Risk has between a 20%-39% likelihood of occurring.
3	Possible	Risk has between a 40%-59% likelihood of occurring.
4	Likely	Risk has between a 60%-79% likelihood of occurring.
5	Probable	Risk has between an 80%-99% likelihood of occurring.

The Risk Impact Criteria the Florida PALM IV&V Analysts will use to assign a Risk impact rating to each identified Risk are described in the table below.

Table 6: Risk Impact Rating

Risk Impact Rating	Magnitude of Impact	Impact Description
1	Negligible	Risk will have an impact so small that it can be ignored when studying the larger effect.
2	Minor	Risk will have a small impact on the Project that should not be ignored when studying the larger effect.
3	Moderate	Risk will have a noticeable impact on the Project.
4	Significant	Risk will have a large impact on the Project
5	Critical	Risk will have a large impact and may jeopardize the success of the Project.

The table below outlines the Risk Priority Ratings for a Finding based on a combination of impact and probability of occurrence.

Table 7: Risk Probability vs Impact

Probability of Occurrence	Magnitude of Impact				
	Negligible 1	Minor 2	Moderate 3	Significant 4	Critical 5
Probable 5	Low	Medium	High		
Likely 4					
Possible 3					
Unlikely 2					
Improbable 1					

The table below defines the levels of the Risk Priority Ratings.

Table 8: Risk Rating Definition

Rating	Definition
High	The possibility of substantial impact to product quality manageability cost or schedule. Major disruption is likely, and the consequences would be unacceptable. A different approach is required. Mitigation strategies should be evaluated and acted upon immediately.
Medium	The possibility of moderate impact to product quality manageability cost or schedule. Some disruption is likely, and a different approach may be required. Mitigation strategies should be evaluated and implemented as soon as feasible.
Low	The possibility of a slight impact to product quality manageability cost or schedule. Minimal disruption is likely, and some oversight is needed to ensure that it remains low. Mitigation strategies should be evaluated and considered for implementation when possible.