

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

Independent Verification and Validation
Monthly Assessment Report
May 2026

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Executive Summary

The following list summarizes the key items from the Florida PALM IV&V Team Focus Area detail in the Monthly Assessment Report for May 2026:

- The overall Florida PALM Project Risk Rating remained a High Risk due to:
 - Limited and uneven execution of UAT activities across Agencies.
 - Remaining delays to Interface Testing Cycle 2 and the volume of Inadequate performance ratings for Interface Testing Cycle 3.
 - The volume and aging of High Impact tickets, particularly related to Accounts Payable and Payroll.
- Finding 38 was opened to document a Preliminary Concern that the volume of Interface Tests for Cycle 3, where performance is marked as Inadequate, may indicate issues with the availability, timeliness, and data quality of Interface files.
- Finding 32 regarding the delayed completion of Regression Event 2 was closed because the Systems Integrator (SSI) Vendor reported a 96% pass rate, and the State QA Team has reviewed and validated 89% of the passed Test Scripts, and the remaining Medium Impact tickets have an agreed-upon disposition.
- Finding 37 regarding the delayed completion of Dry Run 1 has been closed as all activities have been completed, and there are no Critical or High Impact tickets open as of 5/31/26.
- The Florida PALM Testing Focus Area Risk Rating remained a High Risk because the volume of open tickets concentrated within Payroll and Accounts Payable indicates that the need for system stabilization efforts has not yet decreased, Garnishments for Payroll Parallel testing continues to perform below other Payroll categories during the first pass, and constraints with the load balancer and the availability of high-volume files have caused delays to Performance Testing.
- The Florida PALM Agency Readiness Focus Area Risk Rating remained a Medium Risk, but worsened from Low Yellow to High Yellow due to changes to internal and Florida PALM documentation, training delays, staff capacity constraints, communication gaps, and uneven UAT execution.
- The Agency Testing Focus Area Risk Rating remained a High Risk because of inconsistent UAT participation, limited end-to-end business process validation, and continued reliance on a small group of Agency Subject Matter Experts (SMEs) to sustain testing progress.
- The Agency Data, Conversion, and Interfaces Focus Area Risk Rating remained a High Risk because of delays in completing Agency Inbound Interface tests by the targeted finish date of 4/30/26, and performance for almost one third of Agency Interface tests for Cycle 3 has been marked as Inadequate.

Focus Area Updates

The table below summarizes the Florida PALM IV&V Team’s updates across the focus areas since the last Monthly Assessment Report. Detailed discussion of each focus area is provided in the sections that follow. Some focus areas may be identified as Not Applicable (NA) if work has not yet begun or if no material activity occurred during the reporting period. Standard focus area descriptions will continue to be incorporated into each Monthly Assessment Report.

Florida PALM Project Focus Areas:

Table 1: Florida PALM Project Focus Areas

Focus Area	Last Month Indicator	Current Month Indicator	Trend	Update Summary
Overall Project Indicator	High	High	No Change	<p>The overall Project Risk Rating remains a High Risk.</p> <p>The Florida PALM Project, which includes the Florida PALM Project Team, Agencies, Enterprise Partners, vendors, and other participating entities, is experiencing continued challenges in demonstrating readiness across several critical areas, particularly testing execution, system stability, Interface performance, and Agency preparedness.</p> <p>A primary driver of the Risk rating is the limited and uneven execution of UAT activities. Although testing has been underway for several months, less than half of the in-scope activities have been executed at least once, and comprehensive end-to-end validation of business processes remains largely incomplete. Participation remains concentrated among a relatively small group of Agencies and users, with many end users not yet actively engaged in testing. This reliance on a limited testing population reduces the breadth and depth of validation, increasing the risk that system functionality may not be fully validated before Go-Live. It also limits hands-on exposure for end-users, reducing their familiarity with the system and increasing the risk of issues, confusion, or slower adoption after implementation.</p> <p>In parallel, system stability concerns persist, particularly within critical financial modules such as Accounts Payable and Payroll. Although there has been some reduction in overall defect volume, a large</p>

Focus Area	Last Month Indicator	Current Month Indicator	Trend	Update Summary
				<p>number of High and Medium Impact tickets remain open, including some that have aged beyond expected resolution timelines. The continued concentration of tickets in core processing areas could introduce risk to the accuracy and reliability of financial transactions and indicates that the system has not yet achieved a stable operating state.</p> <p>The Florida PALM Project is also experiencing ongoing challenges with Interface and performance testing, which are essential for ensuring interoperability across Agencies and Enterprise Partners. Interface testing for Cycle 2 remains incomplete, with several Inbound Interfaces delayed behind the targeted completion date. Additionally, Cycle 3 testing results indicate that performance for approximately one-third of Interfaces has been marked as Inadequate, with issues related to file timing, data quality, and processing consistency.</p> <p>At the same time, Agency readiness remains uneven and is constrained by several factors, including evolving documentation, delayed end-user training, staffing limitations, and competing operational priorities, such as preparing for YEC activities. Agencies have reported difficulty keeping pace with system and documentation changes and often lack the clarity needed to translate those changes into effective testing and training efforts. These challenges are contributing to inconsistent adoption, rework, and variability in readiness levels across Agencies, which increases the overall risk of operational disruption at Go-Live.</p>
Florida PALM Project Management	Medium	Medium	No Change	<p>The Risk Rating remains a Medium Risk.</p> <p>The Florida PALM IV&V Team observed SPI holding steady at 0.98 in the Florida PALM Project Schedule, but Delayed Tasks increased to 75 and Planned vs. Actual progress declined by 17%. Most Delayed Tasks are concentrated in performance testing, Interface testing, and deployment planning, with 28 on the critical path. Although some Florida PALM</p>

Focus Area	Last Month Indicator	Current Month Indicator	Trend	Update Summary
				Project Decisions reduced nonessential work, challenges with Florida PALM Project Schedule updates and governance remain.
Florida PALM Organizational Change Management	Low	Low	No Change	The Risk Rating remains a Low Risk. The Florida PALM Agency Readiness Team continued outreach and support through Readiness Touchpoints, Office Hours, updated training materials, and public recognition of Agency participation in All Agency UAT. Agencies continue to report difficulty understanding system and design changes during All Agency UAT, and they perceive that communications and documentation from the Florida PALM Project Team do not always contain sufficient detail for end users. These gaps are contributing to confusion, rework, and challenges with retesting and issue triage. Providing additional context in ticket responses and a stronger focus on Agencies' internal Organizational Change Management (OCM) efforts in RC Touchpoints could help Agencies improve readiness before Go-Live.
Florida PALM Requirements and Design	Low	Low	No Change	The Risk Rating remains a Low Risk. One remaining FD for API135 is in the final review phase as of 5/31/26. It was originally targeted for approval on 5/11/26, but this delay is not expected to impact key activities or milestones.
Florida PALM Development	Low	Low	No Change	The Risk Rating remains a Low Risk. There are five remaining RICEFW items in Development. One is pending approval, three are targeted for completion by 7/3/26, and one is targeted for completion by 7/20/26. All but one are approximately two weeks behind schedule, but this is not expected to affect key activities or milestones.
Florida PALM Testing	High	High	No Change	The Risk Rating remains a High Risk. The Florida PALM IV&V Team observed a lower intake of new tickets related to system-stability defects and a small net reduction in the backlog, though the volume of open tickets remains

Focus Area	Last Month Indicator	Current Month Indicator	Trend	Update Summary
				<p>concentrated in Payroll and Accounts Payable.</p> <p>Parallel Payroll Cycle 2 met exit criteria, with good results across most core Payroll categories. Although Garnishments met the overall variance tolerance, it continues to perform below other Payroll categories, with approximately 79% of transactions within tolerance on the first pass.</p> <p>Performance Testing remains behind schedule due to load balancer and file-volume constraints, and planned finish dates for subsequent cycles have been pushed out to June.</p>
Florida PALM Data, Conversion, and Interfaces	Medium	Medium	No Change	<p>The Risk Rating remains a Medium Risk.</p> <p><i>Data</i></p> <p>Agency feedback on the final DW/BI guided support sessions was positive, but limited ticket volume may indicate that Agency testing of DW/BI is not yet comprehensive.</p> <p><i>Conversion</i></p> <p>Dry Run 1 activities finished two weeks behind schedule, with 57% of cutover and post-cutover tasks taking longer than estimated, and 305 Conversion tasks exceeding estimates by more than 16 hours. Debrief sessions identified improvements in validation, timing, sequencing, and documentation to strengthen future Dry Runs.</p> <p><i>Interfaces</i></p> <p>Interface Testing Cycle 2 was 94% complete as of 5/31/26, with 34 of 549 tests remaining. Ticket activity improved, with closures outpacing new tickets and reducing the backlog by 10. Open High-priority tickets are limited but concentrated in a small number of Interfaces that could affect some of the remaining Interface tests.</p>
Florida PALM Implementation Readiness	NA	NA	NA	<p>The Florida PALM IV&V Team will begin reporting progress once cutover efforts begin.</p>

Agency Focus Areas

Table 2: Florida PALM Agency Focus Areas

Focus Area	Last Month Indicator	Current Month Indicator	Trend	Update Summary
Agency Project Management	Medium	Medium	No Change	<p>The Risk Rating remains a Medium Risk.</p> <p>All Agencies completed the RW Task related to supplier record confirmation by the due date of 5/22/26 and are progressing on RW Tasks related to data cleansing and training plan updates, though competing priorities and evolving guidance may affect their ability to complete the Tasks on time.</p> <p>Agency-reported Risks and Issues have increased, particularly regarding All Agency UAT, Interface testing delays, Conversion, cutover, and staffing. With deployment planning and Readiness Certification activities beginning in June, stronger risk management and sustained execution by the Agencies will be critical to support a controlled transition to Florida PALM.</p>
Florida PALM Agency Readiness	Medium	Medium	Worsening	<p>The Risk Rating remains a Medium Risk, but is worsening from Low Yellow to High Yellow.</p> <p>Agency readiness remains constrained by ongoing changes to documentation, which require Agencies to continually review and incorporate updates into their testing, training, and readiness activities. Competing priorities, limited staffing, and inconsistent test planning further affect UAT progress and end-user preparation.</p> <p>The total completion rate for prerequisite training improved to 82%, but the weekly completion rate in May declined, pushing projected completion for all users into mid-to-late August. Agencies also continue to rely heavily on external clarification support, indicating a need for stronger internal knowledge-sharing and more structured readiness activities.</p>
Agency Requirements and Design	Medium	Medium	No Change	<p>The Risk Rating remains a Medium Risk.</p> <p>The Florida PALM IV&V Team observed continued updates to the Knowledge Center, reflecting ongoing refinement of documentation and system capabilities. In total, 85 unique articles were updated 112 times. Asset Management accounted for the largest share of updates at 22%, indicating</p>

Focus Area	Last Month Indicator	Current Month Indicator	Trend	Update Summary
				continued refinement of inventory processes, Interfaces, and transfer workflows.
Agency Testing	High	High	No Change	<p>The Risk Rating remains a High Risk.</p> <p>The Florida PALM IV&V Team observed that 15 Agencies have completed more than half of their in-scope testing, but end-to-end validation remains limited. Independent testing hours have not increased enough to offset the end of guided support sessions, and total hours in UAT declined. Many end users have not yet logged in or tested, leaving limited time to broaden participation and complete meaningful business process validation before the August data refresh.</p>
Agency Data, Conversion, and Interfaces	High	High	No Change	<p>The Risk Rating remains a High Risk.</p> <p><i>Data</i></p> <p>Agencies responded positively to the DW/BI guided support sessions and are beginning to explore the tool's capabilities, but many have indicated an internal need to better understand how DW/BI works and whether it will meet their reporting needs. Continued report planning, testing, and targeted training will be important to strengthen readiness and reduce learning gaps.</p> <p><i>Conversion</i></p> <p>Agencies are making progress resolving data errors identified during Dry Run 1, with less cleansing effort required than in Mock Conversion 4. RW Task 698 regarding data cleansing efforts remains on track for completion by 6/17/26, supporting readiness for Dry Run 2.</p> <p><i>Interfaces</i></p> <p>Seven Inbound and 16 Outbound Agency Interfaces have not completed Cycle 2 testing, with Inbound testing delayed beyond the 4/20/26 completion date, while Outbound testing is trending toward completion by early July. The Florida PALM Project Team has indicated that the remaining Inbound Interfaces may still be able to go live with Florida PALM as long as testing progress continues.</p> <p>Agencies have also executed 83% of Cycle 3 Interface tests at least once, but almost</p>

Focus Area	Last Month Indicator	Current Month Indicator	Trend	Update Summary
				one-third of performance results were rated Inadequate, as documented in the new Finding 38.
Agency Implementation Readiness	NA	NA	NA	The Florida PALM IV&V Team will begin reporting progress once cutover efforts begin.

New Findings

Finding Type: Preliminary Concern

Impact: Moderate

Probability: Possible

Priority: Medium

Finding Number and Title: **Finding 38** – Volume of Interface Tests for Cycle 3 where performance is marked as Inadequate may indicate issues with the availability, timeliness, and data quality of Interface files

Finding Description: Although many Cycle 3 Agency Interface tests have been executed at least once, performance for approximately 29% of them has been marked as Inadequate by the Agencies, as can be seen in the Figure below.

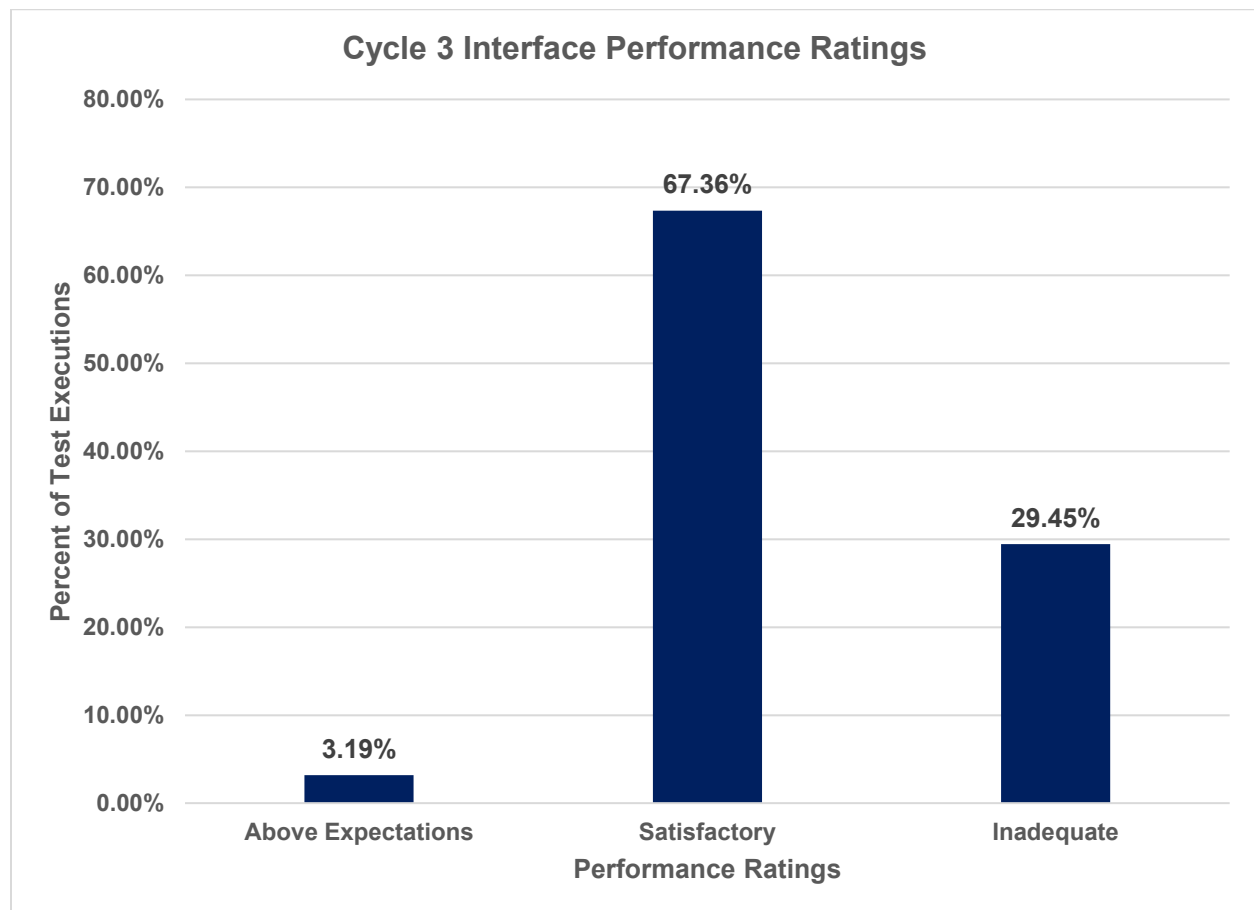


Figure 1: Cycle 3 Performance Ratings

Additionally, approximately 66% of the Interfaces where performance had been marked as Inadequate at the end of February remained in the same status or had not been retested as of 5/31/26. Comments associated with the Inadequate performance ratings include:

- Inconsistent timing of file availability.
- Unexpected record errors.
- Missing data.

- Duplicate files.
- Files with zero records.
- Differences between Interface design documentation and the files provided.

Criteria: While not all comments reported by the Agencies relate to a specific defect in the Interface or the files, Interface Testing Cycle 3 should reflect normal post-Go-Live operations, including consistent file delivery, inclusion of expected data, and proper error-checking controls.

Cause: Relevant Inadequate performance ratings may be attributed to one or more of the following:

- Interface batch processing is taking longer than expected.
- Interface files are not being removed or replaced as expected.
- Continued changes to Interface designs associated with UAT tickets.

Effect: The Florida PALM IV&V Team has observed multiple instances in which Agencies:

- Have not received Interface files within the expected timeframe.
- Validation checks have generated unexpected record errors.
- Files with missing data, duplicate files, or files with zero records.
- Content or file formats that do not align with the Interface design documentation.

Delays in resolving these issues have resulted in performance for the applicable Interface tests remaining in an Inadequate status or failing in subsequent Cycle 3 testing. As a result, repeated daily processing of files with recurring or intermittent failures is contributing to Agency testing fatigue and may reduce the effectiveness of ongoing Interface validation.

Recommendations: The Florida PALM Project Team could consider implementing the following recommendations:

- Review all Inadequate performance results and perform a root cause analysis to determine whether systemic issues are affecting interface timeliness, file quality, or error handling.
- Communicate expected timeframes for completing root cause analysis and implement improvements to Interface timeliness, file quality, and overall performance stability.

Agencies could also consider the following:

- Log tickets for any Interface tests where performance was rated Inadequate so the Florida PALM Project Team can triage, track, and address the underlying issues.
- Monitor the Knowledge Center for Interface design changes that may affect testing and update applicable testing documentation and the Agency Business System (ABS) as needed.

Open Findings

Finding Number and Title: **Finding 31** – Unconfirmed testing dates for the PCard Works Interfaces may delay completion of testing and potentially impact End-to-End Interface Testing and All Agency UAT.

Date Opened: 11/30/25		
<p>Finding Description: As of 11/28/25, testing has not started on three PCard Works Interfaces that provide critical functionality for a majority of the Agencies. These Interfaces are included in scope for WP441, which is scheduled to be tested between December 2025 and April 2026. The PCard Works Vendor has not yet confirmed specific testing dates for these Interfaces and has had minimal engagement with the Florida PALM Project Team. As a result, these Interfaces may not be ready for the start of End-to-End Interface Testing in February 2026.</p> <p>Additionally, multiple Agencies have expressed concerns about the unconfirmed testing dates for the PCard Works Interfaces and the availability of PCard Works data. Current limitations in the data provided by the PCard Works Interfaces will require Agencies to create specific Speedkeys, but they are unable to test these until the Interfaces are available.</p>		
Current Impact: Significant	Previous Impact: Significant	Trend: No Change
Current Probability: Possible	Previous Probability: Possible	Trend: No Change
Current Priority: Medium	Previous Priority: Medium	Trend: No Change

Status Update: One of the three PCard Works Interface files for Interface Testing Cycle 2 has been completed, while two remain with the vendor for correction of data issues.

Recommendation #1: Continue working with the PCard Works Vendor to establish and confirm specific testing dates for the PCard Works Interfaces.

Status: In Process

Update: While two Interfaces are in progress, a defined date for their completion has not yet been provided.

Recommendation #2: Assess potential impacts on downstream testing phases and determine the latest date by which testing the PCard Works Interfaces must be completed.

Status: In Process

Update: PCard Works is a critical third-party system and is required for Florida PALM to Go Live. Even though testing was in progress for the three Interfaces, they were not all complete by 5/31/26 as projected.

Recommendation #3: Provide timely and appropriate status updates regarding the PCard Works Interfaces to all Agencies as information becomes available.

Status: In Process

Update: Communication to Agencies remains limited, and a defined timeline or detailed plan for Agency testing of PCard Works has not yet been provided.

Finding Number and Title: Finding 33 – Decline in execution of Agency Interface Tests for Interface Testing Cycle 2 may delay their completion in Interface Testing Cycle 3 and their ability to Go Live with Florida PALM.

Date Opened: 2/27/26		
Finding Description: The Florida PALM IV&V Team observed a decline in the completion of the remaining Agency Interface Tests for Interface Testing Cycle 2. If this pace continues, then some Agency Interface Tests may not be completed until 4/11/26, which could delay the completion of their testing in Interface Testing Cycle 3 (End-to-End Interface testing) and result in those Interfaces not going live with Florida PALM.		
Current Impact: Moderate	Previous Impact: Moderate	Trend: No Change
Current Probability: Probable	Previous Probability: Probable	Trend: No Change
Current Priority: High	Previous Priority: High	Trend: No Change

Status Update: As of 5/31/26, seven Inbound Agency Interfaces and 16 Outbound Agency Interfaces had not been completed.

Although the target date for completing Inbound Interfaces was 4/30/26, testing has continued, and the Florida PALM Project Team has indicated that the remaining Interfaces may still be able to go live with Florida PALM as long as progress continues.

Based on the pace of execution, Agencies may complete all remaining Outbound Interfaces by 7/8/26, ahead of the previously set target completion date of 7/31/26.

Recommendation #1: Agencies should regularly check their Smartsheet for the latest updates on file availability and review the Managed File Transfer folders each day to determine if new files are ready for processing.

Status: In Process

Update: Agencies have indicated in IV&V Touchpoints that they regularly review Smartsheet for updates to identify when new files are available or when new error files have been generated.

Recommendation #2: Conduct weekly joint meetings with Agencies that have remaining tests for Interface Testing Cycle 2 to review status, discuss any outstanding System Investigation Requests (SIRs) related to the Interfaces, and any barriers to completing testing.

Status: In Process

Update: Although formal weekly meetings have not been established, the Florida PALM Project Team has met with individual Agencies to help address issues with Interfaces as needed.

Recommendation #3: Review and update the Interface partner status in the Interface Test Execution Tracker (ITEXT) to ensure it is consistent with each Agency’s Smartsheet.

Status: Closed

Update: The Florida PALM IV&V Team has not observed inconsistencies in Interface statuses between Smartsheet and the ITEXT.

Recommendation #4: The Florida PALM Project Team should review the remaining Inbound Interfaces on a case-by-case basis to determine if additional time should be provided to complete testing.

Status: In Process

Update: Testing has continued on the remaining Inbound Interfaces, which may still be able to go live with Florida PALM as long as progress is being made.

Finding Number and Title: Finding 34 – Limited evidence of system testing, change impact analysis, and traceability of Design changes presents challenges confirming updates have been validated, assessing impacts on Florida PALM, and ensuring Regression Test Scripts are updated.

Date Opened: 2/27/26		
Finding Description: Since October 2025, a total of 318 SIRs have been classified as either Functional/Technical Design issues or identified as having a root cause of Design Defect, and new SIRs related to Design Defects continue to emerge. While documentation for these Design changes and Unit Test results are recorded in the working version of the Application Design (AD) document, there is limited evidence of system testing results in many instances and no change impact analysis to determine what, if any, additional functionality may be impacted by the Design change included in the corresponding SNow ticket. Additionally, there is no consolidated list of Design changes across all AD documents, so each document must be reviewed individually to determine if a change was made and what that change entailed		
Current Impact: Moderate	Previous Impact: Moderate	Trend: No Change
Current Probability: Possible	Previous Probability: Possible	Trend: No Change
Current Priority: Medium	Previous Priority: Medium	Trend: No Change

Status Update: Evidence of system testing for design changes remains inconsistent, with limited traceability to specific System or Regression Test Scripts.

Recommendation #1: Develop a consolidated log to track all design changes to AD documents after approval that includes the magnitude of the change, date of the change, summary of the change, and associated SIRs. This could be done using either the existing Design Work Unit Tracker (DWUT) or the RICEFW Inventory.

Status: Not Started

Update: While some design changes are documented in the Knowledge Center Change Catalog, the Florida PALM IV&V Team has not observed the creation of a consolidated log to track all the design changes.

Recommendation #2: Ensure that evidence of System Testing to validate design changes and any applicable references to System Test Scripts are documented within the SNow ticket, and update applicable Regression Test Scripts based on the results of System Testing.

Status: In Process

Update: Some evidence of testing has been provided in the SNow tickets associated with the design change, but the level of documentation is inconsistent and does not trace back to specific Test Scripts.

Finding Number and Title: Finding 35 – Limited Agency-reported execution of Test Cases for All Agency UAT may lead to incomplete validation of Agency-specific business processes in Florida PALM.

Date Opened: 3/31/26		
Finding Description: According to the User Story Inventory and Change Impact Analysis spreadsheet, as of 3/31/26, 27.4% of all User Story activities have been tested. In many instances, the same User Story activity has been tested multiple times, with different data conditions applied each time. If testing continues at the current rate, Florida PALM IV&V projects that all User Story activities may not be completed until approximately 9/17/26.		
Current Impact: Moderate	Previous Impact: Moderate	Trend: No Change
Current Probability: Probable	Previous Probability: Likely	Trend: Increasing
Current Priority: High	Previous Priority: Medium	Trend: Increasing

Status Update: The pace of execution remains lower than expected, with most Agencies indicating in IV&V Touchpoints that testing will likely decline over the next several months as Year-End Closing (YEC) activities take priority. As of 5/31/26, approximately 40% of User Story activities have been tested at least once, compared with an expected 66% if all activities are to be completed by the end of July. Based on the trend since February 2026, full completion of initial User Story activities may not be completed until November 2026. The Figure below shows the progress made on User Story activities.

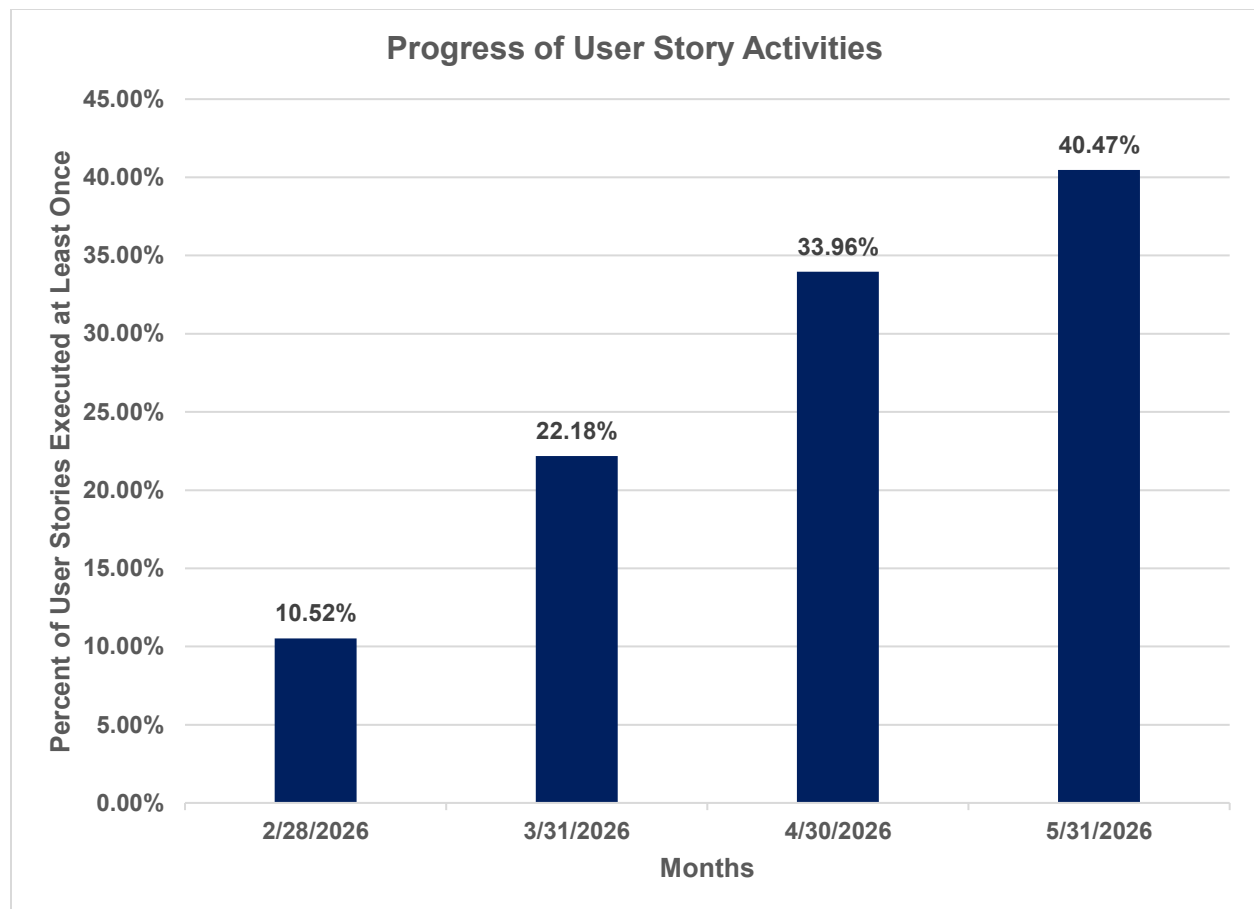


Figure 2: UAT Test Progress By Month

Recommendation #1: Develop a forward-looking plan that outlines specific User Story activities for the next several months, leading up to the start of the All Agency UAT data refresh. This plan should also consider any upcoming operational priorities that may compete for resources.

Status: In Process

Update: Agencies vary in how they track test execution progress. Some have set monthly targets for the duration of All Agency UAT and document overall progress, while others track only the current month and plan one month ahead. This does not reflect the scope of testing that is left for them to complete.

Recommendation #2: Collaborate with Sponsors to set clear expectations for All Agency UAT. This could include establishing a target number of hours per week to be dedicated to All Agency UAT and ensuring this information is communicated to both testers and their supervisors.

Status: In Process

Update: Some Agencies have a targeted number of hours per week for each tester, but this has not been consistently defined across for all Agencies.

Recommendation #3: Partner with Sponsors to acknowledge and recognize individuals who are contributing to UAT efforts in addition to their regular operational duties.

Status: In Process

Update: Some Agencies have implemented ways to recognize staff who support All Agency UAT in addition to their regular duties. Other Agencies could consider using similar recognition or incentive approaches to help keep testers engaged.

Finding Number and Title: **Finding 36** – Agencies’ phased approach to testing has end-users not exposed to Florida PALM until July or August.

Date Opened: 3/31/26		
Finding Description: Florida PALM has been available in the UAT environment since February, but Agency participation varies. Some Agencies have decided not to allow end-users access until after the YEC in July or following the All Agency UAT data refresh in August. Given that Agencies have previously reported the lack of a demo environment as challenging for anticipating business process impacts and adequately preparing for testing, not providing end users with access to the system at this stage does not appear to be a reasonable approach.		
Current Impact: High	Previous Impact: Moderate	Trend: Increasing
Current Probability: Probable	Previous Probability: Possible	Trend: Increasing
Current Priority: High	Previous Priority: Medium	Trend: Increasing

Status Update: End-user participation in All Agency is below expected levels, with engagement still concentrated among core teams rather than broader end-user groups. Several Agencies continue to defer end-user access until after YEC or the August data refresh.

Recommendation #1: Provide end users with earlier access to the system to help them become familiar with it. This approach could include coordinating with Agency OCM and leadership to address workload challenges and deploying internal triage teams to answer questions. These steps can also help inform improvements to the Agencies’ testing and training processes.

Status: In Process

Update: Some Agencies have involved end users in testing earlier than initially planned, but most continue to defer broader end-user access.

Recommendation #2: Encourage end-users unfamiliar with Florida PALM to intentionally try to break the system to discover weaknesses. While it’s important to test standard business processes, users should also experiment with unusual or unexpected workflows, which may reveal issues that following only prescribed procedures might miss.

Status: In Process

Update: As of 5/31/26, approximately 40% of all Agencies’ test scripts have been executed at least once, indicating that “happy path” testing is still in progress with approximately two months left before the data refresh occurs. As a result, there is limited time remaining for negative testing.

Closed Findings

Finding Number and Title: Finding 32 – The completion date of 3/13/26 for Regression Event 2 is at risk of not being met.

Date Opened: 2/27/26

Date Closed: 5/31/26

Rationale for Closing: The SSI Vendor has reported a 96% pass rate for Regression Event 2, and the State QA Team has reviewed and validated 89% of the passed Test Scripts. The remaining 4% of Test Scripts that were failed by the SSI Vendor are Medium Impact and have agreed-upon dispositions.

Finding Number and Title: Finding 37 – Dry Run 1 may not be completed by the targeted finish date of 5/1/26.

Date Opened: 4/30/26

Date Closed: 5/31/26

Rationale for Closing: All Dry Run 1 activities had been completed as of 5/14/26, with no Critical or High Impact tickets open as of 5/31/26.

Metrics Related to Findings

The Figure below shows the open, closed, and new Findings identified by the Florida PALM IV&V Team. One Finding was opened this month. There are five open Findings and 20 closed Findings.

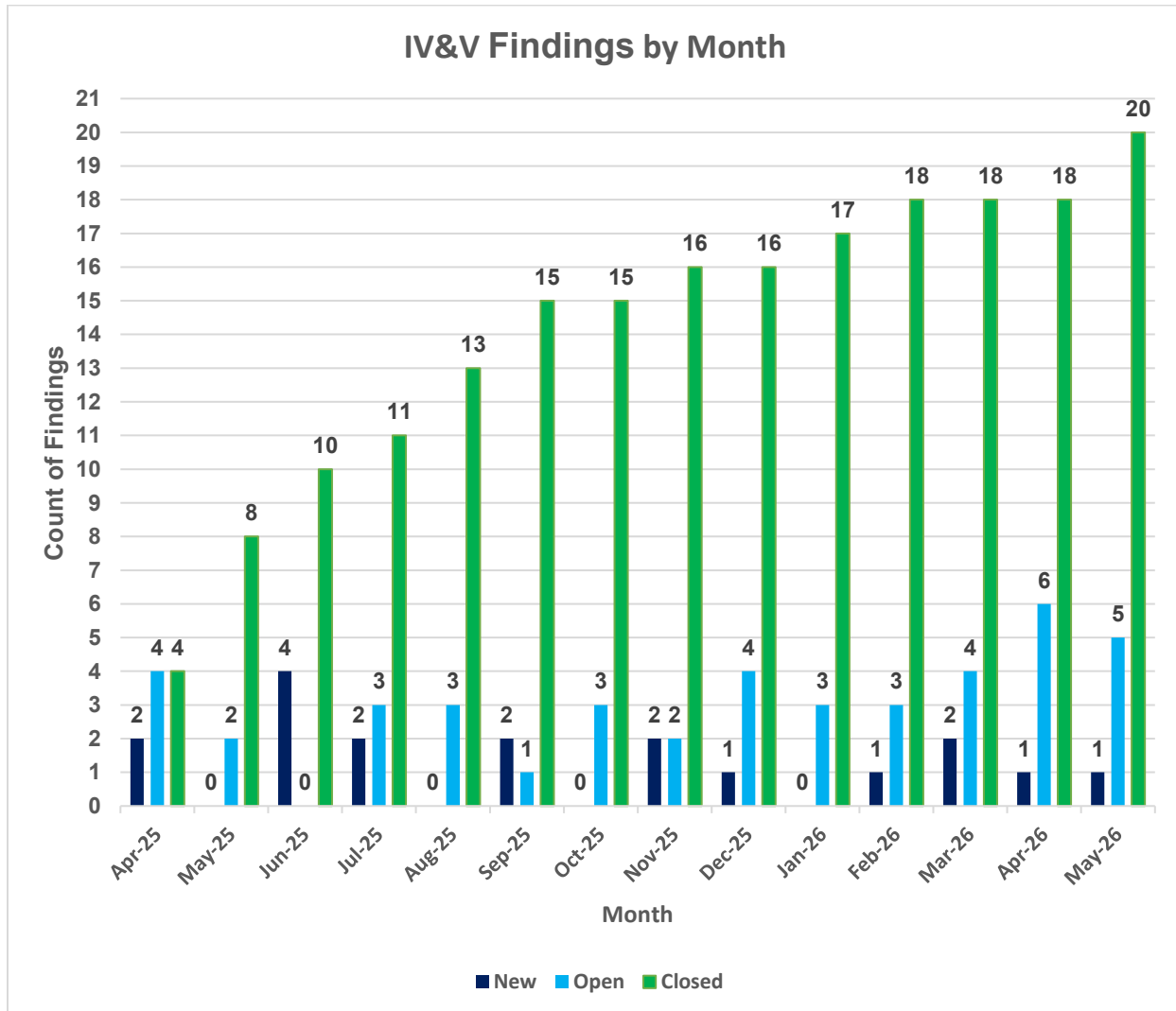
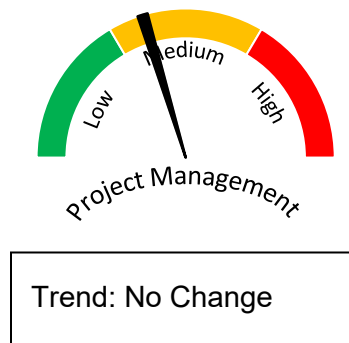


Figure 3: Florida PALM IV&V Findings by Month

Florida PALM Project Focus Area Updates

Florida PALM Project Management

Focus Area Indicator¹



Florida PALM Project Management Updates

The Florida PALM IV&V Team assesses performance against the Florida PALM Project Schedule by reviewing key indicators, including the Schedule Performance Index (SPI), Delayed Tasks, and planned-versus-actual progress. The Florida PALM IV&V Team also evaluates Florida PALM Project Decisions, Risks, and Issues to determine their potential effect on schedule performance and overall execution.

Schedule Performance Indicator

SPI remained at 0.98 in May, indicating the Florida PALM Project is progressing at 98% of the planned pace and remains slightly behind schedule. While this metric alone does not trigger a formal risk threshold, it continues to signal limited schedule flexibility as the project moves through critical execution activities.

- If SPI = 1, the project is on schedule
- If SPI < 1, the project is behind schedule
- If SPI > 1, the project is ahead of schedule

Delayed Tasks

The Delayed Tasks increased from 40 in April to 75 by the end of May, with 28 on the Critical Path:

- D675 – Completion of Performance Testing had 18 Delayed Tasks.
- D671 – Completion of Interface Testing Segment II had four Delayed Tasks.
- D658 – Develop the Deployment and Contingency Plan with three Delayed Tasks.
- D710 – Completion of Interface Testing Segment III with three Delayed Tasks.

The Figure below groups the Delayed Tasks by the number of business days between the original planned start date and 5/31/26. This view shows schedule aging across the Florida PALM Project and highlights tasks that have remained open over time. Of the total Delayed Tasks, 31 had been delayed more than 20 business days with no reported progress.

¹ Indicator includes this month's indicator as well as an arm that shows what the previous indicator rating was similar to what is provided in the current Monthly Assessment Report template.

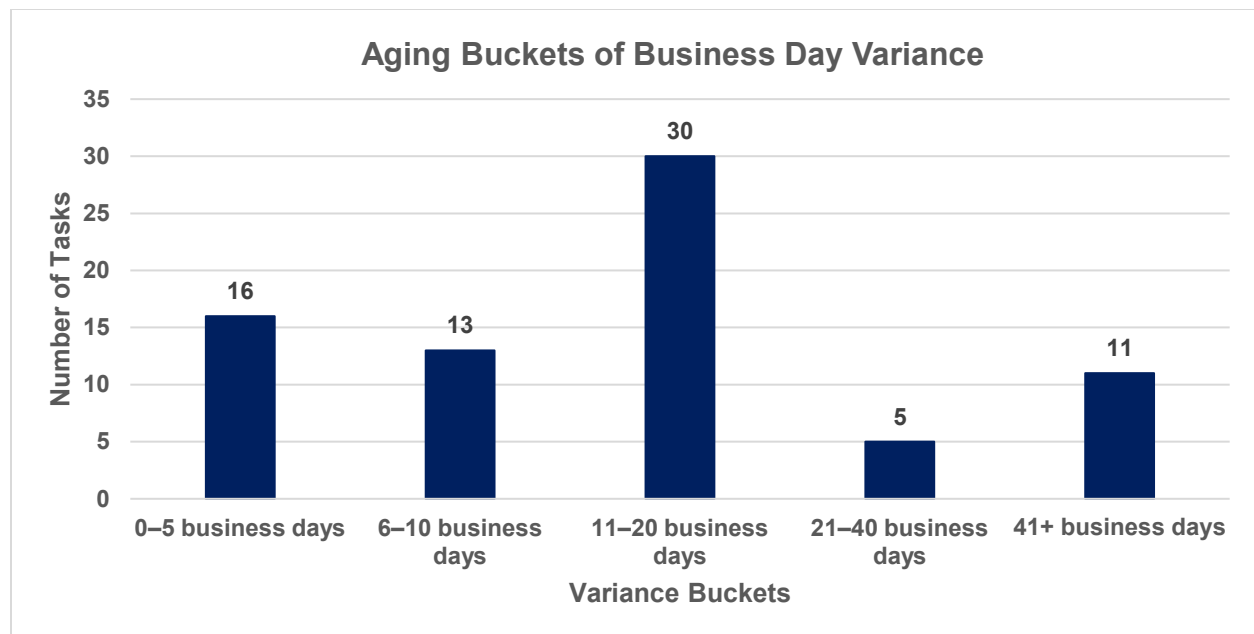


Figure 4: Aging Buckets of Business Day Variance

Planned-vs-Actual Progress

The Florida PALM IV&V Team tracks planned-versus-actual progress to assess whether scheduled work is advancing as expected. One hundred and sixty-three tasks were scheduled to start or finish. Of these, 129 were on schedule, and 34 were behind. This corresponds to a 79% progress rate, which is a decrease of 17% since April. This measure is based on the total number of tasks and does not account for differences in task duration, criticality, complexity, or dependency relationships.

The tasks with the largest variance between planned and actual progress include:

- D675 – Completion of Performance Testing with eight tasks.
- Additional System Testing with five tasks.
- D675 – Completion of Performance Testing with five tasks.
- D671 – Completion of Interface Testing Segment II with three tasks.
- D710 – Completion of Interface Testing Segment III with three tasks.

Note: Some of the tasks behind planned-versus-actual progress may also be reflected in the Delayed Tasks discussed above.

The 17% decline in planned-versus-actual progress may indicate a change in execution and could reflect constraints such as resource availability, dependencies, or test environment readiness. These factors can reduce forecast reliability, contribute to backlog growth, and limit schedule recovery without targeted corrective action. The Florida PALM PMO Team also indicated to the Florida PALM IV&V Team that some Task Coordinators are not reporting progress in a timely manner. If delayed status updates continue, the Florida PALM PMO Team could consider conducting a 15-minute standup two to three times per week to review Critical Path tasks, discuss blockers, and identify risks for work due in the next two to three weeks.

Decisions

The Florida PALM IV&V Team observed activity on the three following Florida PALM Project Decisions:

- DE381 – Removal of Conversion Schedule Tasks was submitted and approved. It removed APC002 and GLE006 Conversion tasks from the Florida PALM Project Schedule since the 1099 Conversion is no longer needed for the January 2027 implementation, and GLE006 had been tracked under the wrong work unit. It also reassigns May Interface testing tasks from D671 to D710 to align with the correct testing window and improve reporting accuracy.
- DE382 – Schedule Updates for Data Governance Tasks & Administrative Update for I-WP102 Data Inventory Task was not approved because the updates were administrative in nature and did not require a formal Decision to be completed. Updates included adding recurring post-Go-Live data governance tasks, removing the standalone task for sharing the updated Data Governance Plan, and re-baselining the I-WP102 Data Inventory task to better reflect ongoing work. This was intended to strengthen long-term data governance and improve schedule accuracy and reporting.
- DE383 – White Glove Schedule Task Updates was approved. It removed non-essential reporting tasks from the pre-Go-Live schedule, deferring them and the BOSPCENSUS report to keep the Florida PALM Project Team focused on critical Go-Live readiness activities.

Florida PALM Risks and Issues

The Florida PALM Project Team did not log any new Risks or Issues, and two existing Florida PALM Project Risks were updated:

- Risk #4 (Agencies' ability to adequately engage and participate may impact Agency readiness) was updated to reflect the new Agency Readiness Certification #3 date of 7/10/26.
- The trend for Risk #5 (Execution of contracts and the timing and efficiency of information sharing between enterprise partners, Agencies, and the Project could affect project success) was updated from Stable to Increasing because the Florida PALM Project Team is working to schedule a meeting with an Enterprise Partner in June. Testing between the Agencies and the Enterprise Partner has progressed, but significant work remains for Go-Live readiness.

Resource Management

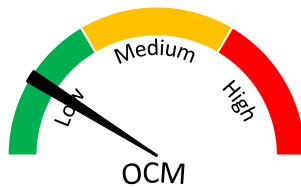
The Florida PALM IV&V Team observed continued discussion of staffing levels during weekly Florida PALM Project meetings. The State Team is currently operating at approximately 88% staffing for FTE positions, and efforts to fill open positions are ongoing. Florida PALM Project governance thresholds indicate that FTE staffing levels below 85% introduce risk, as the Florida PALM Project may not have sufficient resources to fully execute planned work.

The Florida PALM IV&V Team also reviewed the SSI Vendor's staffing plan, which indicates a planned reduction of approximately 10% across both Technical and Functional staff in July, followed by an additional 9% reduction in August. Based on ticket trends, including system stability defects, the Florida PALM IV&V recommends that the SSI Vendor consider maintaining current staffing levels to avoid increases in the ticket backlog.

The Risk Rating for this Focus Area remains a Medium Risk.

Florida PALM Organizational Change Management

Focus Area Indicator



Trend: No Change

Florida PALM Organizational Change Management Updates

The Florida PALM Agency Readiness Team continued key support activities, including Agency Readiness Touchpoints, Thursday Task Talks, UAT Office Hours, publication of Knowledge Center articles and UAT Materials, and updates to the UAT Communications Page. The Florida PALM Agency Readiness Team also published a “Thank You!” message on the Florida PALM webpage recognizing Agencies’ participation in guided support sessions, which spanned more than 40 days, over 240 hours, and 570 unique participants.

The Florida PALM IV&V Team observed a recurring concern reported by Agencies in both their Readiness and IV&V Touchpoints regarding how system and design changes are communicated during All Agency UAT. Agencies continue to experience difficulty understanding what changed, why it changed, and what may require retesting or action. Current channels, including the Knowledge Center and responses to SNow tickets, are sometimes perceived as too general for end-user understanding and targeted retesting, which contributes to confusion, frustration, and rework.

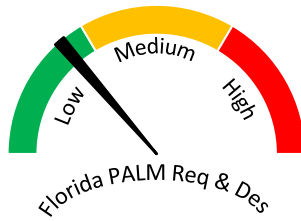
While the Florida PALM Project Team should continue providing links, resources, and references to available materials as applicable when communicating with Agencies to help them navigate the Knowledge Center and existing documentation, the Florida PALM Project Team could also consider adding more thorough context or detail when responding to SNow tickets. This could help improve Agencies’ internal issue resolution and triage processes, support learning, and strengthen their understanding of Florida PALM. Agencies have also provided feedback on using Task Talks/office hours to provide greater clarity on specific business processes or resolutions, helping improve their internal triage processes before escalating issues.

Additionally, the Florida PALM IV&V Team recommends that RCs consider incorporating targeted questions about Agencies’ internal OCM efforts during regular Readiness Touchpoints. This can reinforce the importance of preparing end users for exposure to Florida PALM, clarify each CCN member’s role in promoting change within an Agency, and help identify Agencies that may need targeted support or guidance to build readiness and enthusiasm for Go Live.

The Risk Rating for this Focus Area remains a Low Risk.

Florida PALM Requirements and Design

Focus Area Indicator



Trend: No Change

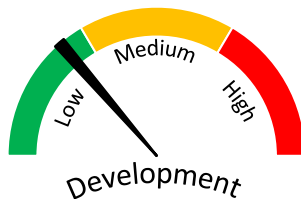
Florida PALM Requirements and Design Updates

One remaining FD for API135 (Inbound Pay Cycle Run Control Configuration Spreadsheet Upload) is in the final phases of review as of 5/31/26. It was originally targeted for approval on 5/11/26, but this delay is not expected to impact key activities or milestones.

The Risk Rating for this Focus Area remains a Low Risk.

Florida PALM Development

Focus Area Indicator



Trend: No Change

Florida PALM Development Updates

There are five RICEFW Items in Development that were approved as part of Florida PALM Project Decisions DE379 or DE380:

- One AD document was targeted for approval on 5/28/26, but is in the final stages of review as of 5/31/26.
- Three AD documents are targeted for approval by 7/3/26, one of which was in progress as of 5/31/26.
- One AD document is in progress and targeted for approval on 7/20/26.

The Table below shows the status of these remaining AD documents.

Table 3: RICEFW Development Status

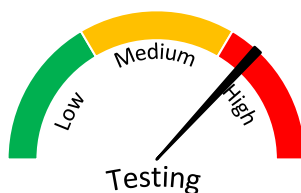
RICEFW Item	Current Status	Targeted Completion	Florida PALM IV&V Comments
APE021 – Pay Cycle Run Control Update Program	Pending Approval	5/28/26	Two weeks behind schedule
API135 – Inbound Pay Cycle Run Control Configuration Spreadsheet Upload	Not Started	7/3/26	Two weeks behind schedule
PRI063 – Outbound Reemployment Assistance Wage Data	Not Started	7/3/26	Two weeks behind schedule
SDE032 – Default Agency-wide Organization Security Access	Pre-Draft Discussion	7/3/26	Two weeks behind schedule
SDE033 – Systematically Remove Inactive DW/BI User Accounts	Draft In Progress	7/20/26	On Target

Although Development is delayed by approximately two weeks, this is not expected to impact key activities or milestones.

The Risk Rating for this Focus Area remains a Low Risk.

Florida PALM Testing

Focus Area Indicator



Trend: No Change

Florida PALM Testing Updates

Ticket Trends

Approximately 1,135 new tickets were submitted in May. Of these, 34% were defects related to system stability (excluding Agency-related data issues and monitoring alerts not actively under review). To distinguish system-stability trends from non-defect workload, the Florida PALM IV&V Team grouped tickets primarily by documented Root Cause Code. When a Root Cause Code

was not yet available, the Categorization was used as an interim basis for reporting and trend analysis.

- System-stability related defects are tickets related to application stability, functionality, integration, processing, triaged monitoring alerts, or other items requiring remediation. This category also includes defects involving external systems, such as Enterprise Partners or Oracle, when they affect application performance or business processing and require SSI Vendor coordination.
- Non-defect workload are tickets related to access requests, user support, and other activities that do not reflect underlying system functionality issues but still require review, tracking, and resolution.

The Figure below represents the overall Opened and Closed ticket trends and groups over time.

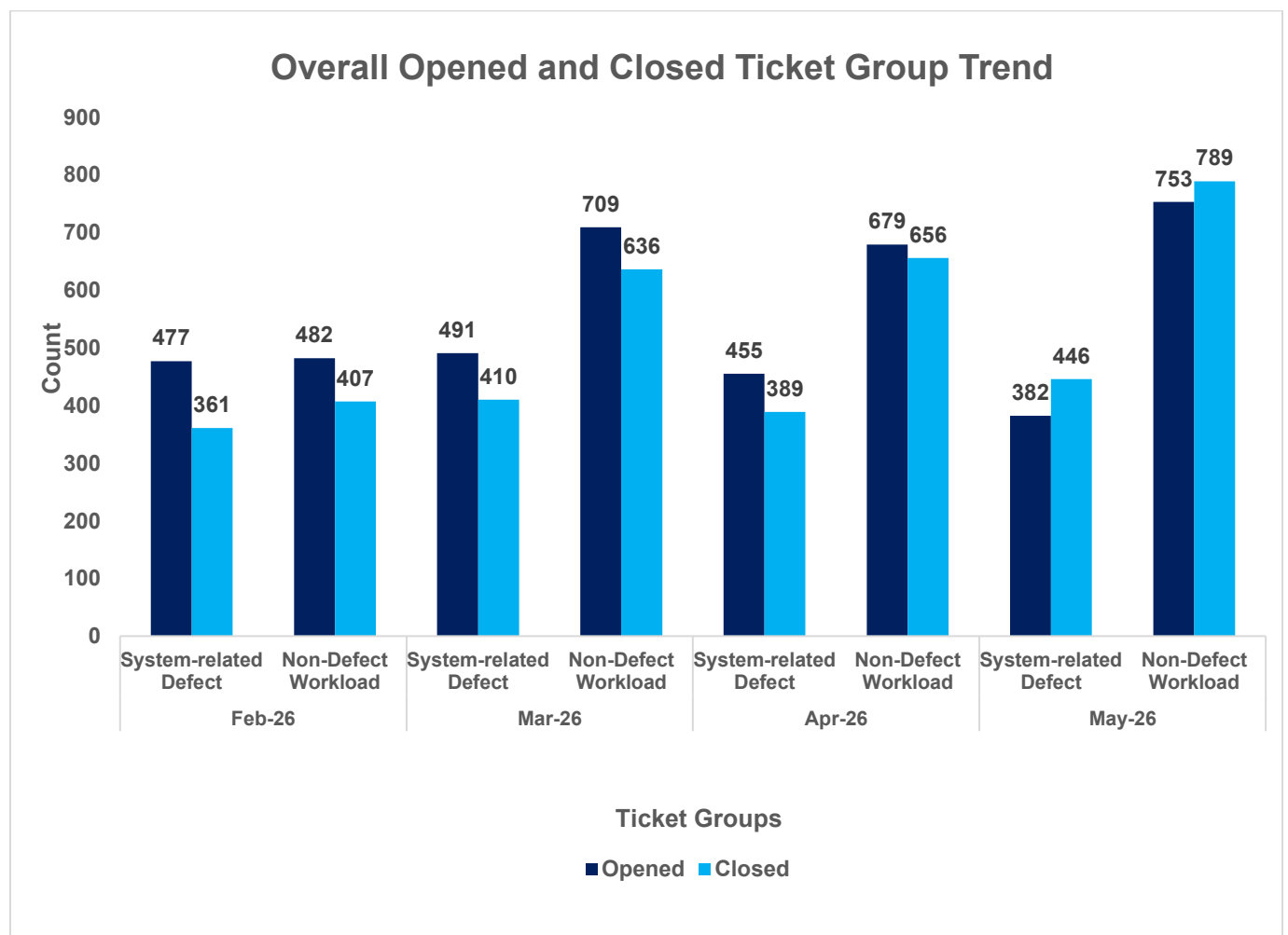


Figure 5: Overall Created and Closed Ticket Group Trend

The newly logged tickets related to system stability that have been designated as Medium Impact decreased from 359 to 308, while High Impact tickets decreased from 52 to 34. Preparation for upcoming YEC activities may have influenced ticket intake rates, and ticket closures related to system stability exceeded new ticket intake during the reporting period, resulting in a net reduction in the overall backlog.

The remaining open tickets include 568 system-stability defects and 298 non-defect items. The Table below shows the aging of the open system-stability backlog, which has decreased by approximately 20%.

Table 4: Aging of Tickets for System Stability Defects

Impact	0-5	6-10	11-15	16-30	31-60	>60	Total
High	1%	0%	1%	2%	2%	2%	8%
Medium	11%	9%	5%	14%	15%	17%	71%
Low	1%	1%	1%	3%	3%	12%	21%
Total	13%	10%	7%	19%	20%	31%	100%

This reduction in system-stability defects reflects continued progress in remediation. Although the volume of tickets open for more than 30 days has declined, approximately 32% of tickets in the backlog have been open for more than 60 days. Of the remaining open tickets, 48 are High Impact, and 403 are Medium Impact.

The Figure below shows the concentration of open tickets related to system stability defects by Functional Area and Impact. Open High and Medium Impact tickets remain concentrated in Payroll and Accounts Payable. Although efforts to reduce the backlog in these areas have been successful, testing is still in progress and could lead to additional ticket volume.

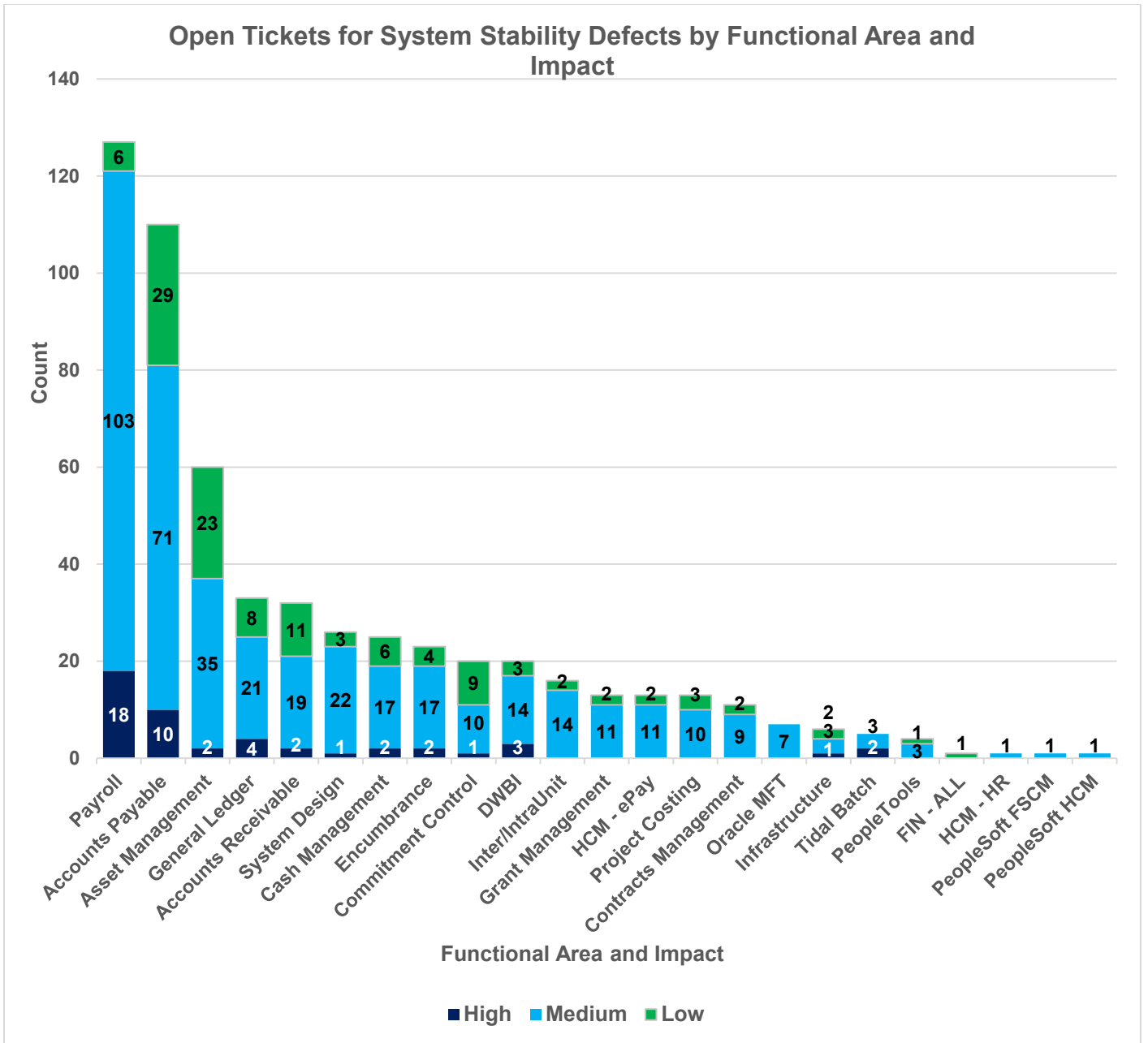


Figure 6: Open System-stability related Issues by Functional Area and Impact

The Florida PALM Project Team meets regularly to update target resolution dates for aging Medium and Low Impact tickets where prior resolution target dates had passed or where additional effort, such as code changes, was needed to support resolution and backlog prioritization. This provides better visibility into remediation planning. Despite lower ticket intake and an overall backlog reduction, approximately 71 tickets, including four High Impact, remained open past their updated May target dates. The continued rollover of unresolved tickets will require ongoing monitoring to determine whether planned closure rates are sufficient to reduce the aging backlog and meet future remediation goals.

Parallel Payroll Testing Cycle 2

Payroll Parallel Cycle 2 testing for the monthly payroll met the established exit criteria. Cycle 2 compared Florida PALM and FLAIR results for monthly payroll processing across 35,656 employees and 39,246 payroll checks over four weekly validation cycles. This testing provided a structured assessment of payroll accuracy, reconciliation results, and operational performance across key payroll components.

By Week 4, the core payroll categories (Earnings, Deductions, Taxes, and Net Pay) were performing at or above the expected thresholds. Reconciliation results remained consistently high, indicating that calculation logic, configuration, and downstream financial alignment were functioning as expected. The week-over-week trend in Cycle 2 indicates that major variance drivers declined as reconciliation and issue-resolution activities progressed.

Although Garnishments met the overall variance tolerance, it continues to perform below other Payroll categories. Approximately 79% of transactions were within tolerance, compared with the 95% target, even though the overall reconciliation rate remained at 95%. This indicates that most discrepancies are eventually resolved, but not accurately on the first pass. Unlike Deductions, Taxes, and Net Pay, Garnishments appear to have a recurring issue, likely tied to configuration, timing, or dependencies, that is causing the need for repeated adjustments. The Florida PALM IV&V Team recommends that the Florida PALM Project Team perform a root cause analysis and implement targeted corrective actions to improve first-pass accuracy of Garnishments variances in future testing cycles.

Table 5: Cycle 2 Payroll Parallel for Monthly Payroll

Metric Category	Exit Criteria Cycle 2 Monthly	Actual Outcome	Total Transactions	Within Tolerance	Over Tolerance	Accepted Gaps	Net Gaps	Result
Earnings	≥75% within \$1.00 variance	99%	39,356	37,934	1,422	1,402	20	PASS
Deductions	≥75% within \$1.00 variance	99%	336,410	330,787	5,623	4,007	1616	PASS
Taxes	≥75% within \$1.00 variance	99%	192,136	184,294	7,842	7,759	83	PASS
Garnishments	≥75% within \$1.00 variance	95%	335	264	71	57	14	PASS

Performance Testing

The targeted completion date of 5/29/26 for Cycle 2 was not met. As of 5/31/26, Cycle 2 was 50% complete, with remaining tasks still in progress, and the completion date has been pushed to 6/12/26. Challenges related to load balancer capacity and the availability of large-volume data files have impacted the Florida PALM Project Team’s ability to complete Cycle 2 as scheduled. Temporary 1Gb and 3Gb licenses are being evaluated to address the load balancer bottleneck.

that is limiting peak ESS test load. The Performance Test Team is also working with the Interface Test Team to obtain larger files for batch processing tests.

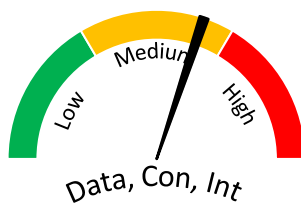
Performance Testing for Cycles 3 and 4 remains on track for completion by 6/30/26, while Cycles 5, 6, and 7 have been pushed out from their previous targeted finish date of 5/29/26 to 6/12/26, 6/18/26, and 6/30/26, respectively.

Although reductions in defect intake and backlog are positive indicators, the remaining testing effort should still be considered when evaluating stability trends. Upcoming YEC activities, variation in All Agency UAT participation, limited visibility into defect recurrence, and the planned execution of previously deferred Regression Test Scripts may affect future defect discovery rates. Maintaining sufficient development, testing, and SME capacity will be important to support completion of the remaining testing activities, continued backlog reduction, and overall readiness as remediation progresses.

The Risk Rating for this Focus Area remains a High Risk.

Florida PALM Data, Conversion, and Interfaces

Focus Area Indicator



Trend: No Change

Florida PALM Data, Conversion, and Interface Updates

Data

Four guided DW/BI support sessions were held, with the final two completed in early May. Access requests increased from 69 in April to 213 in May, and 55 new tickets were logged, three of which were High Impact. This low volume of tickets may indicate that DW/BI testing is not yet comprehensive. The Florida PALM IV&V Team expects ticket volume to increase as Agencies expand DW/BI testing.

Conversion

Dry Run 1 activities were originally planned for completion by 4/30/26, but were not completed until 5/14/26. The Florida PALM IV&V Team analyzed cutover and post-cutover task durations by comparing estimated and actual timeframes. Overall, approximately 57% of Dry Run 1 cutover and post-cutover tasks took longer than estimated. The Table below shows the breakdown of these duration differences.

Table 6: Dry Run 1 Cutover Durations (Estimated vs Actual)

Category	Count	Percentage
Took Longer Than Estimated	738	57%
Same Time as Estimated	179	14%
Shorter Time Than Estimated	380	29%
Total	1,297	100%

While the 305 tasks in the Table below were able to be run currently, each task exceeded their estimated duration took more than 16 additional hours to complete. This indicates that processes, sequencing, throughput, and cutover validation need to be refined for future Dry Runs to help maintain the cutover window.

Table 7: Magnitude of Tasks that Took Longer Than Estimated

Longer Duration Tasks	Count	Percentage
Within 4 hours of Estimated Duration	332	45%
4 to 8 Hours More Than Estimated	44	6%
8 to 16 Hours More Than Estimated	57	8%
More than 16 Hours Above Estimations	305	41%
Total	738	100%

The Florida PALM Project Team held Dry Run 1 debrief meetings from 5/11/26 through 5/14/26 with team members involved in the effort. The meetings reviewed cutover timing, issues encountered, activity sequencing, lessons learned, and considerations for future Dry Runs. Several ways to improve future Dry Runs and strengthen documentation of results were identified during the meetings, including:

- Developing SQL reports to support validation of conversion results.
- Adding more pre-conversion checks to identify potential configuration gaps.
- Recording actual conversion and validation timing more consistently.

The Florida PALM IV&V Team also provided recommendations that the Florida PALM Project Team could consider for future Dry Runs based on observations from the debrief meetings, including:

- Improve performance monitoring and schedule management by using a more reliable method to track timing across Dry Run activities, including reruns, issue-driven updates, and pauses that would not occur during cutover. This could include comparing processing time to execution time, identifying opportunities to streamline longer-running tasks, and using tools that track dependencies better and update schedules based on actual results.
- Strengthen validation activities by enhancing comparison programs to capture more meaningful data points, such as indicators, addresses, and balances, and by reassessing which validations should occur before dependent Conversions begin. This could also include standardizing Extract, Transform, Load (ETL) validation where appropriate.

- Strengthen Dry Run coordination and governance by using a real-time coordination tool to support cross-team communication and alert teams when predecessor tasks are delayed. A focused team could also help prioritize and consolidate improvement actions for each Dry Run cycle.
- Establish a more consistent process for identifying missing configuration items, such as ChartFields, budget entities, and combo codes, either before Conversion begins or as early as possible during execution.

Interfaces

As of 5/31/26, Interface Testing Cycle 2 was 94% complete. Of 549 total Interface Tests, 515 had completed State review, leaving 34 tests remaining. Transparency Florida accounts for 14 of the remaining tests, and PCard Works accounts for two, all of which are in progress. All other Enterprise Partners have completed Interface Testing Cycle 2.

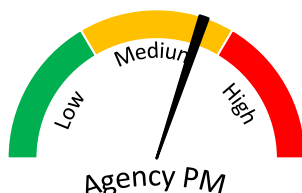
A total of 134 Interface-related tickets were opened, and 144 were closed, resulting in a net reduction of 10 tickets. PRI053 has the largest share of High-priority tickets, with four of the five total, which impacts two related Interface tests. Sixteen lower-priority tickets also have the potential to impact tests related to API031 and API002.

The Risk Rating for this Focus Area remains a Medium Risk.

Florida PALM Agency Focus Area Updates

Agency Project Management

Focus Area Indicator



Trend: No Change

Agency Project Management Updates

One Direct Impact RW Task, 713 – Confirm Supplier Records, was due on 5/22/26. The Florida PALM IV&V Team observed that all Agencies had completed the Task and had been Verified as Complete by the due date.

RW Task 698 – Complete Data Cleansing in Preparation for Dry Run 2 is due on 6/17/26. As of 5/31/26, 25 Agencies reported 50% or greater progress, with one Agency Verified as Complete. Agencies should continue working on this Task, as the cleansed data will be used for the Conversion activities in Dry Run 2. The Florida PALM IV&V Team also observed that 15 Agencies have reported 75% or greater completion for RW Task 607 – Update Training Plan, which is due 6/5/26. While this indicates that Agencies are making progress on strengthening their internal training plans, competing priorities, evolving documentation, system changes, and pending Enterprise Partner guidance may create challenges in completing this Task on time.

Table 8: Agency-Reported RW Tasks Progress

RW Task	Impact	Start	Finish	Number of Agencies per Status					Verified as Complete
				0%	25%	50%	75%	100%	
698 – Complete Data Cleansing in Preparation for Dry Run 2	Direct	4/20/26	6/17/26	6	4	14	8	3	1
713 – Confirm Supplier Records	Direct	4/20/26	5/22/26	0	0	0	0	35	35
607 – Update Training Plan	Indirect	4/6/26	6/5/26	3	2	15	9	6	0

Upcoming tasks, including Agency Deployment Plans, Cutover Checklists, and Readiness Certification #3, are expected to begin in June. These Tasks are critical for confirming that Agencies have defined and aligned key transition activities, dependencies, and contingency plans to support a controlled, coordinated transition to Florida PALM with minimal operational disruption.

Agency Risks and Issues

The total number of open Risks, as well as those with a score of 6 or higher assessed by the Agencies, has increased since April 2026. The Figure below illustrates the trend of open Risks over time.

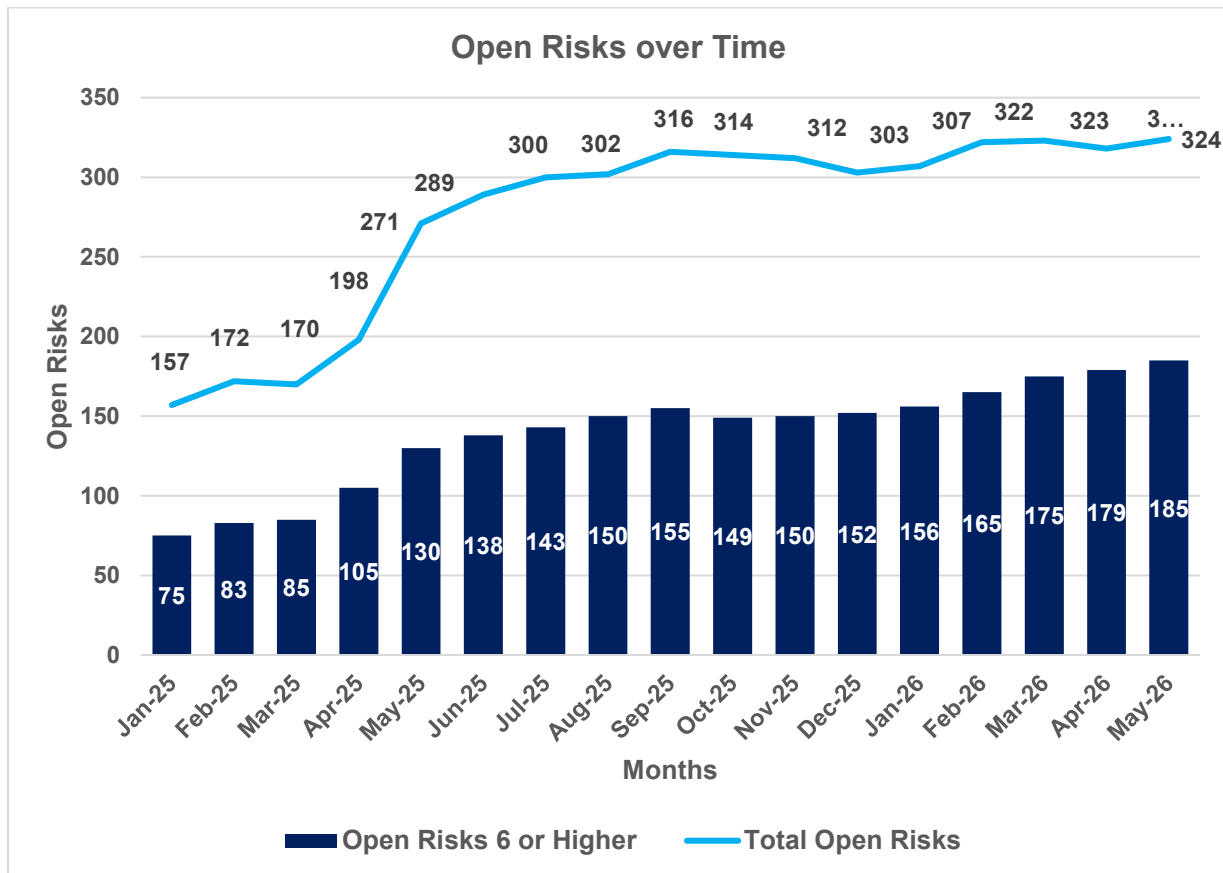


Figure 7: Open Risks Trend

While Agencies review their current Risks at least every other month, the Florida PALM IV&V Team has observed that 23 Agencies have not identified any new Risks in the past three months. Of these, 15 Agencies have not identified a new Risk in the past six months.

Given that risks are inherent to any project, no documented evidence of new Risks within this time frame may indicate that these Agencies are not conducting regular internal risk reviews, which could hinder their ability to mitigate risks effectively. Some Agencies have been participating in the Bi-Weekly Cross-Agency Risk Management meetings to discuss and monitor risks that can potentially affect multiple Agencies. These discussions give Agencies an opportunity to share challenges they are experiencing and consider mitigation strategies that may not have been identified through internal reviews alone.

The Florida PALM IV&V Team recommends that Agencies consider conducting risk workshops at least once a quarter to facilitate the identification of new risks that have not yet been formally documented.

The overall count of open Issues, including those classified as Critical or High by the Agencies, has increased since March 2026. The Figure below illustrates the trend of open Issues over time.

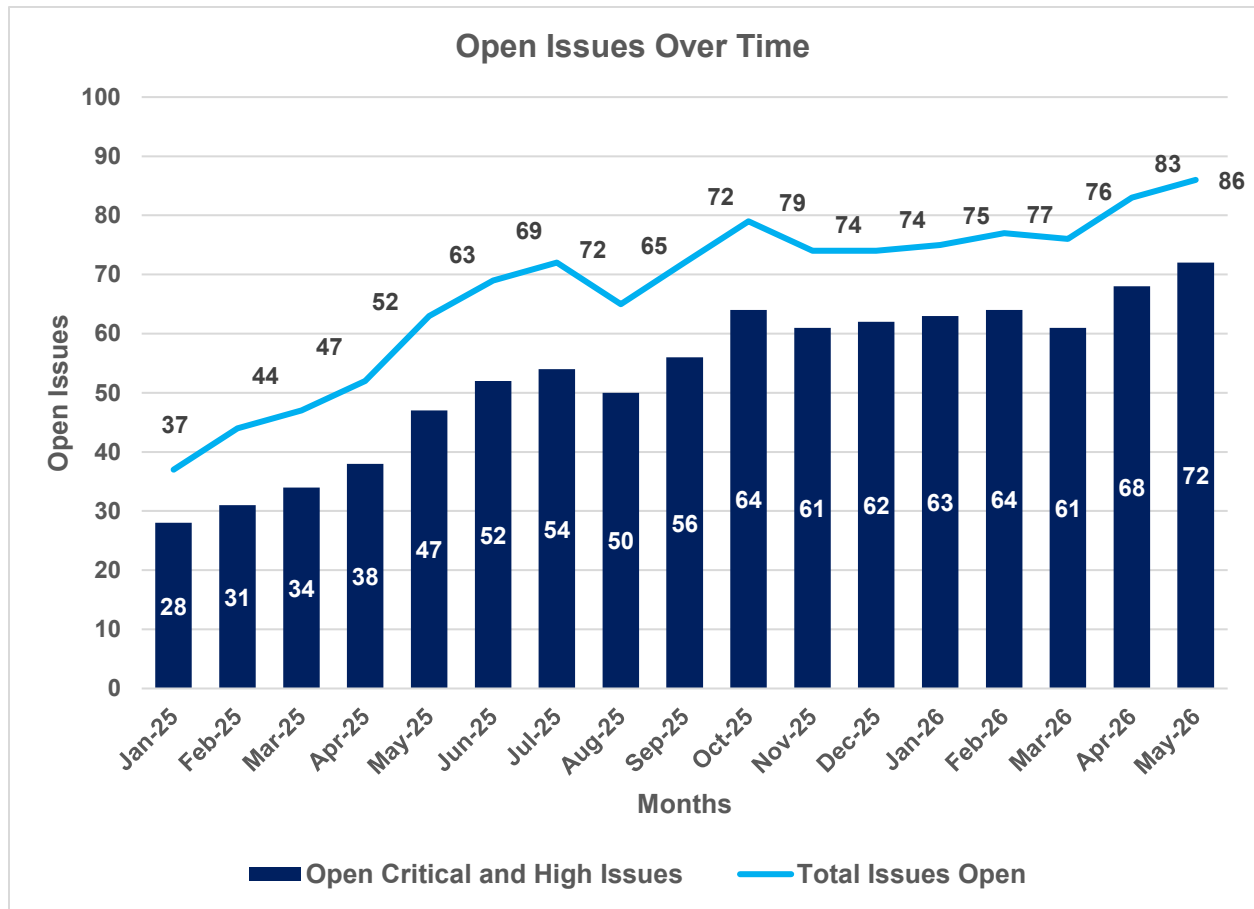


Figure 8: Open Issues Trend

The Florida PALM IV&V Team analyzed the types of new Risks and Issues identified over the last three months. Most of the newly identified Risks and Issues are related to All Agency UAT, Interface Testing delays, Conversion, Deployment/Cutover timeframes, or staffing availability. The Table below shows the count of new Risks and Issues by category.

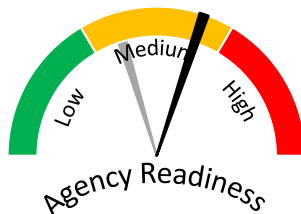
Table 9: Newly Identified Risks and Issues by Category

Category	Issues			Risks		Total
	Critical	High	Low	6 or Higher	Less Than 6	
User Acceptance Testing	2	4	0	17	3	26
Interface Testing Delays	0	6	1	4	6	17
Conversion/Configuration	0	1	2	4	2	9
Deployment/Cutover	0	1	0	4	1	6
Staffing/Resource Availability	1	2	1	1	1	6
Business Process Change	0	0	0	2	2	4
Agency Business System (Remediation/Testing)	0	1	0	2	1	4
Training	0	0	0	1	0	1
Role Mapping	0	0	0	1	0	1
Total	3	15	4	36	16	74

The Risk Rating for this Focus Area remains a Medium Risk.

Florida PALM Agency Readiness

Focus Area Indicator



Trend: Worsening

Florida PALM Agency Readiness Updates

In IV&V Touchpoints, Agencies most often reported the following challenges pertaining to readiness for Florida PALM:

- Knowledge Center content is perceived as too general, outdated, changes too often, or does not reflect Agency-specific needs, and training materials often come too late to support UAT. This has led to rework, weaker adoption, delayed training, inconsistent understanding, and documentation backlogs.
- Day-to-day operational activities, preparing for upcoming YEC activities, legislative and budget cycles, and limited staffing are reducing the time available for UAT, documentation, training, and cutover planning.

- Inconsistent processes for test planning and tracking of testing progress make it difficult to measure progress, keep Smartsheet and internal logs up-to-date and accurate, define what completion means, expand end-user participation, and complete meaningful end-to-end testing.

Agencies could consider implementing the following recommendations:

- Establish a risk-based readiness plan that prioritizes the business processes, Interfaces, training content, and cutover activities most critical to Go-Live.
- Implement a structured process to review, assess, and incorporate documentation changes into internal procedures, training materials, and UAT activities on a regular cadence.
- Define clear internal criteria for UAT completion and end-to-end validation so testing progress reflects meaningful readiness rather than activity volume alone.
- Maintain a consolidated tracker for planned versus actual UAT execution, blockers, defects, and end-user participation to improve visibility into readiness gaps and support timely escalation.
- Convert UAT outputs into Agency training and operational materials to reduce rework and strengthen readiness for broader end-user adoption.
- Expand end-user participation in UAT and readiness activities as soon as feasible to improve business process validation and reduce the risk of delayed user readiness before Go-Live

Some Agencies have reported several practical mitigation approaches already in use, including maintaining living documents, creating desk guides and job aids, planning LMS-based training, using train-the-trainer models, developing materials in parallel with testing, and incorporating real Agency data and examples into their documentation.

Prerequisite Training

While all scheduled guided support sessions ended in May, Agencies are expected to finish prerequisite training. The Table below shows SME training completion rate trends for the end of March, April, and May, including the variance since the end of March.

Table 10: Percent Complete of Assigned Prerequisite Training by SMEs

	March	April	May	Variance from March
Number of SMEs	599	589	578*	-21
Total Assigned Prerequisite Training	2929	2907	2911*	-18
Total Training Complete	2317*	2337*	2374*	57
% Complete	79%*	80%*	82%*	3%

**Total trainings completed, excluding the new All End-User training course.*

While the Agencies report various competing priorities and challenges, finishing these courses is important for users to gain foundational knowledge about Florida PALM. The reduction in SMEs from 599 to 578 may reflect shifting resource availability or competing operational priorities, potentially limiting the pool of users able to complete training and participate in UAT.

As shown in the Table below, the average weekly completion rate declined for both users who were initially provisioned at the beginning of All Agency UAT and all users, extending the projected completion timeline. At the current pace, prerequisite training may not be complete until mid-to-late August.

Table 11: Projected Prerequisite Training Completion Timeline

	Percent Over Time Completion			Variance since March
	As of 3/31/26	As of 4/30/26	As of 5/31/26	
Average Completion Per Week (Provisioned Users)	3.25%	2.48%	2.26%	-0.99%
Projected Completion	6/3/26	7/20/26	8/16/26	+51 Days
Average Completion Per Week (All Users)	2.79%	2.47%	2.21%	-0.32%
Projected Completion	7/4/26	7/27/26	8/28/26	+39 Days

With All Agency UAT halfway complete, the delayed pace of training completion may limit early user exposure to Florida PALM processes, which is important for effective testing participation, as noted in Finding 36. It may also contribute to lower UAT engagement, as users who have not completed prerequisite training may feel less prepared or confident to participate. Increasing training completion could help improve testing participation and strengthen overall readiness for Go-Live.

Agency OCM

With all scheduled guided support sessions concluded and Agencies looking forward to expanding end user access for testing, training, and Go-Live preparation, each Agency should improve self-reliance and knowledge-sharing structures as an increasingly prioritized task. The Florida PALM IV&V Team observed that 25 Agencies submitted 182 Clarification tickets across the following categories:

- Processing Rules Clarification (36%)
- Reporting/Data Interpretation (25%)
- Navigation/Usage (19%)
- Configuration/Setup (12%)
- Error Interpretation (9%)

The volume of Clarification tickets related to processing rules, reporting interpretation, and navigation may indicate that users are progressing beyond basic task execution and trying to understand system behavior and results, but it appears that Agencies are relying more on external support for clarification. While some responses require additional input from the Florida PALM Project Team, many direct Agencies back to the Knowledge Center. As described in the Florida PALM Training Approach, the Knowledge Center is expected to serve as the primary self-service source for business processes, system design information, and the End User Manual after Go-Live. Building proficiency now should help Agencies reduce reliance on external support over time. To strengthen internal support capabilities, the Florida PALM IV&V Team recommends that Agencies consider:

- Ensuring end users complete Knowledge Center training in the LMS and use Agency Exchange Library materials to improve proficiency.

- Incorporating Knowledge Center navigation into Agency learning pathways and reflect these activities in RW607 – Update Training Plan and RW604 – Create Agency-Specific Learning Materials to Support End Users.
- Communicating the importance of independent use of the Knowledge Center to stakeholders and training content developers so they can better absorb documentation updates and create local materials.

The Florida PALM IV&V Team observed the implementation of a “PALM Passport” concept to build end-user familiarity with Florida PALM before full role-based training and Go-Live preparation. Under this approach, users complete short weekly learning activities on practical topics such as navigation, key terms, workflow basics, approvals, reporting, and common transactions. Each completed activity earns a visible milestone or “stamp” to reinforce progress and engagement.

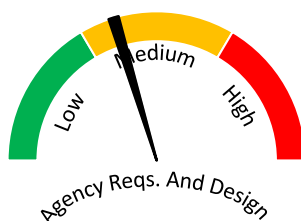
This concept could be delivered through existing Agency communication channels using short microlearning prompts, quick reference job aids, brief manager-led discussions, and optional team recognition. Approaches like PALM Passport may help Agencies introduce foundational concepts earlier, reduce hesitation among infrequent users, and create a repeatable readiness cadence that supports training development and UAT-based learning. Agencies could consider implementing the following:

- Pilot the PALM Passport with a small cross-functional user group and refine the weekly format based on participation and feedback.
- Keep each weekly activity to 10–15 minutes and focus on one concept, one action, and one takeaway.
- Align Passport topics to near-term readiness priorities such as navigation, approvals, reporting basics, role awareness, and common business process steps.

The Risk Rating for this Focus Area remains a Medium Risk, but is worsening from Low Yellow to High Yellow.

Agency Requirements and Design

Focus Area Indicator



Trend: No Change

The Florida PALM IV&V Team observed continued updates to Knowledge Center content, reflecting ongoing refinement of documentation and system capabilities across Florida PALM. In total, 85 unique articles were updated 112 times. Asset Management accounted for the largest

share of updates at 22%, indicating continued refinement of inventory processes, Interfaces, and transfer workflows. Agencies should stay current on Interface specification changes to help reduce processing errors.

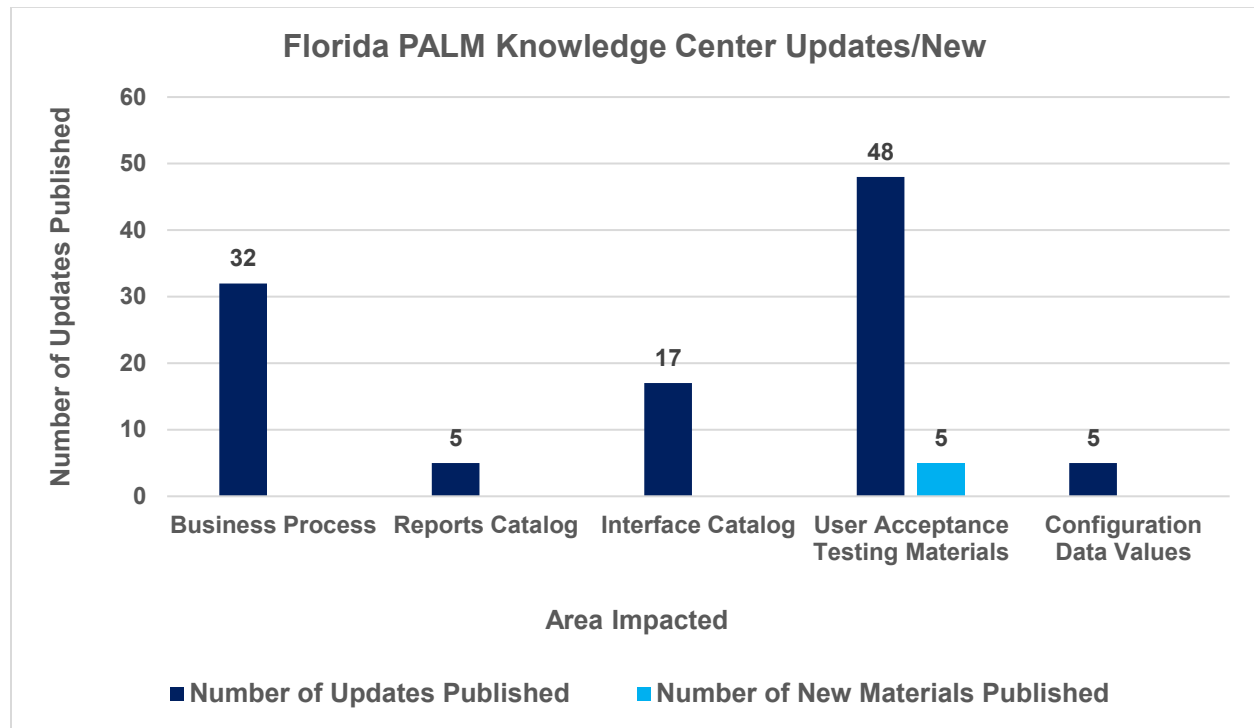


Figure 9: Florida PALM Knowledge Center Updates

The Florida PALM IV&V Team observed the following:

- Asset-related interfaces (AMI002, AMI008, and AMI010) had updates to field definitions and valid values.
- User role articles were revised to reflect ongoing updates to security and access controls.
- Configuration data articles were updated to help Agencies maintain accurate reference data for Payment Handling Codes, FLAIR values, and Chart of Accounts settings.
- Workflow changes for Deposit Processing automated the Currency field and simplified approval steps.
- UAT Materials had the most updates, showing continued emphasis on process documentation and training readiness.
- Business Processes updates were driven mainly by user role changes and workflow refinements.
- Interface Catalog updates focused on key specification changes in the AM, AR, IU, and PO modules.

Based on these updates, the Agencies could consider:

- Using the latest online spreadsheet upload templates for API041, POI004, AMI007, ARI010, and PRI038.
- Reviewing Asset Transfer Interface changes, as Transfer/InterUnit Transfer (TRF/IUT) now applies only to capital assets.

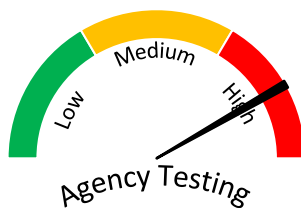
- Revising voucher entry procedures to require Supplier ID and exclude Shipping/Freight fields.
- Updating physical inventory guidance to use the custodian naming format: Last Name, First Name.
- Reviewing revised role functions and learning paths for all assigned user roles.
- Verifying that Location IDs contain no spaces and use underscores in their place.
- Providing staff training on the new “Tips for Automatic Bank Reconciliation” article.
- Reviewing the updated ChartField Request process and new Hold functionality.

These actions will enhance operational readiness by aligning Agency procedures, templates, and user guidance with recent Florida PALM updates, promoting consistent data standards, stronger role-based adoption, and fewer transaction and Interface errors.

The Risk Rating for this Focus Area remains a Medium Risk.

Agency Testing

Focus Area Indicator



Trend: No Change

Agency Testing Updates

Agency testing has focused on maintaining execution while addressing Interface updates, configuration changes, and revised specifications. Repeated retesting after file or specification changes has reduced the time available to expand into new testing areas.

The Florida PALM IV&V Team observed that some Agencies reported in Smartsheet that they had completed less than 30% of their total testing activities. Several could not define in IV&V Touchpoints how much total testing was complete, how much remained, or how they planned to finish on time. Without comparing planned testing to actual execution, Agencies have limited visibility into delays and cannot reliably forecast completion.

End-to-end testing remains the largest gap. Most Agencies have tested individual steps or user stories, but few have completed full business process testing across their ABS, Florida PALM, and connected Interfaces. The remaining schedule is also expected to experience further constraints during the YEC, which many Agencies have stated will reduce tester availability through June.

Test Execution Coverage

The Table below shows Agency testing progress from February through May. By the end of May, five Agencies remained in the lowest coverage tier, and 15 had completed more than half of their

in-scope testing. The distribution is moving toward fuller coverage as Agencies work through their in-scope test activities, though a portion of each Agency's end-to-end scenarios remains to be validated before the UAT data refresh in August.

Table 12: Agency Execution Coverage Distribution for February, March, April, and May

Coverage Tier	Feb-26	Mar-26	Apr-26	May-26
	# of Agencies	# of Agencies	# of Agencies	# of Agencies
0 to 10%	28	14	9	5
11% to 25%	6	9	7	6
26% to 50%	1	9	11	9
50% to 75%	0	3	5	12
76% to 100%	0	0	3	3
Total	35	35	35	35

Performance Ratings for Test Cases

Approximately 90% of executed test outcomes were rated Satisfactory. As in prior months, one Agency accounted for 843 of the 1,032 Inadequate ratings. Most of those ratings reflected known design limitations that cannot be changed before Go-Live, rather than system defects.

Table 13: UAT Test Performance Rating Summary

Metric (Month)	Above Expectations	Satisfactory	Inadequate	Total Rated
March Count	22	2,494	87	2,603
March % of Rated	1%	96%	3%	100%
April Count	34	2,981	486	3,501
April % of Rated	1%	85%	14%	100%
May Count	N/A	9,257	1,032	10,289
May % of Rated	N/A	90%	10%	100%

Independent Testing

With guided support sessions complete, Agencies were expected to shift time spent in UAT for office hours, walkthroughs, and facilitated support to independent testing, including Agency-led test execution, end-to-end scenarios, and retesting outside scheduled sessions. Instead, independent testing hours increased only slightly, and total UAT hours declined. This indicates that the end of guided support has not yet translated into sustained Agency-led testing. Agencies will need to increase independent testing hours to complete all testing activities at least once before the August data refresh.

Table 14: UAT System Hours Summary

Category	February	March	April	May
Guided Support Session Hours	3,034.3	1,861.0	2,260.75	122.20
Independent Testing Hours	5,231.8	5,679.4	6,421.66	6,546.09
Total UAT Hours	8,266.1	7,540.3	8,682.41	6,668.29

All Agency UAT Participation and End User Coverage

Participation from users who were initially provisioned at the beginning of All Agency UAT increased. The number of end users who logged in also increased, but this change is partly due to a lower recorded total number of end users in May, so it does not fully reflect stronger engagement. Many of the users expected to work in Florida PALM after Go-Live in January 2027 have not yet logged in or tested.

Table 15: UAT Tester Participation and End User Coverage

Metric	March	April	May
Total Logged In Testers	1,035	1,389	1,541
Total Initial UAT Load	1,815	1,855	1,771
Total End Users	3,434	4,177	2,829
Active Testers as % of Initial UAT Load	57.02%	74.88%	87.01%
Active Testers as % of Total End Users	30.14%	33.25%	54.47%

Attendance in Guided Support Sessions

Attendance at guided support sessions remained steady through the final month, staying in the mid-80% range recorded since February, while registration and attendance reached its peak. Strong attendance shows that Agencies engaged with structured support, but it is not yet clear whether that engagement will carry into independent testing, where attendance no longer reflects hands-on execution. A small number of Agencies attended at much lower rates, and their limited exposure may become more challenging as independent testing becomes the primary path.

Table 16: Agency Participants Registered and Attended

Metric	February	March	April	May
Registered Agency Participants	848	1,401	2,048	2,144
Attended Agency Participants	727	1,209	1,736	1,864
Did Not Attend (Registered but Absent)	121	192	312	280
Overall Attendance Rate	86%	86%	85%	87%

SNow Ticket Activity

The Florida PALM IV&V Team reviewed Agency SNow ticket activity through 5/31/26, including ticket volume, severity, age, and category. Open ticket volume increased during the spring and reached its highest weekly level in May. Most open tickets were Medium or Low Impact, while Critical and High Impact tickets remained a small share. As in prior months, this pattern suggests that most issues relate to usability and process questions rather than defects that block testing.

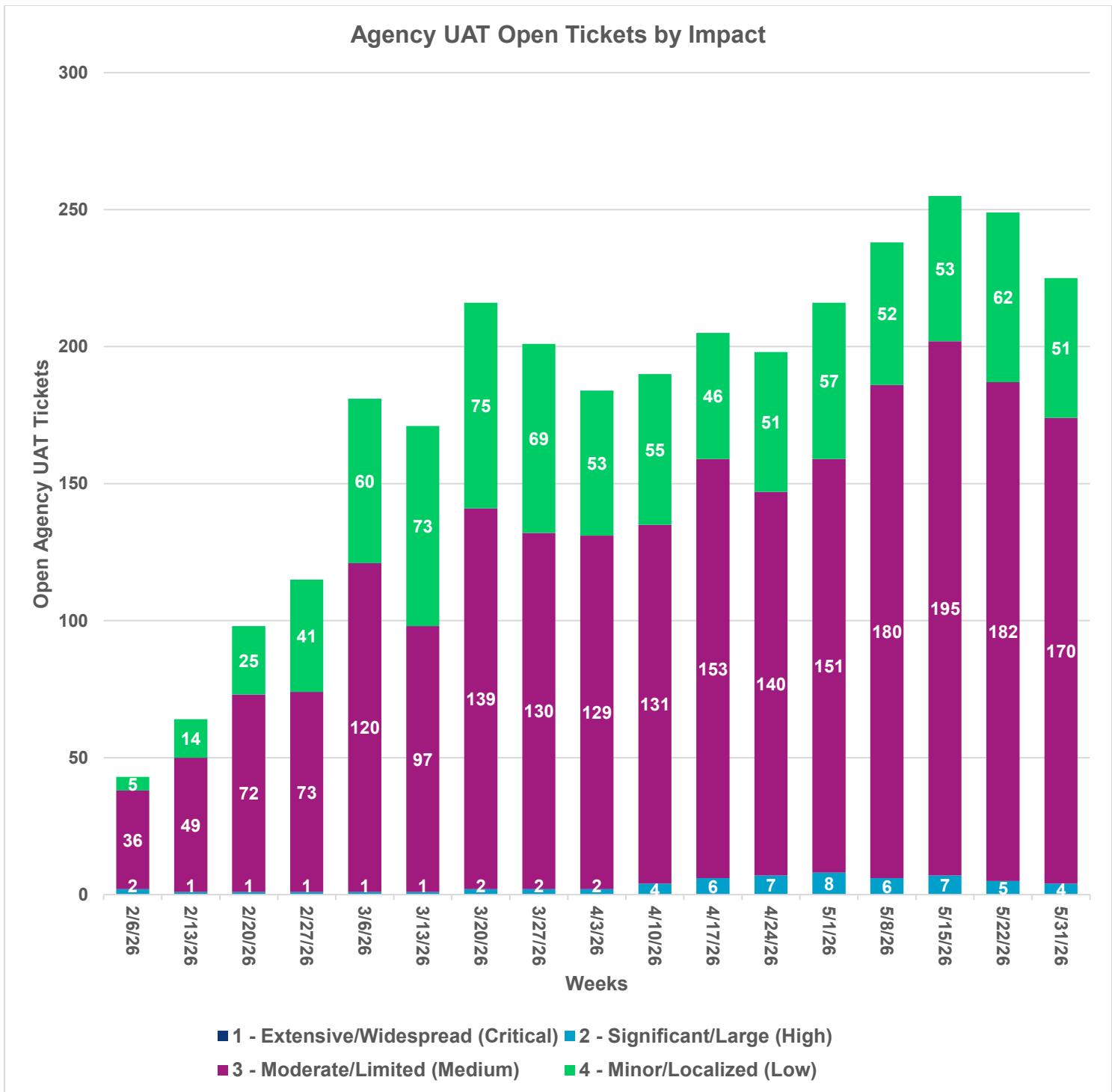


Figure 10: Agency UAT Open Tickets by Impact

As shown in the Figure below, Access Requests and Clarifications remained the largest ticket categories. Technical categories such as Code, Configuration, and Data Issue each remained small. This pattern indicates that ticket volume reflects access setup and “how-to” support needs rather than system defects. As a result, much of the volume may be reduced through improved access provisioning and user guidance rather than code changes.

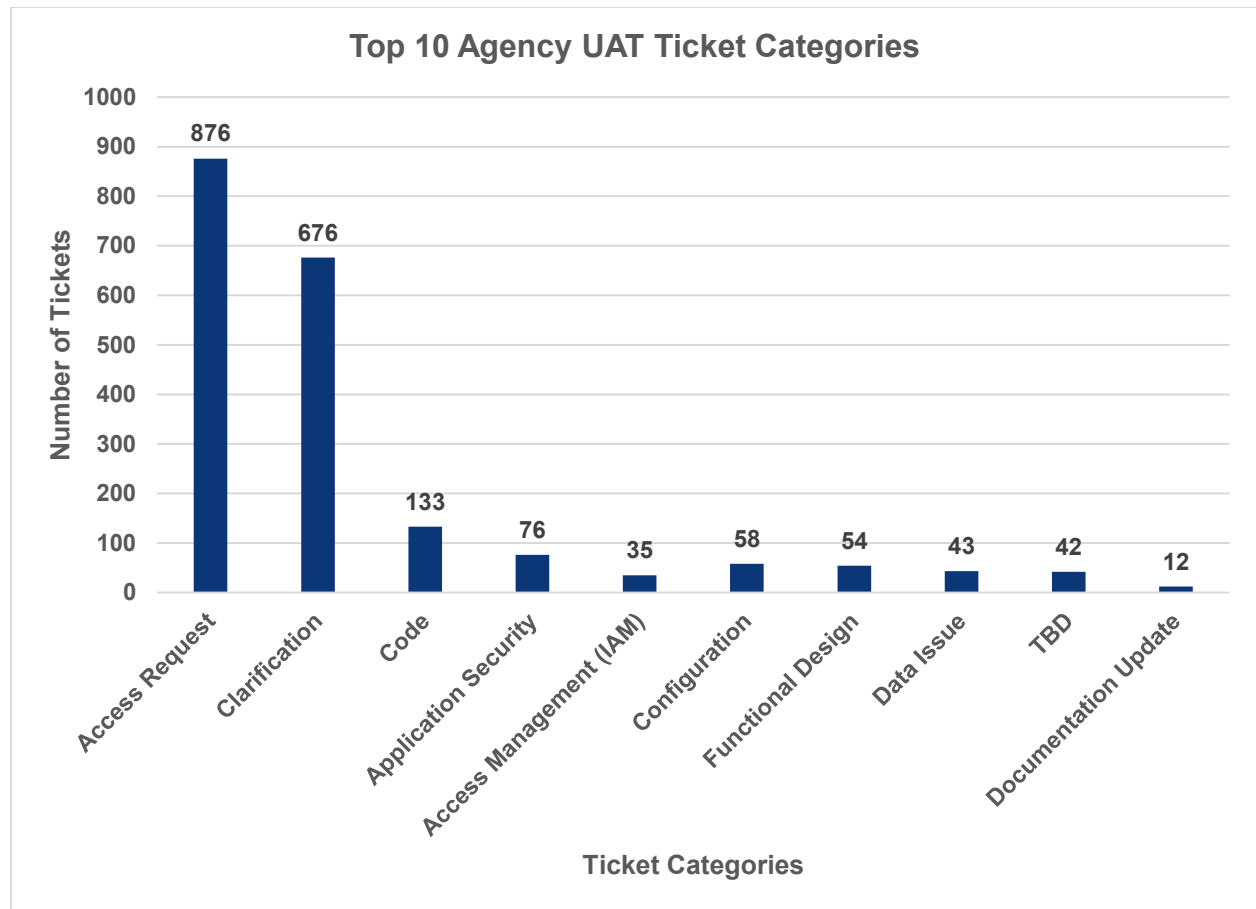


Figure 11: Top 10 Agency UAT Ticket Categories

The Florida PALM IV&V Team also reviewed weekly system stability ticket volume in the UAT environment. Volume varied throughout the spring. After declining in April, it increased again in early and mid-May before dropping in the final week of the month. The Figure below shows the weekly mix of these tickets. Coding-related items made up the largest share each week, while configuration and Oracle-related items appeared periodically. The continued presence of coding-related issues suggests the environment is still stabilizing as Agencies continue testing.

Top 10 Agency UAT Stability Issues

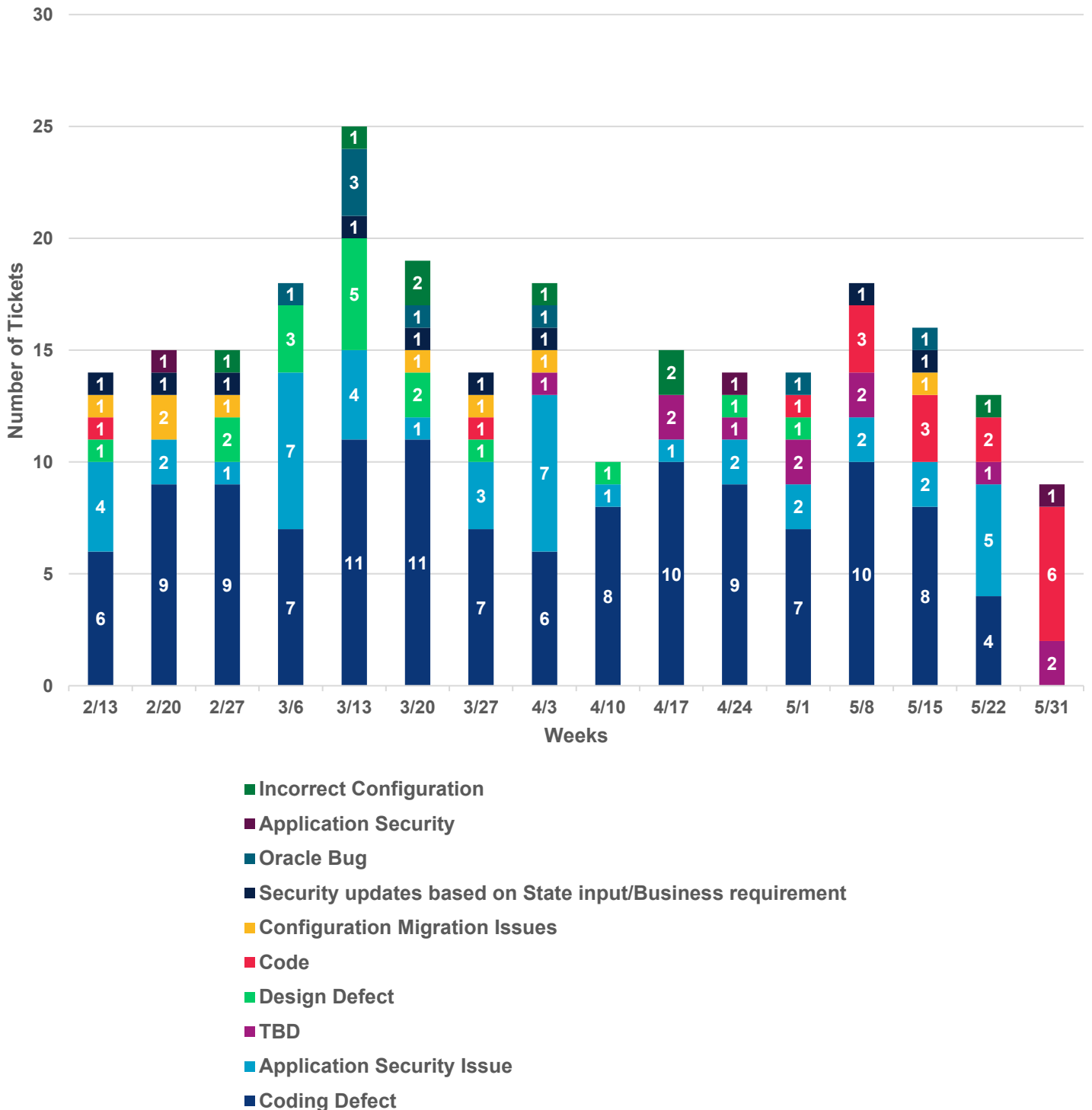


Figure 12: Top UAT Stability Issues

The Figure below illustrates the range and volume of Agency transaction activity in the UAT environment across Florida PALM modules as of 5/31/26. Many Agencies created more than 20

items in several categories, indicating broad system use, while lower activity in other categories highlights areas where additional Agency engagement may be needed.

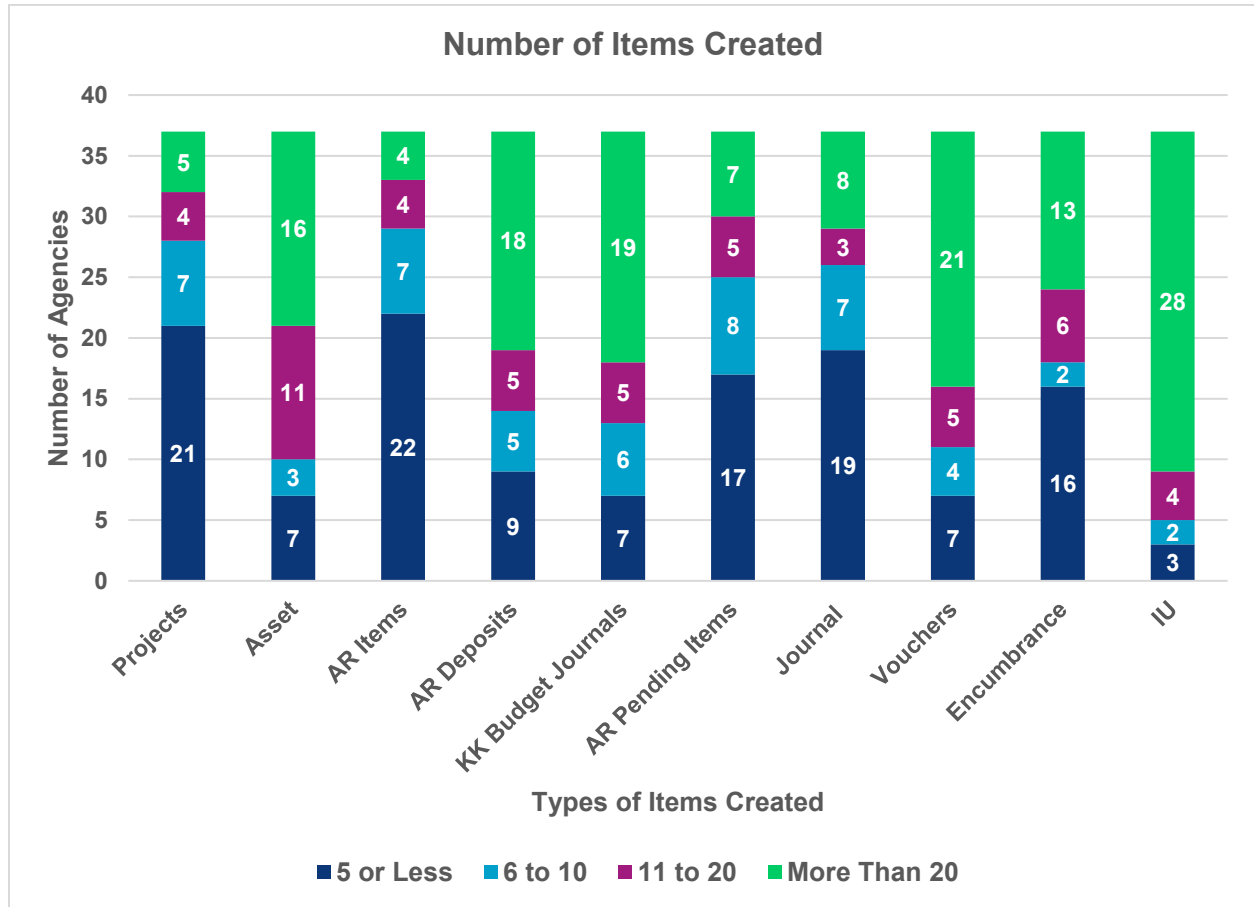


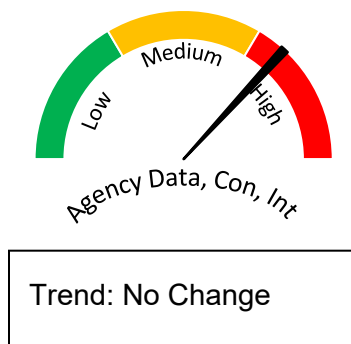
Figure 13: Number of Items Created

With guided support sessions concluded, Agencies will need to increase independent testing and bring in end users who have not yet logged in into the UAT environment so system familiarity continues to build before Go-Live.

The Risk Rating for this Focus Area remains a High Risk.

Agency Data, Conversion, and Interfaces

Focus Area Indicator



Agency Data, Conversion, and Interfaces Updates

Data

Most Agencies reported positive feedback on the DW/BI guided support sessions during IV&V Touchpoints. Agencies have started exploring DW/BI capabilities, but many said they still need a better understanding of how the tool works, what it can do, and whether it will meet their reporting needs. The Florida PALM Project Team has communicated that reports developed in DW/BI during All Agency UAT can be migrated at Go-Live and is also helping Agencies troubleshoot reports when requested. Agencies should continue assessing their reporting needs, identify any new DW/BI reports required for Go-Live, and develop a schedule to create and test those reports. The Florida PALM Project Team could also consider providing additional training on the DW/BI reporting tool to help mitigate learning gaps with the Agencies.

Conversion

Agencies are resolving data issues identified during Dry Run 1 conversion activities. For most Agencies, the amount of data cleansing required is lower than it was during Mock Conversion 4. RW Task 698, which supports data cleansing activities in preparation for Dry Run 2, is due on 6/17/26, and Agencies appear to be on track to complete it on time. The Figure below shows progress toward completing the data cleansing activities as of 5/31/26.

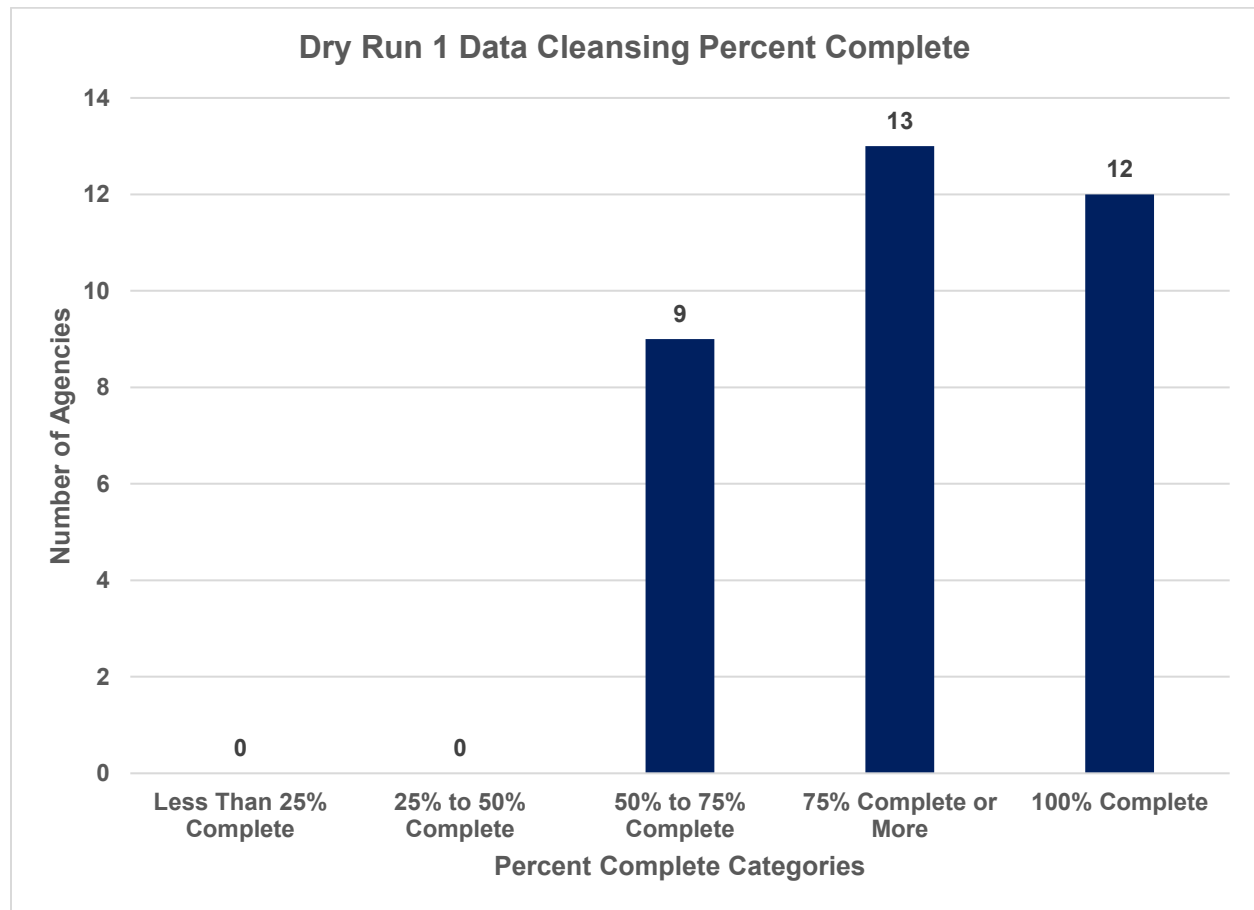


Figure 14: Data Cleansing Percent Complete

Interfaces

Seven Agency Inbound Interfaces and 16 Agency Outbound Interfaces have not yet completed Cycle 2 Interface Testing. The Florida PALM Project had previously communicated the following target completion dates:

- Inbound Interfaces were expected to complete Cycle 2 testing by 4/30/26.
- Outbound Interfaces are expected to complete Cycle 2 testing by 7/31/26.

Although the seven Inbound Interfaces missed the targeted finish date of 4/30/26, testing is in progress, and new files continue to be submitted. The Florida PALM Project Team has indicated that these Interfaces may still be able to Go-Live with Florida PALM as long as testing progress is being made. Many of these Interfaces have already gone through several rounds of testing and are expected to pass within the next few weeks. Progress has also been made on the Outbound Interfaces. Based on the pace of execution since February, all Outbound Agency Interfaces may be completed by 7/8/26. The Florida PALM Project Team could consider holding daily touchpoint meetings with Agencies that have outstanding Cycle 2 Interfaces to review status, discuss errors, and confirm expected dates for new Interface files or file reviews.

Agencies are also testing Interfaces for Cycle 3 in conjunction with All Agency UAT. Eighty-three percent of Interfaces tests have been executed at least once by the Agencies, as can be seen in the Figure below:

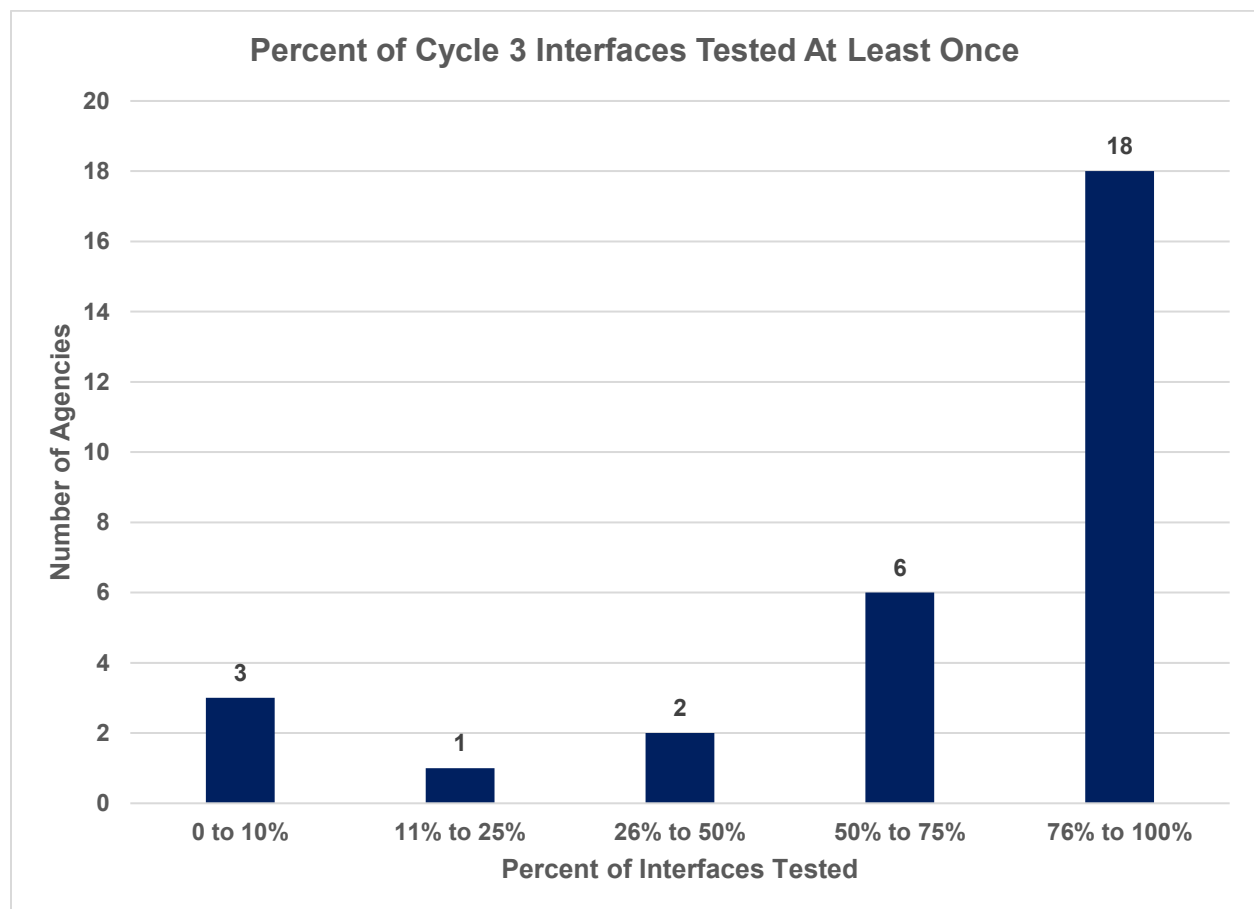


Figure 15: Cycle 3 Interfaces Tested At Least Once

The Florida PALM IV&V Team has observed that almost a third of the performance for Cycle 3 Interface tests have been marked as Inadequate by the Agencies, as document in Finding 38.

The Risk Rating for this Focus Area remains a High Risk.

Agency Implementation Readiness

Agency Implementation Readiness Updates

The Florida PALM IV&V Team will begin reporting on progress once cutover efforts begin.

IV&V Information Requests

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

Table 17: IV&V Information Requests

Information Request	Date of Request	Status
None	NA	NA

Appendix A – 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 18: 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 19: Risk Impact Criteria

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 significant impact on the Project
5	Critical	Risk will have a significant 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 20: Risk Priority Ratings

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

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

Table 21: Risk Priority Definitions

Rating	Definition
High	The possibility of substantial impact on 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 on 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 on 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.