Florida Department of Financial Services

Planning, Accounting, and Ledger Management Project

Independent Verification and Validation

Monthly Assessment Report

August 2026

September 8, 2026

Contract: 80101507-21-STC

Engagement: C76EBC

PUBLIC CONSULTING GROUP

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Executive Summary

The following summary highlights the key items from the Florida PALM IV&V Team's focus area review in the Monthly Assessment Report for August 2026:

- The overall Florida PALM Project Risk Rating remains a High Risk due to:
    - Critical and High-impact ticket trends that have not yet demonstrated sustained system stability and User Acceptance Training (UAT) exit readiness.
    - Concerns related to Garnishments accuracy for Payroll Parallel testing and Conversion activities for dry runs.
    - Remaining Agency testing, deployment planning, and readiness activities that will need to be completed with ten weeks remaining in All Agency UAT.
- Three new Findings were opened:
    - Finding 41 relates to Critical and High-impact stability trends.
    - Finding 42 relates to the need for additional validation that Conversion activities can be completed within the expected cutover window.
    - Finding 43 relates to unmet accuracy targets for Garnishments during Payroll Parallel testing.
- Two Findings were closed:
    - Finding 36 for Agencies' phased approach to testing has end-users not exposed to Florida PALM until July or August because users should receive access as part of ongoing UAT activities beyond August, rather than through an early-access effort by the Agencies.
    - Finding 39 for Performance Testing Segment I may not be completed by the targeted finish date of 7/10/26 because Segment exit criteria has been met.
- The Florida PALM Organizational Change Management Focus Area Risk Rating worsened from Medium Green to High Green due to delays in developing the training materials and End User Manuals, which could compress the time available for Agencies to develop Agency-specific training and prepare end users before Go-Live.
- The Florida PALM Agency Readiness Focus Area Risk Rating is worsening from Medium Yellow to High Yellow due to increasing dependencies on completing remaining testing, training, deployment planning, and operational preparation within the time available before All Agency UAT ends.
- The Agency Data, Conversion, and Interfaces Focus Area Risk Rating is improving from a High to a Medium Risk because approximately 96% of Cycle 3 Interface connections have been tested, and about 93% of those tested are rated Satisfactory or higher.
- The Florida PALM IV&V Team's assessment of the Florida PALM Quarter 2 Budget Release has been included in Appendix A.

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	The overall Florida PALM Project Risk Rating remains a High Risk. This rating reflects the cumulative progress, risks, and readiness activities across both the Florida PALM Project Team and the Agencies as the Florida PALM Project continues through testing, readiness, and implementation planning. While the overall Risk Rating remains High, the progress achieved to date represents a significant accomplishment given the size, complexity, and scope of the Florida PALM Project. The Florida PALM Project Team, Systems and Software Integrator (SSI) Vendor, Enterprise Partners, and participating Agencies have continued to advance testing, Conversion, Interface validation, readiness, and implementation planning activities while working through complex challenges and dependencies, some of which are typical of a large-scale enterprise transformation. Agency UAT first-pass coverage increased to approximately 65%, but much of the increase was driven by a single Agency. This remains below the Florida PALM Project Team's communicated target of achieving 100% first-pass coverage before the UAT data refresh, which commenced on 8/8/26, indicating that many testing activities were carried forward into the post-refresh period. While Critical and High-impact ticket trends improved, 41 Critical and High-impact tickets remained open as of 8/31/26. Additional testing activities may identify new defects, and recent Florida

Focus Area	Last Month Indicator	Current Month Indicator	Trend	Update Summary
				PALM IV&V Findings related to system stability, Conversion dry run activities, and Payroll Parallel testing indicate that important readiness criteria have not yet been fully demonstrated with 10 weeks left in All Agency UAT.
Florida PALM Project Management	Medium	Medium	No Change	The Risk Rating for this Focus Area remains a Medium Risk. The Florida PALM Project continues to perform near its schedule baseline, with the SPI remaining at 0.98. Schedule flexibility remains limited as delayed tasks increased from 87 to 93, including 29 tasks on the Critical Path, and progress variances remain concentrated in training materials, the End User Manual, data inventory, requirements traceability, the Reports, Interfaces, Conversions, Enhancements, Forms, and Workflows (RICEFW) Inventory, and the Dry Run 3 environment build. There were no new or updates to existing Florida PALM Project Risks, but several Issues were updated, and two new Issues were approved. Florida PALM Project Decision, DE386, which canceled or deferred outstanding testing activities from Performance Testing Segment I to Segment II was also approved.
Florida PALM Organizational Change Management	Low	Low	Worsening	The Risk Rating for this Focus Area remains a Low Risk but is worsening from Medium to High Green. Approximately 68% of tasks associated with the development of training materials and the End User Manual are behind schedule, which may compress the time available for Agencies to develop Agency-specific training and prepare end users before Go-Live. The Florida PALM Project Team continued Agency outreach through readiness pulse checks, Readiness Coordinator (RC)s Touchpoints, Thursday Task Talks, and Agency Sponsor engagement. The Florida PALM IV&V Team observed a decline in Agency engagement in several of these forums,

Focus Area	Last Month Indicator	Current Month Indicator	Trend	Update Summary
				reducing opportunities to surface questions and readiness concerns.
Florida PALM Requirements and Design	Low	NA	NA	Requirement and Design efforts for the Florida PALM Project are complete at this time, and the Florida PALM IV&V Team does not have any updates to report.
Florida PALM Development	Low	NA	NA	Development efforts for the Florida PALM Project are complete at this time, and the Florida PALM IV&V Team does not have any updates to report.
Florida PALM Testing	High	High	No Change	The Risk Rating for this Focus Area remains a High Risk. Critical and High-impact ticket trends do not yet demonstrate sustained system stability, as documented in Finding 41. Garnishments also did not meet the targeted accuracy threshold of 95% or greater during the final bi-weekly Payroll Parallel cycle, as documented in Finding 43. The remaining Performance and Regression testing will need to provide sufficient evidence that the system can support anticipated production workloads and that previously validated functionality remains stable prior to cutover.
Florida PALM Data, Conversion, and Interfaces	Medium	Medium	No Change	The Risk Rating for this Focus Area remains a Medium Risk. *Data* The Florida PALM Project Team continued to resolve Medium- and Low-impact tickets related to Data Warehouse/Business Intelligence (DW/BI) reports. *Conversion* Conversion activities for completed dry runs have not yet demonstrated that the Florida PALM Project Team can complete all Conversion tasks for cutover within the planned cutover window. As documented in Finding 42. The Florida PALM IV&V Team has observed that Pre-conversion activities for Dry Run 3 have begun. *Interfaces*

Focus Area	Last Month Indicator	Current Month Indicator	Trend	Update Summary
				Interface validation for GMI004 remains incomplete after additional issues were identified during All Agency UAT, resulting in an additional code change and a testing hold, which could reduce the time available to complete end-to-end testing of GMI004 before UAT concludes.
Florida PALM Implementation Readiness	NA	NA	NA	The Florida PALM IV&V Team will begin reporting progress once cutover efforts begin.

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	The Risk Rating for this Focus Area remains a Medium Risk. The Florida PALM IV&V Team observed that eight Agencies reported no progress or 0% completion for Readiness Workplan (RW) Task 586, Agency Deployment Plan and Cutover Checklist, which is due on 9/11/26. With approximately 62% of the task duration elapsed, the Florida PALM IV&V Team would expect Agencies to have achieved at least 50% completion. Agency-reported open Issues also continued to increase, including Critical and High-impact Issues, while risk identification and reporting practices remain uneven across Agencies.
Florida PALM Agency Readiness	Medium	Medium	Worsening	The Risk Rating for this Focus Area remains a Medium Risk but is worsening from Medium to High Yellow. Agency readiness increasingly depends on completing the remaining testing, training, deployment planning, and operational preparation within the time available before UAT ends. Agencies have reported in Florida PALM IV&V Touchpoints that unresolved tickets, Interface and Enterprise Partner dependencies, resource constraints, data questions, and cutover limitations are areas impacting their confidence for Go-Live. The Florida PALM IV&V Team has also observed that prerequisite-training completion rates continue to decline.
Agency Requirements and Design	Low	Low	No Change	The Risk Rating for this Focus Area remains a Low Risk. Knowledge Center updates increased in August, primarily due to report documentation and navigation updates that did not affect report functionality, design, or data elements. Agencies will need to review updated process documentation to determine whether changes affect Agency procedures, testing, or training materials, but the declining volume of substantive

Focus Area	Last Month Indicator	Current Month Indicator	Trend	Update Summary
				process and Interface changes is expected to reduce the effort required.
Agency Testing	High	High	No Change	The Risk Rating for this Focus Area remains a High Risk. Agency UAT coverage increased from approximately 50% to 65%, but most of the increase came from one Agency. Excluding that Agency, statewide first-pass coverage increased by approximately 2%, and roughly half of the 35 Agencies reported little or no first-pass progress. Although the results of executed User Stories were generally positive and Agency ticket severity remained low, limited and uneven execution creates a risk that some Agencies may not complete end-to-end validation, retest resolved issues, and confirm critical business processes before All Agency UAT concludes.
Agency Data, Conversion, and Interfaces	High	Medium	Improving	The Risk Rating for this Focus Area is improving from a High Risk to a Medium Risk. *Data* Approximately 57% of DW/BI-related test scripts have been executed by the Agencies. Most of this testing focused on validating overall DW/BI functionality rather than Agency-specific reporting requirements. Agencies indicated in Florida PALM IV&V Touchpoints that they plan to conduct more detailed testing of their individual reporting needs now that the UAT data refresh has been completed. *Conversion* Thirty-three of 35 Agencies completed RW Task 705 for data cleansing activities in preparation for Dry Run 3 by the revised due date of 8/21/26, but ten of those submissions were sent back by the Florida PALM Project Team for corrections. The Florida PALM IV&V Team observed that Dry Run 2 contained 47% fewer data errors than Dry Run 1. *Interfaces* Approximately 96% of Cycle 3 Interface connections have been tested, and about

Focus Area	Last Month Indicator	Current Month Indicator	Trend	Update Summary
				93% of those tested are rated Satisfactory or higher. Remaining Interface testing is projected to align with the target completion timeframe, with a contingency period available into October 2026 if additional time is needed.
Agency Implementation Readiness	NA	NA	NA	The Florida PALM IV&V Team will begin reporting progress once cutover efforts begin.

New Findings

Finding Type: Risk

Impact: High

Probability: Likely

Priority: High

Finding Number and Title: Finding 41 – Critical and High-impact ticket trends do not yet demonstrate sustained system stability and may affect UAT exit readiness.

Finding Description: With approximately 10 weeks remaining before planned All Agency UAT completion, Critical and High-impact ticket trends have not yet demonstrated a sustained reduction consistent with UAT exit readiness. While the Florida PALM Project Team is actively prioritizing and addressing defects that could materially affect production operations, the remaining testing period provides a limited window to resolve, retest, and validate existing and newly identified Critical or High-impact tickets before cutover.

From March through July 2026, resolution of Critical and High-impact tickets kept pace with new ticket intake but did not reduce the overall backlog. As of 8/31/26, 41 Critical and High-impact tickets remained open, including 25 that had been open for more than 30 days and 13 that had been open for more than 60 days. Florida PALM IV&V metrics consider a ticket as open until a closed date is recorded. This count includes tickets that are in a Resolved status but remain open during the Service Now (SNow) five-day administrative closure period. Monitoring Alerts are excluded from the count until a root cause has been identified, indicating that the SSI Vendor has performed analysis and corrective work to resolve the issue.

Many testing activities remain, including All Agency UAT Year-End, additional Payroll testing, Performance testing, Disaster Recovery testing, and Regression Event 4. These activities may identify additional Critical or High-impact tickets that require remediation, retesting, and validation prior to cutover.

Criteria: The I-WP127 User Acceptance Testing Plan specifies that UAT exit criteria include updating the Known Issues and Enhancements List to reflect agreed-upon priorities, ensuring no Critical or High severity tickets remain open, and documenting agreed-upon resolutions for all remaining tickets, including whether they will be resolved before or after Go-Live. Consistent with industry system acceptance testing practices, progression beyond UAT should be supported by evidence that defect remediation and retesting have resulted in sustained system stability, as demonstrated by declining high-severity ticket backlogs and successful validation of corrective actions.

Cause: Critical and High-impact ticket remediation has not consistently outpaced new ticket identification and intake sufficiently to produce a sustained reduction in backlog. Current analysis shows a concentration of tickets within Payroll-related functionality, with coding and design issues representing the predominant root causes. Additionally, because ticket reporting does not distinguish between newly identified defects and regression defects, the Florida PALM Project Team has limited insight into defect recurrence and the effectiveness of corrective actions.

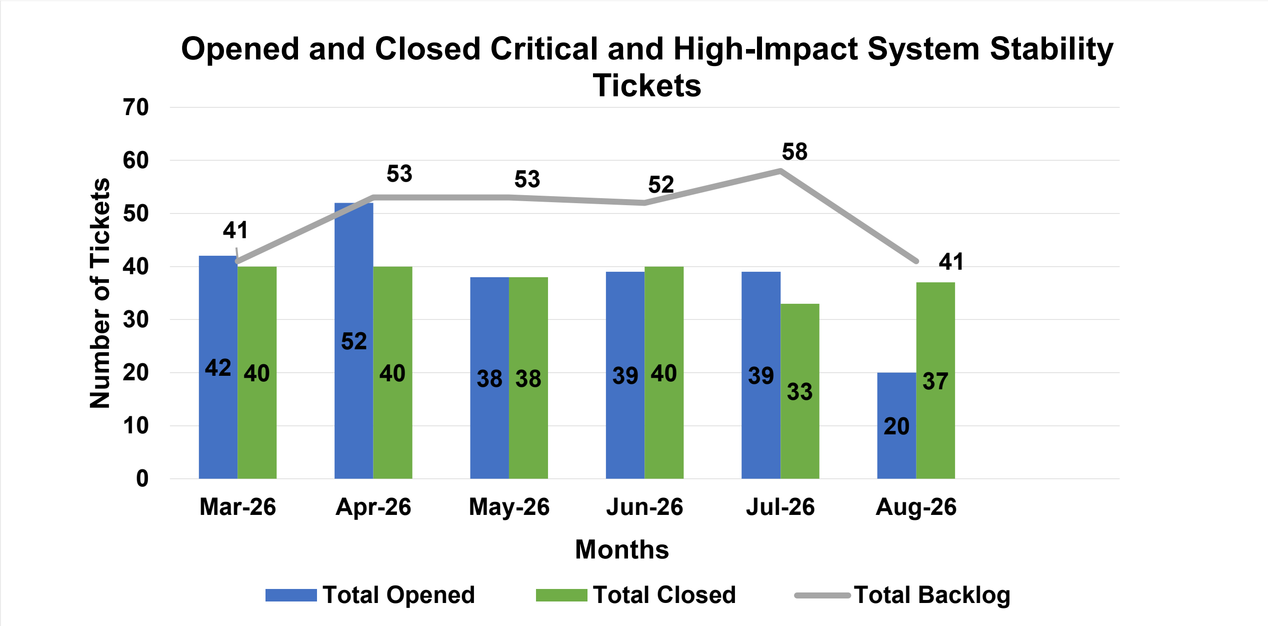


Figure 1: Critical and High-Impact System Stability Ticket Trends

Effect: The consistent volume of Critical and High-impact tickets identified, combined with the existing backlog and remaining planned testing activities, increases the risk that defect remediation, retesting, and validation efforts will continue late into the UAT period. As a result, the Florida PALM Project may face challenges meeting established UAT exit criteria within the planned timeframe.

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

1. Require the SSI Vendor to maintain a plan for resolving Critical and High-impact tickets for the remaining time in All Agency UAT, including expected ticket intake, closure targets, ticket aging, retesting activities, responsible owners, and escalation thresholds.
2. Improve ticket reporting to distinguish new defects from recurring, reopened, and regression defects so the Florida PALM Project can better track defect trends, identify root causes, and assess the effectiveness of remediation efforts.
3. Ensure resolved Critical and High-impact tickets are appropriately retested and validated using representative agency data, with particular attention to areas experiencing recurring or regression-related issues.

Finding Type: Preliminary Concern

Impact: Significant

Probability: Likely

Priority: High

Finding Number and Title: Finding 42 – Conversion activities for dry runs have not yet demonstrated completion of all cutover tasks within the planned cutover window.

Finding Description: Dry Run 2 results indicate that the Florida PALM Project has not yet demonstrated that Conversion activities related to cutover can be consistently completed within the planned implementation timeframe. Delays in completing cutover tasks in future dry runs could limit the Florida PALM Project's ability to address deployment issues during cutover and increase the likelihood of fallback procedures or a delayed Go-Live.

The Florida PALM Project has completed two cutover dry runs and has begun the third. A primary objective of these exercises is to validate whether cutover activities can be completed within the timeframe planned for production deployment. During Dry Run 2, Conversion activities for cutover extended approximately one week beyond the planned duration, a delay that would not be feasible during the actual production cutover. Additionally, approximately 50% of tasks exceeded their planned durations. The Table below summarizes the results.

Table 3: Dry Run 2 Cutover Tasks (Expected Versus Actual Duration)

Dry Run 2	Number of Cutover Tasks	Percent of Cutover Tasks
Tasks that took less time than expected	290	27%
Tasks that were within 5 minutes of the expected duration	244	23%
Tasks that took longer than expected	532	50%

Criteria: The Florida PALM deployment approach requires all cutover activities to be completed within the planned three-week cutover window.

Cause: Delays observed during prior dry runs were attributable to several factors, including the need to rerun Conversion processes or execute additional delta files, long-running Structured Query Language (SQL) queries, and inconsistent communication regarding anticipated task delays. Inconsistencies and delays in recording actual task durations and effort made it difficult to accurately assess the time required to complete cutover activities and use the results to estimate the production cutover window. Analysis was further complicated by the fact that the dry runs were conducted primarily during normal business hours rather than under the continuous 24/7 conditions planned for the actual cutover. Because of this, project staff likely balanced dry-run activities with other responsibilities, making it difficult to determine whether task variances were due to the cutover tasks themselves or to limited resource availability.

Effect: The Florida PALM deployment approach requires all cutover activities to be completed within the planned three-week cutover window. If future dry runs do not demonstrate that critical cutover activities can be completed within the planned cutover window, the Florida PALM Project team may need to evaluate schedule adjustments, contingency procedures, or additional rehearsal activities to reduce deployment risk.

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

1. Establish a process to notify affected task owners when a predecessor task is expected to finish earlier or later than planned, including the revised expected completion date and time.
2. Require team members participating in the dry runs to document and analyze any task that takes longer than planned. The analysis should identify the cause of the delay and any actions that can be taken to improve performance during subsequent dry runs and production cutover.
3. Perform critical cutover activities, such as Conversions, for the final dry run on a 24/7 schedule that more closely reflects the conditions expected during the production cutover.

Finding Type: Issue

Impact: Significant

Probability: Likely

Priority: High

Finding Number and Title: Finding 43 – Garnishments did not meet the targeted accuracy threshold during the final bi-weekly Payroll Parallel testing cycle.

Finding Description: The Florida PALM Project has not yet demonstrated that Garnishments can consistently produce results that meet the targeted accuracy threshold. If the remaining discrepancies are not resolved and validated, the risk of inaccurate garnishment processing may remain after Go-Live.

Garnishments did not meet the 95% accuracy target during Payroll Parallel Cycle 3, which was the second and final bi-weekly payroll parallel testing cycle. One additional parallel testing cycle is planned for monthly payroll processing and will include garnishments for the monthly payroll groups. Because the monthly and bi-weekly payroll groups are separate populations and garnishment calculations are highly individualized with complex configuration and overlap rules, the monthly cycle may not fully validate or resolve the differences identified during bi-weekly testing.

Criteria: The Payroll Parallel Cycle 3 Week 1 Stats and Variances spreadsheet specifies that more than 95% of the successfully converted population must reconcile within a $0.50 threshold for earnings, deductions, and taxes. Garnishments achieved an accuracy rate of approximately 89%, which is below the established threshold.

Cause: The results for Garnishments indicate that one or more underlying issues remain unresolved. These issues may be attributable to defects in system configuration, business rules, data conversion, processing logic, or other factors. The Florida PALM IV&V Team has requested additional information about how payroll discrepancies are being categorized. This information will help determine the source of the reported variances, whether they can be accepted as expected differences, or whether additional corrective actions are required.

Effect: Because Garnishments did not achieve the targeted accuracy threshold and no additional bi-weekly Payroll Parallel testing cycles are planned, the Florida PALM Project has limited opportunity to validate that identified variances have been resolved before implementation, increasing the risk that garnishment calculations and processing may not perform as expected post-Go-Live.

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

1. Conduct an additional bi-weekly Payroll Parallel test cycle after the identified Garnishments defects and variances have been analyzed and remediated to demonstrate that the targeted accuracy threshold can be achieved for the bi-weekly payroll.
2. Establish “parent” tickets for each deduction type, with related discrepancy tickets linked as “child” records based on Discrepancy Error Code to provide a consolidated view of all

related issues, support monitoring of remediation progress and recurring trends, and simplify reporting on the overall resolution status of each deduction area.

Open Findings

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: Unlikely	**Previous Probability:** Probable	**Trend:** Improving
Current Priority: Low	**Previous Priority:** High	**Trend:** Improving

Status Update: As of 8/31/26, four Agency Interface connections had not yet completed Interface Testing Cycle 2. Three of these Interfaces were requested within the previous three months, and all four Interfaces have been transitioned to the UAT environment to complete testing. The applicable Agencies will need to confirm that the Interfaces function as expected and that data is transmitted, received, and processed correctly before proceeding with end-to-end testing.

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

Status: In Process

Update: The Agencies with remaining Interface files are coordinating with the Florida PALM Project Team on when files will be available for testing.

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 are not occurring, there is regular communication between the Florida PALM Project Team and the Agencies with remaining Cycle 2 Interfaces.

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: In Process

Update: The ITEXT is being consistently updated to reflect the latest Interface partner status from the Agency's Smartsheet.

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: Complete

Update: Testing continues on the remaining Cycle 2 Interfaces in the UAT environment.

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: On average, 3% of SNow tickets continue to be attributed to design defects. The Florida PALM Project Team continues to identify approximately 25 design defects per month, a rate that has remained relatively consistent throughout UAT. While design defect tickets include supporting documentation, the level of detail varies and does not consistently identify the specific Test Scripts used to verify that design changes function as intended and do not introduce new defects.

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: Although changes are tracked in the individual AD documents, there is no centralized log capturing all changes since the AD document was approved.

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 documentation is available in the SNow ticket, but it is not consistent and does not provide sufficient detail about the testing performed.

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 percent 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:** Probable	**Trend:** No Change
Current Priority: High	**Previous Priority:** High	**Trend:** No Change

Status Update: While no UAT activities could be conducted during the data refresh period from 8/8/26-8/23/26, the percentage of user stories executed by the Agencies increased from 50% in July to 65% at the end of August, as shown in the Figure below**.**

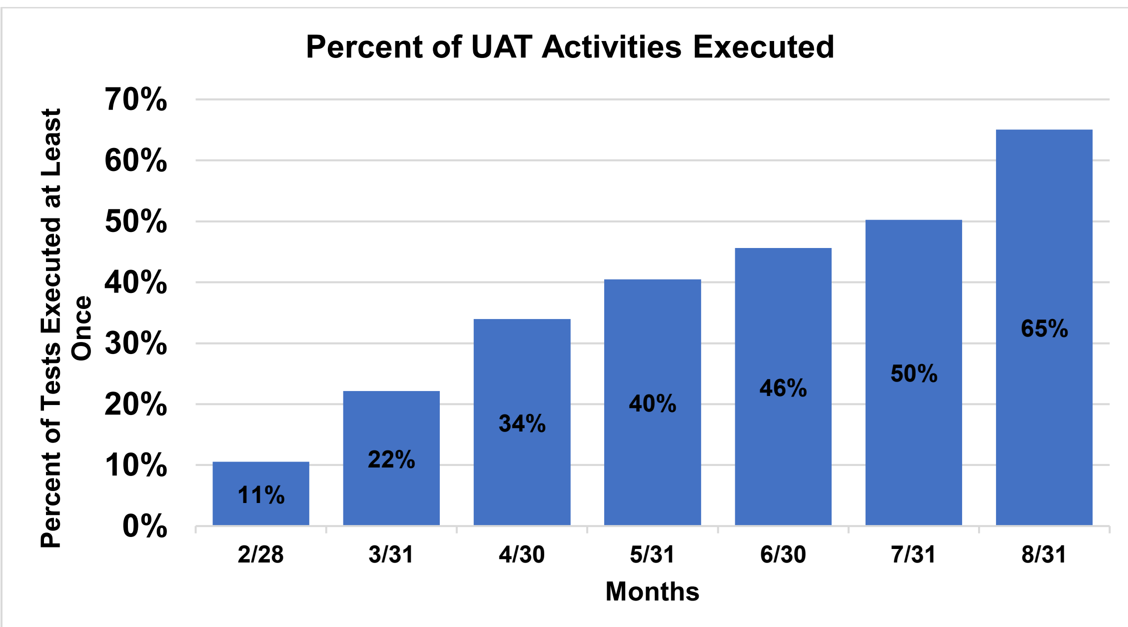


Figure 2: Percent of UAT Tests Executed Over Time

Even with the progress achieved in August, the current rate of test execution may not be sufficient for Agencies to complete all planned user stories by the scheduled end of All Agency UAT. To complete testing by 11/6/26, Agencies would need to increase user story execution by approximately 17.5% per month. Expanding participation to additional end users may help accelerate execution, but it will also require onboarding, knowledge transfer, and continued coordination among Agency testers and Agency SMEs.

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 have developed mitigation approaches based on the Readiness Certification #3 results and are tracking the completion of those activities.

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

Status: In Process

Update: Several Agencies have reported establishing goals for users to test or practice in the UAT environment, but this does not appear to be universally adopted across 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 either organized contests to recognize individuals actively testing in UAT or established recognition awards to incentivize participation, but this does not appear to be universally adopted across all Agencies.

Finding Number and Title: Finding 40 – Batch processing of high-volume files may not meet operational needs.

Date Opened: 7/31/26		
Finding Description: Performance testing for Florida PALM includes evaluating the system's ability to process high-volume, business-critical batch jobs, including internal and external Interfaces. As of 7/31/26, some batch jobs had not yet been tested under high-volume conditions due to dependencies on the availability of representative high-volume files, challenges with converting file formats, and batch scheduling and sequencing activities. Additionally, known Issues have been identified where certain Interfaces require more processing time than expected and may not meet operational batch processing timeframes. As a result, an assessment of the time required to execute all high-volume critical batch jobs within a standard production batch cycle is not yet available, limiting the Florida PALM Project Team's ability to confirm that operational performance requirements can be met.		
Current Impact: Significant	**Previous Impact:** Significant	**Trend**: Unchanged
Current Probability: Likely	**Previous Probability:** Likely	**Trend:** Unchanged
Current Priority: High	**Previous Priority:** High	**Trend:** Unchanged

Status Update: A list of required high-volume files has been identified, and expected processing volumes have been provided for most files. Each file is being tracked through a dedicated Jira ticket. Of the 17 required files, 14 are ready for testing, while three remain outstanding.

The SSI Vendor and Florida PALM Project Team have also identified a potential approach to reduce the long processing times associated with the Retiree Payroll file, but the solution has not yet been implemented or tested.

Recommendation #1: Collaborate with the SSI Vendor to validate the inventory of required high-volume test files and establish a detailed plan for obtaining and testing the remaining files, including target delivery and testing dates.

Status: In Process

Update: The Florida PALM Project Team has developed a list of required test files and the desired volume for each file. Of the 17 files identified, 14 are ready for testing, and three are still needed.

Recommendation #2: Conduct focused working sessions with the SSI Vendor to identify, track, and address batch processes that exceed established performance thresholds, prioritizing those with the greatest impact on operational batch windows.

Status: Not Started

Update: Long-running batch processes, including those identified during performance testing, continue to be monitored by the Florida PALM Project Team, but no formal forum has been established to review performance trends, coordinate remediation efforts, and prioritize processes that have the greatest impact on operational batch windows.

Recommendation #3: Work with the SSI Vendor to develop consolidated batch performance reporting that includes both individual batch runtimes and cumulative runtimes for critical nightly, bi-weekly, monthly, quarterly, and annual processing cycles.

Status: Not Started

Update: While runtime information is available for individual batch jobs, the Florida PALM Project Team is not currently maintaining consolidated reporting of cumulative runtimes for critical processing cycles, limiting visibility into whether complete processing windows can be completed within expected timeframes.

Recommendation #4: Review the consolidated performance results to assess whether overall batch processing durations align with operational requirements and use the results to establish and monitor expected post- Go-Live completion targets for critical batch jobs (CPI09 – Timeliness of Critical Batch Job Completion).

Status: Not Started

Update: While runtime information is available for individual batch processes, the Florida PALM Project Team has not performed a comprehensive assessment of whether cumulative processing durations for critical batch cycles align with operational time constraints or support the monitoring of post-Go-Live completion targets.

Closed Findings

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

Date Closed: 8/31/26

Rationale for Closing: Agencies have begun the next phase of their approach to get end-users into the UAT environment who have not already been exposed. Since these users are receiving access as part of ongoing UAT activities beyond August, rather than through an early-access effort, the Florida PALM IV&V Team has closed this Finding. End-user participation and adoption will continue to be monitored through login metrics and testing activities.

Finding Number and Title: Finding 39 – Performance Testing Segment I may not be completed by the targeted finish date of 7/10/26, which may impact subsequent Performance Testing activities and testing of the PeopleTools upgrade.

Date Opened: 6/30/26

Date Closed: 8/31/26

Rationale for Closing: Exit criteria for Performance Testing Segment I were satisfied following approval of Florida PALM Project Decision DE386, which canceled or deferred remaining test cases to Performance Testing Segment II.

Metrics Related to Findings

The figure below shows the open, closed, and new Findings identified by the Florida PALM IV&V Team. Three Findings were opened this month. There are currently four open Findings and 24 closed Findings.

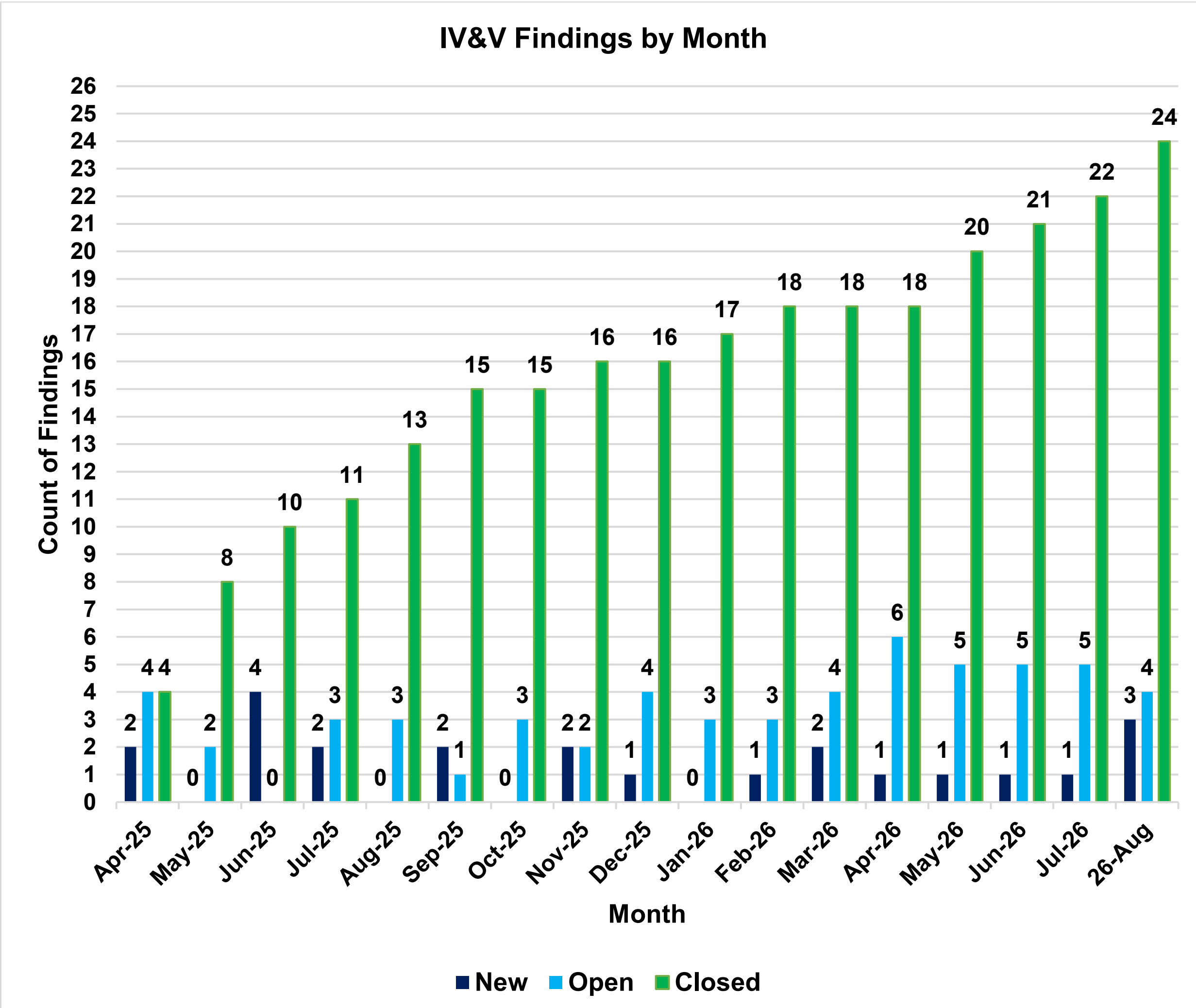
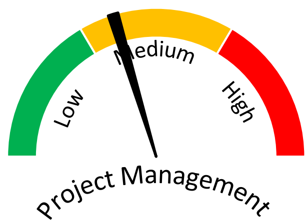


Figure 3: Florida PALM IV&V Findings by Month

Florida PALM Project Focus Area Updates

Florida PALM Project Management

Focus Area Indicator[1] and Updates



Trend: No Change

The Florida PALM IV&V Team monitors schedule performance by reviewing key measures such as the Schedule Performance Indicator (SPI), Delayed Tasks, and planned-versus-actual progress. The Florida PALM IV&V Team also reviews Florida PALM Project Decisions, Risks, and Issues to assess their potential impact on schedule performance and overall execution.

Schedule Performance and Trends

The SPI remained at 0.98 as of the August End-of-Month Florida PALM Project Schedule. SPI measures how much work has been completed compared to what was planned:

- An SPI of 1.0 indicates the project is on schedule;
- An SPI below 1.0 indicates the project is behind schedule, and
- An SPI above 1.0 indicates the project is ahead of schedule.

At 0.98, the Florida PALM Project is completing work at approximately 98 percent of the planned rate, indicating a slight delay. Although an SPI of 0.98 does not, by itself, meet a formal risk threshold, it indicates that the Florida PALM Project has limited schedule flexibility as it moves through critical implementation, testing, readiness, and cutover activities. Even small delays may be more difficult to recover from as remaining milestones become increasingly dependent on one another.

The number of Delayed Tasks increased from 87 in July to 93 in August, including 29 tasks on the Critical Path. The largest concentrations of delayed activities were associated with:

- I-WP110 – Training Build Design Materials (29 Delayed Tasks).
- I-WP112 – End User Manual (9 Delayed Tasks).
- WP102 – Data Inventory for Financials and Payroll Wave (8 Delayed Tasks).

The number of tasks in which actual progress matched planned progress decreased from 243 in July to 149 in August, a 39% decline, and tasks with delayed or no reported progress increased from 15 to 20. The largest schedule variances between planned progress and actual progress were associated with:

- WP402 – Requirements Traceability Matrix.
- WP403 – RICEFW Inventory.
- Dry Run #3 Environment Build activities.

[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. If no arm for the previous indicator rating is displayed, it means that the risk rating has not changed from the previous reporting period.

Note: Some tasks with delayed or no reported progress may also be included in the Delayed Task counts above.

While completing 10 tasks that were reported as delayed in July demonstrates progress in addressing prior schedule delays, schedule variances remain concentrated in several key workstreams, including training materials, end-user documentation, data inventory activities, requirements traceability, the RICEFW inventory, and Dry Run #3 environment preparation.

Figure 4: Florida PALM Project Schedule Performance Metrics

These indicators show that the Florida PALM Project continues to perform near its schedule baseline, though task delays and progress variances remain concentrated in several key workstreams. If these trends persist, the Florida PALM Project may have less ability to absorb future delays without affecting downstream testing, readiness activities, or implementation milestones.

Florida PALM Project Decisions

One Florida PALM Project Decision, DE386 - Performance Testing Segment I Updates, was approved during the reporting period. The decision defers selected Financials and Payroll performance test scenarios from Segment I to Segment II, updates certain transaction volume assumptions to align with projected usage, and removes selected lower-priority batch processes from the performance testing scope. As a result, the Florida PALM Project Team met the Segment I exit criteria with minimal impact on the schedule. The approved changes should be incorporated into D675 and reflected in the associated WP420 and WP423 artifacts.

Because some testing was deferred to Segment II, a portion of the performance evidence originally planned for Segment I will now be produced later in the testing cycle. As a result, the Florida PALM Project Team's ability to demonstrate that performance requirements have been met will depend on successfully completing the remaining Segment II testing activities and addressing any issues that are identified.

Florida PALM Project Risks and Issues

No changes were made to existing Florida PALM Project Risks, but the following updates were made to several Issues:

- For Issue 39 – Retiree Payroll File Performance, testing was completed using approximately 500,000 transactions. The transactions, which are currently processed as a single file in the legacy system, were divided into 10 files to evaluate parallel budget-check processing. The Florida PALM Project Team also defined a proposed custom solution and received a new Application Programming Interface (API) API129 file for additional testing following the system refresh. Additional testing remained in progress as of 8/31/26. Until testing is complete and the solution is validated, uncertainty remains about Florida PALM's ability to consistently process the required file volumes within performance expectations.
- Remediation activities also continued for Issue 40 – Interface Abends Causing Batch Disruption, including application updates, testing, and batch-processing changes. Despite this progress, recurring interface failures, malformed files, recovery activities, and downstream job delays continued to disrupt agency data processing and could affect the completion of Interface Testing Cycle 3. Unresolved Interface failures may delay end-to-end testing and reduce confidence that affected Agency Interfaces will perform reliably in production.
- Two of four planned corrective actions were completed for the high-priority Issue 41 – Carry Forward Receipt Transaction Functionality Gaps, which documents functionality gaps that could allow budget controls to be bypassed and limit the ability to complete required UAT validation. Updates related to voucher-page restrictions and API validation controls remained in progress as of 8/31/26. Until the remaining resolutions are implemented and validated, the Florida PALM Project Team is unable to demonstrate that the required controls operate as intended.
- While most business process documentation has been published, the End User Manual and web-based training materials remain delayed, as described in Issue 42 – Delayed Completion of Training Materials. The Florida PALM Project Team has identified mitigation strategies, including prioritizing critical training content and providing supplemental learning opportunities. Delays in training deliverables could limit Agencies' time to prepare end users before Go-Live and increase reliance on post-deployment support and knowledge transfer activities.

The SSI Vendor could improve its reporting to the Executive Steering Committee (ESC) by providing more than a status update on major Florida PALM Project issues and ensuring the reporting conveys the full significance of major issues. Reports should explain what is happening, which areas are affected, the steps being taken to address the issue, who is responsible, key target dates, progress made, and any remaining risks. This information would give the ESC a clearer picture of Florida PALM Project conditions and help the ESC address concerns before they affect the schedule, cost, quality, readiness, or Go-Live.

Resource Management

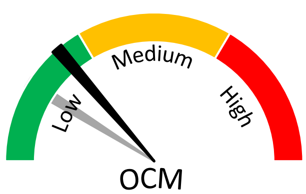
Florida PALM staffing remained above the 85% governance threshold, but vacancies continue to affect several functions that support project execution and readiness. Although the Florida PALM IV&V Team found no evidence directly linking the increase in Delayed Tasks and reduced alignment between planned and actual progress to current vacancies, continued staffing gaps could reduce the Florida PALM Project Team's ability to address schedule variances, complete readiness activities, and respond to emerging issues as implementation approaches.

SSI Vendor staffing declined slightly between July and August, primarily within technical roles. Continued monitoring of ticket trends, system stability, testing outcomes, and readiness activities will help determine whether available vendor resources are sufficient to support remaining implementation activities and timely issue resolution.

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

Florida PALM Organizational Change Management

Focus Area Indicator and Updates



Trend: Worsening

Agency sponsorship and engagement remained a key focus during August. The Florida PALM Project Team introduced biweekly readiness pulse checks to collect Agency confidence levels, identify potential barriers, and support ongoing readiness monitoring. Through Agency Readiness Touchpoints, Thursday Task Talks, UAT collaboration sessions, and Agency Sponsor engagements, the Florida PALM Project Team continued to emphasize that successful implementation depends on both technical readiness and end-user preparedness. The Florida PALM Project Team also reinforced that increased user readiness and confidence can help shorten the stabilization period post-Go-Live. Agencies are encouraged to continue participating in UAT, training, office hours, and deployment planning activities to prepare for the transition.

Despite these outreach efforts, the Florida PALM IV&V Team has observed a decline in Agency participation across Florida PALM Project-hosted forums and collaboration sessions. For example, few Agencies have submitted questions or discussion topics in advance of UAT Office Hours, and several recent Multi-Agency UAT collaboration meetings concluded shortly after they began due to limited discussion. Reduced engagement may limit the Florida PALM Project Team's opportunities to better understand Agency concerns, identify areas where additional guidance or support may be beneficial, and tailor readiness activities to Agency needs as Go-Live approaches.

During the 8/20/26 Florida PALM IV&V Organizational Change Management (OCM) Monthly Touchpoint, the Florida PALM IV&V Team provided several recommendations that the Florida PALM Project Team could consider implementing to increase participation and engagement during UAT Office Hours:

- Focus readiness discussions on Agency confidence and preparedness, rather than perfection, to reinforce that Go-Live readiness does not require every issue or concern to be fully resolved prior to implementation.

- Introduce a "Questions I Wish I'd Asked Earlier" segment at the beginning of UAT Office Hours, where Agency representatives or leaders pose common questions that participants may be hesitant to ask. This approach could help normalize discussion and encourage broader participation.
- Demonstrate available Knowledge Center videos during UAT Office Hours and allow Agencies to ask questions and provide feedback in real time. This approach may help Agencies identify questions, increase awareness of available resources, and promote the use of existing training materials.

Training Updates

Per the Florida PALM Project Schedule, approximately 68% of the tasks associated with I-WP110 – Training Build and I-WP112 – End User Manual are behind schedule. As a result, Agencies may have less time than planned to prepare end users and conduct training activities before Go-Live. The Florida PALM Project Team has acknowledged these delays and drafted Issue 42 to address potential impacts. Proposed mitigation strategies include a phased release of training materials and the End User Manual between early October and the end of UAT on 11/6/26, as well as supplemental instructor-led workshops.

Although these actions may help reduce potential impacts, providing comprehensive training materials after training activities are planned to begin may limit the time available for Agencies to incorporate the content into Agency-specific training and for end users to practice key business processes before implementation. The Florida PALM Project Team could also consider implementing the following Florida PALM IV&V Team recommendations:

- Prioritize completion of training materials supporting high-volume and operationally critical business functions, including accounts payable, purchasing, payroll, banking, reporting, asset management, and reconciliations.
- Strengthen coordination between UAT, configuration management, and training development to ensure training materials are updated promptly when approved changes affect business processes, system functionality, or user procedures.
- Notify Agencies of impacts to training materials based on design changes promptly, including the nature of the change, impacted user groups, and any required retraining activities

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

Florida PALM Requirements and Design

Focus Area Indicator and Updates

Requirement and Design efforts for the Florida PALM Project are complete at this time, and the Florida PALM IV&V Team does not have any updates to report.

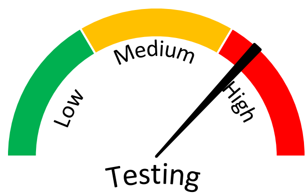
Florida PALM Development

Focus Area Indicator and Updates

Development efforts for the Florida PALM Project are complete at this time, and the Florida PALM IV&V Team does not have any updates to report.

Florida PALM Testing

Focus Area Indicator and Updates



Trend: No Change

Testing of Updated Cash Management System (CMS) Functionality

As of 8/31/26, two AD documents associated with updates to functionality previously implemented in the CMS production environment had not yet completed system testing for the Financials wave. Testing of these items is scheduled to be completed by 9/5/26. Based on the current status of the functionality and planned testing activities, the Florida PALM IV&V Team anticipates that the remaining testing will be completed as scheduled.

Ticket Trends

Testing metrics for August were influenced by UAT data refresh, which limited both testing and remediation activities from 8/8/26 through 8/23/26. Finding 41 has been opened to document a risk that Critical and High-impact ticket trends do not yet demonstrate sustained system stability and may affect the Florida PALM Project's ability to exit All Agency UAT as planned on 11/6/26.

Additionally, the Medium-impact ticket backlog has remained relatively stable since March, indicating that lower-priority defects continue to accumulate at a rate similar to the rate of resolution efforts. Although these tickets are not expected to prevent UAT completion or implementation, they often require users to rely on workarounds to perform affected business functions. Based on current trends, much of the Medium-impact backlog may remain unresolved at Go-Live, potentially increasing reliance on workarounds and extending the stabilization period as applicable issues are addressed after implementation.

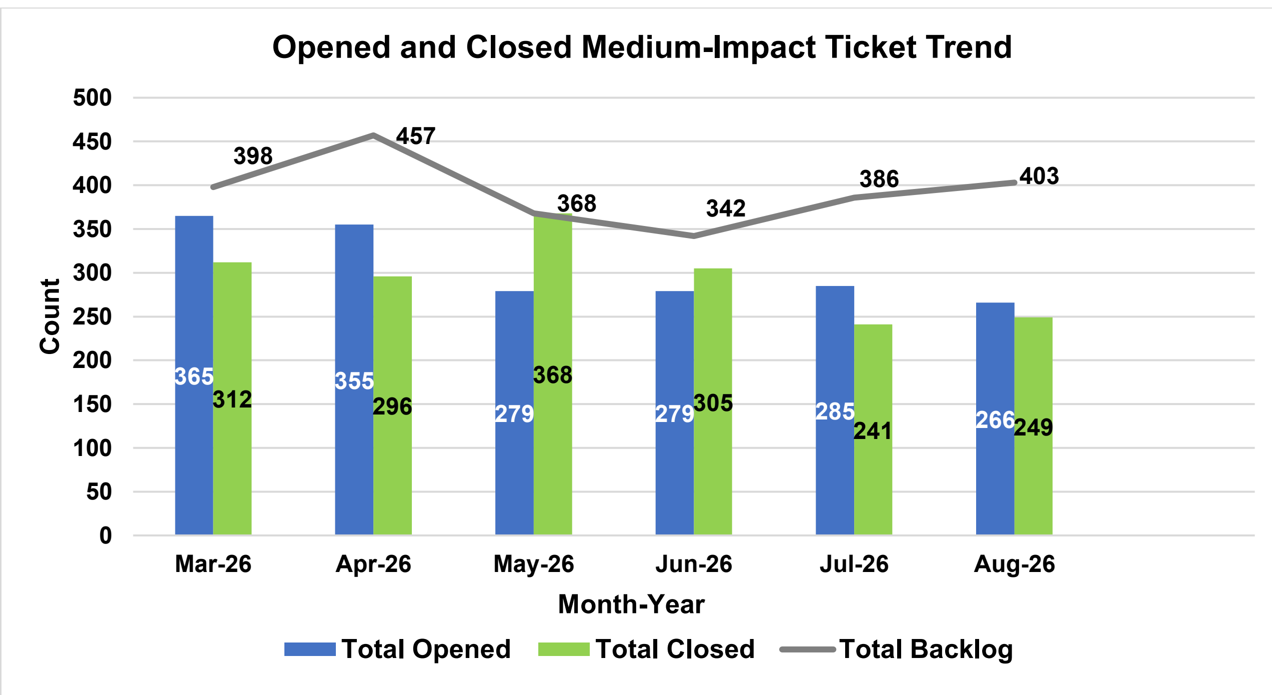


Figure 5: Opened and Closed Medium-Impact Ticket Trend

The Florida PALM State Functional testing team and SSI Vendor functional subject matter experts continue to support multiple concurrent testing and Project activities. The reliance on a shared pool of key SMEs across these efforts may create resource capacity constraints and may limit their availability for the timely execution of testing activities, including test readiness preparation and execution, defect triage and validation, and Issue resolution. If resource demands continue or increase, it may impact the testing schedule, testing quality, and compression of downstream functionality available for UAT Testing.

Payroll Parallel

Payroll Parallel Cycle 3, the final scheduled bi-weekly Payroll Parallel testing cycle, has been completed. All payroll areas met the targeted accuracy thresholds except Garnishments, which is discussed further in Finding #43. Payroll Parallel Cycle 4, the second and final monthly testing cycle, remains in progress, and root cause analysis continues for the discrepancies identified to date.

Performance Testing

Performance Testing Segment I was completed following approval of Florida PALM Project Decision DE386, and Performance Testing Segment II is now underway. Cycle 1 of testing for Segment II has been completed, and the Florida PALM Project Team is currently performing peak-volume testing for Cycle 2 to confirm the system can support expected transaction volumes and processing demands. The successful completion of Segment II will be important to demonstrate that the system can meet performance expectations under anticipated production workloads and processing volumes prior to implementation. Any performance issues identified during Segment II will require timely resolution to maintain confidence in system readiness for Go-Live.

The Florida PALM Project Team is also evaluating recent changes and performance improvements made to Florida PALM since Segment I to determine if a lower Central Processing Unit (CPU) capacity than the trial enterprise version of the load balancer will be sufficient to support the system in production. Additionally, the Performance Testing environment was updated with the latest application changes from UAT so that testing is performed using the most current version of the system. Periodic environment refreshes will continue throughout testing to maintain alignment with the current system code base.

Regression Testing Event 3

Regression Event 3, the final planned partial Regression Event, was completed on schedule by 8/12/26. Of the 161 Test Scripts selected, 133 were executed. While the results of Regression Event 3 demonstrate a high pass rate, the limited scope of the partial event and concentration of canceled and deferred outcomes within Payroll limit the assurance that can be derived from these results. With one full Regression Event remaining, sufficient test coverage and test execution readiness will be important for demonstrating that previously validated functionality has been comprehensively tested and that changes to previously passed critical system functionality are stable.

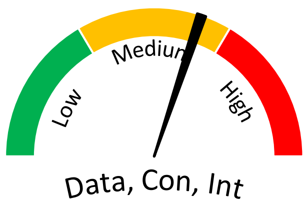
The Florida PALM Project Team could consider implementing the following Florida PALM IV&V Team recommendations:

- Confirm that all testing prerequisites are in place before execution begins, including test data, automated test assets, and environment readiness to support completion of the planned regression testing scope.
- Consistently classify failures of previously validated functionality as regression defects, regardless of when the underlying defect was originally identified. This will improve visibility into system stability trends and help assess the risk and impact of recurring issues.

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

Florida PALM Data, Conversion, and Interfaces

Focus Area Indicator and Updates



Trend: No Change

Data

The Florida PALM Project Team continued to resolve Medium- and Low-impact tickets related to DW/BI reports.

Conversion

The Florida PALM Project Team began pre-Conversion activities for Dry Run 3 and continued resolving Medium- and Low-impact tickets identified during prior Conversion activities.

Finding 42 has been opened by the Florida PALM IV&V Team to document challenges in completing Conversion activities within the time available for the planned cutover window during Dry Run 2.

Interfaces

Florida PALM Project Team testing of GMI004 (Outbound Grant Receipt Details) identified that the Interface was transmitting all ACTUALS ledger transactions to the Enterprise Partner's system, including allocation journals that were not intended to be included. After reviewing with the Enterprise Partner, the Florida PALM Project Team confirmed that allocation journals should be excluded from the Interface output and approved a code change to address the issue. As a result, GMI004 testing has been placed on hold in the UAT environment, and the related SNow ticket remained open as of 8/31/26.

GMI004 has undergone multiple rounds of defect correction, validation, and retesting throughout UAT, including additional remediation activities during August. The continued identification of issues in an Interface that has undergone prior testing suggests that additional validation may be needed before UAT testing can proceed. It also reduces the time available to complete corrective actions and confirm resolution before the planned conclusion of UAT.

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

Florida PALM Implementation Readiness

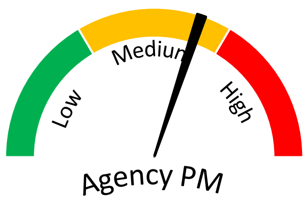
Florida PALM Implementation Readiness Updates

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

Florida PALM Agency Focus Area Updates

Agency Project Management

Focus Area Indicator and Updates



Trend: No Change

The Florida PALM IV&V Team reviewed Agency-reported progress on readiness activities that are intended to help them prepare for Go-Live and may be used as part of the evidence considered for Readiness Certification #4. Areas reviewed include:

- Monthly readiness and sponsor reporting;
- UAT user access and role mapping;
- Data cleansing, conversion workbooks, and dry run preparation;
- Business process documentation;
- Agency-specific training materials;
- Deployment plans and cutover checklists; and
- Contingency, downtime, and Hypercare planning.

The Table below summarizes Agency-reported progress against scheduled readiness activities and highlights items that remain incomplete or may require follow-up before Go-Live. While reported completion percentages provide insight into readiness progress, they do not by themselves demonstrate that an activity has been completed satisfactorily or that an Agency is ready for Go-Live.

Table 4: Agency-Reported RW Tasks Progress

				Number of Agencies per Status					
RW Task	**Impact**	**Start**	**Finish**	**No Status or 0%**	**25%**	**50%**	**75%**	**100%**	**Verified as Complete**
586 – Create Agency Deployment Plan and Cutover Checklist to Prepare for Go-Live	Indirect	6/29/26	9/11/26	8	5	15	7	0	0
689 – Submit Monthly Progress Report - Testing, Training, Cutover	Indirect	8/3/26	8/31/26	4	0	2	0	29	0
704 – Maintain Role Mapping Worksheet	Indirect	7/1/26	8/21/26	0	0	0	0	35	0
705 – Complete Data Cleansing in	Indirect	7/13/26	8/21/26	0	0	0	2	33	0

				Number of Agencies per Status					
RW Task	**Impact**	**Start**	**Finish**	**No Status or 0%**	**25%**	**50%**	**75%**	**100%**	**Verified as Complete**
Preparation for Dry Run 3									
706 – Submit Configuration and Conversion Workbooks	Direct	8/3/26	8/21/26	0	0	0	2	33	0
707 – Maintain Role Mapping Worksheet	Indirect	8/24/26	9/30/26	14	8	13	0	0	0

As of 8/31/26, eight Agencies reported either 0% progress or no progress for RW Task 586 – Create Agency Deployment Plan and Cutover Checklist to Prepare for Go-Live, with approximately two weeks remaining before the 9/11/26 due date. Based on the total time available to complete this activity, the Florida PALM IV&V Team expects Agencies to report at least 50% progress toward the submission. Delays in completing this activity reduce the time available to review plans, confirm staffing and dependencies, test contingency procedures, address identified issues, and prepare Agency staff for deployment.

The Florida PALM Project Team has provided Agencies with UAT Proviso questionnaires, readiness dashboards, support resources, and Sponsor confirmations to help Agencies track UAT exit readiness against updated Proviso language. The Florida PALM IV&V Team recommends that the Agencies consider supplementing these efforts with their own detailed completion criteria, supporting documentation, validation of reported progress, and tracking of exceptions or incomplete activities. Any readiness gaps should be communicated to the Agency's RC and monitored so that their potential impact on Readiness Certification #4 and Go-Live can be addressed in a timely manner.

Agency Risks and Issues

The total number of open Risks assessed by the Agencies has decreased since July 2026, while the number with a score of 6 or higher has increased slightly. The Figure below illustrates the trend of open Risks.

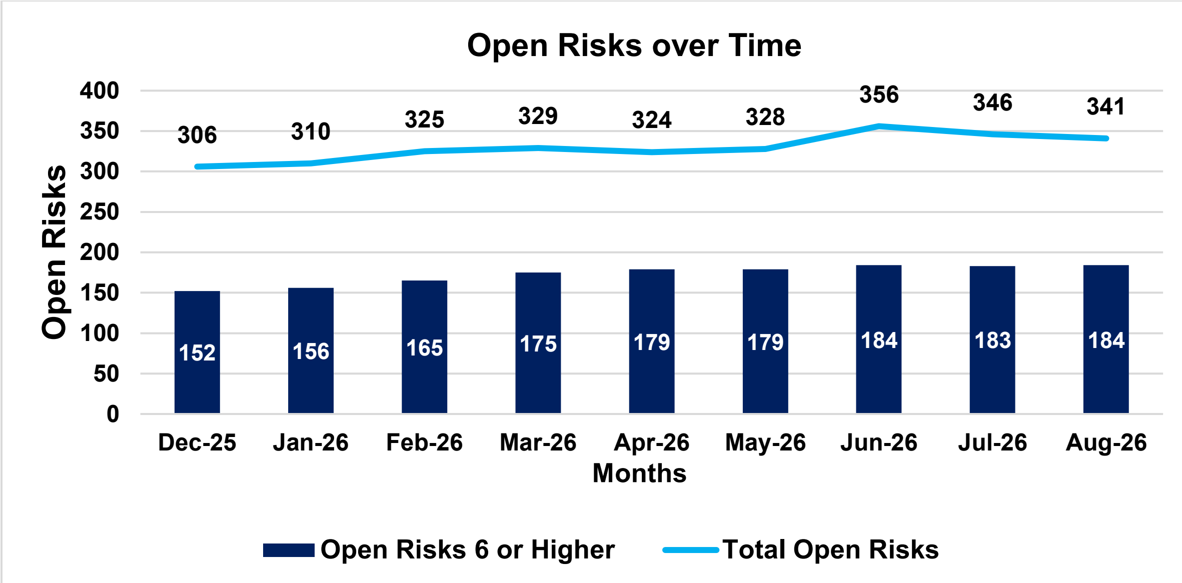


Figure 6: Open Risks Trend

Recent Risk entries continue to come from a relatively small group of Agencies, while 20 Agencies have not documented any new Risks during the past three months. This pattern should not be interpreted as confirmation that no risks exist. Rather, it suggests variations in Agency engagement and how they identify, review, and elevate potential concerns. Ongoing attention to structured risk review practices will help Agencies keep existing Risks up to date while also documenting new implementation challenges before they affect readiness activities.

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

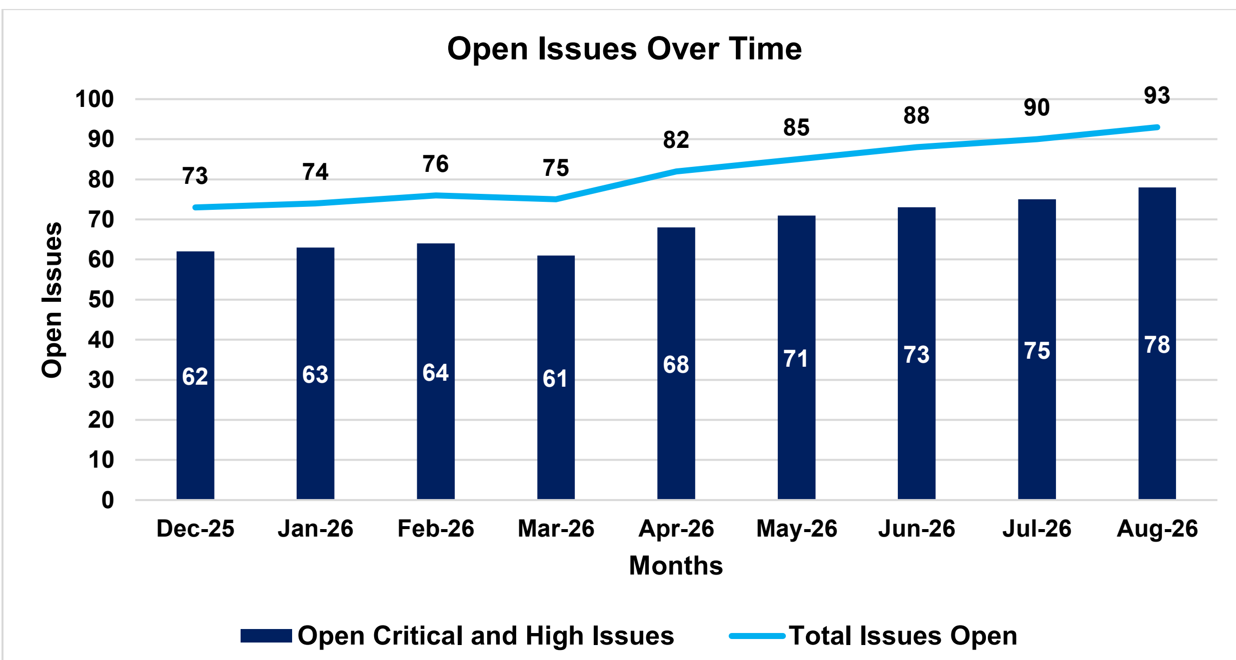


Figure 7: Open Issues Trend

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 since June are related to All Agency UAT, Interface Testing delays, Agency Business System (ABS) remediation and testing, Conversion, or Deployment/Cutover timeframes. The Table below shows the count of new Risks and Issues by category.

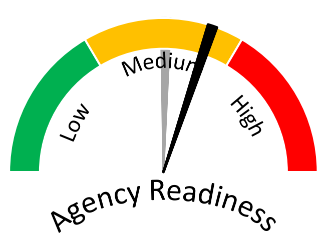
Table 5: Newly Identified Risks and Issues Category

Category	Issues			Risks		Total
	Critical	High	Low	6 or Higher	Less Than 6	
User Acceptance Testing	1	0	2	3	20	26
Interface Testing Delays	0	4	0	4	3	11
Conversion/Configuration	0	3	0	5	2	10
Deployment/Cutover	0	0	0	6	3	9
Staffing/Resource Availability	1	1	0	2	1	5
Business Process Change	0	2	0	4	1	7
Agency Business System (Remediation/Testing)	0	3	0	7	5	15
Training	0	1	0	0	0	1
Total	2	14	2	31	35	84

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

Florida PALM Agency Readiness

Focus Area Indicator and Updates



Trend: Worsening

During the planned UAT data refresh, Agencies were unable to execute UAT test cases and were encouraged to instead focus on other readiness activities, including refining testing approaches, updating test cases and user stories, reviewing configuration requirements, completing prerequisite training, and updating process documentation and Agency-specific training materials. Agencies participating in Florida PALM IV&V Touchpoints also reported progress on cutover planning, deployment activities, data migration, communications, and operational readiness.

With the continuation of All Agency UAT on 8/24/26, Agency readiness is increasingly dependent on the timely completion of the remaining testing activities. Agencies will need to validate all remaining planned user stories and applicable Florida PALM standard activities, end-to-end business processes, Interfaces, reports, Payroll-related and Year End Close (YEC) scenarios, and other critical functionalities. Agencies have also identified end-to-end Interface testing with Enterprise Partner and external dependencies, resource availability, unresolved tickets, data clarification needs, and cutover constraints as areas requiring continued attention. Additionally, one Agency-specific custom Interface has experienced periodic outages while corrective actions are being implemented. Application and environment stability will remain important so Agencies can complete planned testing, validate defect fixes, and finish readiness activities within established timelines. Agencies experiencing resource constraints may also consider evaluating available Florida PALM funding and other support options to help address staffing needs and distribute the remaining workload across critical readiness activities.

With limited time remaining before UAT completion and Go-Live, active involvement from Agency sponsors and leadership is increasingly important. Agency leadership can help reinforce readiness priorities, address competing resource demands, remove barriers, and encourage participation in key testing and readiness activities. Continued collaboration between Agencies and the Florida PALM Project Team will also remain important. Agency participation in Office Hours provides opportunities to clarify requirements, resolve questions, discuss concerns, and obtain timely guidance. As implementation approaches, early identification and resolution of questions, risks, or dependencies may help reduce schedule impacts, rework, and readiness challenges.

The Agencies could consider implementing the following Florida PALM IV&V Team recommendations:

- Develop and maintain focused execution plans for the remainder of UAT, prioritizing high-risk and agency-specific scenarios, end-to-end business processes, interfaces, reports, and other critical functions. Plans should include measurable milestones for completing remaining testing and readiness activities.
- Engage in Florida PALM Office Hours and other collaboration channels to raise questions, discuss dependencies, resolve defects, and address readiness concerns. Appropriate business and technical subject matter experts should participate to support timely issue resolution.

Prerequisite Training

Subject Matter Expert (SME) participation in All Agency UAT provides Agencies with an opportunity to validate business processes, identify issues, and incorporate lessons learned into Agency-specific documentation and training materials. Before participating in UAT activities, SMEs are expected to complete the required prerequisite training. As shown in the table below, SME prerequisite-training completion has remained consistent since March.

Table 6: Percent Complete of Assigned Prerequisite Training

	March	April	May	June	July	August	Variance from March
Number of SMEs	599	589	578	562	542	513	-86
Total Assigned Prerequisite Training	2,929	2,907	2,911	2,849	2,717	2260	-329
Total Training Complete	2,317	2,337	2,374	2,318	2,333	2172	-145
% Complete	79%	80%	82%	81%	80%	87%	+8%

With All Agency UAT scheduled to conclude 11/6/26, Agencies have limited time to complete outstanding training, apply the content to applicable UAT activities, and address related access or knowledge needs before Readiness Certification #4. The number of SMEs assigned to UAT and the number who completed their assignments both decreased in August. While the overall completion rate increased, this increase should be viewed in the context of the smaller group of assigned SMEs, which may affect the overall availability of resources to support testing and readiness activities.

The Table below shows that the average weekly completion rate for prerequisite training continued to decline in August, and, based on the current pace, projected completion dates have extended to 9/22/26 for provisioned users and 10/7/26 for all users. Although the UAT environment has been available since February, the slower completion rate leaves less time for users to apply prerequisite training during UAT and gain experience with Florida PALM processes before All Agency UAT.

Table 7: Projected Prerequisite Training Completion Timeline

	As of 3/31/26	As of 4/30/26	As of 5/31/26	As of 6/30/26	As of 7/31/26	As of 8/30/26	Variance since March
Average Completion Per Week (Provisioned Users)	3.3%	2.5%	2.5%	1.8%	1.7%	1.5%	-1.8
Projected Completion	6/3/26	7/20/26	8/16/26	9/3/26	9/14/26	9/22/26	+111 Days
Average Completion Per Week (All Users)	2.8%	2.5%	2.2%	1.7%	1.6%	1.5%	-1.3
Projected Completion	7/4/26	7/27/26	8/28/26	9/24/26	10/4/26	10/7/26	+95 Days

The Florida PALM IV&V Team recommends that Agencies consider establishing weekly targets for completing prerequisite training for critical roles through the conclusion of All Agency UAT. If those targets are not met, Agencies could consider developing a brief recovery plan that identifies outstanding users, planned completion dates, barriers to completion, and accountable management.

The Florida PALM Project Team could also consider using this information to identify Agencies that may benefit from additional support, discuss progress and obstacles during Office Hours, and determine whether targeted technical assistance or readiness outreach would be helpful to address training gaps before UAT concludes.

Agency Organizational Change Management

Agencies have discussed concerns in Florida PALM IV&V Touchpoints, the Advisory Council, and Readiness Touchpoints regarding post-Go-Live operations, readiness expectations, and the availability of Florida PALM Project-provided training materials they feel are needed to support readiness activities. With many testing, training, and implementation activities still underway, some Agencies may find it challenging to determine where to focus their efforts and assess their overall readiness for Go-Live, which could impact their confidence as implementation approaches.

Prosci® indicates that visible and engaged sponsorship is a key contributor to successful organizational change. While Change Champion Networks (CCNs) play a primary role in executing readiness activities, sponsors can help remove organizational barriers, address misconceptions, resolve competing priorities, reinforce the importance of readiness activities, and advocate for Agency needs. Continued sponsor engagement can also strengthen communication between Agencies and the Florida PALM Project Team and provide additional visibility into emerging readiness concerns.

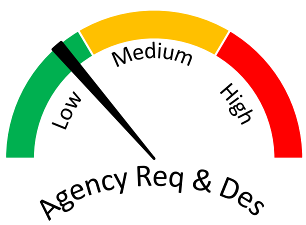
Agencies can also leverage materials previously made available by the Florida PALM Project Team to begin training end users. Although some Florida PALM Project-developed training materials and portions of the End User Manual remain in development, Agencies have access to business process documentation, process steps, demonstrations, job aids, Knowledge Center resources, and Agency-specific procedures to begin preparing end users and developing agency-specific training content. Agencies could consider establishing and communicating minimum lead-time expectations for Agency-specific training development so end-users have sufficient time to review materials, complete training, and practice operational processes in Florida PALM before Go-Live.

Readiness should continue to be monitored at both the organizational and user-role levels by each Agency. This includes tracking training assignments, completion rates, assessment results, access issues, content gaps, and remediation activities. Establishing escalation criteria for limited training lead time, low completion rates, poor assessment results, or unresolved gaps affecting critical roles can help identify potential readiness concerns early and provide additional time for corrective action. Additionally, CCNs can use the Change Impact Analysis to help Agency staff understand how their daily work will change, rather than focusing solely on enterprise-level benefits. Role-based examples that highlight specific impacts to job responsibilities and processes can help staff better understand the purpose of the change and how it may affect their work after Go-Live.

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

Agency Requirements and Design

Focus Area Indicator and Updates



Trend: No Change

The number of Knowledge Center updates increased from 117 in July to 181 in August. Most of the increase was related to report documentation, with 92 report updates recorded during the month. Of those updates, 75 involved report navigation information and did not affect report design, functionality, or data elements. Remaining updates included:

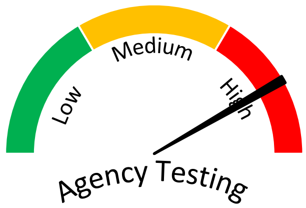
- Seven Interface updates that were primarily administrative in nature or involved description updates and did not affect Interface layouts or data elements.
- Updates to business process steps for new demonstration videos, which may support Agency training and end-user preparation.
- New process steps were also added for year-end processing and carry-forward activities.

Overall, Agencies will need to continue reviewing new and updated process documentation to determine whether changes affect Agency procedures, training materials, or test activities. The reduced number of process steps and Interface updates compared to the first few months of All Agency UAT should reduce the effort required by the Agencies to analyze and incorporate these changes.

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

Agency Testing

Focus Area Indicator and Updates



Trend: No Change

Because Agencies could not execute testing during the planned UAT data refresh, August progress is best reflected by the preparation activities completed while the environment was offline. Agencies used the downtime to prepare testing data and required inputs, including spreadsheet upload files, invoices, transactions, account codes, and allotment balances, so testing could resume quickly once the UAT environment became available. Some Agencies also reviewed and refined UAT test cases and user stories to prepare for the remainder of All Agency UAT.

When testing resumed, one Agency reported issues with refreshed data, including out-of-balance funds, encumbrances that did not convert as expected, and roll-forward processing issues. This Agency also expressed concerns that the current level of system stability does not align with the readiness expectations being placed on Agencies for Go-Live.

Through Florida PALM IV&V Touchpoints, Agencies emphasized the importance of the post-refresh testing period for completing Interface testing and validating end-to-end business processes. Successful completion of this testing also depends on the availability of Enterprise Partner systems. Agencies reported that these systems have not always been available simultaneously, which can limit end-to-end testing opportunities and affect testing schedules.

Agencies also indicated plans to expand participation beyond the SMEs who have conducted most testing activities to date by bringing additional end users into the UAT environment. Broader participation will help increase validation coverage across business processes and user roles. As the remaining UAT period is relatively short, timely engagement from end users will be important to provide sufficient testing coverage and user feedback before UAT concludes.

As documented in Finding 35, cumulative first-pass coverage rose from approximately 50% in July to 65% in August, but most of that increase came from a single Agency, as shown in the Figure below.

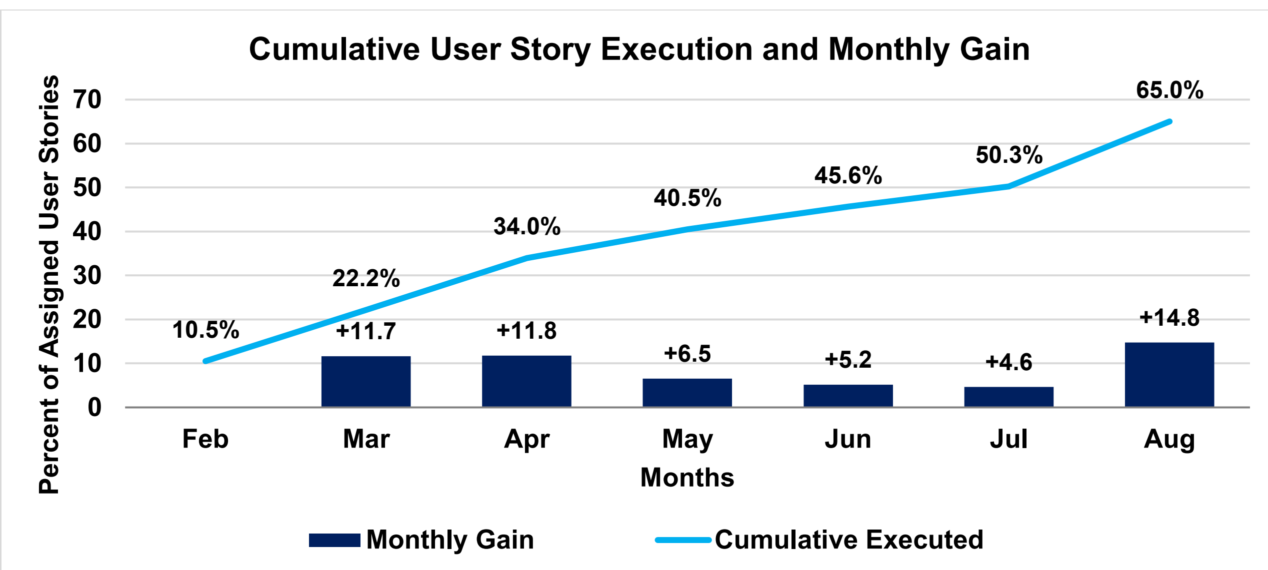


Figure 8: Cumulative User Story Execution and Monthly Gain, February through August 2026

Excluding that Agency, statewide first-pass testing coverage increased by approximately 2% during August, and approximately half of the 35 Agencies reported little or no first-pass testing progress during the month. With limited time remaining before All Agency UAT concludes, timely execution of end-to-end testing activities will be critical for Agencies to complete planned validation activities, address identified issues, and support readiness assessments before Go-Live.

Test Execution Coverage

The distribution of Agencies by testing coverage improved, with the largest group reporting more than 50% completion of their assigned User Stories. Three Agencies remain at or below 1 coverage, including one Agency that has not reported executing any assigned User Stories and another that has completed only a limited number of activities despite having approximately 200 assigned User Stories.

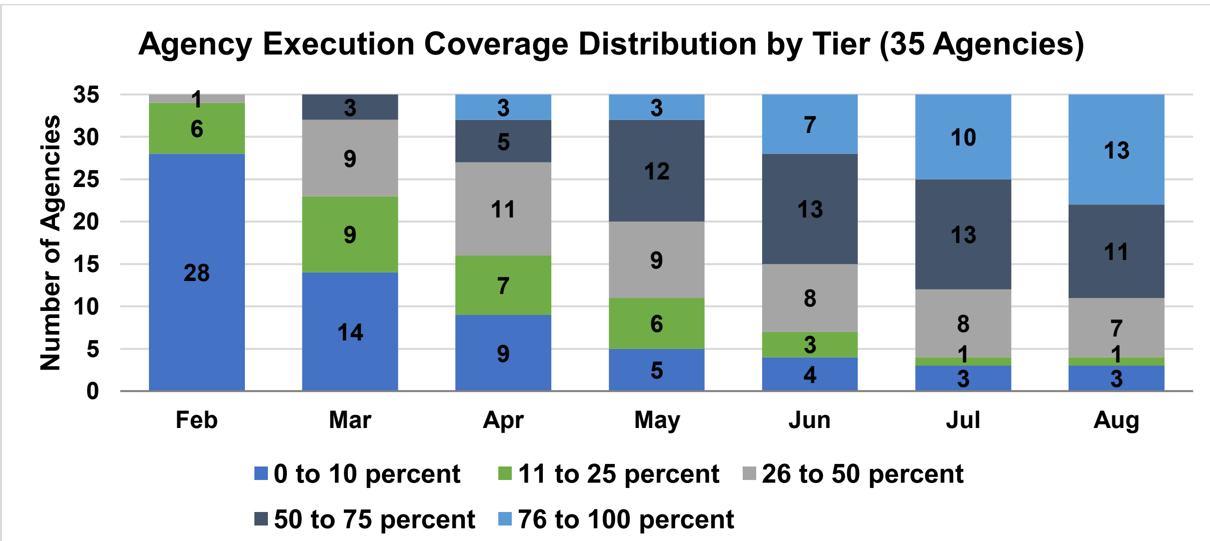


Figure 9: Agency Execution Coverage Distribution, February through August 2026

As overall statewide coverage increases, a larger share of the remaining testing effort becomes concentrated within the Agencies reporting the lowest levels of completion. With limited time remaining before UAT concludes, these Agencies have less flexibility to complete their remaining testing scope, resolve identified issues, and validate business processes before Go-Live.

Performance Ratings

Where User Stories were executed, performance outcomes remained strong, with approximately 96% of the Agencies rating them Satisfactory or Above Expectations, as shown in the Table below.

Table 8: UAT Performance Ratings Summary, June through August 2026

Metric (Month)	Above Expectations	Satisfactory	Inadequate	Total Rated
June Count	169	12,619	708	13,496
June % of Rated	1%	94%	5%	100%
July Count	235	16,189	758	17,182
July % of Rated	1%	94%	4%	100%

Metric (Month)	Above Expectations	Satisfactory	Inadequate	Total Rated
August Count	244	20,148	788	21,180
August % of Rated	1%	95%	4%	100%

Independent Testing

Independent testing hours declined from approximately 5,083 hours in July to 2,806 hours in August, a decrease of about 45%. During the same period, the number of individuals who logged into the UAT environment decreased from 897 to 738, a reduction of approximately 18%. These declines were expected due to the planned UAT environment outage for the data refresh rather than a decrease in Agency engagement. Agencies resumed testing once the environment became available.

Table 9: UAT Login Activity, February through August 2026

Measure	Feb	Mar	Apr	May	Jun	Jul	Aug
Total Login Hours	8,197	8,106	8,340	6,404	5,972	5,083	2,806
Distinct Individuals Logged In	803	782	974	883	937	897	738

Note: Login hours reflect total UAT login time. Prior-month values reflect the current data extract and may differ slightly from figures shown in earlier reports.

SNow Ticket Activity

The open Agency ticket backlog remained low and stable, consisting almost entirely of Medium-impact tickets, with no open Critical-impact tickets and one High-impact ticket, as shown in the Figure below. Open ticket volume declined during the planned UAT data refresh period, as expected. The backlog increased slightly at month-end as Agencies resumed testing and reported new issues. Overall, the backlog profile indicates that most reported issues continue to have workarounds available and are not expected to prevent Agencies from completing planned testing activities.

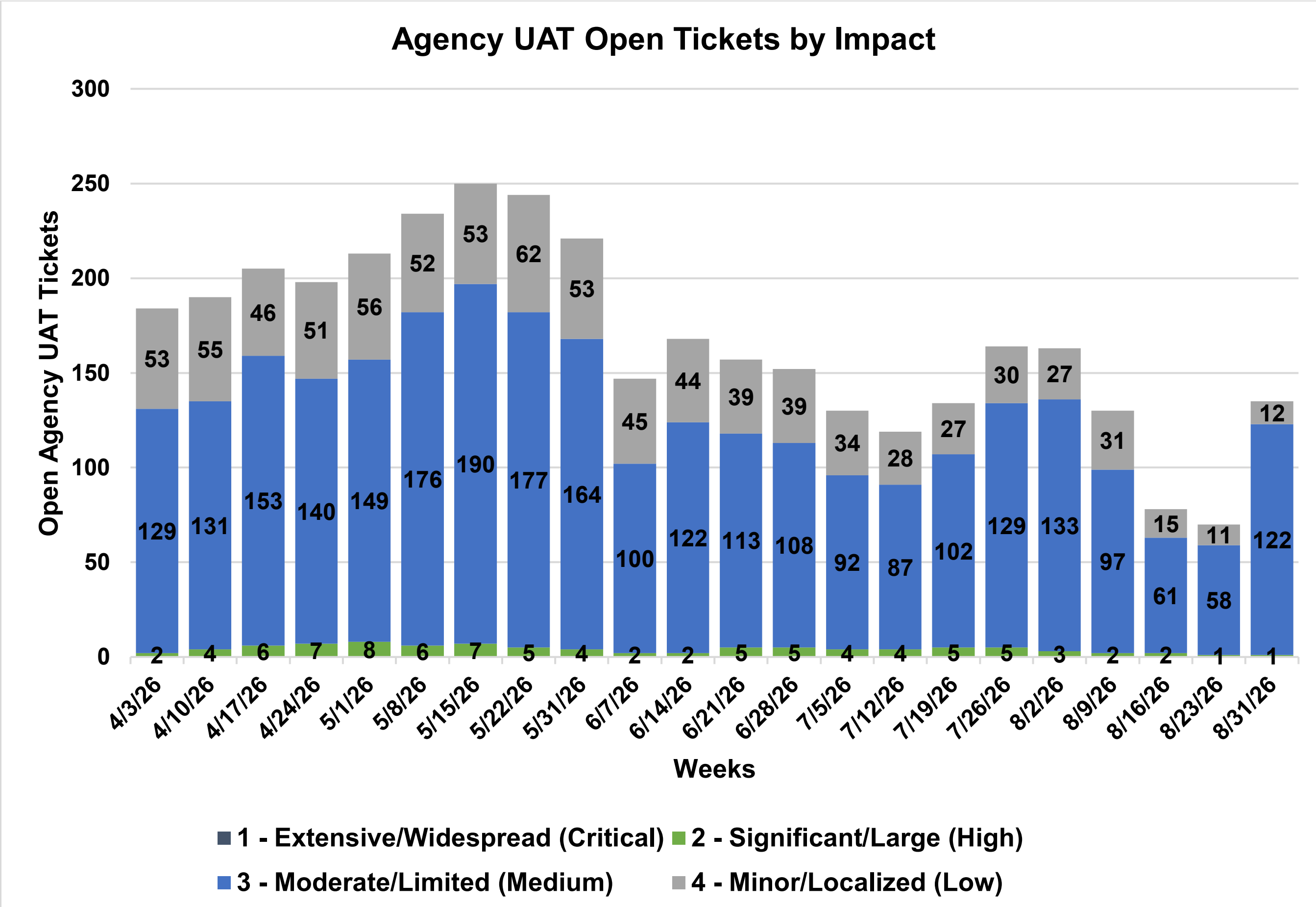


Figure 10: Agency UAT Open Tickets by Impact, April through August 2026

The categorization of tickets continues to show that most Agency-reported tickets relate to onboarding and information needs rather than system defects. Access Requests and Clarifications remain the two largest categories and together account for approximately three-quarters of all Agency tickets, while defect-related categories represent a much smaller portion of the total. As a result, Agency ticket volume alone is not a reliable indicator of system stability or testing progress. Although Agencies continued to identify questions and access needs, system validation was limited in August due to the planned data refresh.

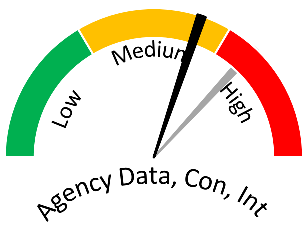
Agencies could consider implementing the following Florida PALM IV&V recommendations:

- Prioritize the remaining testing activities based on business impact, focusing on critical business processes, end-to-end scenarios, interfaces, reports, and other functions that are essential to operations after Go-Live.
- Incorporate regression testing into remaining test activities to confirm that previously validated functionality continues to operate as expected after system changes are implemented.
- Consistent with prior IV&V recommendations, Agencies that have reported limited independent testing since the start of All Agency UAT should prioritize test execution now that the UAT refresh is complete. With less time remaining before UAT concludes and Go-Live begins, delayed testing activities will be more difficult to recover later in the implementation timeline.

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

Agency Data, Conversion, and Interfaces

Focus Area Indicator



Trend: Improving

Data

Agencies completed some initial DW/BI testing before the UAT refresh. As of 8/31/26, approximately 57% of DW/BI-related test scripts had been executed. Most of this testing focused on validating overall DW/BI functionality rather than Agency-specific reporting requirements. Agencies indicated in Florida PALM IV&V Touchpoints that they plan to conduct more detailed testing of their individual reporting needs now that the UAT environment is available again.

Conversion

As part of RW Task 705, Agencies completed data-cleansing activities to support Dry Run 3. In July, the Florida PALM Project Team moved the RW Task 705 due date up from 9/4/26 to 8/21/26 to reduce potential impacts on Dry Run 3 early conversion activities. Some required data sets, including GLC001 and POC001, were not provided to Agencies until approximately one and a half weeks before the revised due date. By 8/21/26, 33 of 35 Agencies had submitted RW Task 705. Agency data quality continued to improve, with 47% fewer data errors identified in Dry Run 2 than in Dry Run 1.

Agencies are expected to complete data-cleansing activities for Dry Run 4 (RW Task 710) by 10/9/26. Completion of this task depends on the results of Dry Run 3, with Financials conversion and validation scheduled to conclude on 9/19/26. As a result, Agencies will have a limited period to review Dry Run 3 results, address any remaining data issues, and complete data cleansing activities for Dry Run 4. Timely review of conversion results and availability of Agency resources will be important to support completion of these activities within the planned timeframe.

Interfaces

As of 8/31/26, four interface connections remained in Cycle 2 testing. Three of these interfaces were requested within the last three months and are newer additions to the testing scope. All four Interfaces have been deployed to the UAT environment and are progressing through testing. Additional details are provided in Finding 33.

Agency testing of Cycle 3 Interfaces is also largely complete, with approximately 96% of Cycle 3 Interface connections tested by the Agencies. Of the 789 total Interface connections, seven Inbound and 27 Outbound remain untested. Of the Interface connections tested, approximately 93% achieved a performance rating of Satisfactory or higher.

Interface testing was paused during the two-week UAT refresh period, resulting in slower progress during August than in previous months. Based on historical testing trends, Agencies have completed an average of approximately 10.7% of Cycle 3 testing per month. At this pace, the remaining interface testing could be completed by the end of September, which aligns with the Florida PALM Project's target completion date. If needed, a contingency period is available to extend Cycle 3 interface testing through October 2026.

The Risk Rating for this Focus Area has improved from a High Risk to a Medium 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 10: IV&V Information Requests

Information Request	Date of Request	Status
None	NA	NA

Appendix A – Florida PALM Project Second Quarter Budget Release Assessment

Introduction

The Florida PALM IV&V Team has developed this assessment for the Florida PALM Project Second Quarter Budget Release. The Florida PALM IV&V Team is including in this report a focus on the following assessed areas:

- A review to determine if sufficient detail is provided to justify the release of funds.
- A review to determine if costs align with the Spend Plan.
- A review to determine if the requested funds align with the Fiscal Year (FY) 26/27 Legislative Budget Request (LBR).

The intent of the Second Quarter Budget Release is to release funds approved in FY 26/27 LBR to cover the projected Second Quarter Florida PALM Project costs. The sections below provide additional details regarding the results and recommendations.

Review Results and Recommendations

Overall, the Florida PALM IV&V Team's review of the Second Quarter Budget Release found that the release is justified and substantiated by the projected costs within the Florida PALM Project Spend Plan. The budget release also aligns with the funding approved in the FY 26/27 LBR.

Is sufficient detail provided to justify the release of funds?

Sufficient detail is provided to justify the release of funds. The Florida PALM IV&V Team reviewed the projected payment timeframes and amounts defined in the Florida PALM Spend Plan, as well as the amounts defined in the SSI Vendor Contract, and the dates for acceptance of the payment milestones in the Florida PALM Project Schedule. This information was compared to the Second Quarter Budget Release to ensure alignment from both a timing and an amount perspective, and no variances were observed.

Recommendation

The Florida PALM IV&V Team does not have any further recommendations for the Florida PALM Project Team.

Does the cost align with the Spend Plan?

The amounts in the Second Quarter Budget Release are aligned with the projected costs in the Florida PALM Project Spend Plan, as well as the amount in the SSI Vendor Contract for the paid deliverables and projected costs for other support services.

Recommendation

The Florida PALM IV&V Team does not have any further recommendations for the Florida PALM Project Team.

Does the request for funding align with the FY 26/27 LBR?

The Florida PALM IV&V Team compared the Second Quarter Budget Release to the funding defined in FY 26/27 LBR. The Florida PALM IV&V Team found the Second Quarter Budget Release was consistent with the previously released and unreleased funds identified in the FY 26/27 LBR.

Recommendation

The Florida PALM IV&V Team does not have any further recommendations for the Florida PALM Project Team.

Appendix B – 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 11: 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 12: 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 13: Risk Priority Ratings

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

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

Table 14: 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.