Florida Department of Financial Services

Planning, Accounting, and Ledger Management Project

Independent Verification and Validation

Monthly Assessment Report

July 2026

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Table of Contents

Executive Summary

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

- The overall Florida PALM Project Risk Rating remained High due to:
  - Limited User Acceptance Testing (UAT) execution, with cumulative first-pass UAT coverage at approximately 50% as of 7/31/26.
  - Continued growth of system stability-related ticket backlog and open High-impact tickets across key functional areas.
  - Uneven Agency readiness related to end-user engagement, training completion, process documentation, testing coverage, and cutover planning.
  - Performance testing dependencies and unresolved batch processing concerns.
- Finding #40 was opened to document a risk related to incomplete testing of high-volume critical batch jobs, extended Interface file runtimes, and the lack of a consolidated view of total batch processing performance under production-level volumes.
- Finding #38 was closed due to sustained improvement in Interface Testing Cycle 3 results, including fewer tests marked Inadequate and more tests marked Satisfactory.
- Florida PALM Testing remains High Risk because system stability-related defects and open High-impact tickets continue to affect key functional areas, including System Design, Payroll, Accounts Payable, General Ledger, Encumbrances, and batch scheduler tool.
- Agency Testing remains a High Risk because approximately 50% all User Stories have been tested with more than half of the UAT timeline transpired, while execution pace declined for a fourth consecutive month, and independent testing hours reached their lowest level since testing began.
- Agency Data, Conversion, and Interfaces remains High Risk due to limited Data Warehouse/Business Intelligence (DW/BI) testing by most Agencies, incomplete Interface tests for Cycle 2 interfaces, and the volume of Cycle 3 Interface testing that remains to be completed after the UAT data refresh.

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. Cumulative Agency UAT coverage remains at approximately 50%, with more than half of the UAT timeline transpired, while testing execution rates have declined for four consecutive months, and important end-to-end business process validation activities remain incomplete. Agencies also continue to report uneven progress in end-user engagement, training completion, process documentation, and cutover planning. Performance testing also remains incomplete, with unresolved batch-processing concerns and outstanding dependencies that affect the Florida PALM Project Team's ability to fully validate operational performance requirements. The ticket backlog for system stability-related defects continues to grow steadily. Collectively, these conditions reduce schedule flexibility, limit readiness assurance, and warrant continued monitoring as the Florida PALM Project moves toward implementation.
Florida PALM Project Management	Medium	Medium	No Change	The Risk Rating for this Focus Area remains a Medium Risk. The Schedule Performance Index (SPI) remains at 0.98, indicating the Florida PALM Project is progressing slightly behind schedule. There are 87 Delayed Tasks related to the Training build and the end-user manual. While Decision 385 was approved to change and re-baseline many of these Delayed Tasks, the timing of the

Focus Area	Last Month Indicator	Current Month Indicator	Trend	Update Summary
				updates may have contributed to the Delayed Task count. There were several updates to existing risks centered around mitigation and staffing difficulties. Additionally, Issue #40 was opened regarding Interface abends and batch disruptions.
Florida PALM Organizational Change Management	Low	Low	No Change	The Risk Rating for this Focus Area remains a Low Risk. In July, the Florida PALM Agency Readiness Team continued advancing Agency Organizational Change Management (OCM) efforts beyond awareness and desire toward building knowledge, ability, and reinforcement by promoting end-user engagement, Agency-specific training development, knowledge sharing, and deployment readiness activities.
Florida PALM Requirements and Design	Low	Low	Improving	The Risk Rating for this Focus Area remains Low Risk and is improving from Medium Green to Low Green. All functional designs have been completed and approved, including those related to Florida PALM Project Decisions DE379 and DE380.
Florida PALM Development	Low	Low	No Change	The Risk Rating for this Focus Area remains a Low Risk. There are four Reports, Interfaces, Conversions, Enhancements, Forms, and Workflows (RICEFW) items still in development. Two are currently in review, and two were recently implemented in the production system and need to be incorporated and tested as part of the Financial Wave.
Florida PALM Testing	High	High	Worsening	The Risk Rating for this Focus Area remains a High Risk, and is worsening from Low Red to Medium Red. Despite a reduction (-11%) in overall testing ticket intake (791) during July, growth in both the system stability backlog and open High-impact tickets indicates that issue resolution has not outpaced new or recurring issue identification. As of month-end, 488 system stability tickets

Focus Area	Last Month Indicator	Current Month Indicator	Trend	Update Summary
				remained open, with 65 identified as High-impact. The concentration of High-impact open tickets is in System Design, Payroll, Accounts Payable, General Ledger, and Encumbrances. System Design changes may affect previously tested functionality and could require additional validation to support confidence in prior PALM Testing and User Acceptance Testing results. The presence of three open High-impact batch scheduler tool issues indicates that remediation of critical automated processing with potential downstream impacts is ongoing as system stabilization activities continue.
Florida PALM Data, Conversion, and Interfaces	Medium	Medium	No Change	The Risk Rating for this Focus Area remains a Medium Risk. While Data and Interface activities remain stable, conversion schedule delays warrant continued management attention to ensure lessons learned are applied, and downstream impacts are avoided.
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. Several critical tasks require continued oversight to maintain Go-Live preparedness. Near-term monitoring should prioritize Readiness Workplan (RW) Task 705 – Complete Data Cleansing in Preparation for Dry Run 3 and RW Task 704 – Maintain Role Mapping Worksheet, both due 8/21/2026. Nineteen Agencies remain at 25% or below completion for RW Task 705, and 11 Agencies remain at 25% or below completion for RW Task 704. Monitoring should also include RW Task 586 – Create Agency Deployment Plan and Cutover Checklist to Prepare for Go-Live, due 9/11/2026, where 21 Agencies remain at 25% or below completion and coordinated deployment and cutover planning are required. While Agency-reported risks have declined, open issues continue to trend upward, with UAT, interface testing delays, conversion activities, deployment planning, and staffing constraints representing the most common sources of newly identified risks and issues. Continued monitoring of task progress, proactive risk identification, and timely resolution of implementation challenges will be essential to sustain momentum and support successful Florida PALM readiness efforts.
Florida PALM Agency Readiness	Medium	Medium	Worsening	The Risk Rating for this Focus Area remains a Medium Risk but is worsening from Medium Yellow to High Yellow. Agency readiness increased from Low-Medium to High-Medium risk. While Agencies continued to make progress in Readiness Certification #3, UAT execution, data cleansing, conversion preparation, and configuration management, concerns remain regarding end-user engagement, testing coverage, training completion, process documentation, and cutover planning. Staffing constraints, competing priorities, and uneven readiness progress

Focus Area	Last Month Indicator	Current Month Indicator	Trend	Update Summary
				continue to present risks. As UAT timelines tighten, Agencies should focus on completing critical readiness activities, increasing end-user participation, and strengthening post-Go-Live support planning to reduce implementation risk.
Agency Requirements and Design	Medium	Low	Improving	The Risk Rating for this Focus Area is decreasing from a Medium to a Low Risk. The number of updates to the Florida PALM Knowledge Center have been lower over the last three months than in the first three months of UAT. Also, there was a drop in the number of interface design updates (nine versus an average of 16.6), and the changes were mainly to the interface tips section (six of the nine changes) and did not impact the actual interface layout or processing rules.
Agency Testing	High	High	No Change	The Risk Rating for this Focus Area remains a High Risk. Cumulative first-pass UAT coverage reached approximately 50 percent as of 7/31/26, but the monthly pace of execution declined for a fourth consecutive month, and independent testing hours fell to their lowest level since testing began. If this pace continues into the post-refresh window, then a full first pass of assigned User Stories may not be completed before All Agency UAT closes, so end-to-end validation of critical business processes would be compressed into the limited time remaining before Go-Live.
Agency Data, Conversion, and Interfaces	High	High	No Change	The Risk Rating for this Focus Area remains a High Risk. *Data* Agencies that have tested creating DW/BI reports have noted a steep learning curve because of limited knowledge of the underlying data structure and the need for extensive Structured Query Language (SQL) experience. Most Agencies (about three-fourths) have not extensively tested DW/BI functionality and will need to incorporate this into UAT after the UAT refresh. *Conversion*

Focus Area	Last Month Indicator	Current Month Indicator	Trend	Update Summary
				Agencies have started data cleansing of Dry Run 2 data in preparation for Dry Run 3. Data cleansing is targeted for completion by 8/21/26. So far, the results from Dry Run 2 conversion show a decrease in the number of records that require cleansing. Given the decreased number of errors and the history of Agencies completing data cleansing on time, it is likely that Agencies will complete the data cleansing by 8/21/26. *Interfaces* There are ten interfaces still in Cycle 2 Interface testing. Seven of these are new interface connection requests identified in June or July, and three are awaiting resolution of errors from the last round of testing. Agencies should begin developing workaround plans if these interfaces are unavailable for at least six months after go-live. Overall, 94% of the Cycle 3 interfaces have been tested, and Agencies were targeting to test the rest prior to the start of the UAT refresh on 8/7/26.
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: Significant

Probability: Likely

Priority: High

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

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.

Criteria: Florida PALM Project requirements 100.0287 and 100.0296 establish that the system should support batch processing in a manner that does not adversely affect online system responsiveness or availability during normal business hours and should be capable of processing batch volumes of at least 1,000,000 transaction rows within established batch processing timeframes

Cause: Performance testing has identified Interfaces with processing times exceeding expected operational batch windows, while high-volume testing of critical batch jobs remains incomplete. Additional factors contributing to this risk include the timing of identifying required high-volume test files, validation of expected file volumes, performance considerations for delivered system functionality in certain scenarios, and infrastructure capacity requirements identified during testing.

Effect: Additional batch processing performance considerations may not be fully understood until the remaining high-volume testing activities are completed. This may limit the Florida PALM Project Team's ability to fully assess whether critical batch processes can be completed within established operational timeframes and without impacting system availability or responsiveness during normal business operations. Any performance issues identified later in the testing lifecycle may require additional analysis and mitigation activities prior to Go-Live.

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

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
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.

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.
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).

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

Status Update: Three remaining Interface connections have not yet completed Interface Testing Cycle 2. While testing for these Interfaces is in progress, completion is dependent on the resolution of issues and/or data corrections from the Interface partners. To Go-Live with Florida PALM in January 2026, these remaining Interface tests for Cycle 2 must be completed by 8/7/26.

Additionally, seven new Interface connection requests were submitted by three Agencies in June and July. One of the newly requested Interfaces has been completed and tested, and the remaining six are associated with asset management in terms of either physical inventory files or asset transfers, and while they have not started testing as of 7/31/26, they may not be immediately required at go-live.

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

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

Status: In Process

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

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

Status: Closed

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

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

Status: In Process

Update: Testing has continued on all but six of the remaining Interface tests for Cycle 2.

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: The Florida PALM IV&V Team continues to observe inconsistencies in the documentation and testing evidence provided for design changes, including limited traceability between implemented changes and the associated System and Regression Test Scripts. On average, approximately 23 tickets per month have been classified with a root cause of "design defect." Resolution of these defects may require updates to design documentation, execution of additional testing activities, and assessment of potential impacts to existing Regression Test Scripts.

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

Status: Not Started

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

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

Status: In Process

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

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

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

Status Update: Agency testing progressed at an average rate of approximately 10% per month from February through May, compared to approximately 5% per month during June and July. Agencies have indicated in Florida PALM IV&V Touchpoints that Agency Year-End Closing (YEC) activities affected the pace of testing during this period.

As of 7/31/26, Agencies reported completion of approximately 50% of planned UAT activities, with testing of Florida PALM Project Recommended Activities approximately 72% complete. An increased rate of testing completion following the UAT data refresh will be needed to support the planned completion of Agency UAT activities by November 2026.

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 developed mitigation plans as part of Agency Readiness Certification #3, outlining the approach and steps to complete the remaining testing prior to the end of All Agency UAT.

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

Status: In Process

Update: Agencies are providing their Sponsors with progress updates on UAT. Following completion of the UAT data refresh, Agency resources are expected to have increased capacity to support testing activities due to the completion of YEC activities and the planned expansion of UAT participation to include additional end users.

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: Approximately one-third of Agencies have reported in Florida PALM IV&V Touchpoints that they have implemented incentives and team-building activities to motivate and reward employees for supporting UAT.

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

Date Opened: 3/31/26		
Finding Description: Florida PALM has been available in the UAT environment since February, but Agency participation varies. Some Agencies have decided not to allow end-users access until after the YEC in July or following the All Agency UAT data refresh in August. Given that Agencies have previously reported the lack of a demo environment as challenging for anticipating business process impacts and adequately preparing for testing, not providing end users with access to the system at this stage does not appear to be a reasonable approach.		
Current Impact: Significant	**Previous Impact:** Significant	**Trend:** No Change
Current Probability: Probable	**Previous Probability:** Probable	**Trend:** No Change
Current Priority: High	**Previous Priority:** High	**Trend:** No Change

Status Update: The Florida PALM IV&V Team observed a 4% increase in end-user access to the UAT environment alongside a 19% decrease in system usage hours. While more end users accessed the system, overall testing activity per user was lower than in the previous month. Continued monitoring of end-user participation and testing activity remains important to ensure users have sufficient opportunity to gain experience with Florida PALM before Go-Live.

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

Status: In Progress

Update: Agencies reported during Florida PALM IV&V Touchpoints that they plan to expand hands-on exposure to Florida PALM following the UAT data refresh by involving additional end users and broader testing groups. Agencies also described strategies to increase participation, including training during the downtime, user readiness reviews, and post-refresh updates to testing plans.

Recommendation #2: Encourage end users who are less familiar with Florida PALM to explore both standard and non-standard workflows to identify potential system weaknesses. While standard business process testing remains important, scenario-based testing can help identify issues that may not surface through prescribed procedures alone.

Status: In Progress

Update: As of 7/31/26, an average of 60% of total end users at Agencies with more than 40 end users had access to the UAT environment, compared with 96% of total end users at Agencies with fewer than 40 end users. These larger Agencies will have increased responsibility to engage their remaining end-user population and to provide sufficient opportunities for hands-on exposure to Florida PALM post-UAT data refresh.

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		
Finding Description: The Performance Testing Segment I completion date is scheduled for 7/10/26. Eleven testing tasks remained in progress as of 6/30/26, and a High-impact ticket has been open for more than 60 days, making it unlikely that all remaining work will be completed by the planned finish date.		
Current Impact: Medium	**Previous Impact:** Medium	**Trend:** No Change
Current Probability: Likely	**Previous Probability:** Likely	**Trend:** No Change
Current Priority: Medium	**Previous Priority:** Medium	**Trend:** No Change

Status Update: While execution of Performance Testing Segment I Test Scripts has been completed, not all exit criteria have been satisfied. Completion also remains dependent on approval of Florida PALM Project Decision DE386, which includes deferrals of certain batch performance testing activities and testing related to the completed PeopleTools upgrade. Performance Testing Segment II was able to commence in July, even though approval of DE386 and completion of the remaining Segment I exit criteria were still pending.

Recommendation #1: Work with the SSI Vendor to develop a mitigation plan for resolving the load balancer constraints, Identity Access Management (IAM) capacity limitations, SQL performance issues, and batch data file gaps, including owners, target completion dates, and escalation paths.

Status: In Process

Update: The load balancer capacity was temporarily increased by applying a higher-performance license on a trial basis. The Florida PALM Project Team should continue to monitor and track the remaining mitigation activities, including application optimization efforts and the resolution of batch data file gaps, with clearly assigned owners and target completion dates.

Recommendation #2: Ensure that sufficient infrastructure capacity, user licenses, and supporting resources are available to execute Employee Self-Service (ESS) testing at the expected peak user volume before proceeding with Performance Testing Segment II and testing of the PeopleTools upgrade.

Status: In Process

Update: Although load balancer capacity has temporarily been increased by applying a higher-performance license on a trial basis, optimization activities remain in progress to further reduce CPU utilization and validate that the environment can support the expected ESS peak user volumes during Segment II testing

Recommendation #3: Establish firm deadlines and accountability for obtaining the required batch files and validate that the data volumes sufficiently represent expected production processing loads.

Status: In Process

Update: File availability and low-volume batch files are being tracked across multiple Jira tickets. Completion of DE386 is needed to validate the inventory of missing or insufficient batch files, assess whether available file volumes are representative of production processing loads, and determine any resulting impacts on the scope and execution of batch performance testing for Performance Testing Segment II.

Recommendation #4: Conduct daily or biweekly standups to review remaining testing tasks, open defects, environment constraints, and dependency status until all Performance Testing Segment I exit criteria have been satisfied.

Status: In Process

Update: Daily Performance Testing meetings have been established to review testing progress, discuss issues, and track resolution activities.

Closed Findings

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

Date Opened: 5/31/25

Date Closed: 7/31/26

Rationale for Closing: The percentage of Cycle 3 Interface tests assessed as "Inadequate" has continued to decline over the past several months. Additionally, many Interface tests previously rated as "Inadequate" have since been reassessed and determined to be "Satisfactory" by the Agencies, indicating continued progress in addressing identified issues and improving test results.

Metrics Related to Findings

The Figure below shows the open, closed, and new Findings identified by the Florida PALM IV&V Team. One Finding was opened this month. There are five open Findings and 22 closed Findings.

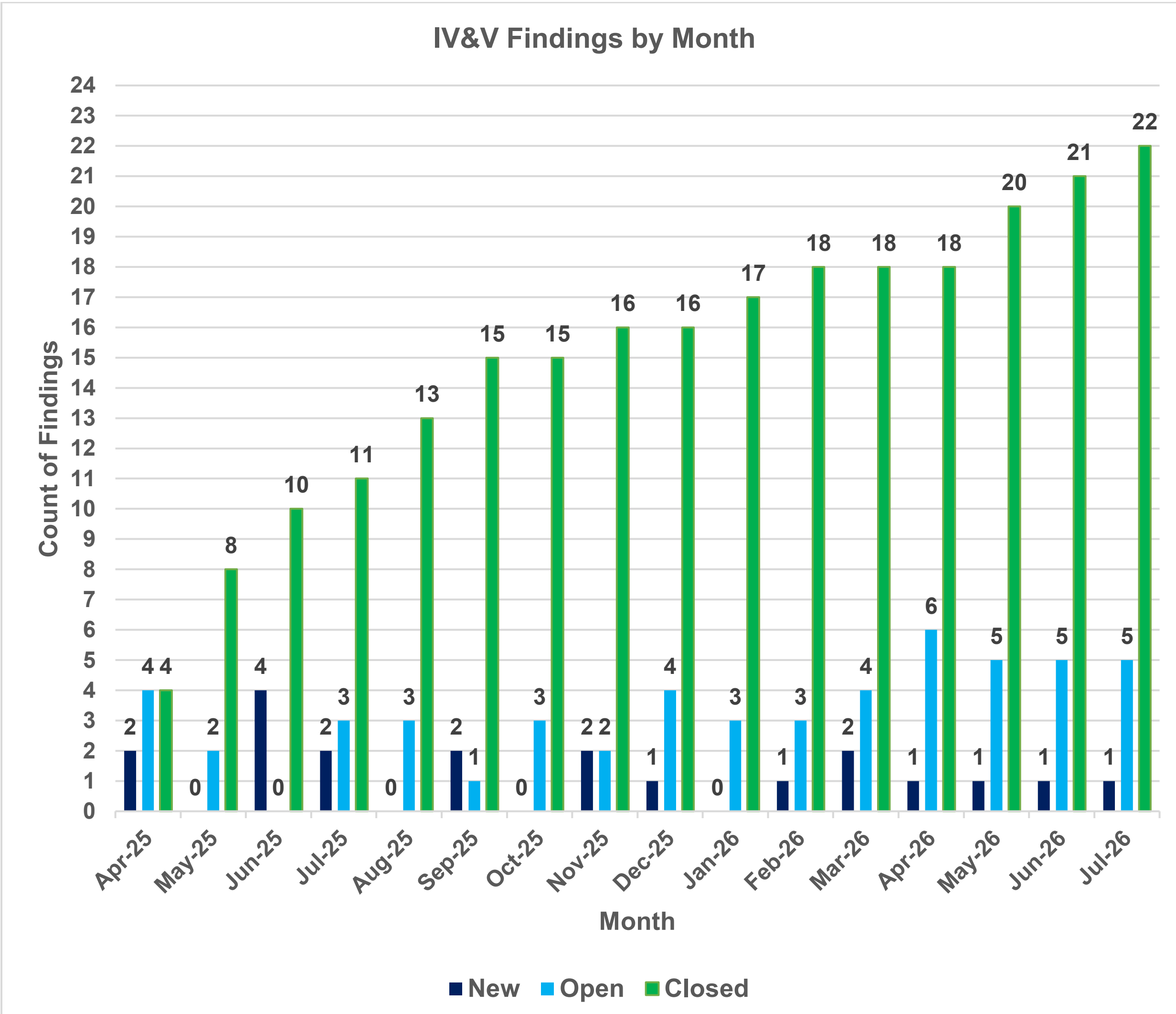
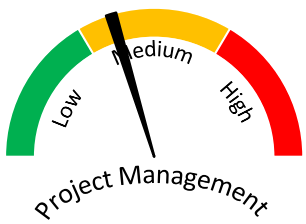


Figure 1: Florida PALM IV&V Findings by Month

Florida PALM Project Focus Area Updates

Florida PALM Project Management

Focus Area Indicator[1]



Trend: No Change

The Florida PALM IV&V Team monitors schedule performance by reviewing key measures such as the 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 Indicator

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

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

Delayed Tasks

Delayed Tasks increased from 66 in June to 87 in July, with 28 of the Delayed Tasks on the Critical Path. Key categories include:

- I-WP110 – Training Build Design Materials with 28 Delayed Tasks.
- I-WP112 – End User Manual with 26 Delayed Tasks.
- WP402 – Requirements Traceability Matrix with four Delayed Tasks.

The increase in Delayed Tasks, particularly within Training Build Design Materials and the End User Manual, may affect the timely development and delivery of end-user training and readiness materials.

Planned-vs-Actual Progress

The number of Florida PALM Project tasks where reported progress aligned with planned progress increased from 176 to 243, while the number of tasks with delayed or no reported progress decreased from 17 to 15. The largest variances between planned and actual progress were associated with:

- WP402 – Requirements Traceability Matrix.
- D674 – Completion of Penetration Testing.
- Quality Assurance Testing – Pay Cycle Run Control Update Program (APE021).

[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 reflected in the Delayed Tasks above.

The increase in tasks progressing as planned and the reduction in tasks with delayed or no reported progress indicate improved schedule execution. Continued attention to the tasks with the largest variances between planned and actual progress will be important to confirm that remaining schedule variances do not affect testing completion, requirements traceability, or readiness activities supporting Go-Live

Florida PALM Project Decisions

Florida PALM Project Decision DE385 was approved, updating the Florida PALM Project Schedule to rebaseline key training (I-WP110) and end-user documentation (I-WP112) activities, remove redundant testing tasks, and eliminate obsolete work. The revisions aligned the Schedule with current planning assumptions and the remaining Florida PALM Project activities, but were not incorporated into the End-of-Month (EOM) Schedule. As a result, I-WP110 and I-WP112 appear as Delayed Tasks.

Florida PALM Project Risks and Issues

The Florida PALM IV&V Team reviewed updates to Florida PALM Project Risks and Issues to assess potential impacts on schedule, readiness, stakeholder alignment, staffing, and operational processing. Several Risks were updated to reflect increased likelihood, changing trends, or expanded mitigation activities. In addition, a new Issue was opened to address Interface batch processing failures that could disrupt downstream processing.

Key updates included increased risk ratings for resource retention (Risk #1) and stakeholder alignment (Risk #2), both of which now have risk scores of 9. Risk #4, related to Agency participation and readiness, remains active with an increasing risk trend and additional mitigation activities focused on improving visibility into Agency readiness, participation, and support needs. Risk #14 was also updated to align with these enhanced readiness monitoring activities.

Issue #40 was opened to address failures in Financial and Payroll inbound Interface batch processing. The planned solution will modify batch scheduling to process files separately by Agency or Enterprise Partner, allowing unaffected files to continue processing when individual files fail.

The increase in several key Risks indicates growing challenges related to staffing, stakeholder expectations, and Agency readiness as the Florida PALM Project approaches critical readiness and governance decision points. While mitigation activities are expanding, increasing risk trends in these areas could affect readiness assessments, decision-making confidence, and the ability to maintain planned implementation timelines. The new Interface processing Issue also highlights an operational defect that could result in processing delays affecting multiple Agencies and Enterprise Partners.

Resource Management

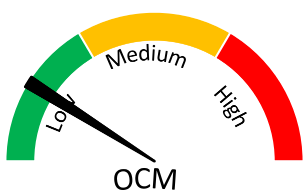
The Florida PALM IV&V Team recognizes that the Florida PALM Project Team continues to actively recruit for vacancies across multiple workstreams. Risk #1, which addresses staffing and resource continuity, was updated to reflect the potential challenges associated with filling these positions. While the 85% staffing threshold established in the Florida PALM Project Management Plan provides a useful measure of overall resource levels, successful staffing also depends on filling critical roles with individuals who possess the appropriate experience, technical expertise, and role-specific knowledge. Timely placement of qualified resources can help support project continuity and minimize potential impacts to schedule execution, quality, decision-making, knowledge transfer, and overall project delivery.

The Florida PALM IV&V Team also continues to monitor SSI Vendor technical and functional staffing levels and ticket resolution performance. Although staffing levels declined only slightly during the reporting period, the number of tickets closed decreased as well. This trend may warrant continued monitoring to ensure available resources remain aligned with current and anticipated workload demands. If ticket volumes continue to increase or closure rates decline, there could be impacts to ticket backlog, aging, resolution timeliness, and overall work quality. The Florida PALM IV&V Team recommends that the SSI Vendor consider periodically assessing staffing capacity against current and projected ticket volumes, closure trends, backlog levels, ticket aging, and quality metrics to confirm that resources remain sufficient to support Florida PALM Project needs.

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

Florida PALM Organizational Change Management

Focus Area Indicator



The Florida PALM Agency Readiness Team continues to expand OCM support, knowledge-sharing opportunities, and readiness resources to help Agencies prepare for deployment. The effectiveness of these efforts will depend on the Agencies' ability to apply this guidance through Agency-specific training, business process documentation, end-user engagement, and testing participation. Continued monitoring will be important to confirm that increased readiness activities improve user preparedness, operational readiness, and confidence before Go-Live.

Trend: No change

RCs continued engaging Agencies regarding their OCM efforts, identifying opportunities for knowledge sharing among similar Agencies, and discussing approaches to testing management, UAT participation, and deployment preparation. The Florida PALM Knowledge Center was also updated to organize UAT content by Business Process Group (BPG), with demonstration videos and related materials consolidated into the "Complement Your Knowledge" section. These changes support a transition from a testing-focused structure to a more operationally oriented reference resource.

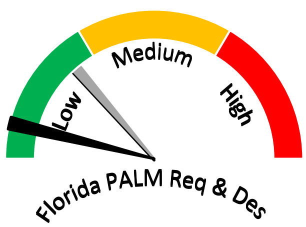
The Florida PALM Agency Readiness Team continued to encourage Agencies to leverage Office Hours for clarification and knowledge sharing, engage end users in Florida PALM prior to the August UAT data refresh, update Agency-specific business process documentation and training materials, and maintain focus on Agency-specific OCM activities. Through Thursday Task Talks and the OCM Minute series, the Florida PALM Agency Readiness Team reinforced the importance of ongoing data maintenance, timely review of error logs and conversion results, and preparation for upcoming data refresh activities.

The Florida PALM IV&V Team observed that some Agencies continue to rely primarily on Florida PALM-provided training materials and job aids. The Florida PALM Agency Readiness Team has continued to emphasize the importance of Agencies developing their own specific training materials, business process documentation, and operational procedures. Agencies have also been encouraged to maximize remaining testing opportunities, expand end-user participation, and refine training content to strengthen user readiness and confidence prior to Go-Live.

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

Florida PALM Requirements and Design

Focus Area Indicator



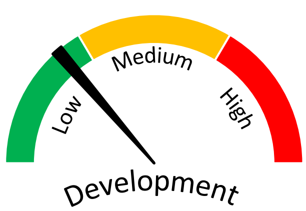
Trend: Decreasing

All remaining FDs have been completed and approved, including those related to Florida PALM Project Decisions DE379 and DE380.

The Risk Rating for this Focus Area remains a Low Risk, and is decreasing from High to Low Green.

Florida PALM Development

Focus Area Indicator



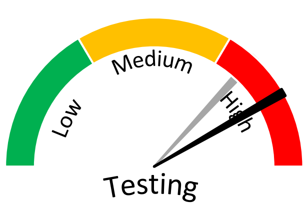
Trend: No Change

Development of four remaining RICEFW Items is in progress. Two AD documents are currently under review and are approximately three weeks behind schedule, but this delay is not expected to impact downstream activities. The other two AD documents were recently implemented in the Production environment and must be incorporated into the Financial Wave build and validated through testing. Completion of these activities is targeted for 9/5/26.

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

Florida PALM Testing

Focus Area Indicator



Trend: Worsening

Ticket Trends

Approximately 791 tickets were logged in July, representing an 11.2% decrease from June. Of the tickets logged during the month, 48% were related to system stability. Despite this reduction in the volume of new tickets, the system stability backlog increased by 5%. Additionally, the number of Critical and High-impact system stability tickets increased from 52 to 65, reflecting growth in both the intake and backlog of higher criticality tickets.

Newly logged High-impact tickets were concentrated within System Design, Accounts Payable, General Ledger, and Asset Management. This concentration may warrant additional root cause analysis and validation to help limit further backlog growth.

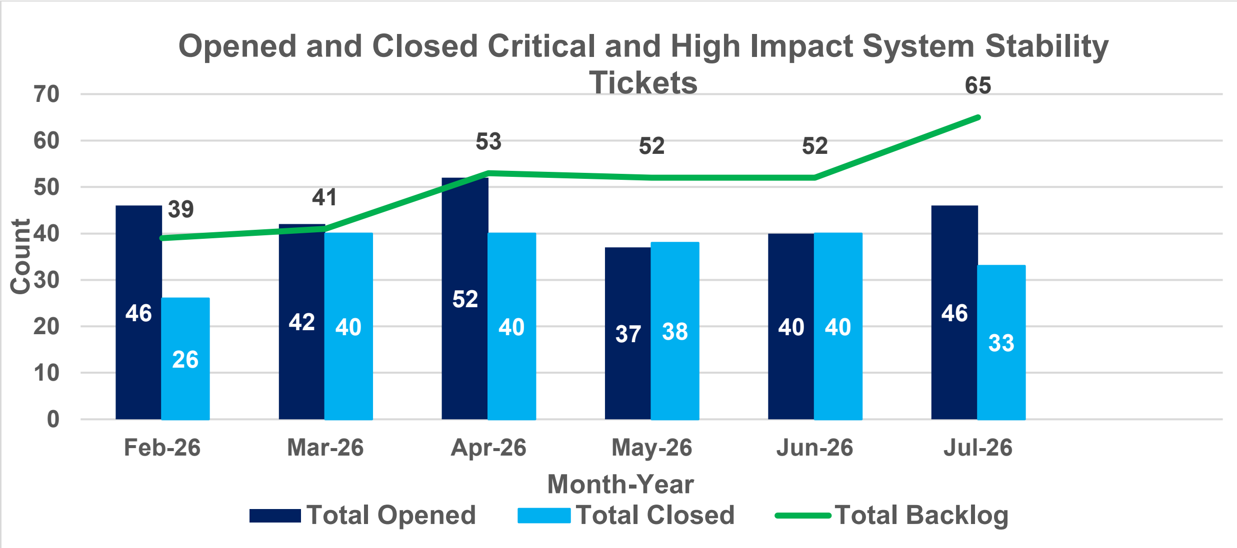


Figure 2: Opened and Closed Critical and High Impact System Stability Tickets

Medium-impact system stability tickets also increased, resulting in a 20% net increase in the backlog. Newly logged Medium-impact tickets were concentrated in Accounts Payable, Payroll, Asset Management, and General Ledger.

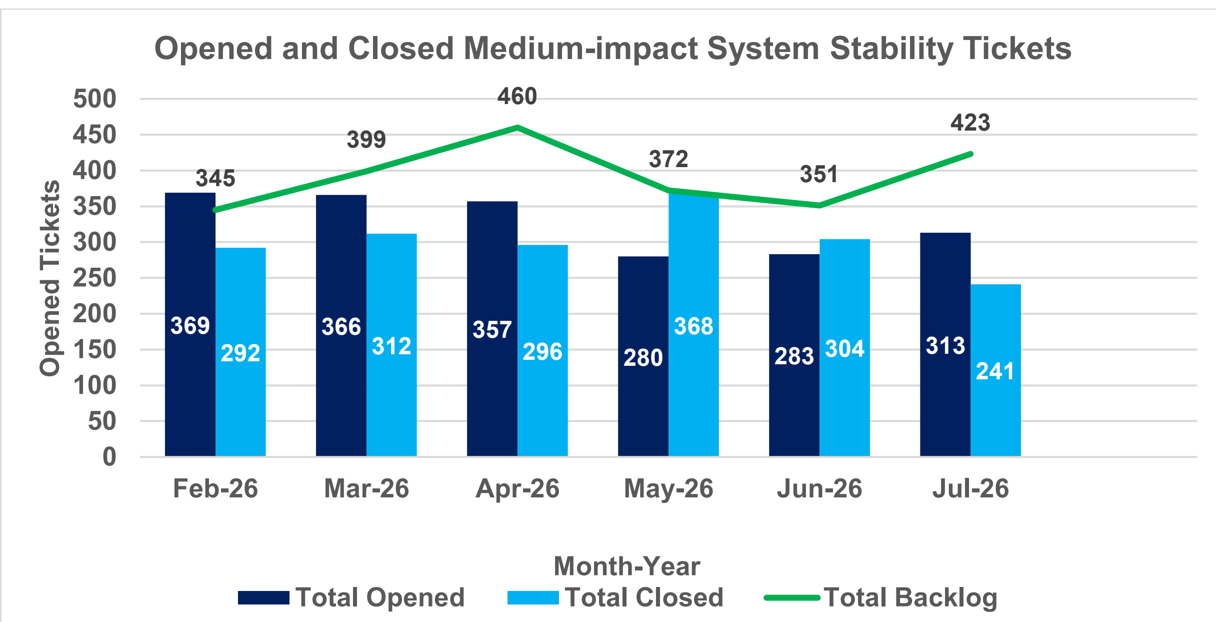


Figure 3: Opened and Closed Medium-impact System Stability Tickets

While ongoing testing activities are expected to identify previously unknown issues, a sustained or increasing volume of tickets may indicate that the underlying problems require additional root cause analysis and test validation prior to closure. The accumulation of unresolved tickets across multiple impact levels within key Financial and Payroll processes may increase the scope of remediation, regression testing, and retesting of business processes available prior to implementation.

The Figure below illustrates the open backlog related to system stability by area and impact. These open tickets are driven not only by volume but also by the distribution across functional areas.

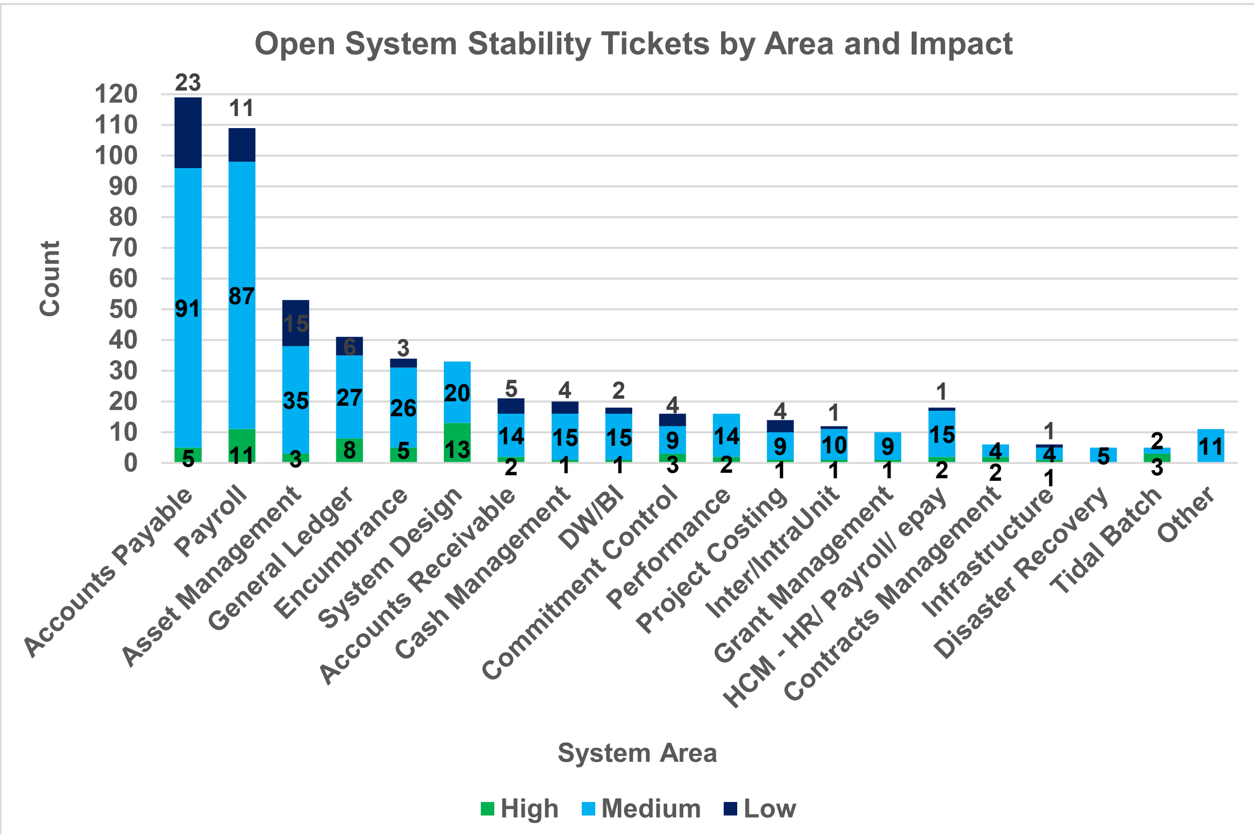


Figure 4: Open System Stability Tickets by Area and Impact

Although other system areas reported higher volumes of open High- and Medium-impact tickets, the batch scheduler remains a focus due to three open High-impact tickets. Given the cross-functional nature of batch processing, unresolved issues could have broader impacts on downstream processing and system operations. The Florida PALM Project Team could consider prioritizing remediation, additional root cause assessment, and validation activities to reduce the risk of broader impacts.

Parallel Payroll Cycle 3

Parallel Payroll Cycle 3, the second iteration of Bi-Weekly Payroll Testing, is currently in progress. Testing activities continue to focus on analyzing and retesting defects identified during payroll reconciliation:

- A defect related to pre-tax benefit calculations was identified and has since been retested.

- A potential garnishment-related issue was discussed during the weekly Payroll Parallel Testing Touchpoint, but the Florida PALM IV&V Team was unable to validate the issue through a corresponding SNow ticket.
- A previously identified issue from Cycle 1 related to automating the Monthly Garnishment Balance Adjustment during months with a third bi-weekly payroll cycle remains unresolved.

Additionally, updates to the Payroll Parallel Testing Dashboard were not available after 7/17/26, limiting visibility into the status of open testing items and Cycle 3 test results. The Florida PALM IV&V Team will continue to monitor the garnishment-related items discussed during the Touchpoints, the outstanding Cycle 1 issue, and the availability of updated testing metrics and status reporting.

Performance Testing

Performance Testing Segment I test execution has been completed, but the exit criteria have not yet been met. Performance Testing Segment II is underway, and updates to the Performance Test Scripts for the PeopleTools 8.62 upgrade are in progress. Additional details regarding Performance testing results are provided in Finding #39.

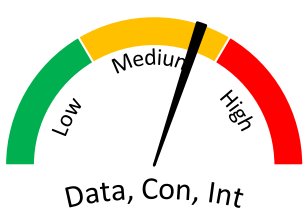
Regression Testing Event 3

Of the 134 Test Scripts executed for Regression Event 3, 95% have passed, and 5% remain pending remediation, including four Payroll scripts, one Commitment Control script, and one Contract Management script. Twenty-seven Test Scripts have been marked in the ReTEXT as canceled or deferred, including 20 for Payroll, six for General Ledger, and one for Commitment Control. The Florida PALM Project Team plans to review the canceled and deferred Test Scripts to confirm approval of the resulting Regression Test coverage. Given the volume and scope of system changes, the limited number of Test Scripts executed for Regression Event 3 may reduce assurance that all affected functionality has been sufficiently tested.

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

Florida PALM Data, Conversion, and Interfaces

Focus Area Indicator



Trend: No Change

Data

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

Conversion

The targeted 7/31/26 completion date for Dry Run 2 was not met. As of month-end, approximately 4% of planned tasks remained incomplete. Variances between planned and actual task durations contributed to the delay, with 943 of the 1,931 total Conversion tasks taking longer than originally estimated.

The current delay appears manageable and may be mitigated through focused analysis and corrective actions. The variation between estimated and actual task durations observed during Dry Run 2 presents an opportunity to improve duration estimating and planning for future conversion activities. The Florida PALM Project Team could consider conducting a lessons-learned analysis, similar to the review following Dry Run 1, to identify factors contributing to extended task durations and to develop mitigation strategies for Dry Run 3.

Conversion performance remained consistent with Dry Run 1, with an overall conversion success rate of approximately 99%.

Interfaces

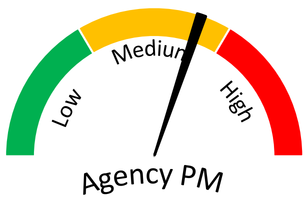
The Florida PALM Project Team continued resolving High-, Medium-, and Low-impact open tickets related to Interface testing. No High-impact tickets remained open at the end of the reporting period.

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

Florida PALM Agency Focus Area Updates

Agency Project Management

Focus Area Indicator



Trend: No Change

The Florida PALM Project remains in a critical readiness phase. Near-term monitoring should focus on RW Tasks 704 and 705, both due 8/21/26, with 19 and 11 Agencies, respectively, remaining at 25% or below completion. Additional attention should be given to RW Task 586, due 9/11/26, in which 21 Agencies remain at 25% or below completion. Progress on these tasks will support timely user access, data quality, Dry Run 3 readiness, and deployment planning. The Table below shows all RW Tasks that are currently in progress.

Table 3: Agency-Reported RW Tasks Progress

RW Task	Impact	Start	Finish	Number of Agencies per Status						
				No Status Reported	0%	25%	50%	75%	100%	Verified as Complete
602 – Update Business Process Documentation	N/A	5/4/26	10/30/26	0	8	12	13	2	0	0
604 – Create Agency-Specific Learning Materials in Support End Users	N/A	5/4/26	10/30/26	9	0	11	14	1	0	0
619 – Update Agency Readiness Certification #3	Indirect	6/22/26	7/10/26	0	0	0	0	0	0	35
586 – Create Agency Deployment Plan and Cutover Checklist to Prepare for Go-Live	Indirect	6/29/26	9/11/26	1	10	11	11	2	0	0
681 – Submit Monthly Progress Report, Testing Training, Cutover	Indirect	07/01/26	7/31/26	1	0	0	0	0	34	13
704 – Maintain Role Mapping Worksheet	Indirect	7/1/26	8/21/26	1	9	2	15	8	0	0

RW Task	Impact	Start	Finish	No Status Reported	Number of Agencies per Status 0%	25%	50%	75%	100%	Verified as Complete
705 – Complete Data Cleansing in Preparation for Dry Run 3	Indirect	7/13/26	8/21/26	1	13	6	12	3	0	0

For RW Tasks 602 and 604, Agencies continue to update business process documentation and Agency-specific training materials:

- Agencies have identified 1,138 cumulative topics requiring creation of or updates to business process documentation. Of these, 3% are complete, 49% are in progress, 47% have not yet been started, and 1% are on hold. This indicates that a large volume of work remains to be done prior to the 10/30/26 due date. If documentation updates are delayed, Agencies may have less time to validate business processes, finalize Agency-specific procedures, support end-user training, and prepare staff for the operational use of Florida PALM.
- Agencies have identified 1,151 cumulative training-related activities for which they will need to develop their own specific business process documentation out of 2,064 total tracked activities. Status reporting indicates that 12 activities are complete, 615 are in progress, and 538 have not started. An additional 889 activities have no status reported, limiting visibility into overall progress and readiness. Delays in completing these activities could reduce the time available for end-user training, knowledge transfer, and readiness preparation before Go-Live.

The Florida PALM IV&V Team recommends that Agencies consider establishing interim milestones, assigning ownership, and conducting weekly progress reviews for these Tasks. Priority should be given to activities that are not started, on hold, or missing status updates to improve progress tracking, accountability, and readiness for end-user training and operational execution.

Agency Risks and Issues

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

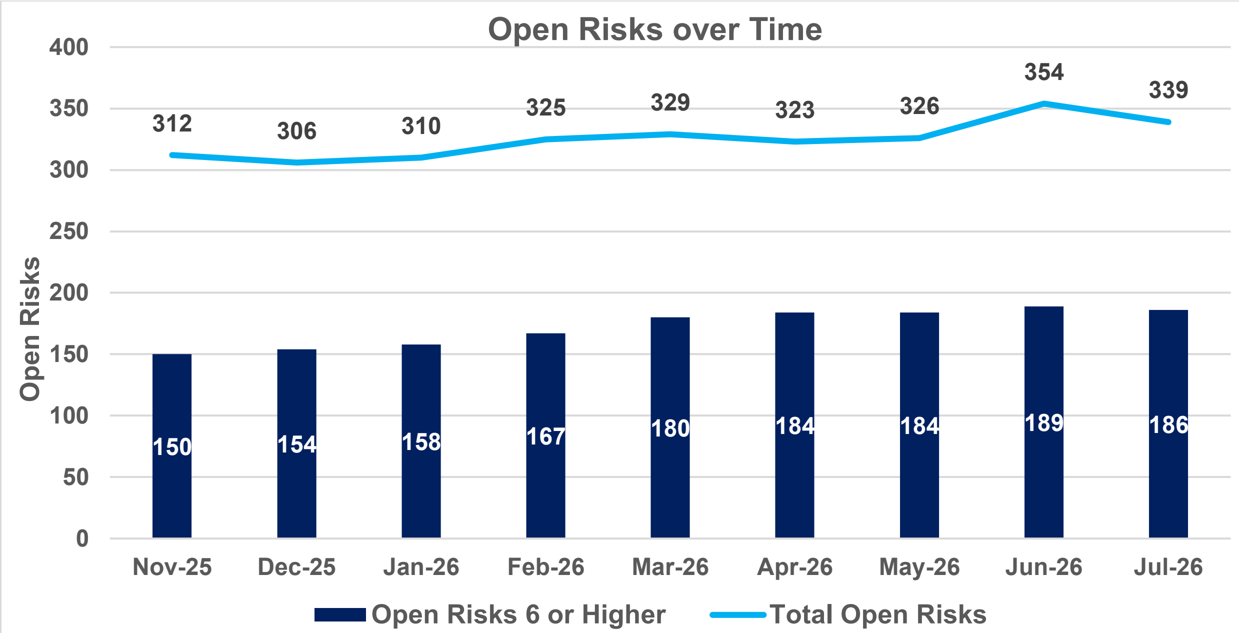


Figure 5: Open Risks Trend

New Risk identification remains concentrated among a subset of Agencies, while 21 Agencies continue to report no newly identified Risks in the last three months. This trend does not necessarily indicate an absence of risk, but reflects differences in how consistently Agencies conduct internal risk reviews or escalate emerging concerns into formal documentation. Continued emphasis on proactive risk identification will help ensure that Agencies not only maintain existing Risks but also capture new implementation challenges as they emerge.

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

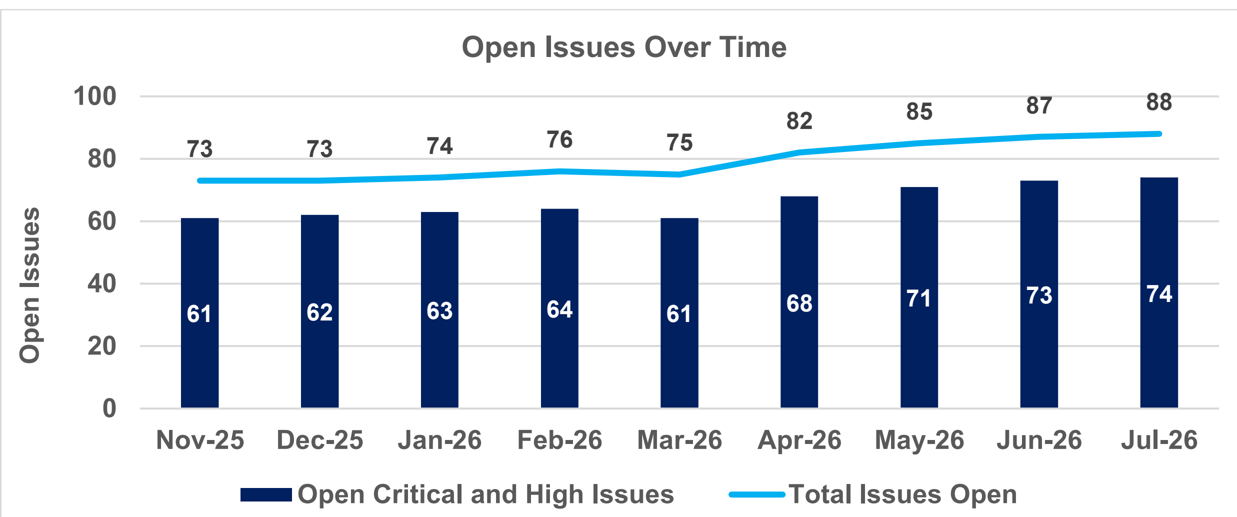


Figure 6: Open Issues Trend

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

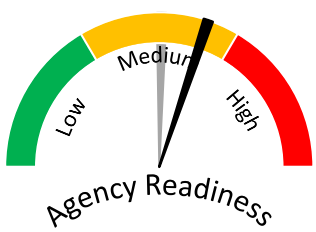
Table 4: Newly Identified Risks and Issues Category

Category	Issues			Risks		Total
	Critical	High	Low	6 or Higher	Less Than 6	
User Acceptance Testing	2	4	6	7	22	41
Interface Testing Delays	0	7	0	3	5	15
Conversion/Configuration	0	2	1	4	2	9
Deployment/Cutover	0	1	0	2	4	7
Staffing/Resource Availability	2	1	0	2	2	7
Business Process Change	0	0	0	3	2	5
Agency Business System (Remediation/Testing)	0	1	0	7	5	13
Training	0	1	0	0	0	1
Total	4	17	7	28	42	98

The Risk Rating for this Focus Area remains a Medium Risk

Florida PALM Agency Readiness

Focus Area Indicator



Trend: Worsening

As part of Agency Readiness Certification #3, the Florida PALM IV&V Team assessed the People, Process, and Technology operational elements as Medium Risk, while Data was assessed as Low Risk based on continued progress in data cleansing, conversion preparation, and configuration management activities. Key readiness considerations include end-user participation and training, completion of testing across applicable business processes, and interface testing activities that remain in progress.

Agencies also provided self-assessments of their readiness confidence across the four operational elements. The figure below summarizes Agency-reported confidence levels for each operational element and overall readiness.

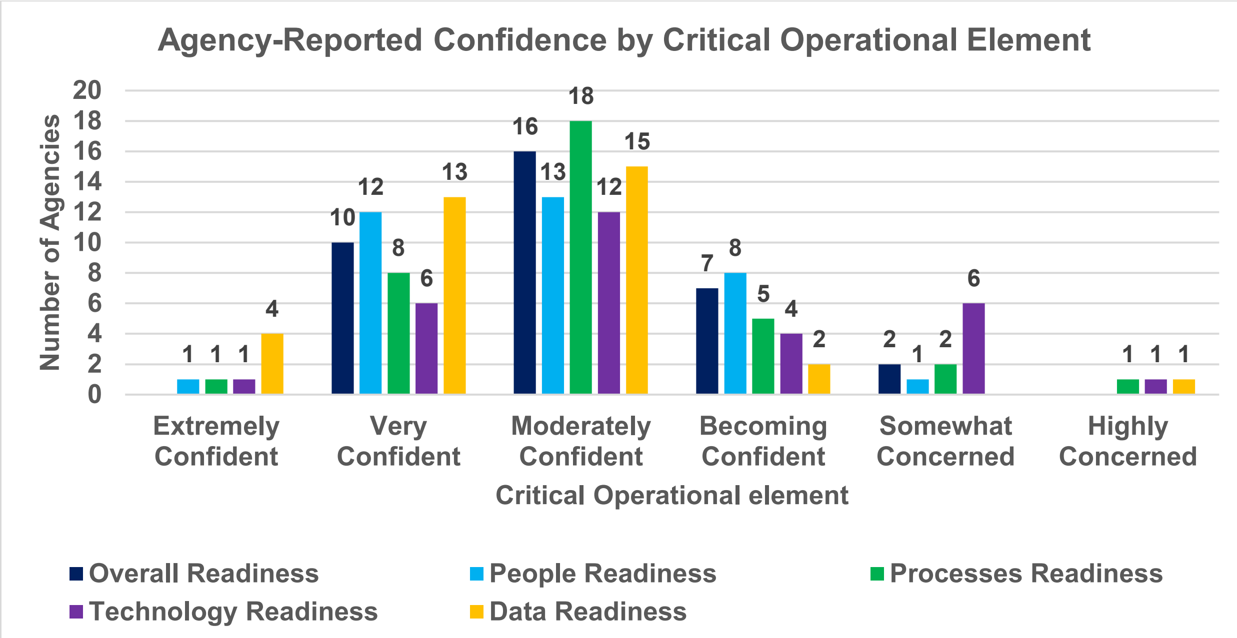


Figure 7: Agency-Reported Confidence by Critical Operational Element

Although Agencies reported higher confidence in People Readiness than Process Readiness, these operational elements are interconnected. Effective process readiness depends on having sufficient staff available to participate in testing, validate business processes, develop and review Agency-specific documentation, complete training activities, and support cutover planning. Agencies continue to report staffing constraints, competing operational priorities, and limited resource availability in Florida PALM IV&V Touchpoints, which may impact progress in these areas. While funding is available to help Agencies augment staff and contractor support, some Agencies have not fully utilized these resources, and others have encountered challenges with contractor effectiveness, limiting the intended benefits to readiness activities. As a result, staffing challenges may limit opportunities to fully validate business processes and operational procedures before Go-Live.

Details regarding limited end-user exposure to Florida PALM and the Agencies' phased approach to end-user engagement are described in Finding #36. During Florida PALM IV&V Touchpoints, Agencies reported plans to expand exposure through structured onboarding, group testing, training materials, triage support, accelerated testing after the UAT data refresh, and retesting of critical scenarios.

Agencies have also made progress in identifying cutover and contingency activities, although planning maturity varies across Agencies. Continued testing delays may reduce opportunities for defect identification, end-to-end process validation, and user preparation. Similarly, incomplete cutover and contingency plans may increase operational risk during deployment and stabilization activities. The Florida PALM IV&V Team continues to recommend that Agencies consider prioritizing testing all User Stories and applicable Florida PALM Recommended Activities at least once before conducting more targeted testing, using the UAT data refresh period to finalize readiness materials and business processes, and further maturing cutover and contingency plans.

Prerequisite Training

SME participation in All Agency UAT provides an opportunity to validate Agency business processes, identify issues, and incorporate lessons learned into Agency-specific documentation and training materials. Prior to participating in these UAT activities, SMEs are expected to complete prerequisite training. The Table below shows that SME training completion trends have remained generally unchanged since March.

Table 5: Percent Complete of Assigned Prerequisite Training by SMEs

	March	April	May	June	July	Variance from March
Number of SMEs	599	589	578	562	542	-57
Total Assigned Prerequisite Training	2,929	2,907	2,911	2,849	2,717	-212
Total Training Complete	2,317	2,337	2,374	2,318	2,333	16
% Complete	79%	80%	82%	81%	80%	1%

With All Agency UAT scheduled to conclude in early November, delays in completing prerequisite training may reduce the effectiveness of UAT activities, limit opportunities to refine operational procedures before Go-Live, and reduce the time available to update, review, and deliver Agency-specific training materials. The Florida PALM IV&V Team recommends that Agencies prioritize completing prerequisite training for SMEs before the UAT data refresh in August.

As shown in the table below, the average weekly completion of prerequisite training declined between March and July for both initially provisioned users and the overall user population. Although users have had access to the UAT environment since February, projected training completion dates have shifted to 9/14/26 for provisioned users and 10/4/26 for all users, leaving limited time before the conclusion of All Agency UAT.

Table 6: 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	Variance since March
Average Completion Per Week (Provisioned Users)	3.3%	2.5%	2.5%	1.8%	1.7%	-1.7%
Projected Completion	6/3/26	7/20/26	8/16/26	9/3/26	9/14/26	+103 Days
Average Completion Per Week (All Users)	2.8%	2.5%	2.2%	1.7%	1.6%	-1.2%
Projected Completion	7/4/26	7/27/26	8/28/26	9/24/26	10/4/26	+92 Days

The Florida PALM IV&V Team continues to recommend that Agencies consider using the downtime during the UAT data refresh to complete outstanding prerequisite training, validate user access and role assignments, review unresolved defects and test results, refine post-refresh test scenarios, update procedures and training materials, and plan focused testing and retesting activities for high-risk processes. Completing these activities can help maximize the remaining time for All Agency UAT by ensuring users are trained, testing priorities are established, and planned test scenarios are ready for execution.

Agency Organizational Change Management

Agency OCM remains a critical component of readiness for Florida PALM Go-Live. Agency Readiness Certification #3 results indicate greater confidence in People Readiness than Process

Readiness, but successful process adoption depends on having knowledgeable, engaged users who can execute new business processes, apply training, and adapt to operational changes.

The Florida PALM IV&V Team observed that Agencies continue to make progress in business process refinement and updates, data preparation, training, and testing. While these activities support readiness, they do not fully demonstrate whether end users are prepared to independently perform and sustain future-state business processes after Go-Live. Increasing end-user confidence, proficiency, and self-sufficiency can help address readiness concerns related to process adoption.

The Prosci ADKAR® Model provides a useful framework for assessing this readiness. Awareness of the transition from FLAIR to Florida PALM is no longer a primary challenge, and many Agencies have established peer, manager, and SME support networks that reinforce the desire to participate in and support the change. As the Florida PALM Project approaches deployment, the greatest focus should be on developing users' knowledge and skills by ensuring they understand new processes and can confidently perform their roles within Florida PALM.

Training and testing completion alone may not be sufficient indicators of readiness. User readiness is better demonstrated through confidence in performing job responsibilities, understanding business processes, navigating the system independently, resolving common issues, and effectively using available support resources. Additional measures, such as role clarity, process understanding, readiness confidence, and manager or SME feedback, may provide a more comprehensive view of adoption readiness and help identify groups that may require additional support.

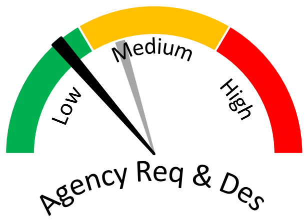
The Florida PALM IV&V Team also encourages Agencies to view post-Go-Live support as part of their change readiness strategy. Peer support networks, escalation paths, manager engagement, and effective use of resources such as the Florida PALM Knowledge Center can reinforce learning and support long-term adoption following deployment. To strengthen People readiness, the Agencies consider implementing the following:

- Engage Agency leadership to reinforce the importance of readiness activities and adoption.
- Empower managers and SMEs to provide localized guidance and support.
- Measure readiness using indicators beyond training and testing completion, including confidence, role clarity, and process understanding.
- Incorporate post-Go-Live support activities into readiness planning to reinforce learning and promote user self-sufficiency.
- Communicate that learning, adaptation, and continuous improvement are expected elements of the Florida PALM implementation journey.

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

Agency Requirements and Design

Focus Area Indicator



Trend: Decreasing

The volume of Florida PALM Knowledge Center updates, including new content and revisions to existing materials, has declined over the past three months compared to the initial months of All Agency UAT. The updates most likely to affect Agencies are ongoing changes to Interface specifications and business process documentation, both of which may require Agencies to assess potential impacts to Agency Business System (ABS) interfaces and UAT test scenarios.

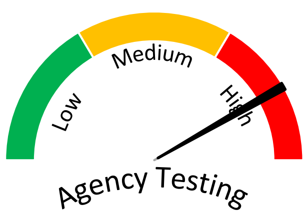
The Florida PALM IV&V Team observed that 46 new or updated process documents were published during the month, compared to 34 in the prior month. While this represents an increase from June, it remains below the average of 53 updates per month observed during the first three months of All Agency UAT. Additionally, 20 of the updates consisted of new documents or demonstration videos rather than changes to existing process content, reducing the likelihood of impacts to previously developed Agency test cases.

Nine Interface-related updates were also published, compared to an average of 16.6 updates per month since the start of All Agency UAT. Three of these updates involved Interface layouts or processing rules, while the remaining updates were limited to Interface guidance and tips. Based on the nature of the changes, significant impacts to Agency Interface designs are not anticipated.

The Risk Rating for this Focus Area has improved from a Medium to a Low Risk Rating.

Agency Testing

Focus Area Indicator



Trend: No Change

As discussed in Finding #35, Agencies completed approximately 50% of their cumulative assigned User Stories at least once as of 7/31/26. Despite this progress, the execution rate has declined for four consecutive months, with July showing the smallest monthly increase since testing began in February, as shown in the Table below.

Testing progress also remains uneven across Agencies. A small number of Agencies have executed only one or two User Stories since February, despite being assigned inventories containing several hundred User Stories, indicating limited testing progress. In addition, testing activities have primarily focused on validating individual transactions rather than end-to-end business processes. As a result, broader process validation needed to demonstrate operational readiness has not yet been achieved across all Agencies.

Table 7: Cumulative User Story Execution Monthly Gain, February through July 2026

Measure	Feb	Mar	Apr	May	Jun	Jul
Cumulative Executed	10.5%	22.2%	34.0%	40.5%	45.6%	50.3%

Measure	Feb	Mar	Apr	May	Jun	Jul
Monthly Gain (percentage points)	—	+11.7	+11.8	+6.5	+5.2	+4.6

Completing a first-pass execution of assigned User Stories before the conclusion of All Agency UAT remains critical. The Florida PALM IV&V Team recommends that Agencies with the largest testing backlogs consider developing and executing detailed post-refresh testing plans focused on completing first-pass coverage before expanding efforts to end-to-end business process validation.

The Florida PALM IV&V Team also notes that reported coverage metrics should be viewed as directional indicators rather than precise measures of readiness. The Florida PALM IV&V Team has observed that several Agencies are tracking testing outside the central User Story inventory in Smartsheet, at least one Agency with documented testing activity has no executed User Stories recorded in Smartsheet, and some User Stories have been marked as passed based on system navigation rather than validation of expected business outcomes. These practices may affect the completeness and consistency of readiness reporting. To improve visibility and reporting accuracy, the Florida PALM IV&V Team recommends that Agencies consider consistently recording executed User Stories in Smartsheet and confirming expected business outcomes before marking test results as passed.

Test Execution Coverage

The distribution of Agencies by testing coverage continued to shift toward higher completion levels in July, with the largest group of Agencies now reporting execution of 50% to 75% of their assigned User Stories, as shown in the Table below.

Table 8: Agency Execution Coverage Distribution, February through July 2026

Coverage Tier	Feb	Mar	Apr	May	Jun	Jul
0 to 10 percent	28	14	9	5	4	3
11 to 25 percent	6	9	7	6	3	1
26 to 50 percent	1	9	11	9	8	8
50 to 75 percent	0	3	5	12	13	13
76 to 100 percent	0	0	3	3	7	10
Total	35	35	35	35	35	35

Agency testing inventories vary significantly in size, with a small number of larger Agencies accounting for a substantial portion of all assigned User Stories statewide. The two largest Agencies alone represent nearly 40% of the total assigned User Stories and have each completed less than 40% of their assigned testing. As a result, progress within these larger Agencies has a greater influence on overall testing coverage and readiness than progress within smaller Agencies.

Performance Ratings

Where User Stories were executed, performance results remained strong, with approximately 96% of rated outcomes assessed as Satisfactory or Above Expectations, as shown in the Table below. Outcomes rated Inadequate accounted for a small percentage of the total results.

Table 9: UAT Performance Ratings Summary, March through July 2026

Rating	March		April		May		June		July	
	Count	Percent	Count	Percent	Count	Percent	Count	Percent	Count	Percent
Above Expectations	22	1%	34	1%	N/A	N/A	169	1%	235	2%
Satisfactory	2,494	96%	2,981	85%	9,257	90%	12,619	94%	16,189	94%
Inadequate	87	3%	486	14%	1,032	10%	708	5%	758	4%
Total	2,603	100%	3,501	100%	10,289	100%	13,496	100&	17,182	100%

Consistent with Florida PALM IV&V observations reported in April, the majority of cumulative Inadequate outcomes are associated with a single Agency and primarily relate to previously identified non-system defects. When that Agency's results are excluded, the rate of Inadequate outcomes across the remaining Agencies is substantially lower. As a result, the statewide Inadequate rating should not be interpreted as indicative of a broader system-wide performance issue.

Independent Testing

As detailed in Finding #36, Agency independent testing hours declined in July to their lowest level since All Agency UAT began. Although cumulative User Story coverage increased during the month, both testing hours and monthly execution volumes decreased, suggesting that a larger share of July testing focused on re-executing previously tested User Stories rather than expanding first-pass coverage.

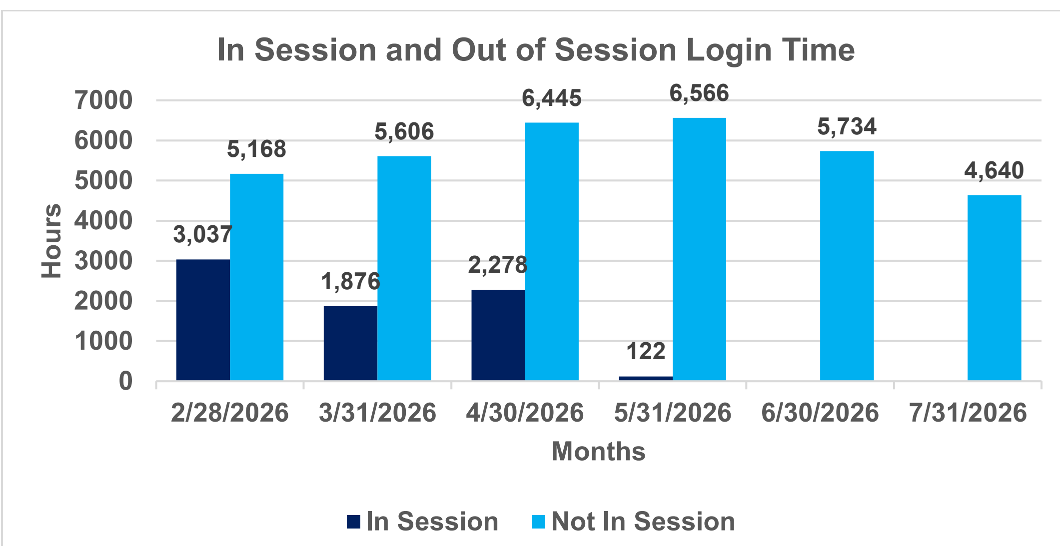


Figure 8: UAT System Hours Summary

The period following the UAT data refresh represents a key opportunity for end-to-end business process validation. Entering this phase with lower testing activity may reduce the time available to complete the remaining first-pass testing, validate end-to-end processes, and address identified issues before the conclusion of UAT.

SNow Ticket Activity

The Agency UAT ticket backlog remained low and relatively stable throughout July, consisting primarily of Moderate-impact tickets, with no open Critical tickets and only a small number of High-impact tickets. When considered alongside other UAT metrics, including declining testing hours and slower User Story execution, the current ticket volume may be more reflective of reduced testing activity than of comprehensive testing completion. As a result, the relatively low backlog should not be interpreted as evidence that Agencies have fully identified and resolved all relevant issues. The Figure below shows weekly Agency UAT open tickets by impact level.

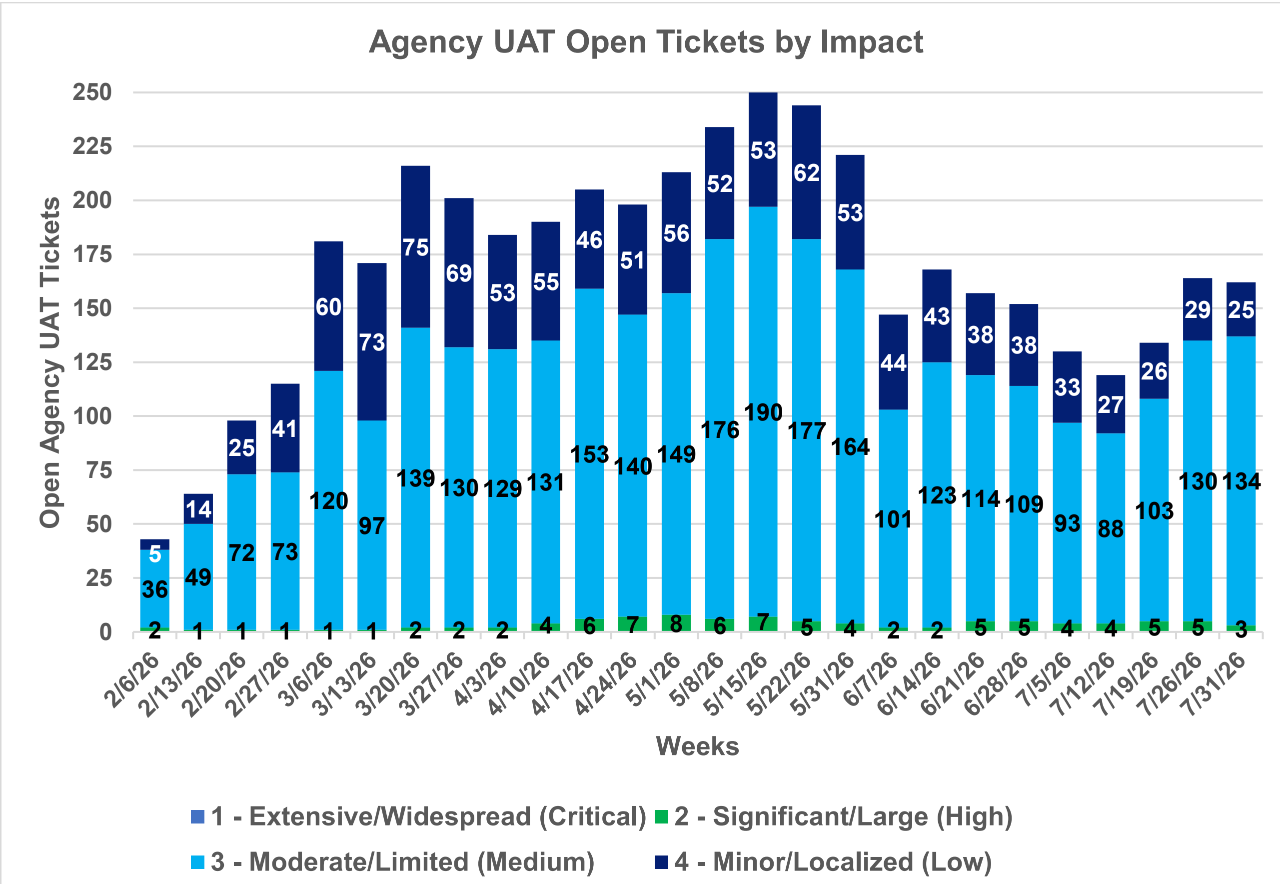


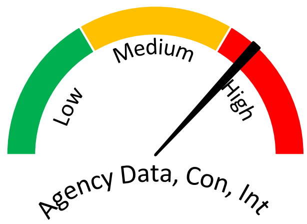
Figure 9: Agency UAT Open Tickets by Impact

Access Requests and Clarification Requests account for approximately 75% of all Agency tickets, indicating that Agency ticket volume is driven more by onboarding and support needs than by system issues. As noted above, end-to-end business process validation remains limited. Delaying this testing until after the UAT data refresh will reduce the time available to complete validation activities before All Agency UAT concludes. The Florida PALM IV&V Team recommends that Agencies consider prioritizing end-to-end business process validation following the UAT data refresh, focusing first on untested and business-critical processes.

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

Agency Data, Conversion, and Interfaces

Focus Area Indicator



Trend: No Change

Data

Approximately 25% of Agencies have performed testing in the DW/BI environment to evaluate report development capabilities, but most Agencies have not yet conducted extensive testing of new report creation. Agencies that have tested report development in DW/BI have reported challenges related to understanding the data structure and available fields, developing queries, and navigating the user interface. To support reporting readiness, Agencies could consider implementing the following recommendations:

- Complete a gap analysis between reporting requirements and available reports to identify any additional reports that may be needed.
- Incorporate DW/BI testing into post-refresh UAT activities, including validation that the required data is available to support reporting scenarios.
- Prioritize development and testing of the most critical reports to help ensure they are available and validated before Go-Live.

While overall testing activity in DW/BI remains limited, continued focus on reporting requirements and report development will help Agencies identify reporting gaps and prepare for operational reporting needs after Go-Live.

Conversion

As Dry Run 2 conversions are completed and validated, the results are being provided to Agencies to support data cleansing activities for RW Task 705 – Complete Data Cleansing in Preparation for Dry Run 3, which is due 8/21/26. Seven of the nine conversion files have been released for Agency data cleansing as of 7/31/26.

Conversion results for the available files show improvement over Dry Run 1. Six of the seven released Conversions generated fewer errors than in the previous Dry Run, resulting in an overall 13% reduction in errors. The two remaining Conversions, GLC001 (General Ledger) and POC001 (Open Encumbrance), had not yet been released for Agency data cleansing.

Based on the conversion results available to date and Agencies' historical performance in completing data cleansing activities, the Florida PALM IV&V Team anticipates that Agencies will likely complete Dry Run 3 data cleansing activities by the planned due date.

Interfaces

Ten Interface tests have not yet completed Interface Testing Cycle 2, as documented in Finding #33.

Ninety-four percent of Cycle 3 Interface tests have been executed, leaving 44 Interface tests remaining as of 7/31/26. The outstanding tests include nine inbound interfaces across seven Agencies and 14 outbound interfaces across 14 Agencies, with the remaining interfaces dependent on additional Agency testing activities or prerequisites. Agencies are working to complete the remaining interface tests before the UAT Data Refresh begins on 8/7/26, but completion of all outstanding interfaces before the refresh is not expected. The Florida PALM IV&V Team continues to recommend that Agencies consider using the downtime during the UAT data refresh to prepare and generate any required Inbound Interface files and develop plans to execute remaining Cycle 3 Interface tests concurrently with YEC process testing activities. The Florida PALM Project Team could also consider conducting regular touchpoints with Agencies that have outstanding Cycle 3 interface tests to coordinate testing activities and address any dependencies or issues.

Interface Testing Cycle 3 results continue to improve. Based on the latest performance ratings, 93% of Cycle 3 Interface tests were rated either Satisfactory or Above Expectations. This sustained improvement in testing outcomes contributed to the closure of Finding #38.

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

Agency Implementation Readiness

Agency Implementation Readiness Updates

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

IV&V Information Requests

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

Table 10: IV&V Information Requests

Information Request	Date of Request	Status
None	NA	NA

Appendix A – Risk Priority Matrix

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

Table 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			High		
Likely 4					
Possible 3		Medium			
Unlikely 2					
Improbable 1	Low				

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.