

# AZ360 HRIS Modernization

State of Arizona – Arizona  
Department of Administration

## Informational Update

03/19/2025

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### Our Vision

Excellence in Arizona government with leading-edge  
enterprise support

### Our Mission

To deliver effective and efficient enterprise support  
services to our agency customers, allowing them to  
focus more on their unique missions.



# Project Team Introduction

## Roles Present at ITAC

- Sean Price, Deputy Director ADOA and AZ360 HRIS Program Director
- Alba Valencia, AZ360 HRIS Deputy Program Director

# Project Introduction

## Description of Project

This project replaces the State of Arizona's aging enterprise HRIS, an on-premise, 20-year-old legacy system, with a cloud-based, leading-edge application that provides a comprehensive suite of modern HR/Benefits/Payroll functionality. The new solution, called AZ360, will be integrated with the State's central accounting system (AFIS).

## Why we are returning

- *A quarterly update to ITAC is a condition of the HRIS Modernization Project to ensure transparency and project success. Updates are tracked by the HRIS Modernization Project Team and are coordinated with ASET.*

# Current Overall Project Health: **Green**

<b>Budget</b>		<ul style="list-style-type: none"><li>• Rigorous expenditure planning continues to reduce the budget shortfall each month.</li><li>• The FY 2026 budget request, if approved, should cover the shortfall.</li><li>• Projections include \$1.6M of budgetary contingency that can be used to cover unforeseeable increased costs.</li></ul>
<b>Schedule</b>		<ul style="list-style-type: none"><li>• Schedule remains green and is tracked weekly by the Project Management Office (PMO) Team.</li><li>• Reports, Integrated System Testing (IST), End To End Testing (E2E), User Acceptance Testing (UAT), and Mock Conversions 1-4 are all in green schedule status.</li><li>• Although interfaces are in yellow status, schedule remains green as PMO has prioritized Go Live essential interfaces.</li><li>• Four week contingency built into the May 20th go live date, crash schedule up to 4 additional weeks</li></ul>
<b>Scope</b>		<ul style="list-style-type: none"><li>• State and CGI Leadership is working with the project teams to ensure scope goes through the proper channels.</li><li>• The benefits team is evaluating go live essential reports for validating payroll.</li><li>• Interface defects are monitored closely and prioritized weekly by PMO.</li></ul>
<b>Risks</b>		<ul style="list-style-type: none"><li>• Risks discussed daily by PMO.</li><li>• New risks added to the project are based on fixes to batch scheduler and other automated systems to be resolved by CGI's CAPS ticket system and upcoming container releases.</li></ul>
<b>Issues</b>		<ul style="list-style-type: none"><li>• Issues are discussed daily by PMO.</li><li>• Issues are mostly focused on the areas of interfaces and data cleanup.</li><li>• Issues are mitigated through the prioritization of Go-Live essential items.</li></ul>

## High Level Project Accomplishments and Issues

- All planned Project and Department UAT scripts are complete. The project team is only UAT testing fixes for interfaces, batch scheduler and parallel payroll
- UAT Stats: 130 Departmental testers from 21 agencies participated in Departmental UAT, completing 2,398 script tests (with 98% of scripts passed). Over 70% of surveyed testers provided positive feedback in the areas of satisfactory user experience, reduced workload outside of AZ360, faster times to complete tasks in AZ360, and ease of understanding features within AZ360.
- Mock Conversion is complete
- Power user training started on March 10th and will complete on May 2nd and end user training will begin in April
- Parallel Payroll Four is in progress with the 3rd iteration of payroll run
- Continuing to balance priorities and resource demand
- All interfaces code and small files have been delivered.
- Phase 1B pre planning workbooks are complete, documenting AS IS processes so we can design TO BE workflows to meet agency business requirements. Phase 1B begins in early June.

## Latest IV&V Findings Report

- IV&V Report 10 was completed in February and IV&V Recommendations are tracked by the PMO.
- “In essence, the program has hit the majority of its recent milestones with minimal delays to specific dates. That said, the Program has outstanding functionality to deliver, test, and manage which could impact the program's ability to release if not resolved in the project schedule.” – IV&V Report 10 Executive Summary
- PMO is tracking recommendations from IV&V which are focused on schedule and contingency planning. PMO has established a backup resource list to address contingencies and has established a priority list for Go-Live to ensure schedule is on track.

# IV&V Assessment Component Health Trend

↑ Trend = Improved	● Green = Strong Health
→ Trend = Sustained	● Yellow = Moderate Health
↓ Trend = Regressed	● Red = Poor Health

	Assessment Component	Report 5	Report 6	Report 7	Report 8	Report 9	Report 10
Plan Viability	1. Completeness of Plan	→	→	→	→	↑	→
	2. Timeline	↓	↓	↑	↓	↑	↓
	3. Staff Levels and Skills	→	→	→	→	↑	→
	4. Design and Security	→	↓	↑	↓	↑	→
	5. Technical Platform and Interfaces	↓	→	→	→	↑	↓
	6. Implementation Methodology	↑	↑	↑	↓	→	→
	7. Business Process Improvement	→	→	↑	→	→	→
	8. Data Management/Migration/Conversion	↑	↑	↑	↑	↑	↓
	9. Testing and Quality Assurance	→	↓	→	→	→	↓
	10. Organizational Change	→	→	↓	↓	↑	↓
	11. Post-Implementation Readiness	→	→	→	↓	↓	↑
Project Delivery Practices	12. Project Governance	↓	↑	→	↓	↑	→
	13. Financial Management	↓	↑	→	→	→	→
	14. Vendor and Oversight Management	↓	↑	↑	↑	↑	↓
	15. Schedule Management	→	→	↑	↑	↑	→
	16. Scope Management	↓	→	→	→	→	→
	17. Risk Management	↓	→	→	↓	↑	→
	18. Resource Management	→	↓	↑	→	↑	→
	19. Communication Management	→	→	↓	→	↑	→
	20. Documentation and Deliverable Management	→	→	↓	↓	↑	→



# AZ360 Project Dashboard

Current Summary					Accomplishments Last Week					Major Activities Planned for the Current Sprint									
- Overall project status is GREEN - Parallel Payroll 4 - In the process of running iteration 3 - Mock Conversion 5 Continuing - Departmental UAT has completed 2900 test scripts - Interface full files going out to agencies and vendors					- Parallel Payroll 4 - Stipend and Shift Differentials corrected in iteration 2					- Retesting Mock 4 reference and conversion - Continue with Department UAT, focused test scripts or regression - Parallel Payroll 4 Activities will continue through 4/4 - Prepare for Dry Run Cutover starting the week of 3/10									
Project Health					Key Issues / Risk														
AZ360 - Overall Project Status			AZ360 - Budget		Issue / Risk					Open Date	Target Date	Severity	Owner						
AZ360 - Critical Path			AZ360 - Resources		Interfaces - Issue					11/24/2024	04/07/2025	Critical	State/CGI						
AZ360 - Payroll Critical Path			AZ360 - Current Sprint																
Milestones by Sprint																			
		2024													2025				
Critical Path = CP Payroll Critical Path = PCP & CP		Sprint 14 02/12-3/08	Sprint 15 03/11-4/05	Sprint 16 04/08-05/03	Sprint 17 05/06-05/31	Sprint 18 06/03-06/28	Sprint 19 07/01-07/26	Sprint 20 07/29-08/23	Sprint 21 08/26-09/20	Sprint 22 09/23-10/18	Sprint 23 10/21-11/15	Sprint 24 11/18-12/13	Sprint 25 12/16-01/10	Sprint 26 01/13-02/07	Sprint 27 02/10-3/07	Readiness 03/10-05/09	Cutover 05/15/25		
CP	Configuration																		
PCP	Data Conversion																		
	Security																		
CP	Interfaces																		
	Reports P1																		
	IST																		
	End to End																		
PCP	UAT Prep,Project,Dept.		UAT Prep					Project				Department							
PCP	Mock Conversion 1-4					Prelim	M1			M2		M3	M4						
PCP	Prelim Parallel Payroll Parallel Payroll 1-4					Prelim		PP1		PP2		PP3		PP4					
	Training Development & Delivery																		
	Change Management																		
	Project Metrics																		
	User Stories																		





# AZ360 Project Timeline

## AZ360 HRIS PROJECT TIMELINE

PROJECT TITLE: AZ360 HRIS  
PROGRAM DIRECTOR: Sean Price

COMPANY NAME: State of Arizona (ADDA)  
DATE: 1/27/25

PHASE		DETAILS	Q1															Q2							
			JAN					FEB					MAR					APR				MAY			
PROJECT WEEK:		Enter the date of the first Monday of each month -->	30	6	13	20	27	3	10	17	24	3	10	17	24	31	7	14	21	28	5	12	19	26	
1	Project Activities	Mock 4																							
		Parallel Payroll 4																							
		Dry Run																							
		UAT																							
		Power User Training																							
		End User Training																							
2	Cutover Prep	Soft Code Freeze																							
		Hard Code Freeze																							
		Lawson Data Freeze																							
		2025 FS1GA																							
		Cutover Dry Run																							
		Payroll Dry Run																							
		Go/No Go Decision																							
Performance Test																									
	Cutover Execution	Cutover Week																							
	AZ360 Go Live (Phase 1A)	Go Live																							
5	AZ360 Close (Phase 1A)	- Postmortem - Project Punchlist - Report																							

Go Live

# Financial Burndown Chart

## Current burndown for HRIS Modernization Project (AZ360)

Project Budget: \$62,309,100      Project Start Date: 10/01/2022  
Actuals plus Projections: \$54,120,820      Est. End Date: 6/30/2026  
Budget Remaining: \$8,188,280  
Minimum Remaining Appropriation Authority Needed: \$4,234,020

	SFY 2025											
	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	April	May	Jun
Baseline Projection	\$685,000	\$2,396,786	\$236,136	\$871,077	\$838,904	\$3,742,793	\$2,450,315	\$1,073,925	\$2,995,986	(\$1,158,416)	\$764,674	\$2,567,565
Actual	\$685,000	\$2,396,786	\$236,136	\$871,077	\$838,911	\$3,742,793	\$2,450,315	\$1,051,572	\$2,863,454	\$0	\$0	\$0
Variance (\$)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$22,353	\$132,532	(\$1,158,416)	\$764,674	\$2,567,565
Variance (%)	71%	44%	-22%	3%	12%	54%	55%	2%	4%	N/A	N/A	N/A

### Notes:

March variance is due to deliverable, invoice and payment timing.  
Cost re-baseline completed at end of September

# Q & A Session