

# AZ360 HRIS Modernization

State of Arizona – Arizona  
Department of Administration

## Informational Update

05/22/2025

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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: **Yellow**

<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><li>• Contingency will cover costs for the go live delay within current project budget.</li></ul>
<b>Schedule</b>		<ul style="list-style-type: none"><li>• Schedule is red, project missed the go live date of May 20th, <b>new go live date is June 4th</b>.</li><li>• Interfaces are in yellow status, Bank of America interface impacted the go live date, new target for completion is 05/16.</li><li>• All critical go live work has been completed as of 05/09.</li><li>• The start of pre cutover work will begin on 05/20</li></ul>
<b>Scope</b>		<ul style="list-style-type: none"><li>• All potential changes in scope will follow a rigorous review and approval process by the project PMO.</li><li>• Interface defects are monitored closely and prioritized daily by PMO.</li><li>• An executive decision has been logged to add Okta MFA to increase security for all users in the new system</li></ul>
<b>Risks</b>		<ul style="list-style-type: none"><li>• Risks discussed and monitored daily by PMO.</li><li>• Change Management with a new go live date.</li><li>• Time entry window reduced by one day at go live</li><li>• Financial vendor payments delayed for one day due to cutover</li></ul>
<b>Issues</b>		<ul style="list-style-type: none"><li>• Issues are discussed daily by PMO.</li><li>• Business Intelligence, non-critical go live reports will not be completed</li><li>• ACH EFT Interface delayed due to technical changes</li><li>• Overlapping activities with limited subject matter experts</li></ul>

## High Level Project Accomplishments and Issues

- Parallel Payroll Four has completed with all variances identified, tested and resolved.
- UAT Stats: 3,115 PASSED UAT Scripts, with 0 fails. Dept. UAT included 130 Departmental testers representing 21 individual agencies. A smaller team of coordinated testers successfully passed 97 end-to-end scenarios and all failures have been dispositioned for resolution prior to go-live, where applicable. Final UAT Interface Scenario validation is currently at 169 PASSES and 0 fails. All Go-Live Critical Defects have been resolved or dispositioned.
- A Dry Run Cutover has been executed and refined to prepare for Go Live.
- Power User training has concluded and user training is ongoing.
- All interfaces have been delivered except for Bank of America
- 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.
  - The Go Live Readiness tracker was used to evaluate and manage Agency and Project readiness with critical tasks taking immediate priority. Those tasks that are not critical to calculate payroll will be moved to be completed after go live.



# 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	→	→	↓	↓	↑	→

IV&V Report 10  
Reporting Period  
10/24/24-2/4/25

# AZ360 Project Dashboard

Current Summary				Accomplishments Last Week				Major Activities Planned for the Current Sprint											
- Overall project status is YELLOW - Working on ACH Interface with BofA - Finishing Testing for PAM - Continuing the Testing of Batch Scheduler				- Online Performance Testing Successful - Check Batch Job Successful - Completion of UAT				- BofA Interface - PAM Testing - Batch Scheduler Testing - Performance Testing											
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 05/27/25		
CP	Configuration																		
PCP	Data Conversion																		
	Security																		
CP	Interfaces																		
	Reports P1																		
	IST																		
	End to End																		
PCP	UAT Prep,Project,Dept.																		
PCP	Mock Conversion 1-4																		
PCP	Prelim Parallel Payroll Parallel Payroll 1-4																		
	Training Development & Delivery																		
	Change Management																		
	Project Metrics																		
	User Stories																		

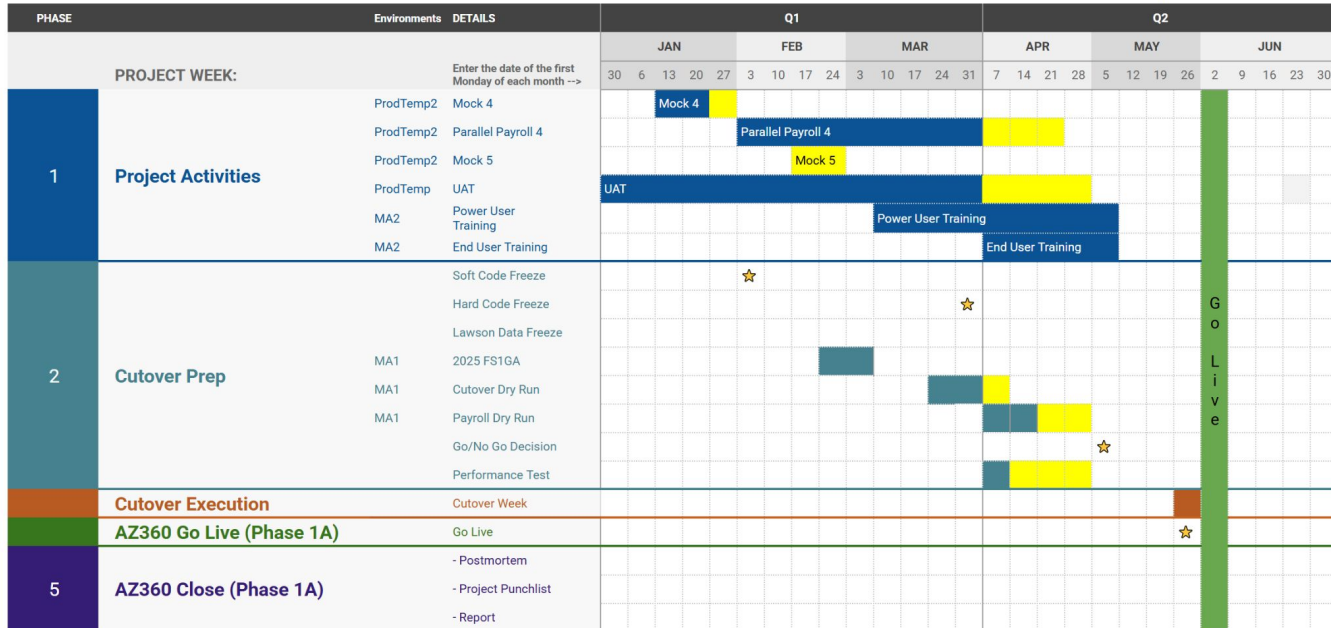




# AZ360 Project Timeline

## AZ360 HRIS PROJECT TIMELINE

PROJECT TITLE	AZ360 HRIS	COMPANY NAME	State of Arizona (ADOA)
PROGRAM DIRECTOR	Sean Price	DATE	1/27/25



# Financial Burndown Chart

## Current burndown for HRIS Modernization Project (AZ360)

Project Budget:	\$62,309,100	Project Start Date:	10/01/2022
Actuals plus Projections:	\$55,051,386	Est. End Date:	6/30/2026
Budget Remaining:	\$7,257,714		
Minimum Remaining Appropriation Authority Needed: \$5,164,586			

FY 2025												
	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	Jan-25	Feb-25	Mar-25	Apr-25	May-25	Jun-25
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 Costs	\$685,000	\$2,396,786	\$236,136	\$871,077	\$838,911	\$3,742,793	\$2,450,315	\$1,051,572	\$689,907	\$709,599	\$0	\$0
Variance (\$)	\$0	\$0	\$0	\$0	-\$7	\$0	\$0	\$22,353	\$2,306,079	-\$1,868,015	\$764,674	\$2,567,565
Variance (%)	0%	0%	0%	0%	0%	0%	0%	2%	77%	161%	NA	NA

Projections were re-baselined in January 2025

March variance: released \$270k of contingency; PS&ERE costs slightly below projections due to delays in hiring; ACRO/Guidesoft , CGI qtrly milestone invoice (\$1.8M) & ERP organizational assessment invoice (ISG) payments (\$145k) did not process (timing).

April variance: released \$85k of contingency; PS&ERE costs slightly below projections due to delays in hiring; Guidesoft below projections due to transition from ACRO (delays in billing/timing); paid up CGI & ISG invoices initially projected to be paid in March. Further processed payment for Info-Tech project oversight while initial projection had the payment scheduled in May.

# Q & A Session