

Program Leadership		Program Overview							
Executive Sponsor: David Gerstenfeld, Acting Agency Director Program Sponsor: Gerhard Taeubel , Acting PFMLI Director Program Manager: Phoebe Colman		The PFMLI Implementation Program will deliver the services set forth in ORS chapter 657B. This entirely new statewide program requires the creation of policies and rules, operational processes and infrastructure, outreach and education efforts, technology systems, and the program management and governance structures needed to support the implementation. Technology and business processes to support PFMLI contributions will be delivered through the agency's Modernization Program .							
Program Headlines									
<ul style="list-style-type: none"> On August 23, a contract was executed with Brink Communications to provide communications support services to the PFMLI program. Vendor onboarding began immediately and will continue in September. The Employment Department announced the name of its new modernized system, which will include PFMLI contributions. The system is named Frances in honor of Frances Perkins whose life and career embodied the mission and vision of the work we do every day at OED, and captures the intention of both unemployment insurance and the PFMLI program. To learn more about the extraordinary life and service of Frances Perkins, visit the Frances Perkins Center website. The Modernization Project Sponsors (including the PFMLI Director) have made the decision to configure Frances to utilize a centralized approach for audit, collection, and billing. This means wherever possible both PFMLI contributions and UI tax customers will have a single contact when dealing with audit and compliance issues, combined notices for billing and collections, and a single contact for collection efforts. 									
Program Status by Delivery Workstream									
Status:	Education and Outreach		Policy, Legislation, and Rules		Operations		Program Management		
	Previous	Current	Previous	Current	Previous	Current	Previous	Current	
Key:	On Target 		In Mitigation 		High Risk 				
Summary: Program status is <u>high risk</u> for all active workstreams, reflecting the aggressive implementation timeline for such a large and complex initiative as well as pending decisions on the benefits technology implementation approach. Adjustments to the statutory timeline have been approved by the Legislature and signed by the Governor. When milestones have been re-baselined to reflect the timeline change, the program will be better positioned to move workstream statuses toward <u>in mitigation</u> or <u>on target</u> .									
Highlights	<ul style="list-style-type: none"> Signed contract with Brink Communications and began vendor onboarding Drafted plan to implement equity framework for PFMLI Drafted stakeholder engagement plan Aligned engagement and communication schedules with rulemaking and other implementation milestones 		<ul style="list-style-type: none"> Continued providing information and decisions on system requirements to UI Modernization project team (Frances team) Developed plans and tracking tools for administrative rulemaking Completed drafting "Batch 1" administrative rules Continued developing legislative concepts for 2022 		<ul style="list-style-type: none"> Validated hiring timeline and began work breakdown and schedule for staffing and organizational development project Continued developing PFMLI section budget for 2021-23 Drafted high-level visuals of employer experience for contributions and equivalent plans Completed inventory of letters needed for PFMLI contributions 		<ul style="list-style-type: none"> Drafted release plan graphic ("roadmap") to show timing of major implementation milestones Began updating program schedule to align major implementation milestones with new timeline Increased focus on risk assessment and quality planning activities Ongoing refinement / coordination of internal processes to align system and policy development work 		

	Education and Outreach	Policy, Legislation, and Rules	Operations	Program Management
Next Steps	<ul style="list-style-type: none"> Complete onboarding of Brink Communications and begin work (with Brink) on business survey Finalize PFMLI equity framework and plan for rollout to team Finalize stakeholder engagement plan and begin scheduling engagements with stakeholders Plan executive coaching engagement for PFMLI leadership team 	<ul style="list-style-type: none"> Continue providing information and decisions on technology system requirements Deliver Batch 1 draft administrative rules to PFMLI advisory committee Initiate rulemaking activities for Batch 1 rules; hold Rules Advisory Committee meeting Begin proposing 2022 legislative concepts to Advisory Committee 	<ul style="list-style-type: none"> Refine work breakdown / schedule for staffing and organizational development project Complete developing PFMLI section budget for 2021-23 Internal review of high-level employer experience visuals for contributions and equivalent plans Draft letters needed for PFMLI contributions for use in system configuration 	<ul style="list-style-type: none"> Complete release plan graphic (“roadmap”) for publication on PFMLI website Continue updating program schedule to align major implementation milestones with new timeline; prepare milestones report for external sharing Draft quality management plan and refine performance metrics for implementation project Ongoing refinement / coordination of internal processes to align system and policy development work

Technology Report

Definition sessions are ongoing with PFMLI subject matter experts (SMEs) and the Frances team (Modernization team) to define the details of how Frances needs to be configured to support PFMLI contributions. The Definition phase is where business process refinements begin to be identified, along with defining the details of how the system will be configured to work. These sessions will continue through November 2021.

The PFMLI team worked with the Modernization Business Team to complete the first draft inventory of forms and letters for PFMLI. Going into September, the team will cross-walk the PFMLI/UI inventory to identify which forms and letters are currently in use by UI that can be used by PFMLI, which ones can be combined, and which ones are unique to PFMLI. Also in September, the team will begin drafting PFMLI correspondence, with the initial focus on drafting the PFMLI unique letters.

Regarding adding PFMLI Benefits technology and processes to the scope of the UI Modernization Project: The Modernization Program Team is completing its analysis and plans to submit a change request to the UI Modernization Project Change Control Board and to the Modernization Program Executive Steering Committee in the month of September.

Schedule Report

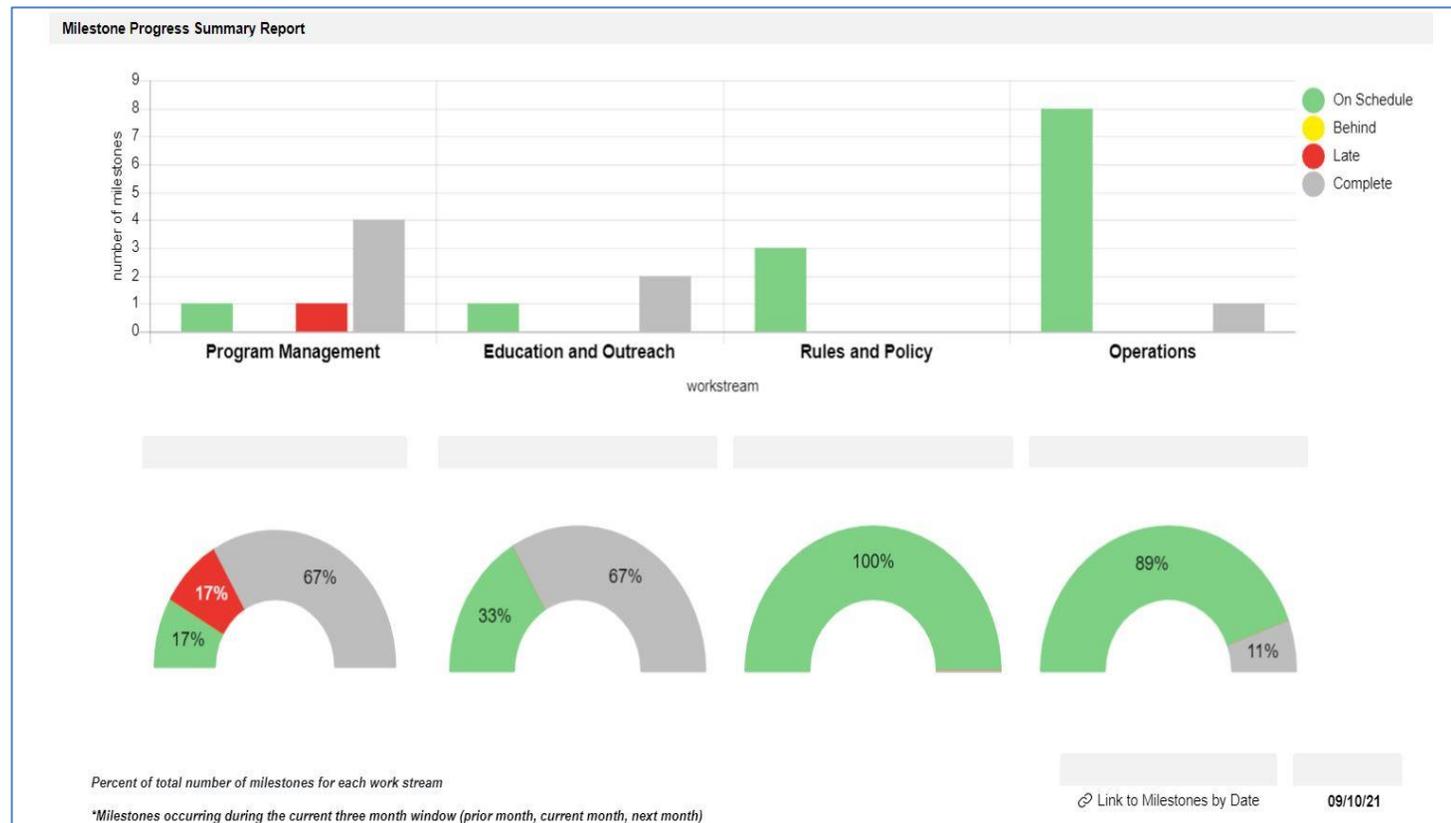
Schedule performance reflects a cautious state as the schedule continues to be developed to show work defined in multiple areas. The PFMLI team continues planning strategies surrounding collaborative work with organizational partners, vendors, and the Frances team.

An implementation release roadmap is being developed in alignment with the new statutory timeline. Future program master schedule development work will reflect those major activities and milestones derived from the release roadmap.

Development continued on the Policy and Rules schedule with identification of administrative rules work breakdown and associating targeted timelines. Further schedule development for Policy and Rules workstream continues into future months with additional work packages to be defined and timelines confirmed.

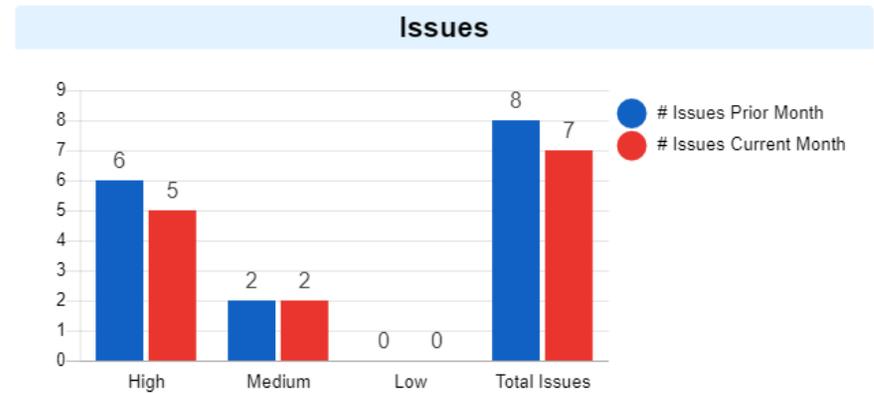
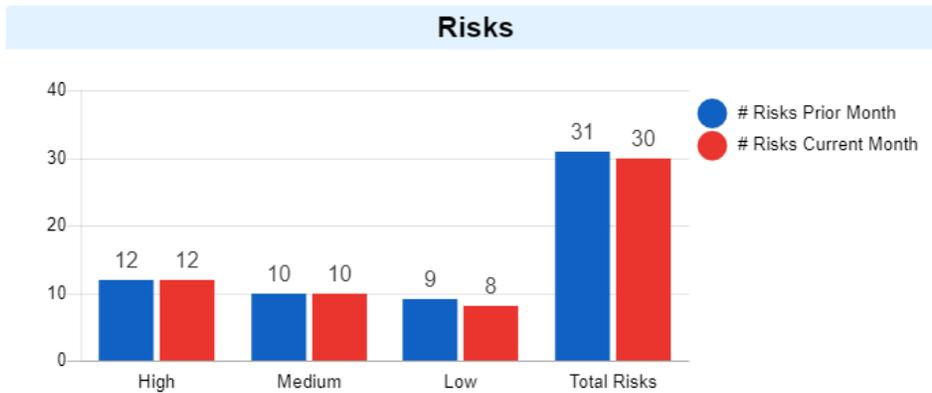
The "Milestones by Date" link in the graphic below links to real-time data, so information in the linked report may differ slightly from the graphic shown in this status report.

Milestone Progress by Workstream



[Link to Milestones by Date](#)

Risk and Issue Report



Risks: There are **30 total risks** being monitored at this time: **12 High Priority**, **10 Medium Priority**, and **8 Low Priority**.

Issues: There are **7 total issues** being monitored at this time: **5 High Priority** and **2 Medium Priority**.

Common themes for top PFMLI risks and issues continue in the areas of Schedule Management and Staff Management and include:

Aggressive implementation timeline for PFMLI (Issue #1034 and Risk # 1057). PFMLI Contributions technology infrastructure has been moved into scope for UI Modernization and is currently on track. Analysis and decision-making is currently in progress to move PFMLI Benefits technology infrastructure into scope for the Modernization Program and analysis is slated for review at the September Modernization Executive Steering Committee meeting. Additional response strategies related to building and monitoring program/project schedules are also in progress, and these efforts will incorporate updates to the implementation scope and timeline as they become known.

Potential for delays in hiring, recruitment, onboarding, and training of staff needed to operate the PFMLI division, resulting in insufficient resources (Issues #1037, #1093, Risks # 1058, 1060, and 1008). PFMLI has received approvals from OED agency leadership to proceed working with HR. Team will continue organizational development planning to identify appropriate positions for implementation and administration of the program and work with HR teams to develop further mitigation strategies to prevent delays in hiring, recruitment, onboarding, and training.

A detailed risk and issue report is prepared separately and a link distributed to the Risk and Issue Management Team (RIMT).

Budget Report (as of July 2021)

General Fund (GF) spending for PFMLI for July was \$393,495. Personal services spending was \$391,617 and Services and Supplies was \$1,878. Spending was much lower than budgeted mostly due to additional hires in the budget that did not come to fruition in the month of July. The projections show the majority of the new hires will occur later in the 2021-23 biennium.

2021-23 Biennium													
Program	Legislatively Approved Budget	Current Month				Biennium-to-Date				Projected End-of-Biennium			
		Budget July 2021	Expenditures July 2021	\$ Variance (Under) / Over	% Variance	Biennium to date Approved Budget	Actual Expenditures thru July 2021	\$ Variance (Under) / Over	% Variance	Remaining Projected Expenditures	Total Expenditures (Actual + Projections)	Projected \$ Variance (Under) / Over	Projected % Variance (Under) / Over
Personal Services Total	\$ 33,790,647	\$ 858,062	\$ 391,617	\$ (466,445)	-54%	\$ 858,062	\$ 391,617	\$ (466,445)	-54%	\$ 18,193,336	\$ 18,584,953	\$ (15,205,694)	-45%
Services & Supplies Total	\$ 23,267,642	\$ 37,653	\$ 1,878	\$ (35,776)	-95%	\$ 37,653	\$ 1,878	\$ (35,776)	-95%	\$ 20,046,048	\$ 20,047,926	\$ (3,219,716)	-14%
Capital Outlays Total	\$ -	\$ -	\$ -	\$ -		\$ -	\$ -	\$ -	0%	\$ -	\$ -	\$ -	0%
Budgeted Position Totals	\$ 57,058,289	\$ 895,715	\$ 393,495	\$ (502,220)	-56%	\$ 895,715	\$ 393,495	\$ (502,220)	-56%	\$ 38,239,384	\$ 38,632,879	\$ (18,425,410)	-32%
		Original Budget for 2021-23 biennium				Contributions				-			

Fund Type	Expenditures by Biennium		Program Life to Date
	2019-21	2021-23	
General Fund	8,206,265	393,495.06	8,599,760
Other Funds Administration	-	-	-
Other Funds Benefits	-	-	-
Total Funds	8,206,265	393,495	8,599,760

GF Loan Repayment		
2019-21	GF Expenditures	8,206,265
2021-23	GF Expenditures	393,495
Total		8,599,760
2021-23	GF Repayment	-

Report Distribution

David Gerstenfeld	Employment Department Executive Team	Tamara Brickman, CFO	Cecily Warren, EIS
Gerhard Taeubel	PFMLI Executive Steering Committee	Sean McSpaden, LFO	Jennifer Lechuga-Berg, EIS
PFMLI Leadership Team	PFMLI Advisory Committee	Michelle Deister, LFO	Travis Miller, EIS
PFMLI Implementation Team	PFMLI State Partners Team		