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, signed into law in 2019. This entirely new statewide program requires the creation of policies and rules, business processes and infrastructure, outreach and education efforts, technology systems, and the program management and governance structures needed to support the implementation.

Program Headlines

- On March 1, 2021, a Notice of Intent to Award a contract was issued to Brink Communications to provide communications support services to the PFMLI program. Planning for contract negotiations is in progress, with formal negotiations expected to begin in April.
- On March 15, the Modernization Executive Steering Committee approved a formal change request to expand the scope of the UI Modernization Project to include PFMLI Contributions. PFMLI Contributions technology components will be delivered through the UI Modernization Project and technology solutions. A similar analysis is underway to determine if PFMLI Benefits technology components should also be delivered through the Modernization Program.
- The PFMLI team continues working with internal and external partners to evaluate a potential change to the implementation timeline.
- The PFMLI team welcomed three new team members: Ashley Cottingham (Acting Deputy Director), Shannon Ball (Policy Lead), and Sergey Kukharik (Project Manager).

Program Status by Delivery Workstream

	Education and Outreach		Policy, Legislation, and Rules		Operations		Program Management		Technology	
Status:	**Previous**	**Current**	**Previous**	**Current**	**Previous**	**Current**	**Previous**	**Current**	**Previous**	**Current**
Key:	On Target		In Mitigation		High Risk		No Data			

**Summary:** Program status is <u>high risk</u> for all active workstreams, reflecting the aggressive implementation timeline for such a large and complex initiative. Additional risk factors include pending decisions on scope and implementation approach, recruitment delays, 2019-21 budget cuts, and the ongoing impacts of the Covid-19 pandemic on Employment Department organizational capacity. Additional information about risks and mitigations can be found under "Risk and Issue Highlights" on the following pages.

Highlights	Education and Outreach	Policy, Legislation, and Rules	Operations	Program Management	Technology
	• Completed staff change management assessment • Started internal and external newsletter planning • Continued meeting with tribal governments	• Monitored 2021 PFMLI related legislation • Discussed proposed legislative concepts with Advisory Committee • Continued policy and rule development • Began re-evaluation of administrative rulemaking process and schedule	• Cross-walked contributions business requirements against UI tax system requirements • Built and refined business process maps • Continued planning for accounting, cash management, and setting contribution rate • Continued staff recruitments • Hired Acting Deputy Director, additional project manager, and policy lead	• Modernization Executive Steering Committee approved adding PFMLI contributions technology to UI modernization project • Began analysis for benefits technology approach • Notice of Intent to Award a contract was issued to Brink Communications • Completed timeline adjustment proposal	*Technology infrastructure to support PFMLI Contributions will be delivered through the UI Modernization project and technology solutions. Analysis is underway to determine if PFMLI Benefits technology components should also be delivered through the Modernization Program.*

|	Education and Outreach	Policy, Legislation, and Rules	Operations	Program Management	Technology
Next Steps	• Continue tribal outreach • Continue developing executive sponsor and staff change management plans • Internal and external newsletters will go out in April • Plan outreach and training about PFMLI for other agency divisions	• Ongoing evaluation of administrative rulemaking process and schedule • Onboard and train new policy staff that begin April 15th • Continue policy research • Continue monitoring PFMLI-related legislation during 2021 legislative session	• Launch project to plan future org structure and staffing • Continue process mapping and requirements refinement • Continue planning accounting and related processes • Continue planning for setting contributions rate • Complete hiring process for additional policy team staff	• Complete analysis and decisions for contributions technology approach • Present analysis of benefits technology approach to agency leadership • Negotiate communications vendor contract • Launch agency Executive Steering Committee for PFMLI implementation • Complete updated charter for PFMLI implementation	*PFMLI Benefits solutions analysis and decision criteria will be presented to the agency executive team in April. If the agency supports delivery of PFMLI Benefits technology through the Modernization Program, the proposal will be further analyzed through the Modernization change control process.*

Risk and Issue Highlights
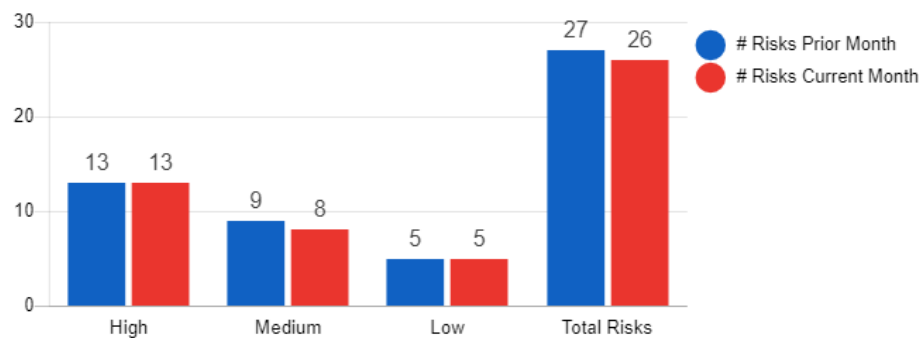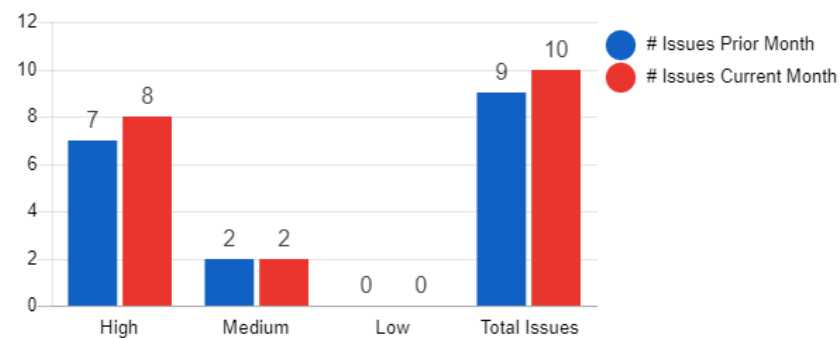
Risks: There are **26 total risks** being monitored at this time: **13 High Priority**, **8 Medium Priority**, and **5 Low Priority**.

- 1 **Risk #1041** (related to OCM planning) changed categories from *Communication Management* to *Organizational Change Management*.
- On the **8 Medium Risks and 5 Low Risks**: No change to *status, impact, probability*, or *priority*.
- On the **13 High Risks:** No change to *status, impact, probabili*ty, or *priority* except **Risk #1058** (related to staff resource availability) from **Open** to **Mitigating**.

Issues: There are **10 total issues** being monitored at this time: **8 High Priority** and **2 Medium Priority**.

- 1 ownership change for **Issue #1019** (related to sponsorship engagement) – changed from Phoebe Colman to Leslie Chartier (combined **#1063** into **#1019**).
- 1 **Risk #1059** (related to procurement timelines) converted to an **Issue #1007**, but the **Risk** remains open for future monitoring purposes.

Common themes and mitigations for top risks and issues:

- **Staff resource constraints and lengthy hiring processes.** Mitigations include: employing cohort hiring methods that proved successful with the hiring surge in response to the pandemic; new HR Deputy Director is focused on recruitment solutions; working to design a PFMLI-focused recruitment and hiring plan with the HR office, to sequence which positions to recruit and when.
- **Complex decision-making processes on key decisions.** Mitigations include: leveraging the agency Executive Team Charter and criteria for escalating decisions to Executive Team; revising and strengthening PFMLI governance model; launching PFMLI Executive Steering Committee and Operations and Policy teams.
- **Impact of competing priorities on executive sponsorship's capacity to engage with program planning.** Mitigations include: working with agency Executive Team to clarify, communicate, and reinforce agency priorities across the various large-scale agency initiatives.
- **Aggressive implementation timeline for PFMLI.** Mitigations include: alternatives analysis of PFMLI implementation strategies to understand business and customer impacts; securing Executive Team decisions on possible PFMLI implementation approaches; analysis and outreach to evaluate a potential change to the implementation timeline.

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

Schedule Report

Schedule is developed with additional communications management activities within the Education and Outreach workstream. These activities span the timeframe of February through April 2021. Future projected work will involve planning tasks with the Communications vendor, expected to begin approximately in mid May 2021.

The re-evaluation of the rulemaking process is underway and will continue during the month of April. Once a revised process has been identified and scheduled, Rules and Policy progress will again be included in future status reports. Policy team restructuring activities are also underway with the OPA position recruitments nearing completion. This helps address the capacity constraint that adversely impacted policy and administrative rulemaking activities over the past months.

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

State of Oregon
Employment Department
Paid Family and Medical
Leave Insurance

Milestone Progress by Workstream

Milestone Progress Summary Report

Percent of total number of milestones for each work stream

Milestones occurring during the current three month window (prior month, current month, next month)

Link to Milestones by Date   03/31/21

[Link to Milestones by Date](#)

State of Oregon **Employment Department**
Paid Family and Medical Leave Insurance

Budget Report (as of February 2021)

			2019-21 Biennium										

		Current Month				Biennium-to-Date				Projected End-of-Biennium			
	Legislatively Approved Budget	Budget February 2021	Expenditures February 2021	$ Variance (Under) / Over	% Variance	Biennium to date Approved Budget	Actual Expenditures thru February 2021	$ Variance (Under) / Over	% Variance	Remaining Projected Expenditures	Total Expenditures (Actual + Projections)	Projected $ Variance (Under) / Over	Projected % Variance (Under) / Over
Program													
Personal Services Total	$ 4,380,586	$ 359,727	$ 254,493	$ (105,234)	-29%	$ 3,958,906	$ 2,757,157	$ (1,201,749)	-30%	$ 1,493,722	$ 4,250,879	$ (129,707)	-3%
Services & Supplies Total	$ 5,128,000	$ 412,858	$ 16,657	$ (396,201)	-96%	$ 2,459,338	$ 377,838	$ (2,081,500)	-85%	$ 1,347,184	$ 1,725,022	$ (3,402,978)	-66%
Capital Outlays Total	$ -	$ -	$ -	$ -	0%	$ -	$ (3,586)	$ (3,586)	0%	$ -	$ (3,586)	$ (3,586)	N/A
	$ 9,508,586	$ 772,585	$ 271,150	$ (501,436)	-65%	$ 6,418,244	$ 3,131,410	$ (3,286,835)	-51%	$ 2,840,906	$ 5,972,316	$ (3,536,270)	-37%
Position Totals	33												
Notes	$ 15,688,586	Orignal Budget for 2019-21 biennium				Contributions		-					

	Expenditures by Biennium		Program Life to Date
Fund Type	2019-21	2021-23	
General Fund	3,131,410	-	3,131,410
Other Funds Administration	-	-	-
Other Funds Benefits	-	-	-
Total Funds	**3,131,410**	**-**	**3,131,410**

GF Loan Repayment		
2019-21	GF Expenditures	3,131,410
2021-23	GF Expenditures	-
Total		3,131,410
2021-23	GF Repayment	-

Report Distribution

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

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