



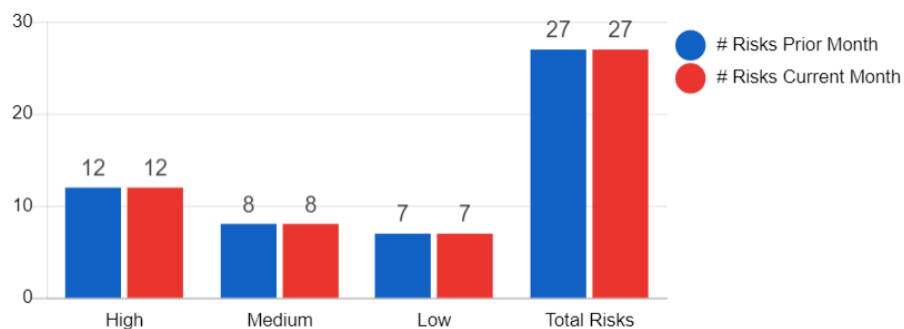


| Program Leadership | | | Program Overview | | | | | | | |
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| Executive Sponsor: David Gerstenfeld, Acting Agency Director Program Sponsor: Gerhard Taeubel , Acting PFMLI Director Program Manager: Phoebe Colman | | | The PFMLI Implementation Program 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. Technology to support PFMLI contributions will be delivered through the agency's Modernization Program . | | | | | | | |
| Program Headlines | | | | | | | | | | |
| <ul style="list-style-type: none"> The PFMLI team's major focus during June was on readiness to begin building the technology system that will support PFMLI contributions. This system development work is part of the UI Modernization project, which begins in July. Readiness activities included drafting rules and policies necessary to inform system design, preparing the PFMLI team for their role in the project, and establishing tracking tools and processes to keep system development aligned with ongoing policy development work. House Bill 3398, which would adjust the implementation dates for the PFMLI program, passed both the House and Senate and was signed by the House Speaker and Senate President on 6/26. The bill is now awaiting the Governor's signature. The contract with Brink Communications to provide support services to the PFMLI program is in the process of being finalized, and is expected to be signed in July. | | | | | | | | | | |
| Program Status by Delivery Workstream | | | | | | | | | | |
| Status: | Education and Outreach | | Policy, Legislation, and Rules | | Operations | | Program Management | | Technology* | |
| | Previous | Current | Previous | Current | Previous | Current | Previous | Current | Previous | Current |
| Key: | On Target  | | In Mitigation  | | High Risk  | | No Data  | | *Delivered by Modernization Program . | |
| Summary: Program status is <u>high risk</u> for all active workstreams, reflecting the aggressive implementation timeline for such a large and complex initiative. Proposed adjustments to the statutory timeline have been approved by the Legislature and await the Governor's signature. Pending decisions on the benefits technology implementation approach are another key risk factor. When decisions are finalized on these items, 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"> Distributed internal and external newsletters Began coaching and resistance planning for staff Worked with Brink Communications to finalize contract Completed updates to PFMLI website | | <ul style="list-style-type: none"> Monitored 2021 legislation, including HB 3398 (PFMLI timeline change) Drafted rules and policy decisions needed to begin building technology system Continued developing legislative concepts for 2022 Developed plans, tracking tools, and training for administrative rulemaking | | <ul style="list-style-type: none"> Updated process maps and requirements analysis to prepare for technology system development Drafted scope and high-level process map for accounting and cash management Developed hiring plan timeline for 2021-23 biennium Analyzed options for future organizational structure of UI Tax and PFMLI Contributions functions | | <ul style="list-style-type: none"> Planned contract administration process for Brink Communications Launched PFMLI Operations and Policy Team (OPT) Collaborated with UI Modernization project team to prepare for technology development kickoff Developed and refined project management documentation and artifacts | | <ul style="list-style-type: none"> PFMLI contributions technology will be delivered through the UI Modernization project, beginning in July 2021. PFMLI ESC approved delivery of PFMLI benefits technology through the Modernization Program, pending analysis and approval by Modernization ESC | |

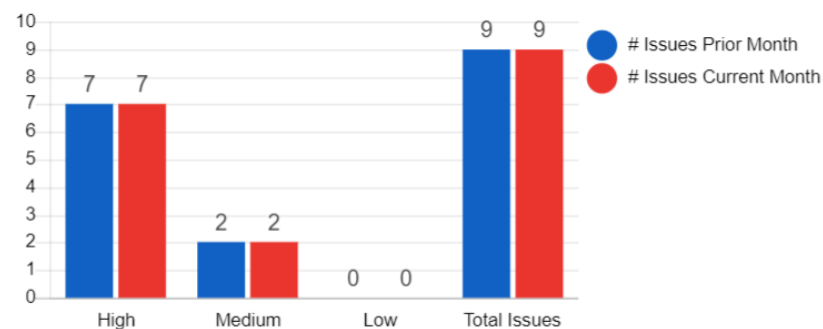
| | Education and Outreach | Policy, Legislation, and Rules | Operations | Program Management | Technology |
|-------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Next Steps | <ul style="list-style-type: none"> Conduct PFMLI open house for agency staff Develop and implement outreach strategies Sign contract with Brink Communications and begin vendor onboarding | <ul style="list-style-type: none"> Continue drafting administrative rules and policies needed to begin building the technology system Finish creating plans, tracking tools, and training for administrative rulemaking Begin proposing 2022 legislative concepts to Advisory Committee | <ul style="list-style-type: none"> Construct work breakdown and documentation for accounting and cash management Complete hiring plan timeline and work breakdown for staffing and organizational development project Finalize proposal for future organizational structure needed for implementation Develop PFMLI section budget for 2021-23 | <ul style="list-style-type: none"> Establish tracking tools and processes to align system development with ongoing policy development work Produce high-level milestones report for PFMLI program Refine and enhance Risk and Issue register Work with Modernization team to document requirements for telephone and imaging systems to support PFMLI contributions | <ul style="list-style-type: none"> Onboarding and education for PFMLI subject matter experts who will be working on UI Modernization project Begin definition sessions with technology solution vendor (FAST) Participate in hiring process for Modernization BAs |

Risk and Issue Highlights

Risks



Issues



Risks: There are **27 total risks** being monitored at this time: **12 High Priority**, **8 Medium Priority**, and **7 Low Priority**.

Issues: There are **9 total issues** being monitored at this time: **7 High Priority** and **2 Medium Priority**.

Common themes and mitigations for top risks and issues:

Aggressive implementation timeline for PFMLI (*Issue #1034 and Risk # 1057*). Mitigation systems include: A schedule paradigm that accounts for statutorily mandated release dates while supporting agile/scrum planning and development; baseline targets for critical epics and milestones so progress can be reported against planned and actual completion dates; major milestones identified for program delivery so progress can be reported against planned and actual completion dates; a baseline for vendor-supported milestones so progress can be reported against planned and actual completion dates; including major milestones within monthly status report and include narrative for variances; adjust baselines and milestones as needed to reflect timeline adjustment when HB 3398 is final.

Potential for delays in hiring, recruitment, onboarding, or training of staff needed to operate the PFMLI division, resulting in insufficient resources (*Issue #1037, Risks # 1058, 1060, and 1008*). Mitigation systems include: Review of positions requested in proposed budget is being initiated to identify any gaps in skillsets and ensure appropriateness of positions for work to be performed; ongoing organizational development planning to identify appropriate positions for implementation and administration of the program.

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

Schedule Report

Schedule performance remains green as the PFMLI team continued to focus on tasks and activities to prepare for work with the Modernization solution vendor. Contributions business requirements, requirements crosswalk, and initial business process maps are complete and ready to be used as inputs for the technology system development.

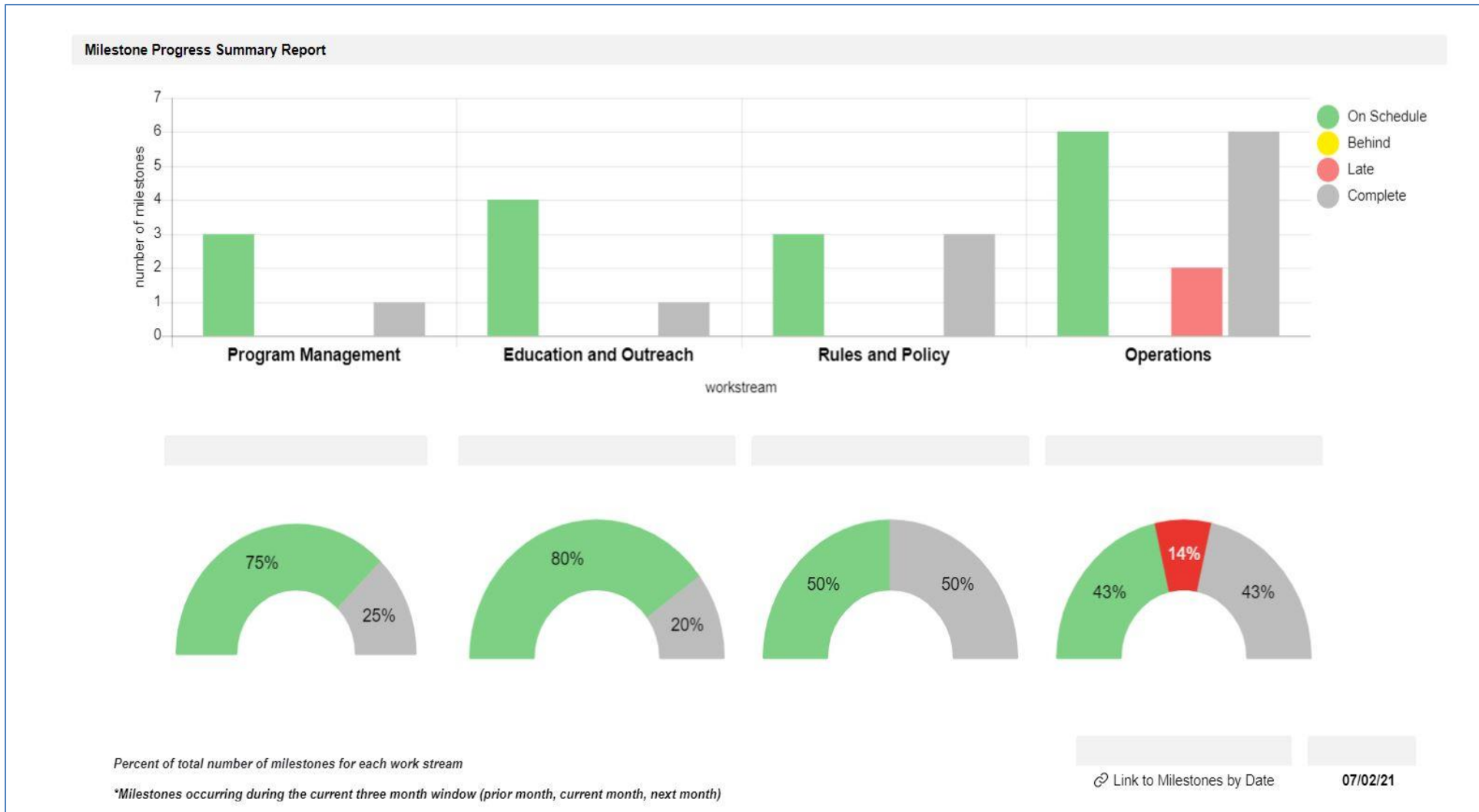
The policy team continues reviewing Unemployment Insurance business requirements to identify additional policies and administrative rules needed for PFMLI; tracking PFMLI-related legislation including HB 3398 which proposes changes the PFMLI implementation timeline; and continuing the development of plans, tracking tools, and training to prepare for administrative rulemaking.

The ABS Epic project definition and scope (draft) has been defined and will be verified with SMEs and key stakeholders; key milestones and a work breakdown development will follow. Staffing and organizational development 2021-23 biennium hiring plan timeline is near completion. The ABS Epic and Staffing and Organizational Development projects are in preliminary stages of schedule development.

The education and outreach workstream is revised to reflect ongoing outreach planning work and change management activities that align with Modernization's organizational change management.

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](#)

Budget Report (as of May 2021)

PFMLI was under budget for the month. In May 2021, there were \$424,719 of expenditures against a budget of \$772,585. Personal services (staff costs) make up about 93% of the total expenditures. There were no significant Services and Supplies or Capital Outlays costs during May, and most were the result of cost allocation, corrections, or regular monthly bills. Through May, the program has spent \$4.5 million and is \$4.2 million under budget for the biennium, with the biggest difference being the services and supplies expenditures. The budget include costs for a technology solution vendor. We have received some of those expenses, however they appear in the Capital Outlays category.

Projections show about the same level of personal services for June. June includes an increase of services and supplies expenditures for the PFMLI Communications contract, estimated at \$250,000. Further, there are over \$2 million of Capital Outlay anticipated expenditures for the remainder of the biennium associated with the solution vendor.

| 2019-21 Biennium | | | | | | | | | | | | | |
|---------------------------------|-------------------------------|---------------------------------------------|-----------------------|----------------------------|-------------|----------------------------------|-----------------------------------|----------------------------|-------------|----------------------------------|-------------------------------------------|--------------------------------------|-------------------------------------|
| Program | Legislatively Approved Budget | Current Month | | | | Biennium-to-Date | | | | Projected End-of-Biennium | | | |
| | | Budget May 2021 | Expenditures May 2021 | \$ Variance (Under) / Over | % Variance | Biennium to date Approved Budget | Actual Expenditures thru May 2021 | \$ Variance (Under) / Over | % Variance | Remaining Projected Expenditures | Total Expenditures (Actual + Projections) | Projected \$ Variance (Under) / Over | Projected % Variance (Under) / Over |
| Personal Services Total | \$ 4,380,586 | \$ 359,727 | \$ 394,581 | \$ 34,854 | 10% | \$ 5,038,087 | \$ 3,786,703 | \$ (1,251,384) | -25% | \$ 435,717 | \$ 4,222,420 | \$ (158,166) | -4% |
| Services & Supplies Total | \$ 5,128,000 | \$ 412,858 | \$ 26,552 | \$ (386,306) | -94% | \$ 3,697,914 | \$ 469,070 | \$ (3,228,844) | -87% | \$ 288,585 | \$ 757,655 | \$ (4,370,345) | -85% |
| Capital Outlays Total | \$ - | \$ - | \$ 3,586 | \$ 3,586 | 0% | \$ - | \$ 239,171 | \$ 239,171 | 0% | \$ 2,500,000 | \$ 2,739,171 | \$ 2,739,171 | N/A |
| Budgeted Position Totals | \$ 9,787,440 | \$ 772,585 | \$ 424,719 | \$ (347,866) | -45% | \$ 8,736,001 | \$ 4,494,944 | \$ (4,241,057) | -49% | \$ 3,224,302 | \$ 7,719,245 | \$ (1,789,341) | -18% |
| | 33 | Original Budget for 2019-21 biennium | | | | Contributions | | | | - | | | |
| | \$ 15,688,586 | | | | | | | | | | | | |

| Fund Type | Expenditures by Biennium | | Program Life to Date |
|----------------------------|--------------------------|----------|----------------------|
| | 2019-21 | 2021-23 | |
| General Fund | 4,494,944 | - | 4,494,944 |
| Other Funds Administration | - | - | - |
| Other Funds Benefits | - | - | - |
| Total Funds | 4,494,944 | - | 4,494,944 |

| GF Loan Repayment | | |
|-------------------|-----------------|------------------|
| 2019-21 | GF Expenditures | 4,494,944 |
| 2021-23 | GF Expenditures | - |
| Total | | 4,494,944 |
| 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 | |
| PFMLI Implementation Team | PFMLI State Partners Team | | |

