

| 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, and the program management and governance structures needed to support the implementation. Technology and business processes to support PFMLI will be delivered through the agency's Modernization Program . | | | | | | | | |
| Program Headlines | | | | | | | | | | |
| <ul style="list-style-type: none"> On September 29, the first PFMLI Rulemaking Advisory Committee (RAC) Meeting was held to obtain feedback on the first batch of draft rules prior to formal rulemaking. The first batch includes 38 rules and 5 statements of need. Along with the 8 RAC members, over 300 members of the public attended. On September 13, a kick-off meeting was held with the communications vendor - Brink Communications. They are currently working on an employer survey. The Modernization Executive Steering Committee voted to bring the PFMLI benefits technology and business processes into scope for the Modernization Program and the UI Modernization Project. Recruitment began for two permanent PFMLI leadership positions, PFMLI Division Director and PFMLI Division Deputy Director; recruitment also began for one limited-duration rotation position, PFMLI Outreach and Organizational Development Manager. Recruitment for these positions will continue through the month of October. | | | | | | | | | | |
| 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. More detailed information can be found in the Risk and Issue report on page 4. | | | | | | | | | | |
| Highlights | <ul style="list-style-type: none"> Held kickoff meeting with Brink Communications and defined communications priorities for Brink; began work on business survey Planned executive coaching engagement for PFMLI leadership team, and held kickoff meeting Drafted Organizational Change Management plan | | <ul style="list-style-type: none"> Established the Rules Advisory Committee for formal PFMLI rulemaking activities Developed plans and tracking tools for rulemaking stakeholder feedback Delivered Batch 1 draft administrative rules to PFMLI advisory committee and RAC Drafted Batch 2 administrative rules | | <ul style="list-style-type: none"> Continued providing information and decisions on system requirements to Frances team Continued work on staffing planning and hiring timeline Began work with UI on combined contributions operational framework Completed inventory of letters needed for PFMLI contributions; began drafting letters Internal review of high-level employer experience visuals for contributions and equivalent plans | | <ul style="list-style-type: none"> Completed release plan graphic ("roadmap") for publication on PFMLI website Continued updating program schedule to align key milestones with new timeline Began planning work relating to MS Teams collaboration tool 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"> Finalize PFMLI equity framework and plan for rollout to team Begin focused engagement with stakeholder groups Conduct communications business survey with Brink Communications Finalize OCM approach for PFMLI | <ul style="list-style-type: none"> Initiate rulemaking activities for Batch 2 draft administrative rules Prepare for discussing proposed 2022 legislative concepts with BOLI | <ul style="list-style-type: none"> Continue providing information and decisions on technology system requirements Complete staffing planning and hiring timeline. Refine work breakdown / schedule for staffing and organizational development project Continue work with UI on drafting the plan for the combined contributions operational framework | <ul style="list-style-type: none"> Continue updating program schedule to align major implementation milestones with new timeline; prepare milestones report for use with external stakeholders Draft quality management plan and refine performance metrics for implementation program Ongoing refinement / coordination of internal processes to align system and policy development work |

Technology Report

On September 20th, the Modernization Executive Steering Committee approved the change request to add PFMLI benefits technology and business processes to the scope of the Modernization Program and UI Modernization Project. During the month of October the Modernization team will move forward to accommodate the increased scope of work by updating program and project plans as well as vendor contracts. Communication, organizational change management, and stakeholder engagement activities will be re-evaluated, aligned, and coordinated where appropriate for Modernization and PFMLI benefits. Budget and staffing shifts or changes for PFMLI, IT, and Modernization will be identified and put into place with the appropriate requests and approvals.

Definition sessions continued as planned for all functional areas. The Base Configuration phase, which uses existing definitions to ensure that development is moving in the right direction, is proceeding without issue and will continue through the end of December.

Initial drafts of PFMLI letters have been reviewed with the Frances team. Final drafts are due on October 29th. The Frances team will create definition meetings to review each letter in the inventory when final drafts are received.

Schedule Report

Schedule rating is trending green for the current three-month window (prior month, current month, next month). Across all workstreams, several milestones were achieved according to planned dates.

A PFMLI release plan graphic (roadmap) was completed and presented to the team and to executive leadership. It will be published on the PFMLI website, along with a milestones report currently being prepared for use with external stakeholders. The PFMLI communications contract kick-off was completed and the vendor's work to perform a business survey has commenced.

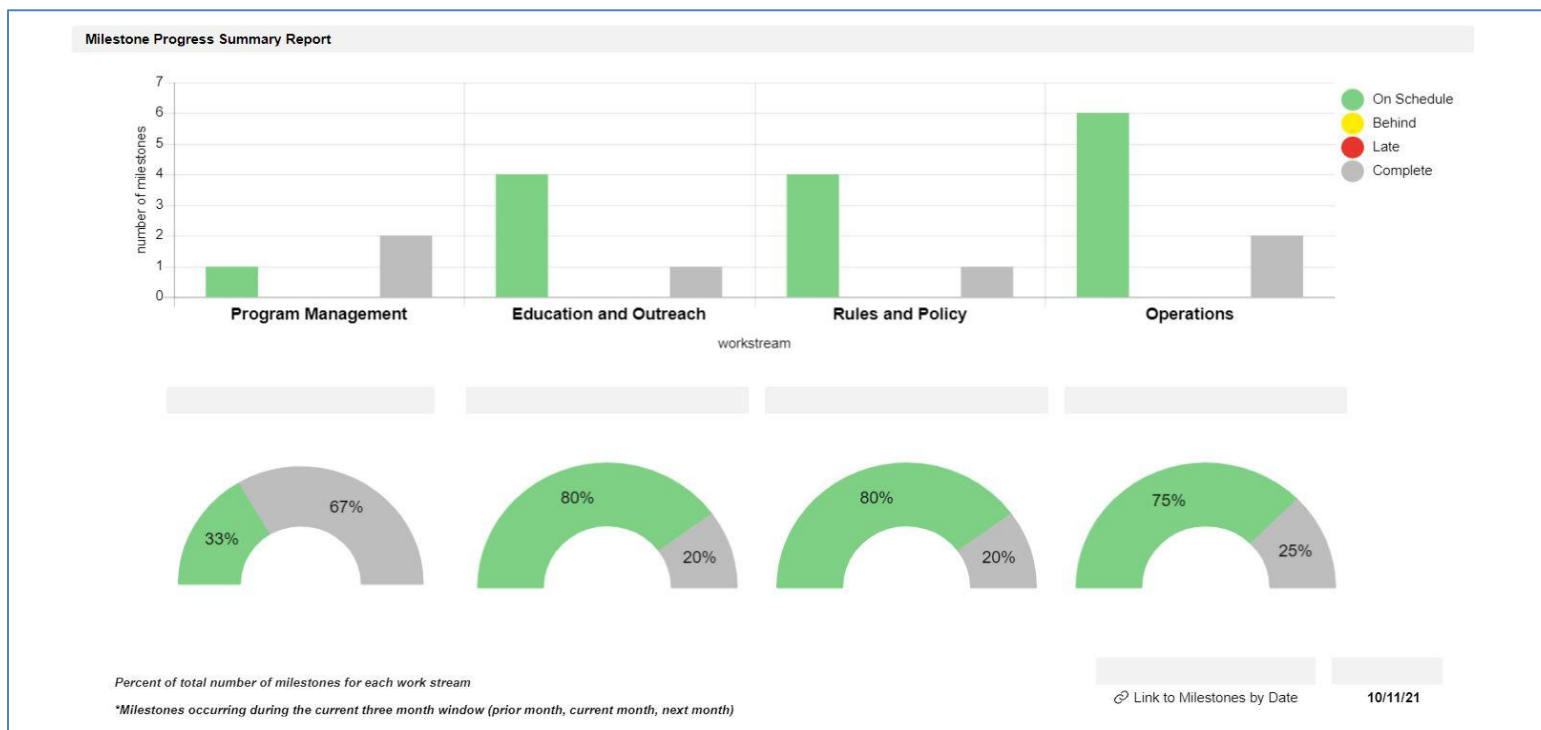
In rules and policy, the Rules Advisory Committee (RAC) for formal PFMLI rulemaking activities was established, and the first batch of administrative rules have been delivered to the RAC and to the PFMLI advisory committee for review and feedback.

In operations, an inventory of letters needed for PFMLI contributions was completed, and the work of drafting the letters has begun.

Numerous activities and tasks that constitute multiple near term milestones have begun and are expected to be completed in the near future. Meanwhile, program schedule development work is continuing to develop tasks, and to display and track key milestones that align with the new timeline.

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). Statutory timeline adjustment (HB 3398) has been signed by governor. PFMLI Contributions technology and business processes have been moved into scope for UI Modernization and are currently on track. The Modernization Executive Steering Committee voted to bring the PFMLI benefits technology and business processes into scope for the Modernization Program and the UI Modernization Project; detailed planning is in progress (see Technology Report on page 2). This issue will remain open until (1) detailed planning has been completed with Modernization for scope and schedule of PFMLI Benefits technology and business processes; (2) hiring plans are re-worked to account for merger of UI Tax and PFMLI Contributions, and are on track; (3) no other major milestones are at risk of being missed.

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 continues organizational development planning to identify appropriate positions for implementation and administration of the program, and is working with Human Resources to develop further mitigation strategies to prevent delays in hiring, recruitment, onboarding, and training. Response planning is underway for the emerging issue of vacancies on the PMFLI leadership team.

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 August 2021)

General Fund (GF) spending for PFMLI for August was \$618,083. Personal services spending was \$403,400 which is consistent with the previous month. Services and Supplies spending was \$214,682, which included \$176,000 for the allocation of a FAST invoice.

August 2021

| 2019-21 Biennium | | 2021-23 Biennium | | | | | | | | | | | | |
|---------------------------------|-------------------------------|----------------------|--------------------------------------|----------------------------|---------------------|----------------------------------|--------------------------------------|----------------------------|---------------------|----------------------------------|---|--------------------------------------|-------------------------------------|------------|
| Expenditures | Legislatively Approved Budget | Current Month | | | | Biennium-to-Date | | | | Projected End-of-Biennium | | | | |
| | | Budget August 2021 | Expenditures August 2021 | \$ Variance (Under) / Over | % Variance | Biennium to date Approved Budget | Actual Expenditures thru August 2021 | \$ Variance (Under) / Over | % Variance | Remaining Projected Expenditures | Total Expenditures (Actual + Projections) | Projected \$ Variance (Under) / Over | Projected % Variance (Under) / Over | |
| Program | | | | | | | | | | | | | | |
| Personal Services | 4,212,310.95 | \$ 18,818,882 | \$ 874,156 | \$ 403,400 | \$ (470,756) | -54% | \$ 1,732,218 | \$ 795,018 | \$ (937,201) | -54% | \$ 17,788,052 | \$ 18,583,070 | \$ (235,812) | -1% |
| Services & Supplies | 820,419.17 | \$ 20,284,889 | \$ 37,653 | \$ 214,682 | \$ 177,029 | 470% | \$ 75,307 | \$ 216,560 | \$ 141,253 | 188% | \$ 20,008,395 | \$ 20,224,955 | \$ (59,934) | 0% |
| Capital Outlays | 3,173,535.17 | \$ - | \$ - | \$ - | \$ - | 0% | \$ - | \$ - | \$ - | 0% | \$ - | \$ - | \$ - | 0% |
| Budgeted Position Totals | \$ 8,206,265 | \$ 39,103,771 | \$ 911,810 | \$ 618,083 | \$ (293,727) | -32% | \$ 1,807,525 | \$ 1,011,578 | \$ (795,947) | -44% | \$ 37,796,447 | \$ 38,808,025 | \$ (295,746) | -1% |
| | | \$ 39,103,771 | 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 | 1,011,577.89 | 9,217,843 |
| Other Funds Administration | - | - | - |
| Other Funds Benefits | - | - | - |
| Total Funds | 8,206,265 | 1,011,578 | 9,217,843 |

| GF Loan Repayment | | |
|-------------------|-----------------|-----------|
| 2019-21 | GF Expenditures | 8,206,265 |
| 2021-23 | GF Expenditures | 1,011,578 |
| Total | | 9,217,843 |
| 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 | | |