




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 October 19, the Business Survey went out through the communications vendor- Brink Communications. The survey was sent out to over 71,000 employers. On October 27, David Gerstenfeld announced that Karen Madden Humelbaugh has accepted the offer for the PFMLI Division Director. Karen is coming from the Office of Workforce Investments at the Oregon Higher Education Coordinating Commission. Karen will start on November 1, 2021. Recruitment is ongoing for multiple PFMLI leadership positions including: Division Deputy Director; Outreach and Organizational Development Manager; additional recruitments to come to complete the PFMLI Leadership Team. 									
Program Status by Delivery Workstream									
Status:	Education and Outreach		Policy, Legislation, and Rules		Operations		Program Management		Key:
	Previous	Current	Previous	Current	Previous	Current	Previous	Current	
		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"> Finalized the draft PFMLI equity framework and rolled out to extended team and the executive steering committee for feedback and refinement 1:1 stakeholder engagement meetings with community based organizations 		<ul style="list-style-type: none"> Incorporated feedback from RAC meeting to finalize Batch 1 administrative rules Filed documents with the Secretary of State for the November <i>Oregon Bulletin</i> to begin the formal rulemaking process of Batch 1 rules Continued revisions on Batch 2 rules Discussed proposed 2022 legislative concepts with BOLI and stakeholders 		<ul style="list-style-type: none"> Completed staffing planning and hiring timeline, refined schedule for staffing and organizational development project Continued drafting PFMLI letters; plain language review of letters in progress Worked with agency leadership to plan next steps for establishing a combined Contributions unit for PFMLI and Unemployment Insurance 		<ul style="list-style-type: none"> Drafted Organizational Change Management executive sponsor presentation for new leadership team members Completed OCM Resistance Training for extended PFMLI Team Drafted milestones report for use with external stakeholders Published release plan graphic on PFMLI website 		

	Education and Outreach	Policy, Legislation, and Rules	Operations	Program Management
Next Steps	<ul style="list-style-type: none"> Continue focused engagement with stakeholder groups Preparing to continue Tribal Government consultation meetings 	<ul style="list-style-type: none"> Preparing for formal rulemaking hearings on Batch 1 rules Prepare documents for the RAC meetings for Batch 2 rules Continue discussions on potential 2022 legislative concepts 	<ul style="list-style-type: none"> Continue providing information and decisions on technology system requirements Continue work with UI and agency leadership to plan for hiring for the new combined Contributions unit Recruit to fill PFMLI leadership team vacancies Continue drafting PFMLI letters 	<ul style="list-style-type: none"> Ongoing refinement / coordination of internal processes to align system and policy development work Finalize key performance indicators and success metrics Publish milestones report to accompany release plan graphic on PFMLI website Continue work to finalize OCM approach for PFMLI

Technology Report

Definition, Base Configuration, Development, Conversion, and OCM phases are ongoing and tracking on schedule for Frances Implementation. Work on requirements traceability is proceeding as definitions are being linked to requirements. The process includes reviews, escalations and processes to cover all situations where a requirement may not have been fully met at that point in time, and detailed requirements traceability reports have created to enable close monitoring.

The Modernization Project Stakeholder Engagement Plan was finalized and Employer Engagement action plans are being developed with input from a small group of cross-divisional representatives from UI, PFMLI, Modernization, and Communications as well as Frances implementation vendor input and assistance.

The Modernization team is adding Paid Family benefits scope to the program and project business cases, and incorporating PFMLI benefits into existing contracts, project plans and employer engagement action planning.

In October, a change request to move the PFMLI phone system needs from the UI Modernization project into IT operations was approved. This change moves the responsibility and budget for making changes to the OED phone system to include PFMLI. This repositioning of the work was deemed a better fit as IT provides phone system services to UI and Workforce Operations and is prepared to incorporate PFMLI into existing phone system processes.

Schedule Report

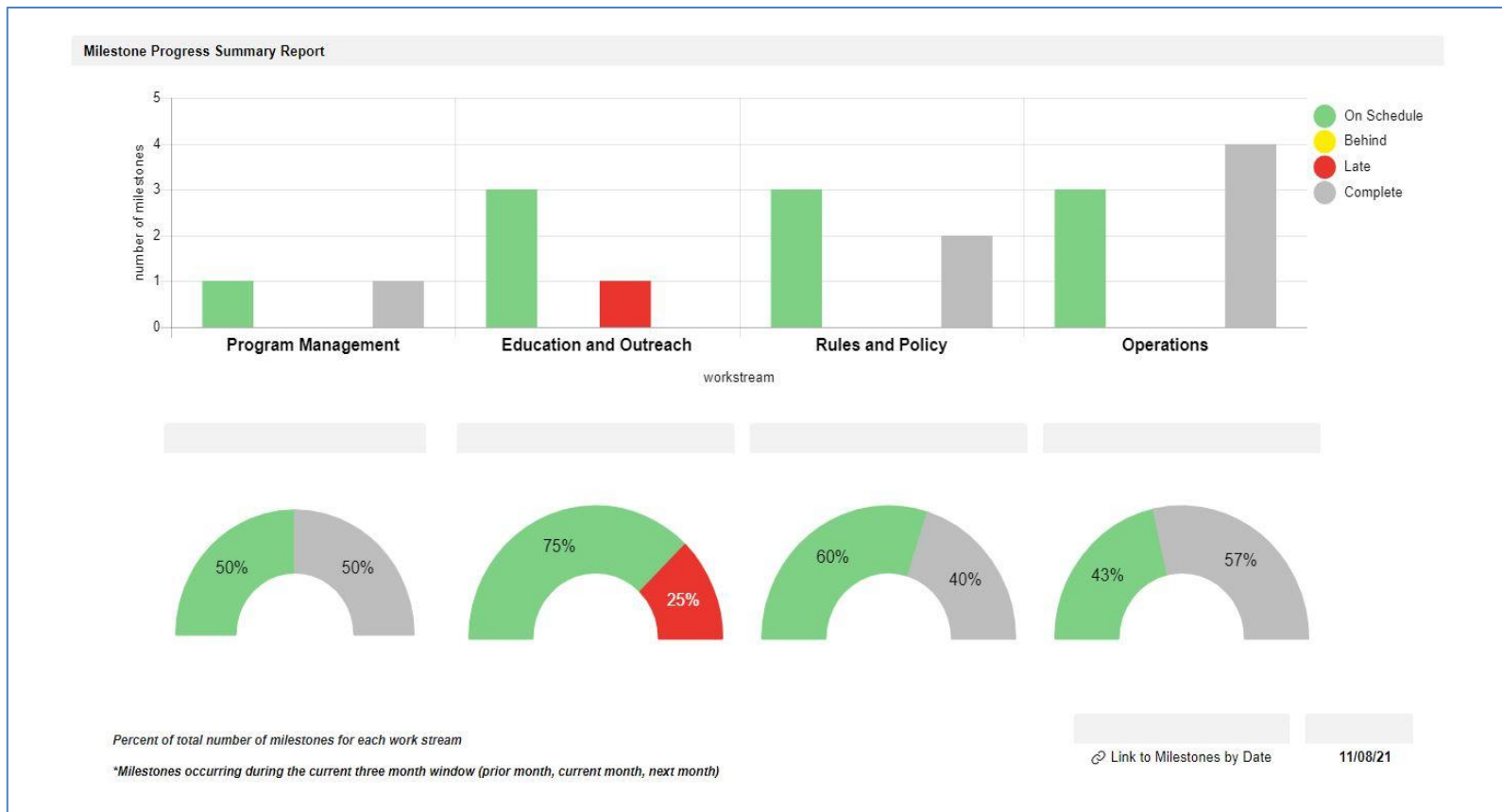
Rules and policy work is currently on schedule. In formal rulemaking, the first batch of administrative rules comprised of Contributions, Self Employed, Small Employers and assistance grant has been posted in the SOS bulletin. Public hearings will be conducted in early and mid-December. Permanent rules effective is targeted for January 2022.

The milestones report to be used with external stakeholder has been prepared. It will be published on the PFMLI website in accompaniment with the PFMLI release plan graphic (roadmap). Staffing and Organization Development project planning recruitment timeline has been revised. The training and development recruitment is in progress and is being handled by HR, while the testing and development unit recruitment has begun and is being handled by PFMLI. In the Operations workstream, drafting the letters for PFMLI contributions has completed and is currently in progress for plain language review. Legal sufficiency review has been delayed.

Schedule risk lies with the stakeholder engagement and outreach work. Program engagement outreach initially planned to be performed in concurrent with Batch 1 rules has not commenced. The shortage of staff and the additional resignation of members of leadership have created challenges in getting these tasks started. This workload is at risk of not meeting schedule; it will need to be shifted to other resources; and will likely result in resource over allocation.

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, training, and retainment 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 September 2021)

PFMLI was under budget for the month. In September 2021, there were \$763,596 of spending against a budget of \$1,804,034. There were no significant Services and Supplies during September, most being the results of cost allocations and regular monthly bills. Included in the Q1 budget for Services and Supplies is \$382,500 for our technology solutions vendor. The actual cost recorded was \$176,000 approx. 1/2 of what was budgeted. This is most likely a timing issue and the costs will be reflected in future months.

9/1/2021

2019-21 Biennium		2021-23 Biennium												
Program	Expenditures	Legislatively Approved Budget	Current Month				Biennium-to-Date				Projected End-of-Biennium			
			Budget 9/1/2021	Expenditures 9/1/2021	\$ Variance (Under) / Over	% Variance	Biennium to date Approved Budget	Actual Expenditures thru 9/1/2021	\$ Variance (Under) / Over	% Variance	Remaining Projected Expenditures	Total Expenditures (Actual + Projections)	Projected \$ Variance (Under) / Over	Projected % Variance (Under) / Over
Personal Services	4,212,310.95	\$ 18,818,882	\$ 933,798	\$ 686,599	\$ (247,200)	-26%	\$ 2,666,017	\$ 1,481,617	\$ (1,184,400)	-44%	\$ 17,425,702	\$ 18,907,318	\$ 88,436	0%
Services & Supplies	820,419.17	\$ 20,284,889	\$ 870,235	\$ 76,997	\$ (793,239)	-91%	\$ 945,542	\$ 293,557	\$ (651,985)	-69%	\$ 19,138,159	\$ 19,431,716	\$ (83,173)	-4%
Capital Outlays	3,173,535.17	\$ -	\$ -	\$ -	\$ -	0%	\$ -	\$ -	\$ -	0%	\$ -	\$ -	\$ -	0%
Indirect PS & SS														
Budgeted Position Totals	\$ 8,206,265	\$ 39,103,771	\$ 1,804,034	\$ 763,596	\$ (1,040,438)	-58%	\$ 3,611,559	\$ 1,775,173	\$ (1,836,385)	-51%	\$ 36,563,861	\$ 38,339,035	\$ (764,736)	-2%
		301	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	1,775,173.43	9,981,439
Other Funds Administration	-	-	-
Other Funds Benefits	-	-	-
Total Funds	8,206,265	1,775,173	9,981,439

GF Loan Repayment		
2019-21	GF Expenditures	8,206,265
2021-23	GF Expenditures	1,775,173
Total		9,981,439
2021-23	GF Repayment	-

Report Distribution

David Gerstenfeld	Employment Department Executive Team	Tamara Brickman, CFO	Cecily Warren, EIS
Karen Madden Humelbaugh	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		