

Program Leadership	Program Overview
Executive Sponsor: David Gerstenfeld, Acting Agency Director	The PFMLI Implementation Program will deliver the services set forth in ORS chapter 657B.
Program Sponsor: Karen Madden Humelbaugh Program Manager: Juan Serratos	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

- Karen Madden Humbelbaugh provided testimony to the Senate Labor and Business Committee, introducing herself as the new PFMLI director and providing program status updates.
- Brink Communications completed two deliverables in January, Developed and Implemented Employee Survey and delivered the final draft of the Marketing and Outreach Plan. These deliverables ended the Research and Planning Phase and moved their contract into the Outreach Phase.
- Finalized recruitments for leadership positions. Kelley Ofoni, Policy Manager will start on February 1. Danielle Willey, Operations Manager on February 7. Michelle Roland-Shwartz, Outreach Manager on March 7. Additional recruitments ongoing include a Diversity, Equity and Inclusion Coordinator, Outreach Coordinator and several policy and operations positions as Operations and Policy Analyst 2.
- Proposed that the PFMLI team should manage operations for Equivalent Plans and not the Contributions Team. A final decision is expected next month.

riogiai	Frogram Status by Delivery Work Stream										
	Education and	Outreach	Policy, Legislation	on, and Rules	Operations						
Status:	Status: Previous Current		Previous	Current	Previous	Current					
Key:	On Target		In Mitigation		High Risk						

Summary: Program status is currently High Risk for Education and Outreach; while the communications contract and associated deliverables with Brink Communications are on target, this work stream is still at a High Risk status due to current staffing resources and current needs to establish a detailed action plan for the education and outreach to employers and employees following the stakeholder engagement that has occurred to date. Policy Legislation and Rules, Operations, and Program Management milestones are all on target schedule wise, but are maintaining the High Risk status reflecting the high degree of complexity and level of risks and issues to the implementation program for all workstreams. More detailed information can be found in the Risk and Issue report on pages 3-4.

Progra	m Status by Delivery Work Stream Education and Outreach	Policy, Legislation, and Rules	Operations
This Month Highlights	 Continued Development of Q&A and FAQ documents Provided PFMLI updates to agency educational documents and training materials Prepared for public hearings & RAC meeting preparations 	 Analyzed and incorporated suggestions received on Batch 1 rules during the formal rulemaking process Finalized Batch 1 administrative rules with the Secretary of State Analyzed and incorporated suggestions received on Batch 2 rules during the RAC meetings 	 Drafted letters for the technology system Continued recruit to fill PFMLI implementation team vacancies Continued development of operational processes for the combined contributions unit Completed initial preparations for system testing and validation



PFMLI Implementation Program Status Report January 2022

Brink Cor Outreach		 Filed proposed Batch 2 rules Secretary of State for the Oregon Bulletin Continued development of potential 2023 legislative concepts 	 Began Self-employed rules and process review Began Equivalent Plans rules and process review
	Education and Outreach	Policy, Legislation, and Rules	Operations
of addition Identify of three and Collabora PFMLI brown Update so and make communi Collabora	critical Outreach deliverables for the next disix months ate and define an approach with Brink on anding efforts stakeholder database. Assess for gaps e sure that underrepresented ities are identified ate with the Operations team to define ach to survey Oregon employers on	 Hold formal rulemaking hearings on Batch 2 rules Draft 2023 Legislative Concept one-pagers for discussion with Advisory Committee Monitor PFMLI-related legislation and SB 1515 during the 2022 legislative session Draft Batch 3 rules related to PFMLI benefits Begin drafting Batch 4 rules related to appeals, benefits, and equivalent plans Start recruitments of new policy staff 	 Identify phone options to handle Equivalent Plan phone calls Draft an onboarding plan, PFMLI culture and other new hire collateral documents Develop an Equivalent Plan operations timeline Draft a staffing proposal to manage Equivalent Plan phone calls and application processing Start implementation planning of Equivalent Plans if approved Define an approach to survey Oregon employers' preference for an Equivalent Plan or contributions

Program Management Report

Program Management approach was restructured to only three work areas (work streams); Policy, Outreach and Operations. The goal is to maximize operational efficiencies by building the institutional knowledge within three main areas of work and to facilitate communication and collaboration. Additionally, the project management approach was redefined from strictly Scrum to a hybrid model to improve accountability, simplify staff reporting and easily identify progress or delays. Additional work relating to updating the project management tools, program reporting forms, and processes to improve accountability will remain in a state of continuous improvement.

As the three work streams were defined this month, it was also identified the staffing levels needed and classifications. The leadership team priority is to complete recruitments to ensure that all work streams are staffed appropriately.

Risk and issue management process improvements continue. Updates continue to the program charter, program plans, and work stream milestones to reflect current program state and build out the both Education and Outreach and Operations Work streams.

Technology Report

During January the Modernization Project entered into the Development phase of the project and continues on schedule for a September Rollout date. In March, a second PFMLI Checkpoint will be held to verify that the PFMLI contributions implementation continues to be directionally correct.



Technology and business processes to support PFMLI continue to be delivered through the agency's Modernization Program. Updates to modernization milestones can be found here: Modernization Milestones.

Schedule Report

Rules and policy work continues to remain on schedule. In formal rulemaking, the first batch of 35 administrative rules comprised of Contributions, Self Employed, Small Employers and Assistance Grants, and our Outreach rule. The 35 Batch 1 administrative rules became permanent with the Secretary of State on January 31, 2021 The second batch of administrative rules comprised of will be posted in the February *Oregon Bulletin* and the public comment period closes on March 1, 2022 at 5pm and the target for the permanent rules to become effective is April 2022..

The operations work stream is on schedule. Recruitment is ongoing to recruit and onboard staff for operational needs. The operational process development for the combined contributions unit within the Employment Department has begun and will continue through the fourth quarter of 2022.

Education and Outreach work is currently at risk of becoming behind schedule. The Brink Communications contract deliverables are on schedule, program resource adjustments are needed to insure timely and robust employee and employee engagement occur in conjunction with the completed outreach plan.



Risks: There are 28 total risks being monitored at this time: 12 High Priority, 9 Medium Priority, and 7 Low Priority.

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



Revaluation and refinement of all risks and issue details and response plans began in January and will continue through March 2022 as all leadership roles are filled. The top PFMLI risks and issues to the include risks relating to overall implementation success, PFMLI fund solvency, staffing resources, operational decision-making and change-management/program integration.

Budget Report (as of December 2021)

Other Funds Benefits

PFMLI expenditures continue to be under budget through December. December has \$757,695 of expenditures against a budget of \$1,121,379. Personal services expenditures of \$551,130 were 72% of the monthly expenditures and were 41% under budget, while most other expenditures were services and supplies, which was over budget for the month.

- Of the December personal services expenditures, \$341K were directly from payroll, including \$27k of cost allocation, in addition there were \$205K of payroll charges from the PFMLI/Modernization allocation and \$3,600 of job rotation expenditures.
- Of the December services and supplies expenditures, \$177K form from the PMFLI/Modernization allocation, \$25K was cost allocation, a series of charges for phones, a managed printing bill, a DOJ Bill, and just over \$1K of credits.
- The \$13 in the distribution to individuals was an error that will be corrected.

Six months in the biennium, PFMLI expenditures total \$3,874,114 which is \$2,469,148 under budget. \$3,189,314 (82%) of this total is related to personal services.

December 2021

	2019-21 Biennium	2021-23 Biennium												
				Current Month			Biennium-to-Date					Projected End-of-Biennium		
	Expenditures	Expanditures Legislatively Approved	Budget	Expenditures	\$ Variance		Biennium to	Actual Expenditures thru	\$ Variance		Remaining	Total Expenditures	Projected \$	Projected % Variance
		Budget	December 2021	December 2021	(Under) / Over	% Variance	date Approved Budget	December 2021	(Under) / Over	% Variance	Projected Expenditures	(Actual + Projections)	Variance (Under) / Over	(Under) / Over
Program														
Personal Services	4,213,519	\$ 33,790,645	\$ 933,798	\$ 551,130	\$ (382,669)	-41%	\$ 5,467,412	\$ 3,189,314	\$ (2,278,098)	-42%	\$ 22,752,792	\$ 25,942,106	\$ (7,848,539)	-23%
Services & Supplies	839,982	\$ 23,267,642	\$ 187,581	\$ 206,553	\$ 18,972	10%	\$ 875,850	\$ 684,787	\$ (191,063)	-22%	\$ 11,918,816	\$ 12,603,603	\$ (10,664,039)	-46%
Capital Outlays	3,173,535	-	\$ -		\$ -		s -	s -	s -	0%	\$ 6,979,500	\$ 6,979,500	\$ 6,979,500	0%
Distribution to Individuals				\$ 13	\$ 13			\$ 13	\$ 13			\$ 13	\$ 13	0%
	\$ 8,227,036	\$ 57,058,287	\$ 1,121,379	\$ 757,695	\$ (363,684)	-32%	\$ 6,343,262	\$ 3,874,114	\$ (2,469,148)	-39%	\$ 41,651,108	\$ 45,525,222	\$ (11,533,065)	-20%
Budgeted Position Totals		376 \$ 47,107,449	7.47	Budget GF for 20	121 22 Lii	ı	6	tributions			1		L	1
		s 9,950,839		Budget OF for 20			Con	tributions			ı			
				es by Biennium					GF Loan Repayn	ient				
					Program Life to Date			2019-21	GF Expenditures		8,227,036			
		Fund Type General Fund	2019-21 8,227,036	2021-23 3,874,114	12,101,150			2021-23 Tot	GF Expenditures		3,874,114 12,101,150	I		
		Other Funds Administration	8,227,030	3,874,114	12,101,150			2021-23	GF Repayment		- 12,101,150	l		

2021	-23 Biennium	2023-25 Biennium 18		Total Project Expenditures		
	17					
Actual Expenditures 2021-23		Actual Expenditures 2023-25		Actual Expenditures To-Date 2015-21		
S	3,189,314	\$	-	\$	7,402,833	
\$	684,787	\$	-	\$	1,524,769	
\$	-	\$	-	\$	3,173,535	
s	3,874,102	s	-	S	12,101,137	

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	