

Program Leadership	Program Overview
<p>Executive Sponsor: David Gerstenfeld, Acting Agency Director Program Sponsor: Karen Madden Humelbaugh Program Manager: Vacant</p>	<p>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.</p>

Program Headlines
<ul style="list-style-type: none"> November 1, 2021, Karen Madden Humelbaugh began as the PFMLI Division Director. Recruitment is ongoing for multiple PFMLI leadership positions including: Division Deputy Director; Outreach and Organizational Development Manager; Policy/Operations Manager; and Operations & Program Manager November 1, 2021, 35 proposed administrative rules were published in the Secretary of State November bulletin.

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 high risk 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"> Continued coordination and consultation with Tribal Governments Coordinated focused engagement with stakeholder groups Communications contract management and coordination with Brink Communications to finalize communications plan and begin marketing plan 	<ul style="list-style-type: none"> Batch 1 administrative rules posted in the Secretary of State November bulletin Held first formal rulemaking hearing for Batch 1 rules Compilation of Batch 2 rules sent to RAC members and published on website 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 Completed drafting and plain language review of PFMLI letters. 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 integrated management plan with key performance indicators and success metrics Continued ongoing refinement and alignment of business process maps in coordination with policy development Initiated actions to address team morale concerns Worked on finalizing contract with an equity vendor Risk and Issue management process refinement and evaluation
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	Education and Outreach	Policy, Legislation, and Rules	Operations	Program Management
Next Steps	<ul style="list-style-type: none"> • Continue focused engagement with stakeholder groups • Stakeholder engagement and continued identification of new stakeholders • Development and revisions of PFMLI website pages • Continued Tribal Government consultation 	<ul style="list-style-type: none"> • Prepare for second formal rulemaking hearings on Batch 1 rules • Analyze and incorporate suggestions received on Batch 1 rules during the formal rulemaking process • Prepare for the RAC meetings for Batch 2 rules • Continue discussions on potential 2022 legislative concepts • Begin discussion on potential 2023 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 • Work with Modernization and UI on review of combined contributions/tax letters 	<ul style="list-style-type: none"> • OCM sponsor training and education • Ongoing refinement and alignment of business process and customer experience maps • Reevaluation of rollout 2 business requirements • Update program charter and plans to reflect current program state • Planning and refinement of implementation timeline and milestones • Sign contract with equity vendor and start leadership mentoring • Address concerns contributing to poor team morale

Technology Report

While there are a few meetings ongoing to fill in detail as we continue to further refine the work, the Definition phase is complete and Base Configuration is on target to complete in late December. The Conversion and OCM phases are ongoing and tracking on schedule for Frances Implementation. The team is well into the Development phase, and is looking forward to presenting Frances PFMLI development-to-date at the PFMLI Checkpoint Meeting and demonstration on December 17th.

The project continues to be on track for Go Live on September 6, 2022. This first rollout will include PFMLI Contributions and UI Tax.

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.

Work is ongoing to incorporate PFMLI benefits into existing contracts, project plans and employer engagement action planning. The Modernization Program business case was updated to include Paid Family benefits scope and was submitted to EIS P3 for review in November.

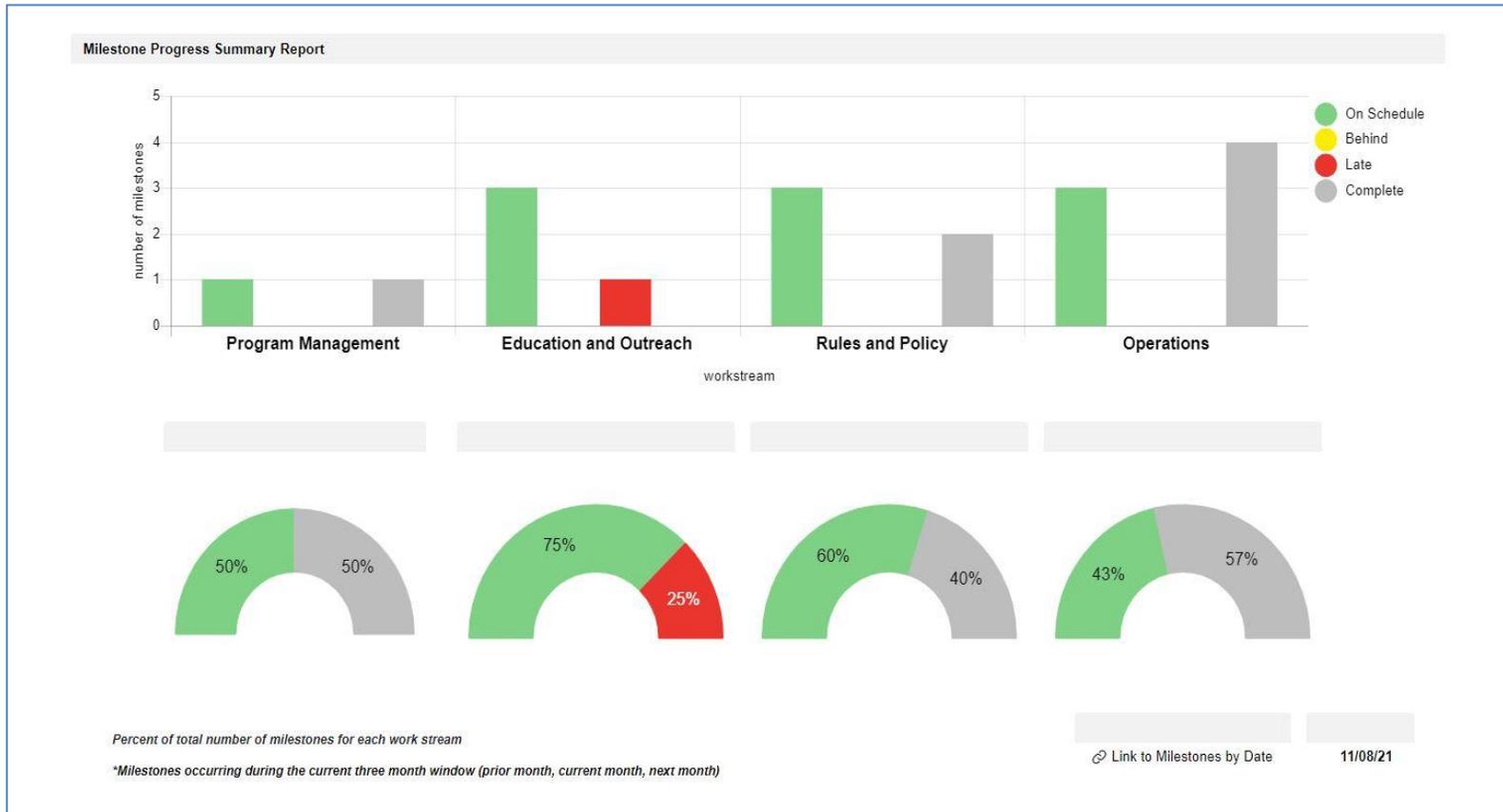
Schedule Report

Rules and policy work continues to remain 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 *Oregon Bulletin*. Public hearings will be conducted in early to mid-December with permanent rules

effective targeted for January 2022. The Staffing and Organization Development project planning recruitment timeline has been revised, and recruitment and hiring is underway.

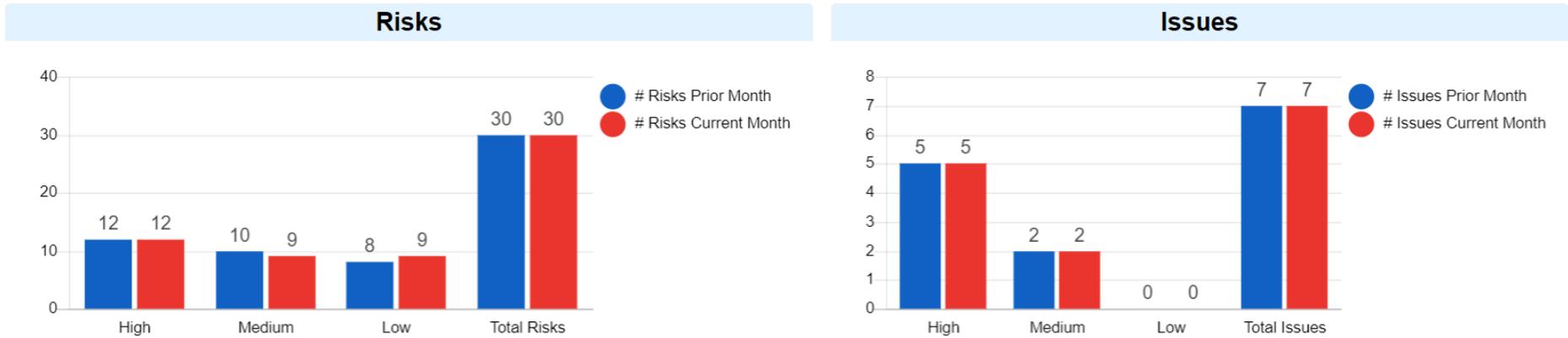
The “Milestones by Date” link in the graphic below links to real-time data, so information in the linked report may differ slightly from the graphic shown in this status report.

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, 9 Medium Priority, and 9 Low Priority.**

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

Refinement and evaluation of the risk and issue management process began this month and will continue through the end of December in collaboration with the PFMLI Director and leadership team as the PFMLI key leadership roles are filled.

The top PFMLI risks and issues continue to include the potential for delays in hiring, recruitment, onboarding, and training of staff needed to operate the PFMLI division, resulting in insufficient resources. These items are documented in *Issues #1037, #1093, Risks # 1058, 1060, and 1008*. The PFMLI implementation program continues organizational development planning to identify appropriate positions for both implementation and administration of the program once operational. Coordination with Human Resources is ongoing in order to develop necessary mitigation strategies to prevent delays in hiring, recruitment, onboarding, and training. Recruitment is in progress for the current vacancies on the PMFLI leadership team and assessment and planning is underway to ensure the appropriate positions are identified for upcoming hiring needs.

Budget Report (as of October 2021)

For Appropriation Year 21, the report has been updated through October 2021 expenditures.

Appropriation Year 23:

- PFMLI was under budget in the month of October, by \$294,710. Personal services expenditures totaled \$597,831 against a budget of \$933,798, while services and supplies expenditures totaled \$91,031 against a budget of \$49,772. Both of these totals reflect moves from the PFMLI/Modernization allocation pool. In total, \$195,768 in personal services and \$75,877 in services and supplies were moved from the allocation pool to PFMLI grants for September expenditures. Since this is a report on October actuals, it would not capture any staffing changes from late September to October.
- Biennium to date, PFMLI has spent \$2,464,035, of which \$2,079,447 (84%) is personal services. Services and supplies total \$384,588. Allocations from the PFMLI/Modernization pool start in September. September allocation was \$337,550 in personal services and \$354,809 in services and supplies. Other major services and supplies expenditures include \$21,000 of central government services charges, \$10,000 for laptops for PFMLI staff, \$9,100 for capitol mall security, \$3,000 of DOJ bills
- PFMLI is projected to be under for the biennium.

October 2021

Program	2019-21 Biennium	2021-23 Biennium													
		Legislatively Approved Budget	Current Month				Biennium-to-Date				Projected End-of-Biennium				
			Budget October 2021	Expenditures October 2021	\$ Variance (Under) / Over	% Variance	Biennium to date Approved Budget	Actual Expenditures thru October 2021	\$ Variance (Under) / Over	% Variance	Remaining Projected Expenditures	Total Expenditures (Actual + Projection)	Projected \$ Variance (Under) / Over	Projected % Variance (Under) / Over	
Personal Services	4,213,519	\$ 33,790,645	\$ 933,798	\$ 597,831	\$ (335,968)	-36%	\$ 3,599,815	\$ 2,079,447	\$ (1,520,368)	-42%	\$ 24,005,706	\$ 26,085,153	\$ (7,705,492)	-23%	
Services & Supplies	839,982	\$ 23,267,642	\$ 49,772	\$ 91,031	\$ 41,258	83%	\$ 128,116	\$ 384,588	\$ 256,472	200%	\$ 8,412,133	\$ 8,796,721	\$ (14,470,921)	-62%	
Capital Outlays	3,173,535	\$ -	\$ -	\$ -	\$ -	0%	\$ -	\$ -	\$ -	0%	\$ 6,979,500	\$ 6,979,500	\$ 6,979,500	0%	
Budgeted Position Totals	\$ 8,227,036	\$ 57,058,287	\$ 983,571	\$ 688,861	\$ (294,710)	-30%	\$ 3,727,931	\$ 2,464,035	\$ (1,263,896)	-34%	\$ 39,397,339	\$ 41,861,374	\$ (15,196,913)	-27%	
		LAB Budget GF for 2021-23 biennium		Contributions:											
		LAB Budget OF for 2021-23 biennium		GF Loan Repayment											
		Expenditures by Biennium		Program Life to Date											
		2019-21		2021-23											
		8,227,036		2,464,035		10,691,070									
		Other Funds: Administration		-		-									
		Other Funds: Benefits		-		-									
		Total Funds:		8,227,036		2,464,035		10,691,070							

2021-23 Biennium	2023-25 Biennium	Total Project Expenditures
17	18	19
Actual Expenditures 2021-23	Actual Expenditures 2023-25	Actual Expenditures To-Date 2015-21
\$ 2,079,447	\$ -	\$ 6,292,966
\$ 384,588	\$ -	\$ 1,224,569
\$ -	\$ -	\$ 3,173,535
\$ 2,464,035	\$ -	\$ 10,691,070

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		