State of Oregon Employment Department

THE OREGON EMPLOYMENT DEPARTMENT'S CUSTOMER SERVICE & WORKFORCE STRATEGIES ACTION PLAN

A Strategic Roadmap to Improving Customer Service, Enhancing Our Business Support Services, and Progressing Oregon's Workforce System

March 2026

TINA KOTEK
GOVERNOR

February 13, 2026

Andrew Stolfi, Director
Oregon Employment Department
875 Union Street NE
Salem, OR 97311

Dear Director Stolfi,

Thank you for submitting the Oregon Employment Department's (OED) Customer Service and Workforce Strategies Project Action Plan (Plan), a comprehensive look at the agency in response to my charge to you to improve customer service, make a plan for the future of Frances, enhance your core mission of supporting business, and look for opportunities to generate efficiencies in the public workforce system.

The Plan's recommendations will improve what OED does for Oregonians and reflect your commitment to meeting my expectations. There are a few recommendations I would like to highlight and prioritize at this time.

OED serves Oregonians at some of their most vulnerable moments – losing a job, becoming a parent, or having an unexpected illness. People should not be confused when they are navigating OED's policies and processes. Recommendations that support communication improvements, including the live claims status tracker and reviewing the letters the agency sends to customers should be a top priority in your implementation plan.

Second, your recommendations that utilize AI to improve the customer experience and help employees with their workflows have the potential to transform how the state does business. I encourage you to continue to work with DAS EIS's Chief Privacy Office and AI Strategist to scope and implement these initiatives. OED can serve as an example of how agencies can use AI safely and effectively.

In reviewing your plan, it is clear that we share a commitment to finding efficiencies in everything we do so that every state dollar spent serves Oregonians. While many of the recommendations you outline focus on efficiencies at OED, I also asked you to look for efficiencies across the public workforce system.

Your recommendation for aligning Title I and Title III WIOA administration and funding under OED is one immediate opportunity to do that. This will set the foundation for future work to better align and leverage our public workforce system as a state.

Finally, the work being done at OED's WorkSource centers is crucial to the work my office is leading through Oregon's Prosperity Roadmap. The state depends on a vibrant workforce, and it is vital that OED's mission to help people get back to work, advance in their career, and support our business community is achieved. Fully modernizing OED's Workforce Operations and improving services at its 37 WorkSource centers should remain a focus of your work. This includes enhancing your services that support business – large and small – and ensuring job supports align with the state and regional economic development goals. Your efforts to strengthen what the state does to maintain a vibrant workforce are integral to Oregon's prosperity and success in the future.

You have identified a significant number of opportunities to move forward and phasing in this work will be required. It will be important to commit to your prioritized list including those recommendations I have highlighted in this letter and focus on what you think will have the most impact on Oregonians. Your robust process shows initial buy-in for these recommendations. Work can and should begin right away.

It is evident that OED comprises highly skilled and dedicated public servants who consistently demonstrate a strong commitment to achieving results. My office stands ready to support you and help move this work forward.

Sincerely

Tina Kotek

Governor Tina Kotek

Dear Governor Kotek,

When you appointed me Director of the Oregon Employment Department (OED), you gave me a clear directive: improve the level of customer service provided by this agency to those we serve and enhance our core mission of supporting business. You also asked that I conduct a detailed organizational review to better understand what's working and what we can do better in order to inform a comprehensive plan to improve customer service and advance our mission. This plan contains a summary of our review and outlines 101 actions to help OED better deliver its mission of supporting business and promoting employment.

In preparing this plan, we reached out to thousands of customers, staff, partners, and interested parties to gain insight into OED's challenges and opportunities. The feedback we received revealed a few common threads. OED plays an important role in Oregon's economy, our work impacts lives across the state, and our staff are dedicated to serving our customers. While our customers recognized this, they also offered candid criticism and expressed fair frustrations. Many in the business community were also unaware of the numerous ways in which we provide them support.

Regarding our staff, upon arriving at OED, I found an agency full of committed public servants with no shortage of talent, effort, or good ideas. As this project developed and I got to meet and hear more from staff across the agency, I grew more impressed by the level of commitment to our mission. I also found an agency that is still recovering from the challenges of the past five years — the pandemic, the launch of Paid Leave Oregon, and the establishment of Frances – yet eager to move into its next chapter.

The ideas and solutions presented in this plan are a direct reflection of the team's talent and deep commitment to improving the services we provide. In developing this plan, I drew from our strengths and kept our work centered on the customer experience. You will see that focus on the customer experience throughout this plan, and it is where our focus will remain.

There are many new and innovative ideas reflected in this plan, and I have been sharing with staff that trying new things always comes with risk. However, as I've also been telling the team, if an idea does not succeed it is not a failure as long as we learn from it and quickly pivot to something else. We must continuously adapt to meet our customers' needs if we are to fully realize our mission, which is a goal I know is shared by the whole team. We will try hard, learn from everything we do, and always pivot to success.

Thank you for your leadership and for giving me the opportunity to chart a new path at OED. I look forward to continuing this effort with you as we start OED's next chapter.

Respectfully,

Andrew R. Stolfi
Director, Oregon Employment Department

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EXECUTIVE SUMMARY

STRENGTHENING CUSTOMER SERVICE AND OREGON'S WORKFORCE SYSTEM

The Oregon Employment Department (OED) plays a central role in helping people stay financially stable during major life changes and supporting businesses to bolster Oregon's economy. When someone loses a job, welcomes a child, needs time to care for a loved one, or looks for work, OED's programs help provide support and a path forward. Equally vital to our mission, OED also plays a role in strengthening businesses across the state — especially small businesses — with support services, access to talent, and help navigating state requirements. Because these programs impact so many people — often during stressful moments — Oregonians need clear information, timely decisions, and easy-to-use systems.

At the Governor's direction, OED conducted a review of the customer experience across Unemployment Insurance (UI), Paid Leave Oregon (Paid Leave), Contributions & Recovery (C&R), WorkSource Oregon (WSO), and the Frances Online system. The goal of this work was to identify what is working, where barriers exist, and what improvements will make the greatest difference for the people and businesses we serve.

How We Conducted the Review

To understand how OED's services are working in practice, we gathered input from people across the state, including our customers, employees, partners, and interested parties. This engagement reached:

- **More than 5,000 customers,** including UI claimants, Paid Leave applicants, jobseekers, and employers
- **More than 850 employees** completed a department-wide survey
- **More than 240 frontline staff** participated in focus groups
- **Many Partners and interested parties**, including legislators, business groups, community organizations, local workforce boards, and state agencies

The feedback revealed clear, consistent themes across programs and communities.

Key Themes from the Review

- **Customers need clearer, faster, more predictable service.** Many people struggle to understand the status of their UI or Paid Leave claim, what steps they need to take, and how long the process will take. Long phone wait times and unclear instructions lead to repeated contacts from customers and delays in processing claims and issuing payments.

- **Staff are committed but need better tools and clearer processes.** Employees want to help customers but face inconsistent procedures, limited training, and internal systems that are not always easy to use.

- **WSO centers are receiving UI traffic they cannot resolve.** Customers often come to centers for UI help, but WSO staff are not trained or authorized to fix most issues, creating frustration and limiting capacity for employment services.

- **Employers want simpler processes and clearer guidance, and OED has business services that are underutilized, especially by small businesses.** Businesses and payroll providers need easier reporting tools, clearer instructions, and more consistent information. At the same time, OED offers several programs to support growing and sustaining businesses, and many were unaware of these services.

Priority Actions

The items in this plan focus on practical steps that will make OED's services easier to navigate, more transparent, and more responsive to customer needs. They all center the customer experience in our work and fall into four main categories – organizational improvements, customer service improvements, improvements to Frances Online, and improvements to the public workforce system.

1. **Organizational Improvements.** How we structure our agency and support our employees has a significant impact on our ability to serve our customers. Improvements within this theme focus on strengthening the foundational operations of OED and include:
   - Using artificial intelligence to improve efficiency and employee workflows.
   - Developing better data and analytics that enable the agency to measure performance more accurately.
   - Renewing the focus on strategic communications so Oregonians know about OED services and how to access them.
   - Updating and standardizing standard operating procedures, job aids, and guidance.
   - Bolstering our training, learning, and development offerings to employees so they can continue to learn on the job as we implement new systems and strategies.

2. **Customer Service Improvements**. We are centering the customer experience, simplifying processes where we can and providing self-help tools so complex issues can be handled with trained staff. Improvements within this theme focus on removing barriers and reducing delays, as well as making information easier to find, understand, and act on, and include:
   - Piloting stationing UI-trained staff in WSO centers so customers get the in-person support they need.
   - Simplifying all customer-facing communications using plain language, including letters, notices, and online tasks.
   - Launching a live claim status tracker for UI and Paid Leave.
   - Streamlining the processes for account verification, address changes, and restarting a claim.

3. **Improve how we manage the Frances Online System**. Frances is core to how customers apply for benefits, staff process claims, and employers file payroll reports and provide important claim information. Improvements within this theme focus on helping the system evolve more smoothly and respond more quickly to customer and staff needs, and include:
   - Consolidating and streamlining Frances' governance for clearer decision-making within OED.
   - Increasing development and analysis capacity to reduce backlogs in system updates and improvements.
   - Enhancing the process for deciding which updates get prioritized to allow more flexibility to make smaller, timely system improvements.

4. **Improvements to Oregon's Workforce System.** WSO centers and statewide workforce programs need updated tools and better coordination to meet customer needs. Improvements within this theme will help jobseekers and employers access services more easily and include:
   - Aligning Title I and Title III administration and funding within OED to better support job seekers with training resources.
   - Modernizing case management and labor-exchange systems to better align services and support within the workforce system.
   - Expanding virtual services such as live chat and video appointments.
   - Upgrading the phone system using artificial intelligence to provide more self-serve options.

Looking Ahead

The actions in this plan provide a clear path for improving customer service, supporting staff, and strengthening Oregon's workforce system. By focusing on clearer communication, simpler processes, modernized technology, and stronger alignment within OED's programs and services, OED can deliver faster, more reliable, and more accessible services.

However, the agency cannot implement all these items at once. To focus our efforts and achieve as much as possible as quickly as possible, we have identified the highest priority projects and reinforced the agency's commitment to several high-priority initiatives already in progress. While not initially prioritized, the other items remain important to the agency's broader strategic goals and will be important strategies to draw from as resources allow, and we continue to adapt to meet our customers' needs. OED plans to revisit and reevaluate all these projects on a regular basis, ensuring that efforts can advance as capacity allows or as customer needs evolve.

The entire prioritized project list is presented later in this plan. It includes our six highest priorities and the top five projects within three project duration categories: short-term, mid-term, and long-term.

INTRODUCTION

BACKGROUND

Appointed by Gov. Kotek, Andrew R. Stolfi became director of the Oregon Employment Department (OED) on June 23, 2025. On that same day, the Governor sent him a letter outlining her expectations for the agency under his new leadership. These written expectations followed Gov. Kotek's overall direction to focus on customer service, stronger communication, and operational excellence, as well as refocusing on OED's core mission of supporting business and promoting employment.

Gov. Kotek specifically requested OED to conduct an internal organizational review and deliver a report with recommendations and action plans on four key areas:

- A plan for the future of Frances
- A plan for improving customer service for Paid Leave Oregon (Paid Leave) and Unemployment Insurance (UI)
- Recommendations for how to improve WorkSource Oregon (WSO) programs and services
- Any other recommendations for how to improve the efficiency of workforce development services

METHODOLOGY

In response to the governor's charge, OED launched the Customer Service and Workforce Strategies Project. This was a fast-paced effort with an important goal: to deliver a plan to Gov. Kotek with clear, actionable, and prioritized recommendations to improve customer service and strengthen Oregon's workforce development mission.

The project was divided into two distinct phases:

1. A comprehensive organizational review where we asked customers, staff, partners and interested parties for feedback on what we do well and what we can do better
2. Using the feedback from this review, we created a series of recommendations and action plans across the four areas identified by the Governor

In conducting the organizational review, we created tailored written surveys for different groups and conducted extensive focus group and individual/small group interviews. We generally clustered outreach efforts across three groups:

- **Customers:** We collected input from claimants, employers, and businesses through:
    - Tailoring existing surveys for UI, Paid Leave, and WSO customers (claimants, jobseekers, and employers) with added open-ended questions.
    - Running call-based surveys for callers to Contributions and Recovery lines.
    - Launching a social media campaign to invite Oregon businesses to participate in surveys, interviews, or focus groups.
    - Using QR code surveys at business engagement events.

- **Partners and Interested Parties:** We conducted interviews with legislators, workforce system partners, other state agencies, and governance groups.

- **Employees:** We conducted an all-staff survey that saw more than 850 responses and hosted 23 focus groups with more than 240 staff representing every area of the agency, with a particular focus on gathering perspectives from frontline staff.

Appendix A has a list of the groups we engaged with during this phase, and the Summary of Engagement Findings later in this report contains an overview of the feedback we received. We saw this phase as essential to this project as we knew our recommendations needed to be informed by what our customers and partners want to see from us. Relatedly, we plan to continue many of these practices, like the business services customer satisfaction survey and staff focus groups, on an ongoing basis so we can routinely collect feedback and continuously improve our services.

CENTERING THE CUSTOMER EXPERIENCE

In developing this plan, we intentionally focused on the customer experience, exploring how each part of a customer's engagement and interaction with OED can be improved. Each action item, either directly or indirectly, seeks to improve OED's ability to provide the best customer service possible.

As a key part of centering the customer in all our work, we developed customer journey maps for UI and Paid Leave. These not only help to illustrate where to focus our efforts but will form the basis for several projects, like creating a live claim status tracker. Here are current versions of the new customer journey maps.

UNEMPLOYMENT INSURANCE CUSTOMER JOURNEY MAP

- If eligible, customers can claim up to 26 weeks of benefits during a 52-week period.
- To receive benefits, customers must meet both eligibility requirements for their original application, as well as weekly eligibility requirements.
- To be eligible on an initial application, one must:
  - Be unemployed through no fault of their own: and
  - Have earned enough wages.
- To be eligible each week, customers must be able to, available for, and actively seeking work.
- Customers only get paid benefits when they file weekly claims.

1 PREPARE

Gather Documents

Customer collects work history for past 18 months.

2 APPLY

2A. Create Frances Online Account

Customer sets up account to access OED's benefits system.

- About 10 minutes in Frances Online.
- Some customers with previous claims may need to request an access code through the U.S. Mail (3-7 business days) to protect account information.

2B. Submit Initial Application

Customer answers questions and enters recent work history.

- About 10 minutes in Frances Online.

2C. Verify Personal Information

OED screens all applications before they can move forward.

Some **customers** may need to complete extra steps within 10 days.

- Check U.S. Mail for instructions.
- 4-10 days

*__Customer__ may be required to provide more information, which could delay this step.

3 VERIFY ELIGIBILITY

3A. Verify Wages

OED checks if customer earned enough wages to be eligible and sends Wage and Potential Benefit Report through Frances and the U.S. mail.

- 3-5 business days*

3B. Verify Job Separation

OED confirms customer is unemployed through no fault of their own.

- 11-30 days*

Employers respond to OED questionnaires.

- Up to 10 days to respond

4 FILE FIRST WEEKLY CLAIM

4A. File First Weekly Claim

Customer submits work-search information and confirms they met all eligibility requirements for the previous week.

- About 10 minutes in Frances Online.

OED verifies eligibility.

- 2 business days*

4B. Waiting Week

Customer must serve a one-time waiting period where they:

- File a weekly claim;
- Meet all weekly eligibility requirements; but
- Do not receive payment for that week.

Most customers will receive their first payment for their second weekly claim.

5 FILE WEEKLY CLAIMS

5A. File Weekly Claims

Customer must file a claim every week.

Each week, **customer** submits work-search information and confirms they met all eligibility requirements for the previous week.

- About 10 minutes in Frances Online.

5B. OED Verifies and Issues Payment

OED verifies eligibility and issues payment.

- 2 business days*

OED sends weekly benefits via:

- Direct Deposit (0-2 business days)
- Prepaid Debit Card (1-2 business days)

6 FOLLOW-UP TASKS

6A. In-person Identity Verification (IDV)

Customer must provide identity documents at:

- USPS Post Office; or
- WorkSource Oregon.

Required for **ALL customers**.

6B. WorkSource Oregon Orientation

Customer attends job-search consultation.

- 30-45 minutes
- Step 6 can be completed at the same time.

Required for **MOST customers**.

PAID LEAVE OREGON CUSTOMER JOURNEY MAP

1 PREPARE

Gather documents

Customer collects documents and forms for Medical and Family leave.

- Plan for at least 2 weeks to work with doctors and adoption agencies

- Customers must have a qualifying life event to take leave (such as welcoming a new child or managing a serious health condition).
- Payments are issued weekly for the prior week based on how much leave the customer took that week — including intermittent schedules or single-day absences.
- Customers must stay eligible throughout their leave period, including remaining employed during the weeks they claim benefits.
- Average times are for customers using Frances Online to apply for benefits.

2 APPLY

2A. Create Frances Online Account

Customer sets up account to access OED's benefits system.

- About 10 minutes in Frances Online.
- Some claimants may need to request an access code through the U.S. Mail (3-7 business days).

2B. Submit Paid Leave Application

Customer answers questions and enters leave information.

- About 25 minutes in Frances Online

2C. Verify Personal Information

OED screens all applications before they can move forward. Some **customers** may need to complete extra steps within 10 days.

- Check U.S. Mail for instructions.
- 4-10 days

3 VERIFY ELIGIBILITY

3A. Verify Wages

OED checks if customer earned enough wages to be eligible and sends Wage and Potential Benefit Report through Frances and the U.S. Mail.

- 3-5 business days*

3B. Verify Employment

Employer confirms that the customer is employed.

- **Employer** has five days to respond.

3C. Verify Need for Leave

OED requests more information if needed. **Customer** uploads the requested forms and information to Frances.

- **Customer** has 14 days to respond.*

4 PAYMENT

Issue Payment

OED sends benefit amount via:

- Direct Deposit (1-2 business days)
- Prepaid Debit Card (Up to 10 days)
- First payment depends on when the customer's leave starts.

*__Customer__ may need to provide more information, which could delay this step.

AGENCY OVERVIEW

The Oregon Employment Department (OED) provides economic stability to Oregon communities by providing vital services to both businesses and workers. OED supports businesses with finding qualified job candidates, labor market information, tax incentives, and support, and retaining talent through economic downturns. OED promotes employment through wage replacement benefits during unemployment and significant life events, job placement, training, and useful career information. Our mission, which is to support business and promote employment, is carried out through the following main divisions.

Contributions and Recovery

OED's Contributions and Recovery (C&R) division supports Oregon's Unemployment Insurance (UI) and Paid Leave Oregon (Paid Leave) programs by receiving and processing employer payroll reports for taxes and contributions. The division determines employer tax liability, audits accounts for accuracy and compliance, and manages recovery of unpaid or overpaid amounts.

Paid Leave Oregon

Paid Leave provides paid time away from work so employees can welcome a new child, care for a family member with a serious health condition, recover from their own serious health condition, or address issues related to sexual assault, domestic violence, stalking, bias crimes, or harassment. By supporting workers through major life events, the program helps Oregonians stay connected to their jobs and maintain financial stability during life's difficult moments.

Unemployment Insurance

The UI Program supports Oregon's people and communities during times of economic uncertainty. Through temporary, partial wage replacement, the program supports workers who are unemployed through no fault of their own as they seek new work. These payments, funded by employer payroll taxes, help soften economic shocks and help keep a skilled labor force in the community.

Workforce and Economic Research

The Workforce and Economic Research Division provides reliable, accurate, and timely labor market information relating to Oregon's economy and workforce. Staff collect information from tax records and numerous surveys; analyze the available information; and disseminate the information in a variety of means, including presentations, publications, and via the Internet. Primary customer groups include legislators and policymakers; employers and businesses; workforce boards, partners and customers; educators and students; and the news media.

Workforce Operations

OED’s Workforce Operations (WO) division is a partner in WorkSource Oregon (WSO), a consortium of state agencies and local workforce boards, and it operates 37 WSO centers across the state. WSO offers a wide range of free services, including personalized career coaching, resume writing, interview practice, and job search strategies. For employers and businesses, WSO provides support for job postings and finding qualified candidates, hiring incentives, and access to labor-market data – all at no cost.

Information Technology Services

OED’s Information Technology Services (IT) division provides secure and reliable technology solutions to support accessible and efficient employment services for all Oregonians. IT is responsible for supporting Frances, which is OED’s relatively new system supporting the delivery of OED’s core services for the UI and Paid Leave benefit programs, as well as collection of contributions.

CURRENT PERFORMANCE METRICS

The agency publicly tracks and reports six primary metrics related to customer service. These metrics are updated monthly and can be seen on our public dashboard.

State of Oregon Employment Department

MONTHLY PERFORMANCE DASHBOARD

January 2026

	UNEMPLOYMENT INSURANCE	PAID LEAVE OREGON	CONTRIBUTIONS & RECOVERY
PHONE: Goal: 80% answered within 30 minutes.	64%	34%	99%
WEB MESSAGING: Goal: 80% response rate within 5 business days.	66%	78%	78%
LIVE CHAT: Goal: 80% answered within 30 minutes.	48%	NOT APPLICABLE	NOT APPLICABLE
CLAIM ELIGIBILITY: Goal: 80% of determinations issued within 21 days	DEC 2025 68%	25%	NOT APPLICABLE

FIRST PAYMENT

DEC 2025 76%

Goal: 80% first payments are issued within 14 days of 1st compensable week

CLAIM REVIEW

49%

Goal: 80% of claims are approved or denied within 21 days

oregon.gov/employ

> Information Sheet

Published on February 03, 2026

Supporting Business | Promoting Employment

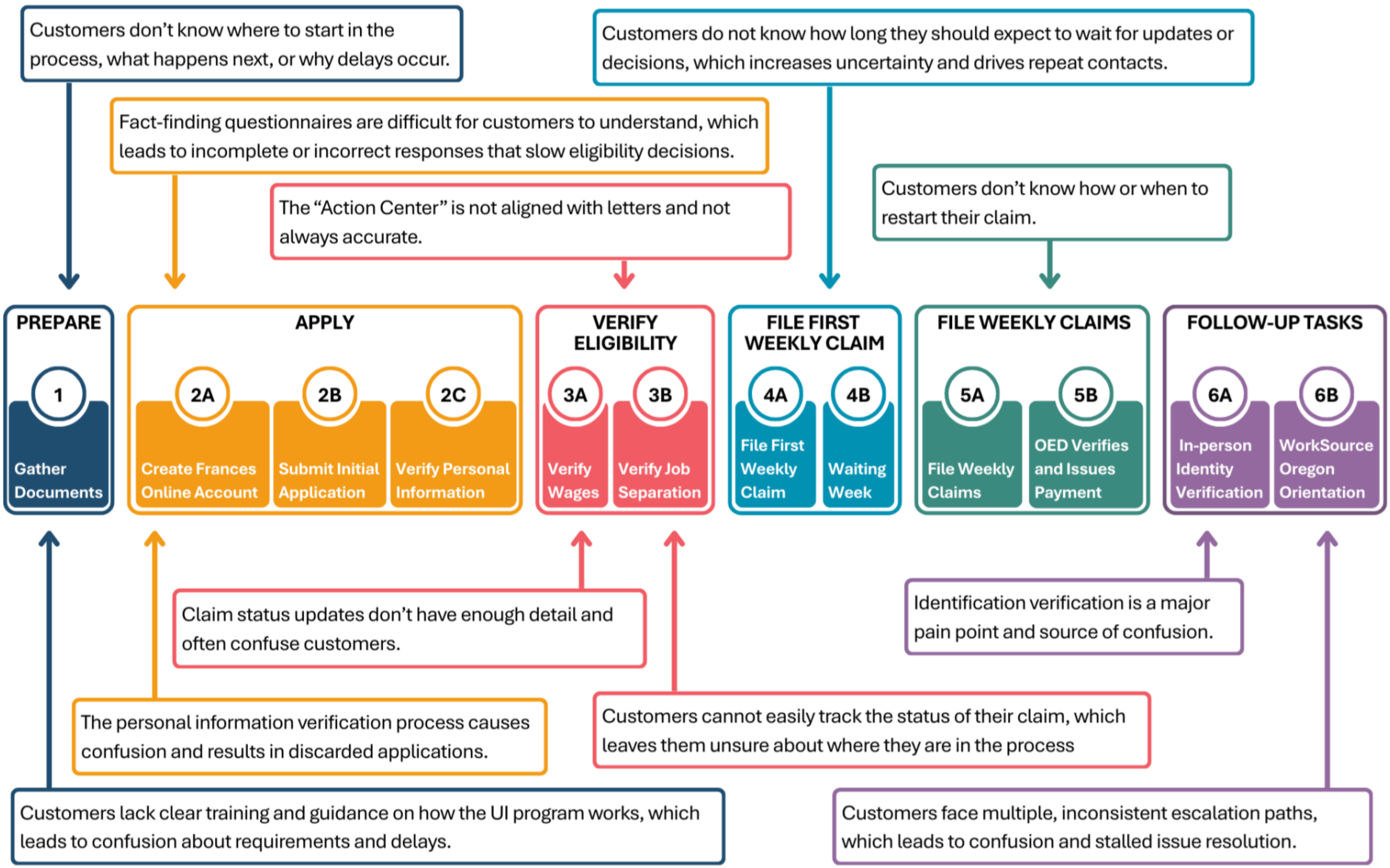
OED also tracks 15 Key Performance Metrics that we report to the legislature. These include:

- **KPM 1 – Entered Employment:** Percentage of job seekers who receive service from WO that are still employed after six months.
- **KPM 2 – Retained Employment:** Percent of job seekers who receive service from WO that are still employed after 12 months.
- **KPM 3 – Cost Per Placement:** Total cost of WO (Business & Employment Services) program divided by the total number of job seekers entered into employment after receiving services.
- **KPM 4 – First Pay Timeliness:** Percentage of initial UI payments made within 21 days of eligibility.
- **KPM 5 – Non-Monetary Determination Timeliness:** Percentage of claims that are adjudicated within 21 days of issue detection.
- **KPM 6 – UI Administrative Costs as a Percent of Benefits Paid:** Compares dollars paid to unemployed workers against the cost of providing those benefits, including related Department of Justice and Office of Administrative Hearings costs.
- **KPM 7 – Unemployment Insurance Appeals Timeliness:** Percentage of cases requesting a hearing that are heard or are otherwise resolved within 30 days of the date of request.
- **KPM 8 – Non-unemployment Insurance Appeals Timeliness:** Percentage of orders issued within the standards established by the user agencies.
- **KPM 9 – Paid Leave Oregon Determinations Timeliness:** Percentage of initial Paid Leave Oregon determinations made within 21 days of a claim being filed.
- **KPM 10 – Average Days to Issue an Order:** Average number of days to issue an order following the close of record.
- **KPM 11 – Cost Per Referral to OAH:** Average cost of hearing referral to the Office of Administrative Hearings.
- **KPM 12 – Unemployment Insurance Higher Authority Appeals Timeliness:** Percentage of cases requesting an appeal that receive a decision within 45 days of the date of request.
- **KPM 13 – Timeliness of New Status Determinations:** Percentage of new status determinations completed within 90 days of the end of the liable quarter.
- **KPM 14 – Customer Service Satisfaction:** Percent of customers rating their satisfaction with the agency's customer service as "good" or "excellent", including overall customer service, timeliness, accuracy, helpfulness, expertise, and availability of information.
- **KPM15 – Foundational Survey Response Rate**: Ordinary (non-weighted) arithmetic mean of four annual response rates: (1) Occupational Employment Statistics employment; (2) Occupational Employment Statistics units; (3) Annual Refiling Survey employment; and (4) Annual Refiling Survey units.

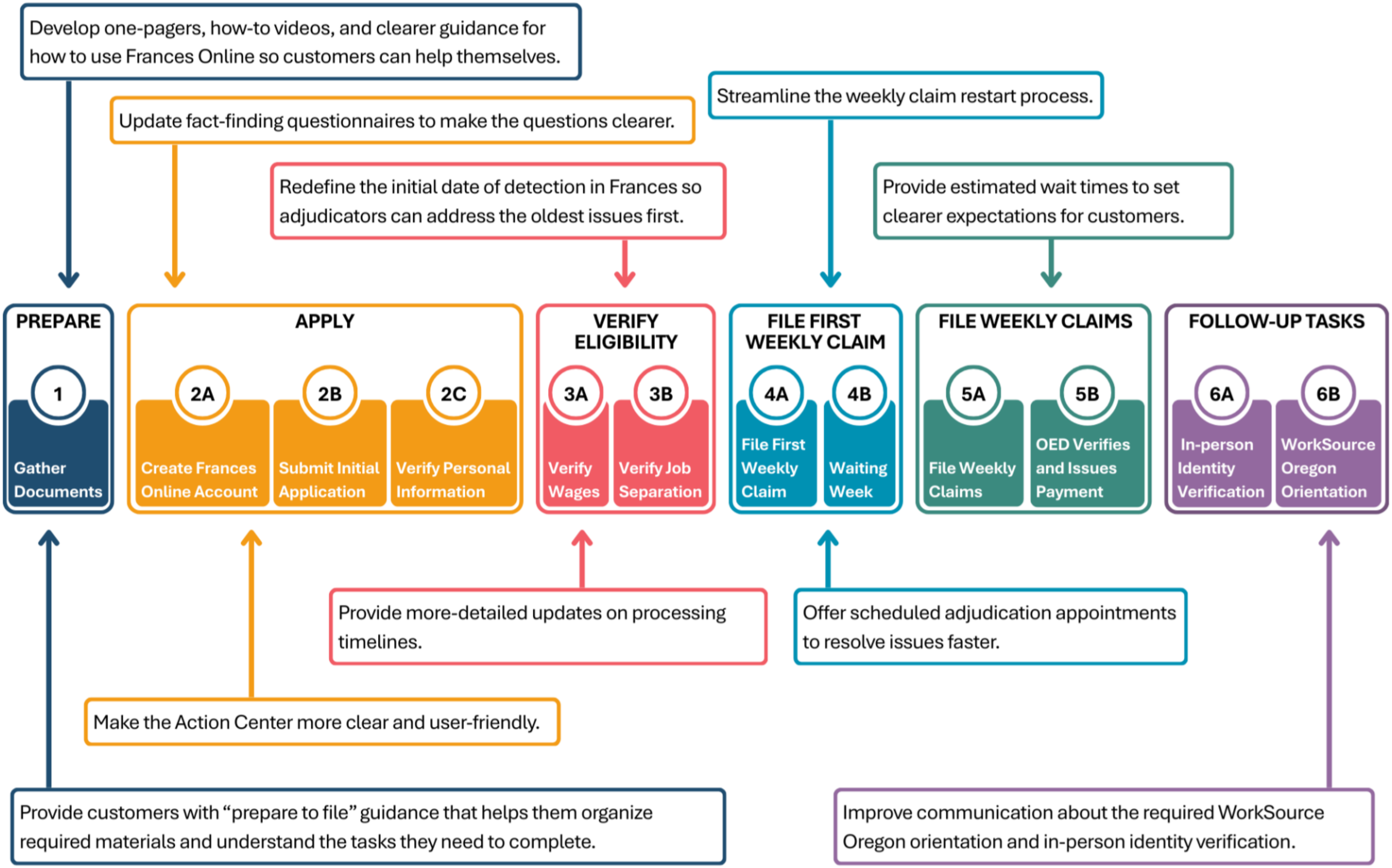
The organizational review elevated the need to update these metrics to ensure we are setting and reporting on the right comprehensive customer service goals, and that our internal performance measures reflect progress towards those goals. This work is described in more detail in Part B of the Action Items section, "Agency-Wide and Cross-Division Action Items."

WHAT WE HEARD – SUMMARY OF ENGAGEMENT FINDINGS

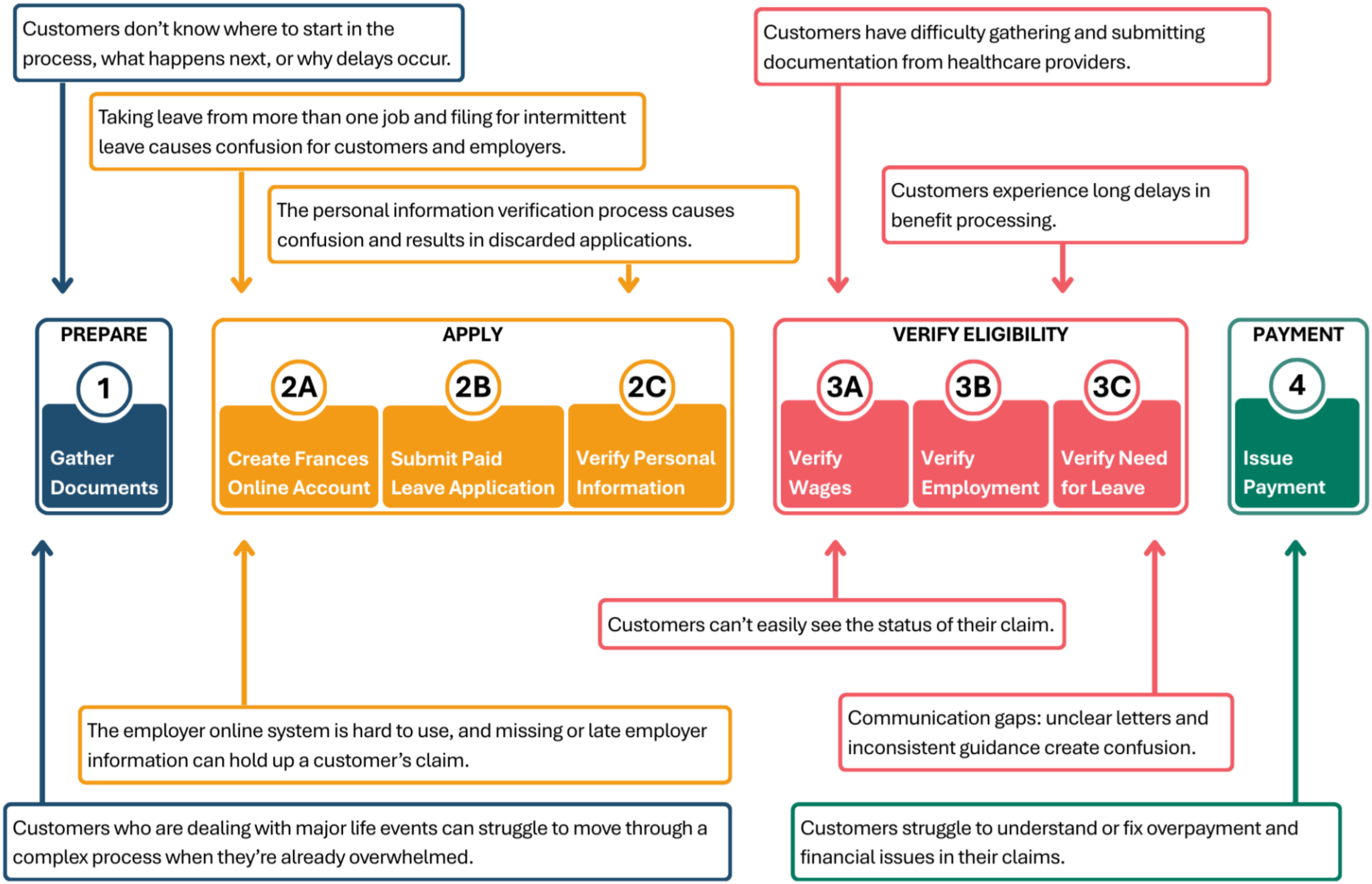
UNEMPLOYMENT INSURANCE CHALLENGES



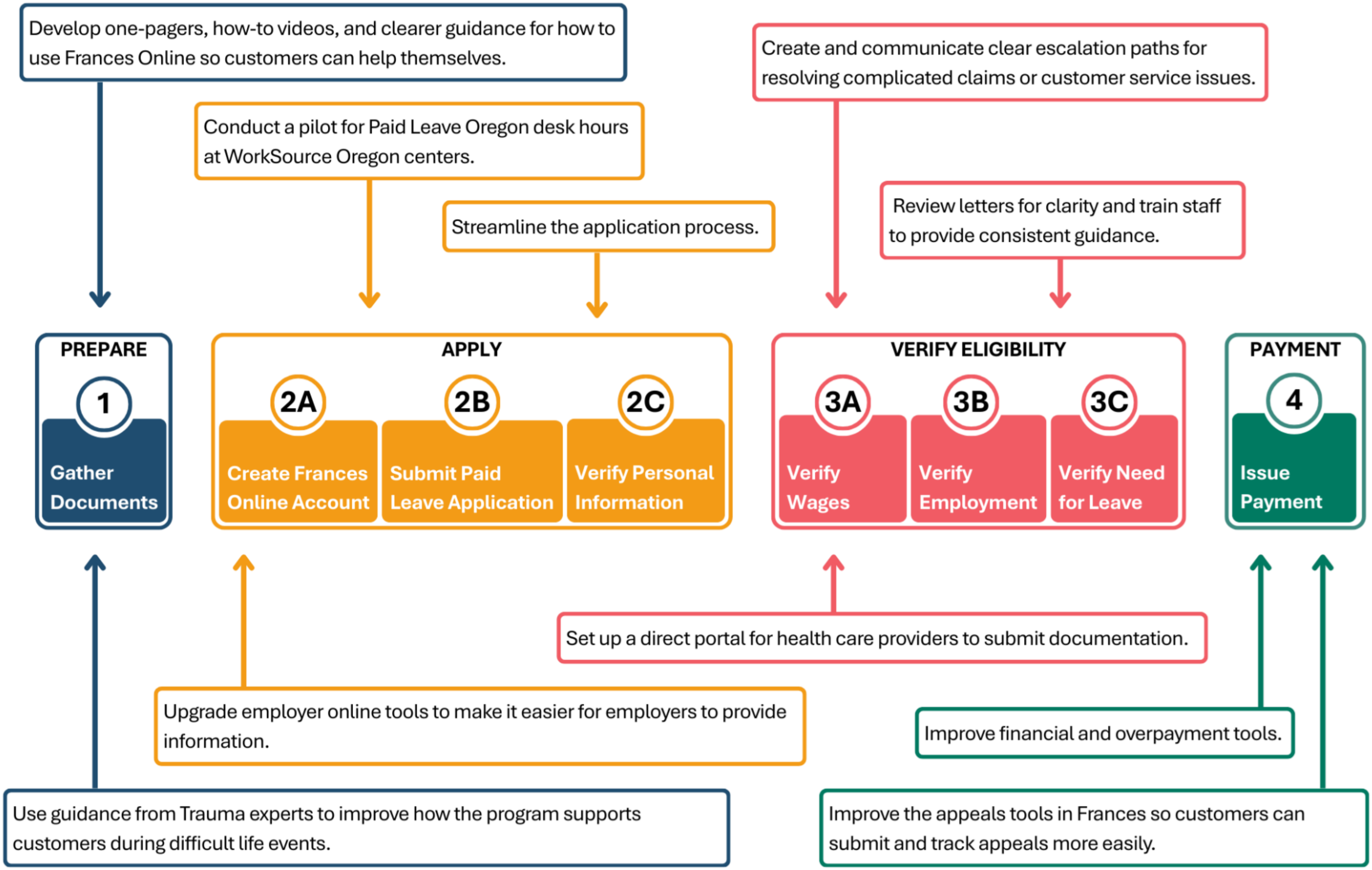
UNEMPLOYMENT INSURANCE OPPORTUNITIES



PAID LEAVE OREGON CHALLENGES



PAID LEAVE OREGON OPPORTUNITIES



ORGANIZATIONAL CHALLENGES AND OPPORTUNITIES

The following organizational challenges and opportunities were identified during our information gathering phase and used to generate action items:

Challenges

- **Siloed teams –** Staff report that programs, teams, and units operate in isolation, making it difficult to coordinate work or resolve customer issues efficiently.
- **Top-down communication –** Employees describe a hierarchical structure where decisions are made without input from front-line staff. There is a lack of meaningful feedback mechanisms, and some staff feel their voices are not heard or valued.
- **Focus on metrics over service quality -** The emphasis on productivity and compliance metrics often comes at the expense of customer service and staff well-being. Staff feel pressured to meet quotas, even if it means rushing through calls or ignoring complex customer needs.
- **Lack of empowerment –** Staff feel disempowered to resolve issues, even when they have the knowledge and ability to help. Many decisions are centralized at the management level, creating bottlenecks and slowing service delivery.
- **Resistance to change –** The culture is described as compliance-driven and risk-averse, with a preference for maintaining the status quo. Employees feel that new ideas are dismissed quickly, and there is little appetite for trying new approaches or adopting best practices.

Opportunities

- **Support collaboration –** Create more cross-program work groups and workflows, and establish consistent, centralized communication centers for information sharing, like standardized operating procedures, memos, and policy changes.
- **Empower staff** – Provide clear guidance on what decisions can be made at each level and reduce unnecessary approval layers.
- **Gather staff input** – Include staff in testing new approaches or tools before full implementation and create more opportunities for staff to share ideas and give feedback.
- **Offer more training** – Offer refresher training and hands-on demonstrations, incorporating a variety of interactive training methods.
- **Re-evaluate performance metrics** – Make sure to measure quality as much as the quantity of services, using metrics like customer satisfaction and issue resolution in performance evaluations.

WORKFORCE SYSTEM CHALLENGES AND OPPORTUNITIES

The following workforce-related challenges and opportunities were identified during our information gathering phase and used to generate action items:

Challenges

- **UI & Paid Leave customers –** WSO centers are overwhelmed by customers seeking support for their UI and Paid Leave claims, leading to staff frustration and safety concerns.
- **Lack of knowledge –** Not enough people know about WSO services, as centers are seen as "the Unemployment Office."
- **Barriers to sharing –** A lack of cross-referral systems and data-sharing agreements make it difficult to braid services for shared customers.
- **Inconsistencies –** There is inconsistent employer engagement and partner collaboration between the centers across the state.
- **Outdated system –** The iMatchSkills system is outdated, there aren't enough virtual appointments, and the front-desk and check-in processes are inefficient.

Opportunities

- **Increase awareness –** Awareness of WSO services can be increased through activities like door-to-door business visits, networking events for jobseekers, partner feedback sessions, and promotional materials.
- **Increase engagement –** Customer engagement can be increased by marketing to youth communities, deploying the WSO mobile units, hosting more job/resource fairs and roadshows, increasing private-sector job postings, and educating employers on how to use WSO tools.
- **Virtual appointments –** Increase availability of virtual WSO appointments, implement a queueing system, and post more signage explaining the sign-in process.
- **Co-locate UI and Paid Leave staff at WSO centers –** Reduce misrouted traffic, so customers receive direct support instead of a referral to self-service options. Make sure staff are trained and educated about program changes.
- **Increase efficiency and coordination between partners –** Align strategy and standardize procedures to increase work between OED and its partners.
- **Modernize and integrate systems** – Complete ongoing modernization program to better track services and post-service outcomes.

ACTION ITEMS

The remainder of this plan contains action items organized across seven areas:

1. Part A: Organizational changes
2. Part B: Agency-wide and cross-division
3. Part C: Unemployment Insurance
4. Part D: Paid Leave Oregon
5. Part E: Contributions and Recovery
6. Part F: Frances integration and optimization
7. Part G: Workforce Operations and the workforce system

In recognition of the reality that we do not have the resources to immediately pursue all of these projects, our executive team developed a Prioritized Projects List that follows Part G.

It includes six initiatives identified as the highest priority ideas due to the positive impact they could have on our operations. In addition to these six items, the team identified priority projects that are currently underway, reinforcing the agency's commitment to ongoing initiatives. To further support the development of OED's project portfolio, we also selected the top five projects within each of three project duration categories: short-term (less than 6 months), mid-term (6-12 months), and long-term (more than 12 months). Inclusion in this list does not necessarily indicate which projects will begin first, but reflects the agency's intent to implement the most impactful projects before pursuing others. Several workforce projects are also included in the initial prioritized list due to their significance, and as they do not draw on the same limited resources as the others. There are 101 total action items, with 72 in the initial prioritized list.

Items listed in the Prioritized Projects List are also identified as such in its title in the following sections, e.g. (ORG 1) Director's Office Changes (prioritized/in progress).

PART A: ORGANIZATIONAL CHANGES

The following are recently implemented and proposed changes to OED's organizational structure that will deliver better customer service.

SUMMARY

- (ORG 1) Director's Office Changes
- (ORG 2) Centralizing Data Analytics to Support Agency-Wide Performance
- (ORG 3) Agency-Wide Strategy, Performance, and Continuous Improvement
- (ORG 4) OED's Learning, Development, and Training

(ORG 1) Director's Office Changes (prioritized/in progress)

On Director Stolfi's first day, he announced a new leadership team that included the addition of a chief of staff position to work alongside the agency deputy director. The purpose of this new leadership structure is to bring additional strategic capacity that will help the Director and OED advance strategic initiatives, fulfill the Governor's expectations, and provide organizational support to a large agency with multiple complex programs.

The manager of OED's relatively new Strategy Office, which is responsible for helping to lead agency-wide strategic planning and performance management, was also added as a member of the OED executive team. This was meant to further reinforce the team's renewed focus on implementing strategic initiatives.

Additionally, changes to the legislative affairs team are forthcoming. Rather than having two senior legislative advisors co-leading OED's legislative process, the team will consist of one legislative director who will oversee legislative affairs and a legislative, rules, and policy coordinator who will provide support to the legislative director. This change will provide a single point of contact at the agency for legislative leadership and provide an opportunity for the current rules and policy coordinator to develop into a legislative coordinator, creating a more efficient legislative affairs team.

Cost: Minimal, absorbed with existing resources and reclassing vacant positions
Timing: 0-6 months

(ORG 2) Centralizing Data Analytics to Support Agency-Wide Performance (prioritized/in progress)

OED's analytics team works with OED programs to study data and produce reports and dashboards to better understand customers and the agency's performance. The analytics program was initially developed as a small team within the UI Program, but has grown to include individuals supporting Paid Leave and C&R.

As of Nov. 2025, the program was consolidated into one team and moved to the Director's Office, reporting to the chief of staff, with the goal of providing agency leadership and all programs with high-quality data analytics for cross-agency decision making, including Workforce Operations. The director of the program will also have a seat on the Executive Team, reinforcing OED's focus on data and analytics to drive performance.

Cost: Minimal, absorbed with existing resources
Timing: Complete

(ORG 3) Evaluate How to Integrate Modernization Division Capacity into Agency-Wide Strategy, Performance, and Continuous Improvement (prioritized/in progress)

OED's Modernization Division was formally established in 2017 to lead two of the agency's most ambitious initiatives:

1) The UI Modernization Project focused on transforming the technology and business processes supporting the UI Program.
2) The Workforce Modernization Project focused on modernizing the systems and service delivery of employment services.

The division currently includes 52 permanent positions, of which 24 are filled. It is expected to end with the completion of the Workforce Modernization Project in the 2027-29 biennium.

In 2023, OED established a Strategy Office to lead agency-wide strategic planning and performance management. Unlike the Modernization Program, the Strategy Office was designed as a permanent unit with a broader, agency-wide focus. It currently includes six filled positions.

Across the agency, various business units have independently developed teams and roles to support related functions such as project management, training, data analytics, and business analysis. In total, OED has at least 113 FTE that perform strategic and performance management job duties across the agency.

The completion of the legislatively mandated Modernization Program is an opportunity to look holistically at the strategic assets across the agency that provide similar functions and set a long-term vision for how the agency can best use these functions to support agency-wide strategy, data, project management, and analytics to improve customer service.

Recommended Approach:

- **Phase 1:** Conduct a comprehensive review of strategy, performance, analytics, and project management roles and responsibilities. This review and inventory should look at roles and responsibilities across the agency that align with the following functions:
  - Project management
  - Training and development
  - Business and process analysis
  - Strategy and performance
  - Data analytics
  - Workforce management

- **Phase 2:** Propose a new structure
  - Finalize plan and develop a policy option package for 2027-29 that includes the new proposed structure and any technical adjustments for budget and positions needed to implement the structure, including reclassifications.

Cost: TBD - will scope out costs during first phase
Timing: 6-12 months

(ORG 4) OED's Learning, Development, and Training (prioritized/in progress)

All
This action supports the entire customer journey map

Similar to OED's data analytics team, various programs across the agency have built their own capacity for learning and development over time. The organizational review revealed the need for standardization of some training processes and functions and the need for centralized learning and development resources for employees. The plan is to continue evaluating how best to improve these functions and pursue appropriate, cost-neutral changes in the near term.

Cost: Minimal to Moderate, will depend on evaluation and findings from ORG 3 review
Timing: 12+ months

PART B: AGENCY-WIDE AND CROSS-DIVISION ACTIONS

SUMMARY

These projects focus on how we communicate with our customers and staff. They illustrate how we can make sure customers know about our services, how to access them, and what they need to do at each stage of a claim. They also include strategies to make sure OED staff have access to timely, comprehensive information and training so they are best prepared to help customers. Key areas of focus include:

- (OED 1) Renew Strategic Communications Focus
- (OED 2) Use AI to Improve Customer Journey and Employee Workflows
- (OED 3) Review and Update All Customer-Facing Communications
- (OED 4) Unemployment Insurance Customers in WorkSource Oregon Offices
- (OED 5) Cross-Training and Closer Connecting Customer Service Representatives
- (OED 6) Training Needs
- (OED 7) Standard Operating Procedures, Employee Manuals, and Handbooks
- (OED 8) Streamline Customer Escalation Platforms
- (OED 9) Establish Ongoing Feedback Mechanisms for Customers and Employees
- (OED 10) Data for Goal Setting, Process Improvement, and Accountability
- (OED 11) Enhancing Self-Help Options for Customers
- (OED 12) Update the Access Letter Process for Address Changes
- (OED 13) Create a Live Claim Status Tracker

(OED 1) Renew Strategic Communications Focus (prioritized/in progress)

All
This action supports the entire customer journey map

One of the Governor's expectations is to ensure the agency effectively communicates the services it provides to the public and its customers. The organizational review determined that there needs to be a renewed focus on strategic communications. This includes revisiting the agency's guiding principles around strategic communication, having clearer roles and responsibilities between programs and the communications team, and setting clear priorities for the communications team.

OED has multiple programs that each bring extraordinary value to Oregonians across the state. However, over the last few years, OED has been defined primarily by one program – Unemployment Insurance (UI) – and by the customer service challenges it faced. There are countless opportunities to share positive examples of how OED's programs benefit individuals and businesses, which could raise awareness of those programs and help those who are eligible for those services.

Strategic communication guiding principles and priorities for 2026 include the following:

Guiding Principles for OED Communications

1. Clearly and accurately communicate program area goals, services, and policies to internal and external groups. This includes centering the customer in all agency communications using plain language.
2. Proactively create and follow a strategic communications plan for respective division and program work.
3. Proactively communicate the positive impact OED's work has on customers.
4. Maintain accurate and easy to understand information about OED's public-facing websites to ensure transparency, accountability, and responsible use of resources, and continue to cultivate positive relationships with the media

Communication Priorities for 2025-26

1. Refocus the agency's communication on proactive strategies that tell the story of how OED's programs help customers to positively influence their perception of OED. This work includes regular press releases highlighting accomplishments, promoting our workforce events and services, and other success stories.
2. Ensure quality and consistency of communication across OED's divisions and programs, and ensure they connect to the broader agency strategic communications plan.
3. Support communication strategies that are recommended in this plan, which include enhancing our self-help options for customers, improving the accessibility of our letters, and using AI for plain language.
4. Develop and implement a plan for OED rebranding, including logo redesign and a plan for a new website.
    a. The current OED brand does not reflect the agency's values and current work. A new brand will help establish continuity across the agency's divisions and programs and bring a modern and inviting feel to customers who use our services.
    b. OED's website needs an overhaul so we can better serve our customers. The new website must be accessible and easy to navigate and allow customers to quickly and easily find answers and support.

Cost: Minimal, with additional future costs scoped for website and other communication tools and strategies
Timing: 12+ months

(OED 2) Use AI to Improve Customer Journey and Employee Workflows (prioritized/in progress)

AI has the potential to transform how the state does business. We envision using AI internally and externally to both assist staff in performing their duties and improve the customer experience in the following ways.

(OED 2A) Internal Chatbot Knowledgebase (prioritized/in progress)

All
This action supports the entire customer journey map

OED is exploring the development of an AI-assisted internal chatbot that staff can use to quickly access accurate, up-to-date information when serving Paid Leave and UI customers. The goal of this project is to reduce the time staff spend searching through manuals, disparate systems, and program guidance, and help employees deliver faster customer service. As part of early scoping, the team is working closely with Enterprise Information Services (EIS) to understand the capabilities, constraints, and implementation requirements of a potential AI solution, Microsoft (MS) Copilot Studio. The agency will conduct a solution analysis to determine the appropriate AI-powered platform for this use case.

OED is gathering key documentation such as program manuals, standard operating procedures, desk guides, and other reference documents used across each program to develop a strong knowledge base. Part of the work includes developing an inventory and evaluating the accuracy of these materials, ensuring the classification of the materials is appropriate and does not exceed level two. OED is in the initial cohort participating in a MS Copilot Studio workshop to build an AI agent and learn how to configure the tool with different data sources and actions.

OED is also learning from the experiences of the Oregon Department of Human Services and the Oregon Health Authority, both of which have begun using AI-supported tools. Their lessons learned, such as the importance of strong content governance and transparent communication about AI limitations, are helping shape the design of OED's approach.

Cost: TBD – Determined by licensing and technical infrastructure. Other costs should be absorbed by the agency but may also include training, change management support, technical configuration, etc. This will require upfront investment, but costs are expected to be offset over time through improved staff efficiency, reduced errors, and more timely service to Paid Leave and UI customers.
Timing: 12+ Months

(OED 2B) Use AI to Assist Adjudicators (prioritized/in progress)

All
This action supports the entire customer journey map

Explore the availability and associated costs of implementing an AI solution to aid with adjudication for UI and Paid Leave. OED's UI program leadership has spoken with other states' UI programs and the National Association of State Workforce Agencies to explore how other states are implementing AI to aid adjudicators. Other states' UI programs have implemented AI to aid adjudication, providing summaries of questionnaire responses and phone calls, and suggested outcomes to a "human in the loop," who reviews each AI suggestion before the agency issues a decision. Some states have also expanded this same functionality to assist with generating claim timelines for use in tort responses, legislative constituent complaints, U.S. Department of Labor complaints, and miscellaneous legal actions. This is reported to streamline the process and reduce timelines for completing adjudication; although errors caused by AI hallucinations can lead to poor outcomes, it is possible that the benefits outweigh the risks. It is a key component that, in this instance, AI does not replace human adjudicators; it helps them work more efficiently, smoothing out the seasonal workload imbalances and reducing backlogs.

Cost: Unknown, product not yet identified
Timing: 12+ months

(OED 2C) Easy On-Hold Platform (prioritized/in progress)

All
This action supports the entire customer journey map

EMPLOYERS/BUSINESSES
This action supports employers and businesses

Easy On-Hold is a platform that would allow OED program areas to play hold music and easily update breakthrough messaging with claim tips, referrals to self-help resources, information about wait times, or information about live chat or the chatbot, and provide up-to-the-minute program-specific messaging. This could help customers navigate the application process by providing tips on how to self-serve rather than wait on hold.

Cost: Estimated at $17,000 per year
Timing: 12+ months

(OED 2D) Use AI for Inbound Call Security Checks (prioritized/in progress)

All
This action supports the entire customer journey map

When customers call the UI and Paid Leave programs and connect with staff, they must answer a series of security questions before they can discuss their claim. Implementing an AI security check process would allow customers to complete the majority of this security check before connecting with staff, allowing a customer to get to their questions quicker and shortening the overall call length.

Cost: Unknown, product not yet identified
Timing: 12+ months

(OED 2E) Automated Claim Status Updates by Phone (prioritized/in progress)

All
This action supports the entire customer journey map

More than 10% of customers who call UI each week do so to check the status of their claim. For Paid Leave, this is around 50%. This project would research possible solutions and the costs of implementing generative AI to allow customers to receive comprehensive automated status updates by phone, without having to wait on hold. This would also allow staff to assist customers who need to interact with an agent because of an issue with their claim.

Interviews with other states that use automated status update systems have shown that customers' desire for personalized interaction with a human can be satisfied if an automated system shares personalized information about the customer's claim in the update. Updates could provide comprehensive statuses, including benefit amounts, estimated processing times, whether the customer has any actions pending or needs to log into Frances Online, and include personalized information.

Pursuit of this option could depend on the timing and success of OED 13, the web-based live status tracker.

Cost: Unknown, product is not yet identified
Timing: 12+ months

(OED 2F) Generative AI Chatbot (prioritized/in progress)

All
This action supports the entire customer journey map

The UI Program currently uses The Owl chatbot, which is integrated with the Frances Online system. Customers could benefit from a more robust automated chatbot to fully support self-service. This work effort would focus on researching the use cases and associated costs to develop a fully generative AI chatbot.

Cost: Unknown, product not yet identified
Timing: 12+ months

(OED 3) Review and Update All Customer-Facing Communications (letters, applications, e-screens, web notices and forms) to Ensure They are Clear and Easy for Customers to Understand (prioritized/in progress)

All
This action supports the entire customer journey map

EMPLOYERS/BUSINESSES
This action supports employers and businesses

OED programs provide essential services each year to tens of thousands of customers with different backgrounds and needs. Each of our programs has multiple points in which a customer interacts with the agency and receives or is required to send information. This varies from an initial application form and preliminary determination of eligibility to requests for additional information and final decisions that include directions on how to appeal. Each of these documents must be clear and easily understandable to customers, otherwise they will create unnecessary delays for customers and additional work for staff.

There are likely well over 1,000 different documents, forms, and templates that must be reviewed and revised for accuracy and accessibility. Frances alone has more than 900 template "letters" that communicate different issues, making this an important and significant project. To accomplish this task efficiently and make it customer-focused, we plan to proceed as follows.

First, we will finish a comprehensive inventory of every item that will be reviewed (this mostly exists due to the recent move to Frances). It will include all template Frances letters, web-based program questions, decision templates, initial program applications, help questions, template live chat responses, forms, FAQs, and guidebooks.

Next, we will prioritize review and revision of the documents based on several criteria. By prioritizing revisions based on the impact and benefit to customers, we can begin to see positive results while the long overall process continues. For example, we could prioritize documents for revision that:

- Communicate a decision and describe next steps to a customer
- Are received most often by most customers
- Have incorrect or misleading information or directions (as indicated through feedback received during this process or other ongoing feedback mechanisms)
- Have been identified through a legal process, e.g. an appeal hearing, as being inaccurate or misleading

Once the first group of documents is identified, staff will review and revise them in batches by:

1. Asking an AI program (like Copilot or Chat GPT) to review the document and propose a new, easier to understand draft.
2. Having a small group composed of relevant program area staff, communications, and the equity office review the AI-generated draft and develop a new version.

Test Case: AI Review Pilot

OED recently conducted a small pilot project to gauge the effectiveness of using an AI program to review and propose readability changes to our documents. Specifically, program staff from Paid Leave and UI each identified five documents that our Strategy Office ran through Copilot with a prompt to improve clarity and layout. Testing showed that Copilot significantly enhanced program letters by applying plain language, using shorter sentences, and strengthening readability through improved formatting and use of specific headings. The Strategy Office also found that AI-assisted revisions reduced drafting time and produced more consistent customer-friendly messages. However, successful use depends on accurate inputs and maintaining human review to ensure legal sufficiency and program alignment. A comparison of a section of an original and AI-revised letter is included in Appendix B.

Once the first batch of new documents is tested and ready for production and release, staff will prioritize IT changes based on the overall customer service impacts from these revisions (see other section on Frances governance change for related discussion). Relatedly, we are exploring the creation of several specific service windows each year. These are pre-identified time frames to make batches of document updates that could help streamline the entire process and prevent, for example, ongoing discussion around changes to one document holding up changes to several others. Finally, we would also separate each batch of revisions between those that require IT prioritization (e.g. a template in Frances) versus those that don't (e.g. FAQs on website) so that revisions are implemented as quickly as possible.

The agency is also working with the National Association of State Workforce Agencies (NASWA) Behavioral Insights professionals on access to no-cost consultation services and NASWA's free training for OED staff. Behavioral insights apply various principles of human nature to predict and understand human decision-making and behavior. Behavioral insights, when applied to the written communications that OED sends to customers, can help us understand how the letters, emails, and other words we use drive customers to call us, and how rephrasing, reformatting, or restating could help us satisfy their questions without the need for additional contact with staff. This could help reduce the call, live chat, and web messages volume in our UI Contact Center, helping us achieve a better balance between customer service and claim processing work without additional staff.

Although dedicated grant funds the UI program had been awarded to use for the behavioral insights work were rescinded, staff have identified minimal no-cost consultation services and no-cost training sources and are pursuing the behavioral insights analysis through other means. If finalized, staff would include NASWA Behavioral Insights' services in this project.

Cost: Minimal, can be absorbed as part of normal operations
Timing: 12+ months

(OED 4) Unemployment Insurance (UI) Customers Visiting WorkSource Oregon Offices with UI Questions (prioritized/in progress)

One of the biggest issues from the customer survey, staff survey, and staff focus groups relates to customers visiting WorkSource Oregon (WSO) centers to seek assistance with a UI claim. Staff report that as many as 50% of their customers look for this help, though that number can fluctuate and increase during the winter when seasonal workload increases. This creates a challenge for WSO staff as they are not trained or permitted to adjudicate UI claims or provide much of the assistance these customers need from the agency. That creates frustration for the customer seeking help from OED at an OED office, regardless of the fact that it is not a UI office.

There are two general ways we can address this challenge. The first is through prevention; specifically, by decreasing the number of UI customers visiting WSO centers. Many of the other actions in this plan focus on improving customer service in ways that could help achieve this, for example, by decreasing call wait times so that customers don't feel compelled to visit an office because they can't get through on the phone.

We anticipate, however, that no matter what other customer service gains we make, there will always be some UI customers who visit WSO centers because they simply wish to meet in person or because of a technology barrier or other barrier to accessing Frances Online. We know we must do better to meet these consumers' needs and have several projects on how to do so.

(OED 4A) Test an Increased UI Presence in WorkSource Oregon Offices (prioritized/in progress)

All
This action supports the entire customer journey map

One way to meet UI customers' needs would be to have more UI information and services available in WSO centers. Before implementing a full program, we would conduct a pilot project of UI "connectors" who are available to assist high-barrier customers in-person across the state, such as in WSO centers. The connectors would be UI-trained staff. This is also related to UI's ongoing exploration of a permanent Equitable Access to Unemployment Insurance (EAUI) outreach team to conduct surveys and collect data, coordinate outreach activities, present UI workshops, and provide individualized services for customers.

Notably, the UI and Workforce Operations (WO) programs have previously co-located services within the WSO centers before the pandemic without adequate results for customers. For example, the co-location didn't provide a reduction of wait time or service time, which increased frustration for customers who had to wait longer in office lobbies or hallways. Out of those experiences, the UI and WO programs have created the UI/WO Connectivity Leadership team, UI/WO Connectivity Workgroups, UI Levels of Service training for WO staff, and other shared partnership resources to close that gap. The agency will carefully review the recent survey results and do additional research to determine how best to meet this need without retreading old ground that didn't achieve desired outcomes. Options could include everything from a pilot project of UI connectors physically located within one or more WSO centers to virtual webinars on key topics.

Cost: Minimal, costs will be scoped after project planning
Timing: 12+ months

(OED 4B) Regular, Live Webinars (prioritized/in progress)

All
This action supports the entire customer journey map

OED has 37 WSO centers across the state, making it challenging to provide additional in-person UI staff in each office. We do, however, have the technology to conduct regular live webinars broadcast to each of our offices (and to the public) on UI topics. For example, we could provide an overview of the claims process, how to create a Frances Online account, and how to file an initial and weekly claim. We could also go over some typical questions and challenges customers encounter and answer pre-screened questions (to make sure confidential information isn't shared). We already have multiple how-to videos and training materials available as a resource, and by conducting this virtually we could easily reach every office without significant travel or staffing costs.

Cost: Minimal, would use existing staff
Timing: 0-6 months

(OED 4C) Live Video Chat (prioritized/in progress)

All
This action supports the entire customer journey map

Similar to the last action item but more individually focused, the agency could leverage the soon-to-be implemented phone system enhancement to connect UI customers to UI staff. This could either be in a WSO center for those who have already stopped in or a virtual transfer for customers who have already connected with us remotely.

Cost: Minimal, would use existing staff
Timing: 0-6 months

(OED 4D) Deploy our Mobile Vans (prioritized/in progress)

All
This action supports the entire customer journey map

WO is outfitting and deploying three specially equipped vans that offer leveraged and braided WSO services to underserved or under-resourced communities. Specifically, these vans will offer a rotating, zone-based schedule covering Western, Central, and Eastern Oregon, and deliver coordinated, cross-program services directly to rural areas, Tribal communities, and justice-involved individuals. While primarily designed to assist job seekers, we could incorporate a UI component into these vans, whether that be simply providing a phone or internet connection to UI staff or resources, or direct, in-person UI support.

Cost: Minimal, would use existing equipment
Timing: 0-6 months

(OED 4E) Regular UI Training for WorkSource Oregon Staff (prioritized/in progress)

6 **UI Step 6: FOLLOW-UP TASKS**
Identity Verification, orientation

WSO staff currently receive training to assist with Frances Online account navigation, password resets, and other basic UI tasks. WSO staff can't help with more complex UI functions like interpreting claim statuses, fixing claims, adjudication, or other activities. However, required training could be supplemented with annual UI training to improve general knowledge of the system and allow WSO staff to better answer customers' UI questions. We could survey WSO staff to determine what Frances Online training they are missing and then develop that training.

Cost: Minimal, would use existing resources and staff
Timing: 0-6 months

(OED 4F) Evaluate the Creation of a WSO Navigator Position (prioritized/in progress)

All
This action supports the entire customer journey map

WO is evaluating the creation of a WSO Navigator Position. This position would be a point of contact for WSO centers that have a high volume of UI customers coming to the centers to provide more UI information or connect them to the right people within the UI division to help resolve their claim issue.

Cost: Minimal, could take the existing WSO position and reclassify or assign the person to these duties (e.g. on a rotation)
Timing: 0-6 months

(OED 4G) Prioritize UI Customers in WSO (prioritized/in progress)

All
This action supports the entire customer journey map

Customers with UI questions that can't be answered by WSO staff are currently directed to a computer or phone where they can start a live chat or phone call with a UI staff member. These chats and calls are not prioritized in any way — they are placed in the queue in order of contact, like all others. We could add customers calling from a WSO center to one or more new prioritized lists, allowing them quicker access to live chat or phone response. Staff would need to monitor how this impacts overall wait times and if, once this becomes known, it drives more customers to WSO to get connected more quickly.

Cost: Minimal, would use existing staff and equipment
Timing: 0-6 months

(OED 4H) Regular, Ongoing Survey of WSO Visitors (prioritized/in progress)

All
This action supports the entire customer journey map

Several of the projects in this section are based on anecdotal evidence of why UI customers are coming to WSO offices and their exact questions or challenges. OED did a one-time, 30-day survey of the various UI questions customers were asking that has provided some empirical data, and it would be helpful to design and implement a new, ongoing survey to better inform future decisions.

Cost: Minimal, would use existing staff
Timing: 0-6 months

(OED 5) Cross-Training and Closer Connecting Customer Service Representatives (prioritized/in progress)

This group project has several related sub-projects:

(OED 5A) Cross-Trained Contact Center Team (prioritized/in progress)

All
This action supports the entire customer journey map

EMPLOYERS/BUSINESSES
This action supports employers and businesses

Explore the feasibility of creating a small, cross-trained customer service team representing all three divisions — UI, Paid Leave, and C&R— to build and share combined program knowledge. This group could unite to answer first-tier phone calls, using scripting that would allow them to help customers through the types of calls that can be answered in about five minutes. For more complicated issues or issues that take longer, the cross-trained group would refer the caller to a Tier 2 line of a specialty-trained UI, Paid Leave, or C&R staff.

Cost: Minimal, would use existing staff
Timing: 12+ months

(OED 5B) Cross-Division Connectivity Group (prioritized/in progress)

All
This action supports the entire customer journey map

EMPLOYERS/BUSINESSES
This action supports employers and businesses

Create a cross-division connectivity group including UI, Paid Leave, C&R, and WO for cross-division collaboration to meet quarterly. An option is to combine this with the already existing UI/WO connectivity groups or have this as a stand-alone group.

Cost: Minimal, would use existing staff
Timing: 0-6 months

(OED 6) Training Needs

In addition to exploring the centralization of certain learning and development functions at OED (ORG 4), there are several program-specific training projects that the agency can implement in the near term. These include:

(OED 6A) Enhanced Training for Staff and Managers

All
This action supports the entire customer journey map

Learning and Development (L&D) is currently working to develop and maintain a comprehensive, tiered training model for both managers and staff to strengthen operational knowledge, leadership skills, and service delivery. Consistent, well-trained staff ensure customers receive timely, accurate, and empathetic service. Improved staff confidence directly translates to better customer experience and fewer escalations.

All new Paid Leave employees will complete our revised Welcome to Paid Leave Oregon orientation, which was piloted in October 2025 and will be fully launched in January 2026. Working with section managers, L&D has identified positions that require training in Customer Care Essentials, Claims, or Benefit Eligibility. These revised programs will launch with the January new-hire cohort. Before the end of this biennium, L&D will collaborate with Appeals, Employer Programs, Investigations, Compliance, and Policy to help them develop section-specific training for new employees in their respective sections. To provide more capacity for the L&D team to do this work (as well as everything below), the decision was made to standardize two starting dates, January and July, for new hires who need any combination of Customer Care Essentials, Claims Processing, and Benefit Eligibility training.

Human Resources is currently updating the agency manager onboarding. Once that work is complete, L&D will review and develop recommendations for division-specific onboarding. L&D will also work with section managers to develop plans for necessary technical training for new managers. The goal is to have the division's onboarding projects complete by June 2026.

L&D will roll out the required training for all Paid Leave managers in spring 2026, incorporating the principles of trauma-informed care (TIC) supervision with management and leadership fundamentals. This will be a multi-month course with classroom, self-paced, and peer support components. All current managers will complete it before the end of 2026. The L&D manager and the senior learning and development specialists are working with each section to identify and deliver management training needs specific to that section. The L&D monthly development email series will continue.

Cost: Minimal, will use existing staffing
Timing: 12+ months

(OED 6B) Improve Training Options for Staff

All
This action supports the entire customer journey map

Training for staff is currently bifurcated, with training about Frances coming from the Frances Business Support Team and training about individual job use of the system coming from each division. To improve staff training, the agency will create a cross-divisional training group that uses existing IT and business trainers to review existing materials, revise and replace as necessary, and reorganize to make the materials more available to staff. Coordination with divisions will be essential to ensure training content aligns with operational needs, reflects current workflows, and supports strategic goals.

Cost: Minimal, will use existing staffing, but may be restructured. If additional training is identified, there may be additional costs that cannot be absorbed
Timing: 6-12 months

(OED 7) Standard Operating Procedures, Employee Manuals, and Handbooks

With the launch of Frances and other modernization efforts, staff feedback identified the need to update our standard operating procedures (SOPs) and other employee manuals. Much of this work is in process already and described in more detail below.

(OED 7A) Update UI SOPs and Add Quick-Guides (prioritized/in progress)

All
This action supports the entire customer journey map

The project, begun in December 2023, continues to update and modernize UI SOPs to reflect Frances' processes. All SOPs are written on a consistent template, updated on a regular basis, and maintained on a shared Articulate platform accessible to all OED staff on the agency intranet, called The Commons. The project will continue until all SOPs have been completed. As the SOP project nears completion, UI will begin creating "quick-guides" for SOPs that would benefit from an at-a-glance summary and adding that resource to the SOP. The project will then be in "maintenance" mode, wherein the SOPs and quick-guides are regularly reviewed and updated as needed.

Cost: Minimal, use existing staffing
Timing: 12+ months

(OED 7B) Improve Paid Leave Staff Resources and Tools (prioritized/in progress)

All
This action supports the entire customer journey map

Paid Leave is collaborating with IT to research potential platforms for hosting claims manuals and documentation that are easier to navigate, search, and maintain. This change will make knowledge and resources more accessible to staff, enabling them to provide accurate information to customers and easily answer questions asked over the phone. This includes the potential use of AI-based tools that are currently being used by another state agency. The goal is to include other divisions and sections in these conversations so that if a new tool is purchased, it could work across divisions. An initiative is in place to review and migrate content from Legacy EDWeb and our Paid Leave Toolkit to The Commons (OED's new intranet) over the next six months. This transition will serve as an important building block in setting up a more reliable, single source location for all internal Paid Leave resources.

Guided by feedback collected through a series of staff focus groups, project work has begun to enhance Paid Leave's internal knowledge base and develop new functionality for the claim manual. The team is updating the manual into smaller, more manageable chunks of content as well as rewriting each section using principles of technical writing.

While Paid Leave has proactive documentation processes that ensure both new and existing staff receive clear, current instructions that promote consistent, high-quality service delivery, work is also starting on an overhaul of the Benefit Eligibility Manual.

Before the end of this biennium, the goal is to have a manual for other sections, including employer programs, appeals, investigations, compliance, outreach, and policy. Accurate, accessible, and updated guidance ensures staff deliver consistent, informed service, minimizes errors, and improves the timeliness and quality of customer interactions.

Cost: Minimal, will use existing staffing
Timing: 12+ months

(OED 7C) Update Contributions and Recovery Process Maps and SOPs (prioritized/in progress)

All
This action supports the entire customer journey map

EMPLOYERS/BUSINESSES
This action supports employers and businesses

C&R will update all process maps and SOPs, including where processes map to other divisions and agencies. This effort will include all relevant statutes, rules, policies, and federal regulations in SOPs. The majority of the unit's SOPs have been updated to reflect changes resulting from the transition to Frances. Next steps involve:

- Reviewing all SOPs to ensure accuracy, accessibility, and consistent formatting across all teams
- Building process maps for work that transitions across teams and agencies
- Ensure SOPs include all relevant statutes, rules, policies, and federal regulations

Cost: Minimal, will use existing staff
Timing: 12+ months

(OED 8) Streamline Customer Escalation Platforms (prioritized/in progress)

All
This action supports the entire customer journey map

EMPLOYERS/BUSINESSES
This action supports employers and businesses

Feedback from partners, interested parties, employees, and customers identified a need to have a single point of contact for customer complaints. While there was a need to have multiple tracking systems during the pandemic when complaint volumes were significant, staff have identified the need to move toward one single tracking system to streamline complaints and create an equitable process for addressing and responding to customer needs.

A possible solution is the creation of a single intake platform for all agency customer escalations and complaints through Smartsheet or a similar product. From this platform, customers could be referred to the individual program areas, and staff could monitor and track activities, themes, and responsiveness through overall and division-specific dashboards.

Cost: Minimal, absorbed with existing resources and staff
Timing: 0-6 months

(OED 9) Establish Ongoing Feedback Mechanisms for Customers and Employees

The feedback received during this process was critically important in helping identify solutions to the problems and challenges experienced by our customers. Staff, especially front-line staff who talk to customers daily, were particularly eager to provide recommendations and suggested many of the ideas in this plan. Staff also suggested continuing to regularly ask them for feedback, which is a great idea.

(OED 9A) Hold Regular Staff Focus Groups (prioritized/in progress)

All
This action supports the entire customer journey map

Managers will continue to convene staff focus groups as a way of gathering direct feedback on the customer experience and recommendations for improvement, especially from front-line staff.

Cost: Minimal, absorbed with existing resources
Timing: 6-12 months

(OED 9B) Survey UI and WO Staff

All
This action supports the entire customer journey map

The Analytics Team will design and deploy a survey for UI and WO staff to help determine where more alignment is needed between the two programs, as far as reference guides and information. This will help decide where there is a need to improve reachability and accessibility. The existing Connectivity partnerships allow staff to work through and correct any missing alignment and improve reference guides.

Cost: Minimal, will be absorbed with existing staff and resources
Timing: 0-6 months

(OED 9C) Implement Customer Satisfaction Surveys (prioritized/in progress)

All
This action supports the entire customer journey map

A key component of continuously improving processes and improving customer satisfaction is to regularly gather feedback from customers. To gather feedback, a project team of members who support employees, employers, and self-employed customers created customer satisfaction surveys tailored to specific customer experiences. The four sets of questions were designed in collaboration with Paid Leave's Equity and Inclusion and Trauma-Informed Care Policy Analysts to yield more precise and actionable feedback.

Cost: Minimal, will use existing resources
Timing: 0-6 months

(OED 9D) Establish a Contributions and Recovery Customer Satisfaction Baseline Score

All
This action supports the entire customer journey map

EMPLOYERS/BUSINESSES
This action supports employers and businesses

C&R will use data from the Interactive Voice Response (IVR) survey implemented in Aug. 2025 to create a metric that is a stable and reliable representation of the service we provide to customers. This metric will serve as a tool for measuring the success of future enhancements.

Cost: Minimal, will use existing resources
Timing: 0-6 months

(OED 9E) Regular C&R Employer Meetings

EMPLOYERS/BUSINESSES
This action supports employers and businesses

C&R will establish regular meetings with employer representatives (potentially as part of the OED Advisory Committee) specifically for feedback on employer experiences using Frances Online for payroll reporting. The goal is to receive direct feedback from a trusted group of customers about their experiences with our services and to discuss future ideas for improvement for guidance buy-in.

Cost: Minimal, absorbed with existing resources
Timing: 0-6 months

(OED 10) Data for Goal Setting, Process Improvement, and Accountability (prioritized/in progress)

As described in the introduction, OED tracks and measures six primary metrics related to customer service for UI, Paid Leave, and C&R. These are shared in our public dashboard. The agency also tracks many internal performance measures that help programs make data-informed decisions. The organizational review identified the need to revisit these metrics to determine if current internal performance metrics support what we are tracking and sharing in our public dashboard.

(OED 10A) Export Data to the OED Data Warehouse to Study Customer Experience and Improve Performance (prioritized/in progress)

All
This action supports the entire customer journey map

EMPLOYERS/BUSINESSES
This action supports employers and businesses

A necessary step in this process is to fully implement automatic data exporting from Frances into the OED data warehouse. This will allow the Analytics Team unfettered access to develop analytics, reporting, visualizations, and enable the agency to measure performance more accurately. Moving this data will also allow OED to study the customer experience, identify bottlenecks within workflows, learn what agency actions prompt customers to call or escalate, which letters cause confusion or prompt additional contact, and which processes are difficult for customers.

Cost: Moderate
Timing: 12+ months

(OED 10B) Add Workforce Metrics to our Public Dashboard (prioritized/in progress)

Preliminary conversations determined that while we are moving data from Frances to the OED data warehouse, we can add workforce metrics to our public dashboard. Reporting on the workforce system involves multiple partners and datasets and is possible through the Workforce Modernization Project and using Oregon's Performance Reporting and Information System (PRISM), which is described in more detail in the WO and Workforce System Actions Report.

Cost: Minimal, absorbed with existing staff
Timing: 0-6 months

(OED 10C) Workforce Management (prioritized/in progress)

All
This action supports the entire customer journey map

Managers will review current workforce management practices and suggest improvements to include cross-divisional workforce management as it relates to phone coverage and efficiencies, claims processing, including adjudication and appeals assignments, web notice, and chatbot staffing. Other options include:

- Look holistically at workforce management versus division-by-division management where possible.
- Integrate the use of AI tools to assist in predictive scheduling and management of higher or lower volume times versus manual tools.
- Research the benefits of creating different queues or tiers of staff as generalists (Public Service Representative 3, PSR3) versus specialists, and possible re-mapping of customer paths for phones.
- Explore costs and efficiencies inside current contracts with Presidio and Cisco/Finesse that have not been accessed but are available in the product suite.

Cost: Minimal, absorbed with existing resources
Timing: 12+ months

(OED 10D) Individual Performance Metrics and Scorecards (prioritized/in progress)

All
This action supports the entire customer journey map

In consultation with staff, OED will develop improved unit and individual performance metrics and scorecards to better track success in meeting customer service goals. This work is contingent upon OED 10A and the availability of needed data in the OED data warehouse. Note: The UI Program had these in its legacy system and is awaiting full access to data to develop them based on Frances data.

Cost: Minimal, absorbed with existing resources
Timing: 12+ months

(OED 10E) Add Customer Identity Data Collection to Phone Tree (prioritized/in progress)

All
This action supports the entire customer journey map

Customers who contact OED are not always prompted to enter their Social Security Number (SSN), Individual Tax Identification Number (ITIN), or Business Identification Number (BIN) in the phone tree. The requirement depends on the phone number they call. This creates challenges in better understanding the customer experience. The UI Program is piloting the addition of an SSN/BIN module where customers and employers can enter their identification number before speaking with OED staff. Technical discussions are underway with a goal of piloting this module in the UI Benefit Services phone queues in quarter one of 2026.

Cost: Minimal
Timing: 0-6 months

(OED 11) Enhancing Self-Help Options for Customers

While adding more customer service staff may help us achieve better customer service goals, we must also continue to offer better service with the resources we currently have, especially in the current budget environment. An important strategy is for OED to increase and improve customer self-help options. Successfully supporting customers' needs with these tools can reduce call and live chat volume and enable staff to spend time on more complex claims that require human intervention.

(OED 11A) Refresh "How-To" Guides for Customers (prioritized/in progress)

All
This action supports the entire customer journey map

EMPLOYERS/BUSINESSES
This action supports employers and businesses

Refreshing OED's "how-to" guides for customers first requires us to inventory existing customer-facing "how-to" guides, videos, and one-pagers on Frances Online or available on unemployment.oregon.gov to ensure they are all current. Then, we will compare the available "how-to" guides to those that recent surveys indicated customers requested and determine what "how-to" guides are missing, confusing, or aren't easily located on the website. We will also explore any needed updates for the existing "how-to" guides and see if any new "how-to" guides need to be added. Finally, we will review website placement and make any needed adjustments so that these guides are easily accessible to our customers. Staff plan to start this project after the 2025-2026 winter workload eases.

Cost: Minimal, absorbed with existing resources
Timing: 12+ months

(OED 11B) Launch More How-To Videos (prioritized/in progress)

All
This action supports the entire customer journey map

Based on feedback received, UI and Paid Leave are developing videos to teach customers how to complete specific Frances tasks. These include how to complete basic self-service options, such as how to upload documents, send a message, and update their contact information.

Cost: Minimal, absorbed with existing resources
Timing: 12+ Months

(OED 11C) Improve Program Information for Customers

1 Paid Leave Step 1: PREPARE
Gather Documents

2 Paid Leave Step 2: APPLY
Create account, application, and verify personal info

Paid Leave is committed to the continuous improvement of all program information, letters, and resources on the program's website. Providing information that is clear, accurate, and accessible for all customers improves customer service in many ways, including:

- Reducing call volume for questions that are addressed through program information, which reduces wait times for calls that require staff support
- Improving completed applications so that staff can make decisions in a timely manner, without calls between staff and customers

Program information for customers includes:

- The Paid Leave website
- The Paid Leave Employee, Employer, Self-Employed, and Equivalent Plan Guidebooks
- Paid Leave online resources, including fact sheets and checklists
- Letters, forms, and Frances e-screens

Cost: Minimal, will use existing staff
Timing: 12+ months

(OED 12) Update the Access Letter Process for Address Change (prioritized/in progress)

2 Paid Leave Step 2: APPLY
Create account, application, and verify personal info

2 UI Step 2: APPLY
Create account, application, and verify personal info

Updating the Frances Access Letter process to allow most customers the ability to confirm their own address changes, eliminating a needless process for most customers. This also streamlines the process for customers who need to interact with the agency to change their address by making the process proactive on the agency's part. This will include expedited outbound contacts to customers to assist with that process instead of requiring customers to navigate our systems or wait on hold.

Cost: Moderate
Timing: The work to implement this change is underway and will apply to both UI and Paid Leave benefit claim processes. Note: This change is in production for UI and Paid Leave customers as of the week ending Oct. 25, 2025. UI and Paid Leave programs are monitoring the change to ensure it has the desired effect for customers and to determine whether any additional changes are needed to streamline this process for customers.

(OED 13) Create a Live Claim Status Tracker (prioritized/in progress)

All
This action supports the entire customer journey map

As discussed above, we are creating customer journey maps that show the stages of UI and Paid Leave claims, average timeframes for each stage, and the various activities required of customers and OED at each stage. This static journey map will be helpful on its own to illustrate the steps and contact points for our customers. Even more useful could be a live status tracker that allows a customer to see where their claim is at any given moment along the journey.

The static maps are close to completion, but more research is necessary to determine how we could operationalize a live version of a customer journey map that customers would find helpful and instructive.

Cost: TBD upon finding an appropriate IT solution with our system vendor
Timing: The static claim tracker project will begin right away and take 0-6 months to launch for customers. The “live” claim tracker will take 12+ months to develop.

PART C: UNEMPLOYMENT INSURANCE

SUMMARY

- (UI 1) Estimated Wait Times
- (UI 2) Training for UI Customers
- (UI 3) Customer Checklist and Due Date Resources
- (UI 4) Pilot an Appointment-Based Outbound Call System
- (UI 5) Streamline Identity Verification Processes
- (UI 6) Improve Expired Task Communication
- (UI 7) Launch a “Grace Period” to Complete Requirements
- (UI 8) Integrate UI and WO Modernized Systems
- (UI 9) Redesign the Claim Restart Process
- (UI 10) Update Fact-Finding Questionnaires
- (UI 11) Test Appointments for Adjudication
- (UI 12) Program Effectiveness Actions
- (UI 13) First-Call Resolution Rate Tracking
- (UI 14) Redefine Frances Initial Date of Detection
- (UI 15) Review and Update UI Laws and Rules

Background

The Unemployment Insurance (UI) Program contributes to OED’s mission by providing short-term economic relief to eligible workers who are unemployed through no fault of their own. The program is a federal-state partnership with the U.S. Department of Labor, established in 1935.

The program’s key customers are:

- Claimants who apply for benefits during periods of unemployment.
- Employers, whose taxes fund the trust fund that pays out benefits and who supply vital information that helps to establish claimants’ eligibility for benefits.

Basic Facts

- 451 FTE
  - UI Admin: 4 FTE
  - UI Benefits: 409 FTE organized into: Operations (4 FTE), Claims (123 FTE), Adjudication (103 FTE), Benefit Payment Control (88 FTE), and Benefit Services (91 FTE)
  - UI OPS: 38 FTE organized into: Operations (3 FTE), Policy (19 FTE), and Compliance (16 FTE)
- $148 million annual budget

Current UI customer service performance

At its core, the program's purpose is to process claims and issue payments — or deny benefits — quickly and accurately. The program often requires customers to provide additional information so that staff can make decisions about claimants' eligibility. Claimants also contact the program because they have questions about their claims and payments.

The program answers approximately 40% of calls that enter its queues. Recorded messages and prompts based on user selections suggest callers use self-service options. Calls that exceed the caller threshold receive a "fast-busy" signal and aren't answered or added to the hold queue. Of the calls that are answered, customers routinely wait an average of 1.4 hours on hold. Approximately 1.1% of calls are disconnected at the end of the workday without staff answering the call.

About 60% of customers who request a live chat on Frances Online wait 30 minutes or less, however many customers can wait up to two hours before receiving assistance. Access to live chat is limited if hold times exceed two hours.

Customers can send messages through Frances Online and the Contact Us form. Staff respond to 50-60% of these messages within five business days.

The program's performance generally improves during seasonally low workload times, typically in the summer. It worsens during seasonally high workload times, typically at each quarter change, during school recess periods, and between mid-November and early March each year. The following graph shows the forecast for the 2025-26 winter workload.

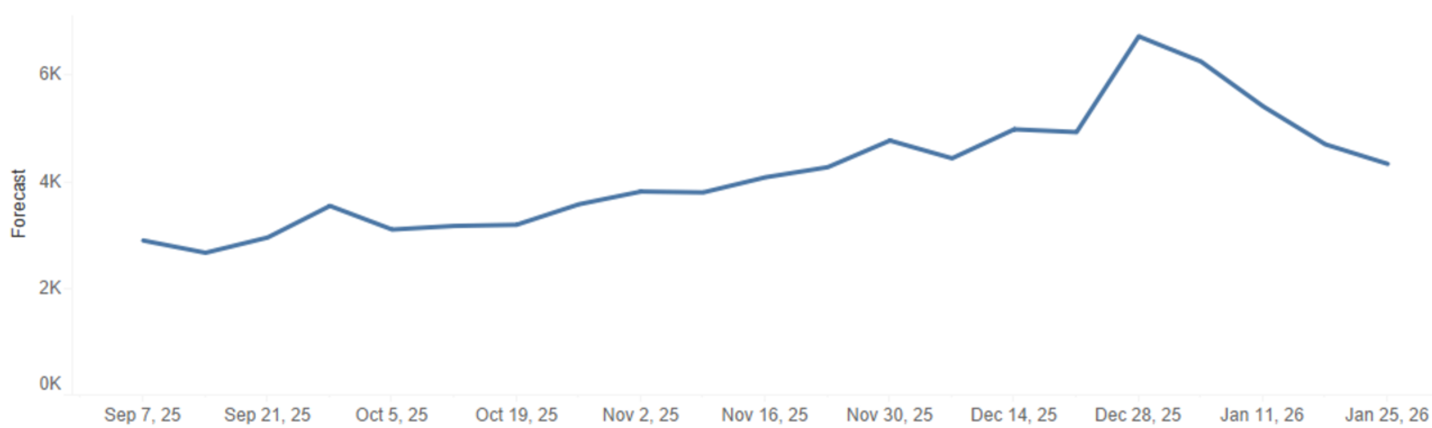


Figure 1. Unemployment Insurance Initial Claims forecast (shown at a weekly interval)

Challenges

Any increase in workload means more claims to process, more adjudications, more calls, more Frances system messages, and more live chats, all with the same staff levels. This requires UI to innovate, automate, and find efficiencies.

Several factors have contributed to the program's recent performance and help explain recent trends, beginning with funding. The federal funding model only partially funds state programs and doesn't consider ongoing costs such as updates to systems and technology, translations, appeals, or staffing cost increases due to pay equity and cost of living. These deficiencies result in UI being federally funded at a fraction of the amount needed to process claims, let alone provide the level of customer support Oregonians need and deserve.

The diversification of customer contact options has also negatively affected performance. The program allows customers to use live chat, a virtual chatbot assistant, and Frances's messaging platforms in addition to calling. Depending on the day, the UI Program has between 78 and 142 staff working on inbound customer support. In the past, most staff were assigned to answer inbound phone calls, helping the UI answer most calls in less than 30 minutes.

The additional avenues to contact us gave customers more options, and many now use multiple, simultaneous channels to contact UI rather than selecting just one of the available options. This added tens of thousands of work items and customer contacts to the staff's monthly workload, without a corresponding increase in resources to handle the work.

UI is aware of the current and historical difficulties that customers have accessing services, and has undertaken many efforts to improve services, including:

- Modernizing systems to create a more user-friendly customer portal
- Automating processes to speed decisions on eligibility
- Updating language in weekly certification questions based on feedback that the language was confusing
- Revising and consolidating content so customers can find plain language guidance on one website
- Updating the UI Benefits Resource Guide for staff
- Adding Frances messaging, live chat, and chatbot options to improve customers' access to information
- Using fraud risk analytics, security controls, and device fingerprinting to make the system more secure while decreasing barriers to access
- Implementing a comprehensive analysis of the online environment by accessibility engineers while integrating user and usability testing methodology
- Streamlining contact center operations by optimizing telecom system routing, delivery, and wrapping

More is needed to improve customer service and the awareness of available self-service tools. The program continues to educate the public and improve the customer experience. Program leaders are excited to pursue the actions in this plan and will not be satisfied until they consistently exceed all customer service expectations.

CUSTOMER SERVICE ACTIONS

(UI 1) Estimated Wait Times (prioritized/in progress)

All
This action supports the entire customer journey map

Implement breakthrough phone system messaging and online updates that convey information to customers about the UI Program's estimated wait times for calls to be answered, live chats, and processing times for various claim and adjudication work items.

The first step will be identifying an appropriate IT solution that will allow the program to communicate accurate information to customers. UI has previously provided breakthrough messaging about estimated wait times. Due to constraints associated with the old phone queueing configuration, wait time messages to customers were significantly inaccurate, leading to customer complaints and dissatisfaction. As we were unable to adjust the phone system to provide accurate estimates, we removed the estimates rather than continue to misinform and frustrate customers.

This work effort would depend on having the technological ability to ensure that the hold time information provided is accurate within a reasonable margin, since providing inaccurate estimates would be more detrimental than providing no information at all. Additional steps include identifying specific use cases and associated costs, as well as identifying a funding source to support this work. This project could include items such as wait times for calls to be answered, live chat wait times, and processing times for various UI work items. The estimated timeline of this work effort is dependent upon finding an appropriate IT solution.

Cost: TBD upon finding an appropriate IT solution
Timing: 12+ months

(UI 2) Training for UI Customers

All
This action supports the entire customer journey map

Surveys indicate that UI customers, including claimants, employers, and partners, need additional training in UI basics, use of computers, and use of Frances Online. This project would focus on studying the feasibility of providing training for UI customers, including:

1. Identifying subject matters that would most benefit UI customers.
2. Identifying the most effective methods through which training can be delivered.
3. Partnering with WO on computer basics training.
4. Use of Frances Online.
5. Webinars on UI basics for claimants, employers, and partners.

Cost: Can be absorbed with existing resources
Timing: 12+ months

(UI 3) Customer Checklist and Due Date Resources

All
This action supports the entire customer journey map

Experts will review resources currently available to ensure they are accurate and easy to follow, such as checklists of key activities claimants must complete. Where possible, we will add timelines and due dates, develop and add process visuals such as flowcharts, and add screenshots of how customers can access key Frances Online features. Another option is emailing these materials to customers when they have claimed benefits.

Cost: Can be absorbed with existing resources
Timing: 12+ months

(UI 4) Pilot an Appointment-Based Outbound Call System (prioritized/in progress)

All
This action supports the entire customer journey map

This project involves researching the feasibility, availability of resources (staff, scheduling software, etc.), and then planning a contact center pilot project based on the "Nebraska" model. Through this model, UI would designate a portion of staff (tier 1) to answer designated inbound calls and respond only to questions that can be quickly answered (within approximately 5 minutes) based upon scripting. All other calls would be scheduled for an outbound call-back the following day by other staff (tier 2) assigned to make outbound calls to customers. Note: Nebraska's pilot involved the use of a contracted call center for tier 1 calls and appointment scheduling, not bifurcating staff into tier 1 and tier 2, among other outbound customer support related tasks.

Cost: Minimal, would use existing resources
Timing: 0-6 months. We are working on timing, logistics, and general pilot planning activities; moving beyond a pilot would depend on the success or failure of the pilot, and whether the data gathered during the pilot shows the pilot is scalable. Planning to begin after the 2025-26 winter workload eases.

(UI 5) Streamline Identity Verification Processes (prioritized/in progress)

6 **UI Step 6: FOLLOW-UP TASKS**
Identity Verification, orientation

This project would resolve customer confusion about OED's multiple "identity verification" processes by disentangling and renaming the multiple processes. Identity verification is required by the U.S. Department of Labor, and claim risk scoring is a highly recommended and highly effective tool at preventing and stopping fraudulent actors. However, in adopting fraud reduction practices that keep our systems and customers' identities safe, OED branded all the processes "identity verification," causing confusion to customers trying to navigate the system and staff administering the benefit programs. Customers feel like they must constantly verify their identity and often get confused when asked, thinking they have already completed that requirement. To assist with detangling these separate and vital processes, we should rebrand each of them with different and more accurate designations.

More accurately naming each stage of the process should help customers and staff alike better understand the process and what the customer needs to do to satisfy programmatic requirements. Customers should also not suffer from the misunderstanding that they have already completed a process if the processes all have different names.

Cost: Can be absorbed with existing resources
Timing: 12+ months

(UI 6) Improve Expired Task Communication (prioritized/in progress)

All
This action supports the entire customer journey map

UI will improve messaging to customers when the Frances Online task they have been instructed to complete has expired. Timebound tasks only appear in customers' Frances Online Action Centers while the task is active. When the task expires before the customer completes it, it is no longer available for the customer to complete. This causes customers who did not timely complete their tasks frustration when they try to complete the tasks after the deadline expired, and they then reach out to the UI program with questions. The program is exploring options to improve messaging to customers regarding the time-sensitive nature of the tasks that have to be completed in their Action Centers to improve timely completions, and creation or modification of messaging to customers who do not timely complete their tasks about what it means when a task is no longer available in the customers' Action Centers and what their next steps are.

Cost: Can be absorbed with existing resources
Timing: 12+ months**.** This is in progress and is being accomplished but requires multiple divisions' participation to complete.

(UI 7) Launch a "Grace Period" to Complete Requirements (prioritized/in progress)

All
This action supports the entire customer journey map

UI has been evaluating our policy regarding ending or reversing denials when a claimant completes a programmatic requirement late. Reversing the denial and effectively allowing a "grace period" for individuals who complete the requirement within a short time after the deadline lapses would significantly reduce the volume of claimants appealing benefit denials, which would reduce the burden on customers going through that process and the administrative costs to the program associated with appeals.

Cost: Can be absorbed with existing Frances Support resources
Timing: 0-6 Months. This change is in production for UI customers as of Nov. 2025 and has shown to have the desired effect for customers. A ticket to automate the process was submitted in Feb. 2026 and should be completed soon.

(UI 8) Integrate UI and WO Modernized Systems (prioritized/in progress)

6 **UI Step 6: FOLLOW-UP TASKS**
Identity Verification, orientation

Communication to customers about the requirement that they visit a WSO center to complete Reemployment Services and Eligibility Assessment (RESEA) and RESEA2 processes currently causes some confusion. This is because, unlike other programmatic requirements, the reminders to do these activities do not appear in customers' Frances Online Action Centers, as they are completed in WSO's current legacy system, iMatchSkills. We are approaching this issue with short- and long-term solutions.

The short-term solution is addressed in action UI 12C. The long-term solution will be to implement a systemic change through automation in UI's and WO's modernized systems; the decision on the system of record for the RESEA welcome process is on hold until WO has progressed further in the Workforce Modernization project.

Cost: Potentially absorbable
Timing: 12+ months. This will be part of the WO Modernization project and will have contingencies including availability of WO modernization resources, UI resources, Frances Support/IT resources, and Analytics resources to ensure we are reaching desired outcomes without unintended consequences.

(UI 9) Redesign the Claim Restart Process (prioritized/in progress)

5 **UI Step 5: FILE WEEKLY CLAIMS**
File then OED verifies and issues payment

Redesigning the restart workflow to be included in the weekly claim process when applicable. We have learned from our customers that the restart process being separate from the weekly claim process causes confusion and can be responsible for around 9% of calls each week. UI is redesigning these workflows to combine them into one. Customers will only need to know one process to file weekly claims and restart claims, making things a lot simpler, and requiring no special actions on their part when they have missed a week of claiming. This change will be incorporated into both Frances Online and our Interactive Voice Response (IVR) automated phone claiming system. These changes are currently pending and prioritized for completion.

Cost: Can be absorbed with existing Frances Support and IT resources
Timing: 12+ months. The changes to Frances Online were moved into production on February 6, 2026. This represents most claimants who did not know how to restart their claim using the link on Frances Online. The next part of this project will be to expand the restart process to the IVR (interactive voice response) phone system.

(UI 10) Update Fact-Finding Questionnaires

3 **UI Step 3: VERIFY ELIGIBILITY**
Verify wages and job separation

The UI program is evaluating whether and on which fact-finding questionnaire flows to customers to allow more "other/freeform" response options. Each "other/freeform" response requires manual review by an adjudicator, increasing the manual workload required to complete adjudications. This must be carefully considered whether, and in which fact-finding questionnaires, the increased workload is justified by the increased flexibility for customers responding to questionnaires.

Cost: Can be absorbed with existing Frances Support and IT resources
Timing: 12+months

(UI 11) Pilot Appointments for Adjudication

3 **UI Step 3: VERIFY ELIGIBILITY**
Verify wages and job separation

The UI program will research the feasibility of piloting adjudication fact-finding via outreach in advance to schedule fact-finding appointments with claimants and employers. We are sourcing staff, appointment software, the compatibility of this with Frances' "get next" assignment methods; we are also exploring the use of robo-call appointment reminders, live chat, or other methods to ensure consistent attendance at the fact-finding appointments.

Cost: Requires transition of staffing; requires procurement of an appointment system (via vendor onboarding, modification of a current vendor contact, or modification/expansion of use of current software)
Timing: 12+ months

(UI 12) Program Effectiveness Projects (prioritized/in progress)

(UI 12A) Reduce Redundant Emails to Claimants (prioritized/in progress)

All
This action supports the entire customer journey map

A variety of work efforts are underway to reduce incidents of customers receiving multiple messages about the same thing, including: research to identify every point at which the Frances system sends a web message or email notification that there is a new letter, task, action needed, or update for a customer so that we can create more specific messaging around what the customer needs to do; updating the auto-closure message we send to customers when closing obsolete messages to make the message less confusing; and preventing web messages from being sent to customers about tasks they have already completed.

Cost: Can be absorbed with existing resources
Timing: 12+ months. This is in progress and is being accomplished with existing resources, but requires multiple division participation to complete.

(UI 12B) Improve Communication about Jobseeker Registration Due Dates (prioritized/in progress)

6 UI Step 6: FOLLOW-UP TASKS
Identity Verification, orientation

Improve the accuracy of communication to customers when they are denied benefits from the UI Program for failing to complete their jobseeker registration by the due date. Currently, the notification states their only remedy is to appeal. The notification could be more explicit so that the customer can end the denial of benefits by visiting a WSO office to complete their registration. The UI program is evaluating how to make the language in this decision clearer.

Cost: Can be absorbed with existing resources
Timing: 12+ months. This is in progress and is being accomplished with existing resources, but requires multiple divisions' participation to complete.

(UI 12C) Improve RESEA and RESEA2 (prioritized/in progress)

6 UI Step 6: FOLLOW-UP TASKS
Identity Verification, orientation

The long-term solution will be to implement a systemic change through automation in the modernized systems of UI and WO. This is addressed above in UI 8. In the meantime, the UI program is actively pursuing these efforts: a system-generated email follow-up to remind claimants to complete their verification (this has been implemented and has reduced the number of denials and complaints), and a system generated follow-up to remind claimants to complete their RESEA welcome that will go to all claimants with a Frances Online account (this is in progress, and we expect it to have a similar impact).

Cost: Can be absorbed using existing resources
Timing: 12+ months. This change is in production as of Dec. 2025. Since the change was implemented, Workforce Operations has seen an increase in timely completion of the requirements. The result of this initiative is positive and meeting the original goal to increase the number of customers who complete the process before the deadline.

(UI 13) First-Call Resolution Rate Tracking (prioritized/in progress)

All
This recommendation supports the entire customer journey map

Development of reporting, tracking, and first-call resolution rate. This work is contingent upon OED 10A and the full availability of needed data in the OED data warehouse including the collection of identifying information when calls are accepted. It is also contingent upon updates to the UI phone system to gather caller data upon call acceptance.

Cost: Can be absorbed with existing resources
Timing: 6-12 months

(UI 14) Redefine Frances Initial Date of Detection

All
This action supports the entire customer journey map

Updates to the Frances system will redefine what is considered the "initial date of detection" in adjudication cases. This is currently defined incorrectly, which causes the UI program's timeliness to look worse than it is. Related to this is an effort to change how work is distributed to the adjudicators. Currently, work is distributed based on the date the work entered the system, and not on the detection date associated with the issue they need to adjudicate. The update to Frances will allow work to be assigned based on the oldest detection date, allowing adjudicators to process what is truly the oldest work first.

Cost: Can be absorbed with existing resources
Timing: 6-12 months. This work request has been submitted, but progress is dependent upon the availability of Frances Support resources to make changes in Frances, and Analytics resources to analyze the data and ensure we are reaching desired outcomes.

(UI 15) Review and Update UI Laws and Rules (prioritized/in progress)

UI is undertaking a review of ORS chapter 657 laws for the program, and OAR chapter 471 administrative rules that OED uses to implement those laws, and related policies, to ensure that they are administratively feasible and relevant to what it is like to be an unemployed jobseeker in 2025. The program is complex, and customers are often confused about the eligibility requirements of the program. Removing antiquated requirements and simplifying rules will reduce customer errors and frustration.

Cost: Can be absorbed with existing resources
Timing: 12+ months. This project started a few years ago; completion is contingent on competing priorities.

PART D: PAID LEAVE OREGON

SUMMARY

- (PL 1) Establish an Interface with Health Care Providers
- (PL 2) Expand the Paid Leave Oregon Connector Program
- (PL 3) Streamline the Application Process
- (PL 4) Enhance Claim Statuses and Resources
- (PL 5) Implement Trauma-Informed Care Strategy
- (PL 6) Evaluate Using New Tools to Improve Workforce Management
- (PL 7) Enhance Quality Assurance Processes
- (PL 8) Improve Employer Online Service
- (PL 9) Set Up Designated Representative Account Functionality
- (PL 10) Enhance Appeals Functionality
- (PL 11) Enhance Outreach Services, Accessibility, and Equitable Access
- (PL 12) Improve Claim Decisions
- (PL 13) Improve Claim Benefit Issues
- (PL 14) Implement Claim Issue Automation
- (PL 15) Improve Financials and Overpayment Functionality
- (PL 16) Enhance Fraud Investigations and ID Verification
- (PL 17) Establish Compliance Functionality
- (PL 18) Improve Staff Task Management in Frances
- (PL 19) Enhance Equivalent Plan Reporting
- (PL 20) Improve (program) Self-Service Options in Frances
- (PL 21) Test Live Chat Functionality in Frances

Background

The Oregon Legislature enacted Paid Leave Oregon (Paid Leave) in 2019 and the program began paying benefits in September 2023. Paid Leave is a state-run program that provides paid time off to eligible workers for major life events, including family, medical, and safe leave. Employees can receive up to 12 weeks of paid leave per year, with an additional two weeks available for pregnancy-related conditions, totaling up to 14 weeks. Employees and large employers pay contributions to fund the program, while small employers do not pay contributions but must still collect and send employee contributions.

Basic Facts

- 385 FTE organized into four sections – Benefits (130 FTE), Customer Care and Outreach (210 FTE), Operations and Program Support (33 FTE), Paid Leave Director's Office (12 FTE).
- $57M annual budget

Paid Leave Customer Service Performance

As a relatively new program, Paid Leave experiences challenges common to large-scale public initiatives. Higher-than-expected claim volumes, evolving operational dynamics, and a workforce acclimating to new systems have strained the program's capacity and hindered progress on improving customer experience. While most customers access benefits with minimal delays, specific communities face barriers. Several key areas require continued improvement to fulfill the program's mission of supporting Oregonians during critical life events.

Paid Leave is designed to provide timely, accurate, and accessible services that promote financial stability, protected leave, and workforce participation. However, many customers encounter barriers. Processing delays, inconsistent communication, and limited outreach efforts have left many unsure of their eligibility or how to navigate the system, eroding trust when people most need clarity and support.

Challenges

The Frances Online system has introduced new complexities. Users with limited digital literacy, accessibility needs, or language barriers struggle to navigate the platform. Frequent system updates and policy revisions further complicate the experience for customers and staff, who must adapt to a constantly shifting landscape while striving to provide consistent and accurate guidance.

Inconsistent understanding among interested parties has further complicated implementation. Information discrepancies between employers and workers are common, particularly regarding equivalent plans. Some employers are unaware of their responsibilities, leaving workers without their entitled benefits. Health care providers often lack the knowledge to assist patients effectively. These communication gaps delay access and diminish confidence in Paid Leave.

These shortcomings disproportionally affect historically underserved communities: individuals with limited English proficiency, Individual Taxpayer Identification Number (ITIN) users, people with serious health conditions, and those seeking safe leave. Structural barriers — lack of transportation, fear of government systems, and insufficient outreach — contribute to inequities in access and low participation, even among those the program was designed to support.

The challenges reflect broader systemic issues in service design, technology accessibility, interested party communication, and equity. Addressing these gaps is essential to improve operational efficiency, restore public trust, and ensure the program delivers economic stability and support during life's most vulnerable moments. With focused investment, Paid Leave can become a more inclusive, responsive, and effective resource for all Oregonians.

PAID LEAVE CUSTOMER SERVICE ACTIONS

(PL 1) Establish an Interface with Health Care Providers (prioritized/in progress)

3 **Paid Leave Step 3: VERIFY ELIGIBILITY**
Verify wages, employment, and need for leave

A direct interface with health care providers could drastically improve the customer experience through more timely decisions. This would create accounts for health care providers and a portal for providers to send verification documentation directly to Paid Leave. It would streamline the verification process for claimants and could support some automatic claim processing.

Cost: Substantial, 2,200 FAST programming hours plus staff resources
Timing: 12+ months

(PL 2) Expand the Paid Leave Connector Program (prioritized/in progress)

All
This action supports the entire customer journey map

The Paid Leave Connector Program provides in-person services at three WorkSource offices: Woodburn, Salem, and Beaverton. This program is extremely effective in supporting customers who have disabilities, don't speak English, aren't familiar with computer software, or need help navigating processes.

The goal is to expand the program to new locations in a phased approach. It will also offer rotating in-person office days around Oregon. An extended scheduling criterion will accommodate more customers and offer in-person support. The program will continue using WSO offices and screen community-based organizations for possible alternative locations to reach Paid Leave customers.

Cost: Minimal, use current staff, some supplies will be needed (computers, etc.)
Timing: 12+ months

(PL 3) Streamline the Application Process

2 **Paid Leave Step 2: APPLY**
Create account, application, and verify personal info

Improve the application process by creating a one-stop application for all types of requests. It would combine the application and main questionnaires, allowing claimants to provide all required information and documentation at the same time. It would also improve the claim decision letters, making them easier to understand.

Cost: FAST programming hours (total amount TBD), additional staff hours
Timing: 12+ months

(PL 4) Enhance Claim Statuses and Resources

All
This action supports the entire customer journey map

Implementing this recommendation would give customers more transparency and clear information about their claim status. Improvements include more clearly displaying and describing claim statuses in the customer portal to provide specific details to customers. Customers could then clearly identify if their claim was in identity verification, application review, pending information, or if there was a decision on their claim. Also included are a review and update on all help topics to ensure that they are current, accurate, and can be maintained. This would add more detail/information than planned in OED 13 (claim status tracker).

Cost: FAST programming hours (total amount TBD), additional staff hours
Timing: 12+ months

(PL 5) Implement Trauma-Informed Care Strategy (prioritized/in progress)

All
This action supports the entire customer journey map

Paid Leave is committed to establishing a collaboration with Trauma-Informed Oregon to help fully implement the concepts and initiatives recommended for building a trauma-informed organization. The program is incorporating assessment results from a survey administered to employers and employees into the division implementation strategy and working with section managers to identify focus areas for this biennium.

The principles of trauma-informed care (TIC) are embedded in all current training programs. Currently, only one member of the team is certified in TIC. To create capacity, four additional members of the Learning and Development Team will complete the TIC train-the-trainer certification in 2026. With that additional capacity, the Learning and Development Team will provide annual TIC training to all Paid Leave staff, including managers, as well as expand our course catalog to include additional customer service and de-escalation training. This will include specialized training for the Safe Leave, ITIN, Connector, and Outreach teams.

Cost: The biennial TIC assessment is $10,000
Timing: 12+ months. Priorities for TIC implementation for now through June 2026 include developing a peer support network; a new charter for Paid Leave's internal Equity and Accessibility Alliance to expand the focus to equity and inclusion, TIC, and wellness; developing a TIC lens for policy; working to ensure division and section communication is trauma informed; developing a division calendar for TIC activities; and completing an informal review of our TIC program.

(PL 6) Evaluate Using New Tools to Improve Workforce Management

All
This action supports the entire customer journey map

Paid Leave focuses on ensuring that teams are reducing hold times and improving claim processing time frames. The hiring of additional public service representatives (PSRs) within the near-term will support this focus. The Customer Care Team hired a group of PSRs in November 2024 as a pilot to provide continuous support and serve as the first point of contact for claimants to answer their questions. Due to the success of that team, the goal is to expand the group and hire 18 additional PSRs, including bilingual staff. Maintaining a staffing structure that allows PSRs to address basic customer questions will free up compliance specialists to address more complex questions and handle claims work.

Additionally, the program will research potential AI tools that could help address claim status questions, which are 40-50% of calls received. The Customer Care Team will enhance its Workforce Management Improvement Plan over the next year to monitor incoming workloads and staffing trends more effectively, thereby continuously planning for the most effective use of our workforce to meet customer needs.

Both the Benefits and Customer Care teams that process claims will continue to enhance processes and use technology to improve productivity, resulting in more efficient and timely claim processing. Several system changes have been implemented recently to streamline processes, ensuring that staff perform fewer manual steps and can easily access the claims they work on.

To address customers with urgent needs or those who have experienced challenges accessing the program, Paid Leave will continue to enhance the use of the Additional Support Smartsheet. This centralized tool tracks the resolution of escalated customer cases. The legislative liaison, Director's Office, Communications Office, and Paid Leave managers send escalations, which are reviewed and worked on by Benefits staff, including eligibility specialists, investigators, and leads.

Cost: All positions can be funded through existing budget limitations
Timing: 12+ months

(PL 7) Enhance Quality Assurance Processes (prioritized/in progress)

3 **Paid Leave Step 3: VERIFY ELIGIBILITY**
Verify wages, employment, and need for leave

Paid Leave's Compliance Program is currently under development, with a focus on ensuring a positive customer experience. This is accomplished by making sure that staff provide accurate guidance and information, as well as making accurate decisions. The program is being developed to identify trends and demonstrate a clear correlation between policy and law, as well as Paid Leave actions, across the division. Additionally, program sections will conduct quality reviews of specific tasks within their areas and use findings to coach staff and continuously improve quality. Quality reviews will also provide robust insights into how to improve onboarding, technical training, policy guidance, and potentially amend administrative rules.

Cost: Minimal, use current staff
Timing: 12+ months

(PL 8) Improve Employer Online Service

EMPLOYERS/BUSINESSES
This action supports employers and businesses

Paid Leave Step 3: VERIFY ELIGIBILITY
Verify wages, employment, and need for leave

UI Step 3: VERIFY ELIGIBILITY
Verify wages and job separation

This enhancement focuses on the effort to continuously improve services to employers and make sure that they have the information and resources they need. Specifically, we would continue improving employer accounts and the employer portal. It includes creating benefit accounts for third-party administrators, improving account functionality for multiple users, and improving how information is accessed and displayed through the portal.

Cost: FAST programming hours (total amount TBD), additional staff hours
Timing: 12+ months

(PL 9) Set Up Designated Representative Account Functionality (prioritized/in progress)

Paid Leave Step 3: VERIFY ELIGIBILITY
Verify wages, employment, and need for leave

This new functionality will enhance our current process, allowing designated representatives to have a separate account to act on a claimant's behalf and have access to relevant information. Designated Representative Account functionality is vital for ensuring that responsibilities are handled effectively, rights are protected, and customers are served without bottlenecks. It empowers trusted individuals to act as liaisons, advocates, and decision-makers when direct involvement is not possible or practical for the Paid Leave customer. This functionality is specifically helpful to customers when they cannot make decisions, as the designated representative could claim benefits on behalf of the customer.

Cost: FAST programming hours (total amount TBD), additional staff hours
Timing: 12+ months

(PL 10) Enhance Appeals Functionality

Paid Leave Step 3: VERIFY ELIGIBILITY
Verify wages, employment, and need for leave

The appeals functionality needs to be programmed to improve the timeliness of resolving appeals and hearing requests. This change would align processes for all Paid Leave appeal types and establish functionality for Court of Appeals-level appeal dismissals, allowing claimants to withdraw their appeals online. It also establishes an interface with the Office of Administrative Hearings to improve the efficiency of appeals processing. This would make the process more user friendly for claimants, decreasing confusion. In addition, it would speed up our processing time to allow for more timely appeal referrals.

Cost: FAST programming hours (total amount TBD), additional staff hours
Timing: 12+ months

(PL 11) Enhance Outreach Services, Accessibility, and Equitable Access (prioritized/in progress)

1 **Paid Leave Step 1: PREPARE**
Gather Documents

Paid Leave will improve customer awareness by reviewing its Outreach and Engagement strategy and structure for 2026, with a focus on improving program awareness for priority populations: customers going through a situation covered by Safe Leave, customers who use an ITIN to apply for benefits, and other underserved communities throughout the state. A small percentage of Oregonians are unfamiliar with the program, and the Outreach Team will work to identify them, ensuring they can access benefits. the team will focus on providing more accessible information and more intensive support for customers with the highest needs.

To achieve these goals, the Outreach Team focuses on educating and using existing support and actors already entrenched in communities. This includes educational seminars and support sessions for health care professionals to increase awareness and accuracy of Paid Leave in health care across Oregon. The team will also pursue partnerships with community-based organizations, including offering Paid Leave's grant program in exchange for a partnership supporting Paid Leave applicants in these communities. To share Paid Leave information in a more accessible and approachable venue, the team has begun a partnership with the Communications Office to establish a social media outreach strategy. Outreach has also connected with other state offices to determine how we can exchange information and support for dual-served customers. Finally, the team recognizes that some customers have a need for more direct support and in-person services. The program will leverage the Outreach team to provide opportunities for customer support in person or more direct one-to-one or small group Paid Leave informational sessions.

Cost: Minimal, use current staffing
Timing: 12+ months

(PL 12) Improve Claim Decisions

3 **Paid Leave Step 3: VERIFY ELIGIBILITY**
Verify wages, employment, and need for leave

Feedback received from customers and staff identified the need to improve how claim decisions are made and communicated to customers to minimize confusion. This improves the legal sufficiency of our decisions, helps with administrative efficiency, and improves customer service. Changes include fixing how approved intermittent leave is set up so that several days can be approved per month or year, improving how dates and days are shown on decision letters, and setting up a final claim decision so that customers do not receive multiple denials. It also allows partial denials so that we can approve part of a request and deny the rest with decision letters issued for both decisions, and sets up denials from weekly claims.

Cost: FAST programming hours (total amount TBD), additional staff hours
Timing: 12+ months

(PL 13) Improve Claim Benefit Issues

3 **Paid Leave Step 3: VERIFY ELIGIBILITY**
Verify wages, employment, and need for leave

Implement improvements to eligibility claim issues and establish issues that have not been programmed fully into the Frances system, such as the seasonal employee and school employee issues. Changes will include adding questions or options for customers and employers to respond to questionnaires and speeding up the processing time for staff. These changes would also reduce the number of calls that staff need to make to ask clarifying questions to customers or employers. This change ensures we can efficiently process claims with all types of eligibility issues, which results in more timely decisions for customers.

Cost: FAST programming hours (total amount TBD), additional staff hours
Timing: 12-24 months

(PL 14) Implement Claim Issue Automation

3 **Paid Leave Step 3: VERIFY ELIGIBILITY**
Verify wages, employment, and need for leave

Implement improvements to integrate automation into claim processing, where possible. This includes automatically making decisions on some issues and cross-matching claim information with other resources, such as vital statistics, to support faster claims processing by staff.

Cost: FAST programming hours (total amount TBD), additional staff hours
Timing: 12+ months

(PL 15) Improve Financials and Overpayment Functionality

4 **Paid Leave Step 4: PAYMENT**
Issue payment

These improvements address issues with financial processing, payments, and overpayment processes. That includes enforcing the maximum benefits payable in a benefit year and reprogramming some aspects of financials. It also includes accurately assigning causes to different overpayment types, ensuring that overpayments and collections comply with the law and rules, as well as improving overpayment letters and the overpayment waiver process. The goal of this improvement is to enhance customer service, particularly for claimants who have received overpayment.

Cost: FAST programming hours (total amount TBD), additional staff hours
Timing: 12+ months

(PL 16) Enhance Fraud Investigations and ID Verification

2 **Paid Leave Step 2: APPLY**
Create account, application, and verify personal info

This functionality enhancement for investigations and fraud ensures that misrepresentation and fraud decisions can be issued entirely, and penalties can be applied accurately. Additionally, implementing stronger fraud-prevention measures, such as verifying identity when bank information changes and removing high-risk payment options, will safeguard both customers and the program. Enhancing Identity verification (IDV) processes and related system functionality will minimize unnecessary customer delays and enhance clarity in communication. Streamlining IDV correspondence and integrating functionality to request documentation directly in the Frances system would allow staff to track and resolve issues more efficiently and in a timely manner.

Cost: FAST programming hours (total amount TBD), additional staff hours
Timing: 12+ months

(PL 17) Establish Compliance Functionality

3 **Paid Leave Step 3: VERIFY ELIGIBILITY**
Verify wages, employment, and need for leave

This system enhancement establishes the compliance processes in Frances to ensure that staff can manage tasks, complete reviews, and report findings. This functionality, in conjunction with the business process improvements highlighted above, is a concrete step that focuses on quality assurance to ensure customers receive correct decisions.

Cost: FAST programming hours (total amount TBD), additional staff hours
Timing: 12+ months

(PL 18) Improve Staff Task Management in Frances

All
This action supports the entire customer journey map

This system functionality change improves the customer experience by streamlining Frances' staff task management processes. Updated functionality enhances workflow management and claims processing efficiency, leading to more timely decisions for customers. The goal is to create a comprehensive claim log, set up claim tracking tasks, cross-program work items, and set up indicators so that staff can quickly identify critical claim situations. These improvements would also support the analysis of the claim, task lifecycle to evaluate how long different phases of the process take and identify areas for improvement.

Cost: FAST programming hours (total amount TBD), additional staff hours
Timing: 12+ months

(PL 19) Enhance Equivalent Plan Reporting

3 **Paid Leave Step 3: VERIFY ELIGIBILITY**
Verify wages, employment, and need for leave

EMPLOYERS/BUSINESSES
This action supports employers and businesses

Improve services to employers and third-party administrators by establishing an annual equivalent plan reporting system to provide timely and accurate reports to the department, ensuring that data can be evaluated in Frances.

Cost: FAST programming hours (total amount TBD), additional staff hours
Timing: 12+ months

(PL 20) Improve (program) Self-Service Options in Frances

1 **Paid Leave Step 1: PREPARE**
Gather Documents

This allows Paid Leave to directly make small changes in Frances to enable timely improvements to frequently updated areas, including security group settings and wording on letters (including the paragraph library), e-screens, and web notice templates. This will help the program be more responsive to customer feedback, improving their experience navigating Frances.

Cost: FAST programming hours (total amount TBD), additional staff hours
Timing: 12+ months

(PL 21) Test Live Chat Functionality in Frances

All
This action supports the entire customer journey map

Paid Leave will pilot the use of live chat functionality available in Frances to support customers as an additional channel. The implementation of this initiative requires identifying or hiring the right staff to manage this work, since live chat requires a very specific skill set to make it effective.

Cost: Minimal, fill vacant budgeted positions
Timing: 12+ months

PART E: CONTRIBUTIONS AND RECOVERY - OED'S BUSINESS SUPPORT SERVICES

SUMMARY

- (CR 1) Amended Payroll Report Bulk Filing
- (CR 2) Update "Status" Categories for Quarterly Payroll Reports
- (CR 3) Train Managers on Data Literacy and Continuous Improvement
- (CR 4) Explore Going Paperless or Strategies for Reducing Paper
- (CR 5) Develop and Deliver Joint Outreach to Educate Employers and Payroll Providers
- (CR 6) Update the OED Employer Webpage

Background

The Contributions and Recovery (C&R) division was organized in 2022 to serve as a centralized team that manages Oregon employers' payroll reports, taxes, and contributions for both Unemployment Insurance (UI) and Paid Leave Oregon (Paid Leave). By streamlining these processes, the division ensures efficient oversight and support in collecting and distributing employer contributions. It also compiles and processes quarterly payroll reports and shares essential data with OED's Research division and partner agencies such as the Department of Revenue (DOR) and the Department of Consumer and Business Services (DCBS), for programs managed by those agencies.

In addition to managing Oregon employer payroll reports and taxes, the C&R division works directly with employers to coordinate audits, investigations, and the collection of debts. These activities safeguard the integrity of the UI and Paid Leave programs by ensuring compliance, protecting trust funds, and maintaining financial stability for Oregon employers and claimants alike.

Basic Facts

- 167 FTE
- Budget of $46,138,765, supported by the Paid Leave Oregon Trust Fund (Other Funds) ($21,218,778) and UI Trust (Federal Funds) ($24,919,987).
- Supports and processes payroll reports for 158,626 employers
- In 2024, C&R:
    - Processed 836,958 payroll reports (including amendments), covering 9,889,436 individual employee payroll records
    - Collected $2.29 billion in taxes and contributions in 2024 and recovered $56.9 million in outstanding debt.

Performance

From 2022 to 2023, support calls, payroll report processing, and overall workload rose sharply. This was due in part to staff and employers adjusting to the new Frances system and learning new Paid Leave requirements.

From 2023 to 2024, as both staff and employers became more familiar with Frances and Paid Leave, and as system improvements and process refinements were made, call volume and new workloads began to decline. This downward trend continued into 2025.

C&R answers nearly 100% of calls within 30 minutes, well above the target of answering 80% of calls within 30 minutes. Total call volume has decreased by ~29.3% since 2023.

CUSTOMER SERVICE ACTIONS

Customer service improvements have been guided by feedback from customers, staff, and partner agencies (DOR and DCBS). Priority improvement areas include:

- Frances system enhancements
- Data use and management
- Process improvements
- Customer outreach and engagement

(CR 1) Amended Payroll Report Bulk Filing (prioritized/in progress)

EMPLOYERS/BUSINESSES
This action supports employers and businesses

Payroll providers who file payroll reports on behalf of many employers can bulk file initial quarterly payroll reports, but they can't bulk file amended reports. Rather, they must now log into each employer account separately to file one report at a time. This creates a significant burden of work for large payroll providers, which can also result in processing delays and data entry mistakes for amended reports. Allowing bulk filing of amended payroll reports would save considerable time and effort for providers who represent thousands or even tens of thousands of employers.

Cost: Moderate, absorbed with existing resources
Timing: 0-6 months**.** Development on this functionality using File Transfer Protocol is complete and currently being tested by staff and select customers.

(CR 2) Update "Status" Categories for Quarterly Payroll Reports (prioritized/in progress)

EMPLOYERS/BUSINESSES
This action supports employers and businesses

When employers log into their Frances Online account, they can see, by quarter, if a payroll report has already been filed. The status of the report is either "filed" or "not filed." There are circumstances when an employer fails to file a payroll report where OED will create an estimated report on behalf of that employer. When this happens, Frances Online will show that the report has been filed, even though the employer did not file a report. Feedback we have received from employers and their payroll providers is that they would like the status to indicate it was an estimated report created by OED, versus a report filed by the employer.

Cost: Moderate, absorbed by existing resources
Timing: 6-12 months**.** Work to make this change in Frances Online has been prioritized, but has not yet started. The estimated work will be completed during 2026.

(CR 3) Train Managers on Data Literacy and Continuous Improvement Tools and Methodologies (prioritized/in progress)

All
This action supports the entire customer journey map

Managers completed continuous improvement training in 2025 and will complete data literacy training beginning in the first quarter of 2026. These trainings will enhance our ability to make data-driven and data-informed decisions that align with our customer service goals and strategic initiatives.

Cost: Moderate, absorbed by existing resources
Timing: 12+ months. Expected to be delivered throughout 2026.

(CR 4) Explore Going Paperless or Strategies for Reducing Paper in Partnership with the UI and Paid Leave Programs

EMPLOYERS/BUSINESSES
This action supports employers and businesses

This may include measures that encourage the use of Frances Online instead of paper-based options, as well as promoting email and in-system notifications through Frances Online in place of mailed correspondence. The initial phase of this project will analyze current "paper" processes, their costs, and any applicable statutes or policies. We will also gather information from other states and agencies and document alternative options. Significant adjustments to current "paper" processes will likely require statutory changes and will be longer term projects.

Cost: Moderate, absorbed by existing resources
Timing: 6-12 months**.** Expect to gather information throughout 2026.

(CR 5) Develop and Deliver Joint Outreach with DOR and DCBS to Educate Employers and Payroll Providers

EMPLOYERS/BUSINESSES
This action supports employers and businesses

Pre-pandemic, we coordinated with DOR and DCBS on joint outreach activities. DOR has continued to manage outreach events, but C&R stopped participating during the pandemic and has only recently begun attending DOR-led events. During 2026, the program will take an active role in the planning and delivery of training for customers in coordination with DOR and DCBS.

Cost: Moderate, absorbed by existing resources
Timing: This work will be ongoing with events being planned and delivered during 2026.

(CR 6) Update the OED Employer Webpage (prioritized/in progress)

EMPLOYERS/BUSINESSES
This action supports employers and businesses

OED has a webpage dedicated to employers that includes information and resources about Frances Online, managing employer accounts, and filing quarterly payroll reports. C&R will review all forms and content to ensure they are up to date and align with the forms and content available to customers shared by DOR and DCBS.

Cost: Moderate, absorbed by existing resources
Timing: 6-12 months**.** Work has already started and will be completed during 2026.

PART F: FRANCES INTEGRATION AND OPTIMIZATION

SUMMARY

- (FR 1) Restructure Frances Governance
- (FR 2) Conduct Frances Support Options Analysis
- (FR 3) Establish an Organizational Change Management (OCM) Project
- (FR 4) Conduct an Analysis of Aging SQRs
- (FR 5) Increase SQR Completion Capacity
- (FR 6) Enhance the SQR Prioritization Process

Frances Overview

Originally titled the UI Modernization Project, OED began the process to modernize its systems in 2021. The agency rolled out what is now called Frances using a multi-phased approach with the following go-live dates:

Project Phase	Development began	Implementation/ start date
UI and Paid Leave Contributions	July 6, 2021	Sept. 6, 2022
Paid Leave Benefits	Sept. 6, 2022	Aug. 14, 2023
UI Benefits	Sept. 6, 2022	March 4, 2024

The project to implement Frances and Frances Online established the following primary goals to meet business needs:

- Enhance customer experience
- Transform business processes
- Improve data security
- Modernize technology
- Provide expandable technology

Frances Performance & Current State

OED uses an Operational Maturity Model (OMM) to assess and guide the evolution of Frances' capabilities, processes, and technologies over time. With the OMM, OED intends to mature and optimize the Frances system, like the Department of Revenue (DOR) has with its Core Systems Replacement, which also uses Fast Enterprises software. The following general timeline is based on typical experiences in government IT transformations:

OMM Level	Stage	Typical Timeframe	Key Activities
Level 1 → 2	Stabilization	6–12 months	Transition from legacy to new systems, initial training, and basic process standardization.
Level 2 → 3	Process definition	1-2 years	Full implementation of redesigned workflows, documentation, and system integration.
Level 3 → 4	Performance management	1–2 years	Establish key performance indicators, implement dashboards, and begin data-driven decision-making.
Level 4 → 5	Optimization	2–3+ years	Continuous improvement, predictive analytics, innovation, and agile responsiveness.

As the table shows, a typical government timeframe ranges between 4.5 and 8+ years. However, based on DOR's experience implementing a similar system, we expect Frances to take three to seven years to move from initial modernization (Level 1) to optimized operations (Level 5), assuming sustained investment and leadership support. OED continues to proceed from level 2 to level 3.

OED's next steps for Frances include revised tax rating improvements, 1099 fixes, and improved utilization of the functions built into the system. Additional focus on these next steps is needed and is part of the actions for achieving the next levels on the OMM.

Current State of Frances for OED's Employees and Customers

Frances operates consistently and reliably from a technological perspective with no major outages or breaks. Frances assigns work so staff can complete much of their daily work in the system. Automation has decreased some staff's workload, allowing them to focus on other agency needs. For example, many refunds to employers are now automatic and timely, with correct checks and balances. However, there are still many areas for improvement that staff, customers, partners, and interested parties have shared with leadership.

Claimant customers can manage their accounts and take advantage of a variety of self-serve features, such as applying for benefits, uploading necessary documents, requesting reasonable accommodations, responding to eligibility questionnaires, and reviewing claim statuses online.

Frances Online allows business users to manage UI and Paid Leave benefits for their employees. They can register for accounts to file payroll reports, respond to questionnaires, manage client accounts, and handle other related administrative tasks. Business users include employers, third-party administrators (TPAs), and other representatives who use the Frances Online system.

Current Frances Governance Structure

The agency initially had a project governance structure with the Modernization Program's Executive Steering Committee and the Modernization director as the sponsor. In January 2025, OED prepared for a governance transition by chartering the Frances Online Collaboration Utility and Support Committee (FOCUS) to provide long-term governance for Frances. The Modernization Project officially ended on March 30, 2025, and transitioned to operational governance with FOCUS. The agency expanded membership to all programs and shared services that were interested in participating.

FOCUS is a cross-divisional governance group that ensures the agency's ongoing use of Frances aligns with agency strategy and expectations. The group provides strategic direction for the continuous improvement of Frances and Frances Online.

FOCUS strives to make decisions by consensus wherever possible. If consensus can't be reached, the co-chairs have discretion to decide whether to proceed with a majority decision or escalate the matter to the OED executive team for a final decision. Meeting minutes are shared weekly via email.

FOCUS is also the escalation point for the agency's prioritization process. Because FOCUS is responsible for maintaining the process, it decides what can and cannot be escalated out of the agency's prioritization processes.

The Agency Prioritization Committee determines Frances' development priorities through the Solution Request (SQR) process. The group is led by the Frances Business Support Team manager, and it meets weekly to direct the work of those supporting Frances. The committee is made up of divisional deputy directors, managers, and key personnel.

Prioritization Process

System Tickets and SQRs

There are two system ticket types in Frances: "Issue" tickets and "Security Request" tickets. Issue tickets are used to request system changes in Frances or report any issues with the system. Security Request tickets are used to request Frances access for a new hire, transfer employees between business units, deactivate users who are no longer with the agency, or modify an employee's existing security access. Some issue tickets may turn into broader system changes that we term "SQRs".

OED's Prioritization Framework

SQRs go through a prioritization process to ensure the most needed changes get implemented. SQRs can be prioritized from 1-5, with "1" being the highest priority. Priority 1 SQRs reflect agency priorities or ensure the overall health and stability of the system. The process offers each division a specific number of priority slots for priority 2-5. Due to capacity constraints, the team is currently only working on priority 1 and 2 SQRs. Priorities 3-5 are held for future work.

Overall, the SQR prioritization process serves the agency well by ensuring that it focuses on the division's top needs. Still, two broad areas of improvement can be made. First, we can improve staff understanding of how changes get prioritized and who makes that decision. Second, we can improve how partner needs are raised and prioritized.

Challenges

The new team of developers is a mixture of FAST Enterprise and OED developers who transitioned during business operationalization from the Modernization Project, as well as agency legacy developers who are splitting their time between Frances, Workforce Operations, and the remaining mainframe applications.

The legacy developers have had formal training, job shadowing, paired programming, and Fast Enterprise-led workshops. Managers encourage training opportunities in related technology applications and allow dedicated time to work in the system to gain experiential learning, which is necessary to increase capabilities.

While the legacy developers have been trained in Frances development, they are using a new programming language and need the ability to focus on that work to increase capacity. As experience with the system grows, OED developer production will increase, resulting in more overall SQRs getting done, assuming FAST support remains the same.

The Frances Support Team continues to leverage low-cost and no-cost resources to support the development of the Frances system, including expanded training in Microsoft's Structured Query Language (SQL). The team is also actively pursuing opportunities to shadow business units to increase its understanding of functional areas. Knowledge management documents are stored within the Frances application and are readily accessible to staff. Additionally, IT Services is currently developing a comprehensive Knowledge Inventory across all systems, including Frances, to identify and address existing knowledge gaps.

Another limiting factor for contractor support is the number of hours available under our contract with FAST, which is currently set at 31,200 hours per maintenance year. As FAST support hours are limited, we must focus on the most critical needs as determined by the Agency Prioritization Committee and individual divisions.

ACTIONS

(FR 1) Restructure Frances Governance (prioritized/in progress)

All
This action supports the entire customer journey map

The current governance structure for Frances, consisting of separate weekly prioritization and steering meetings, served its purpose during the development and initial implementation of Frances but is no longer the most efficient or effective way to conduct business. In lieu of the current governance structure, we will move to a single committee whose duties will include:

- Creating new shared prioritization guidelines so all staff understand why specific SQRs are addressed before others (e.g. ensuring claimants are paid might come before letters are redrafted in simpler language)
- Strategic planning and advice to the executive team on potential changes to Frances
- Monitoring feedback and reporting to the executive team on Frances and vendor performance
- Sponsoring of projects and processes
- Improving communications about process, timelines, and outcomes

The new committee will report, at least initially, to OED's executive committee. It would have the ability to escalate concerns and issues, including prioritization disagreements, to the executive committee for resolution. It would also manage partner agency requests as a committee rather than falling to one division to advocate for them.

All divisions and program areas would have the ability to propose SQRs for priority consideration. The committee will be staffed by the Frances Business Support Team manager, BA leads, OED Development Manager, and FAST PM. Committee leadership will be a co-chair model, with Frances Business Support Team Manager and a rotating Co-chair from the voting members. Co-chairs will set the agenda and chair meetings.

A charter will be created to codify these changes, address other governance needs (such as membership and meeting cadence), and set committee operations expectations.

Cost: Minimal, absorbed with existing staff and resources
Timing: 0-6 months

(FR 2) Conduct a Detailed Options Analysis for Improvement of Frances/Frances Online Support (prioritized/in progress)

All
This action supports the entire customer journey map

The analysis should include all divisions and explore the functions necessary to maintain Frances in perpetuity. To date, each division has come up with its own methodology and staffing model for division tasks and activities necessary to provide guidance to Frances developers and ensure employees have the skills necessary to use Frances. This options analysis would explore either standardizing the division support model or consolidating division support into a single, cross-functional team that spans all divisions.

Cost: Minimal
Timing: 6-12 months

(FR 3) Establish an Organizational Change Management (OCM) Project (prioritized/in progress)

All
This action supports the entire customer journey map

The development of Frances was intended to modernize the UI system while adding a new program, Paid Leave. Due to the timing and effort required to develop and launch these programs, not every aspect was modernized. This led to some old processes being digitized without taking full advantage of the modern Frances application.

This project would initiate process improvement changes to support the divisions using the system to improve their processes. The OCM project would review how divisions use Frances and work with them, the Frances Business Support Team, and the developers to find efficiencies and support further successful adoption of the application. Expected efficiency gains would come from enforcing standards, adapting existing system processes to better fit business objectives, and enhancing communications about system functionality updates.

Cost: Minimal
Timing: 6-12 months

(FR 4) Conduct an Analysis of Aging SQRs (prioritized/in progress)

All
This action supports the entire customer journey map

This analysis will help define the body of work remaining and whether there are aged SQRs that have been rendered unnecessary by other SQRs or service packs. This analysis can be conducted by the Frances Business Support Team with engagement from division subject matter experts. In addition, moving forward, all aged SQRs that are older than 12 months and not prioritized will be staged to "Expire" and will systematically close after another 6 months. By closing SQRs that over an 18-month time period were not deemed important enough to warrant prioritization, we will maintain a focus on the items most crucial to business. This will prevent a large backlog of unneeded SQRs from building up.

Cost: Minimal
Timing: 0-6 months

(FR 5) Increase SQR Completion Capacity (prioritized/in progress)

All
This action supports the entire customer journey map

Upon completion of FR 4, we will reprioritize the remaining SQRs so we can continue cleaning up the backlog and get to a more manageable and mature state. To clean up the backlog in a timely manner, we must increase SQR completion rates. To increase SQR completion rates, we must take several steps, starting with amending the FAST contract to add more development hours.

After FR 4 cleanup, we estimate our total backlog will be around 1,000 SQRs. We also anticipate continuing to add new SQRs for system updates and enhancements. We currently close about 6.5 more SQRs per week than are opened. Accordingly, we estimate needing to close out about 700 SQRs more than we can with current resources to get caught up to a more manageable list. The table below describes how many additional SQRs can be completed in $1M increments of additional FAST hours.

We would also have to increase the amount of business staff time dedicated to testing. Specific costs of testing resources will vary by division as they identify resources with appropriate knowledge and capacity. Developers are only one piece of the SQR effort, so we must also add Frances Business Analysts and account for the additional time each business unit must commit to working with the Business Analysts to develop the SQR, as well as complete full testing and approval of each SQR change to ensure what is delivered meets business expectations.

Cost: FAST resources are currently billed at $205/hour. The average SQR takes about 33.5 hours to complete. Given those rates, we anticipate being able to complete 145 SQRs for each additional million dollars dedicated to this project. The following chart shows the amount of additional work we can achieve with additional funding. It is important to note that this chart does not include the additional IT and business staff time to support this work – we will scope that additional staffing if this project proceeds.
Timing: 6-12 months

	Hours of Work	Individual number of SQRs completed	Cumulative number of SQRs completed	Cost per row	Cumulative Cost
Current FAST contract	31,200	931	931	$6,396,000	$6,396,000
Potential Additional Investments	4,878	145	1076	$1,000,000	$7,396,000
	4,878	145	1221	$1,000,000	$8,396,000
	4,878	145	1366	$1,000,000	$9,396,000
	4,878	145	1511	$1,000,000	$10,396,000
	4,878	145	1656	$1,000,000	$11,396,000

(FR 6) Enhance the SQR Prioritization Process (prioritized/in progress)

All
This action supports the entire customer journey map

To further enhance the ability to address the specific needs of business and streamline the process, the following adjustments to the SQR prioritization process would be implemented:

- Use the Agency Priority Staging List
- Begin to focus on Agency Workload Relief
- Revise partner agency solution request process

Cost: Minimal
Timing: 0-6 months

PART G: WORKFORCE OPERATIONS & THE WORKFORCE SYSTEM

SUMMARY

- (WO 1) Finish WO Modernization Project
- (WO 2) Upgrade Telephone Platforms and Use AI to Provide Self-Serve Opportunities
- (WO 3) Launch Live Chat and On-Demand Video Calls
- (WO 4) Create and Launch a Strategic Communications Plan
- (WO 5) Align Title I and Title III Administration and Funding Within OED
- (WO 6) Better Leverage WTDB's Compliance and Policy-Oriented Role
- (WO 7) Evaluate Workforce Operations as Preferred Statewide Title I Service Provider
- (WO 8) Evaluate the OED Administrator for WIOA Title II and Title IV

Background

Workforce Operations (WO) contributes to OED's mission by managing the state's labor exchange system and serving as a key stakeholder and service provider within WorkSource Oregon (WSO), a statewide partnership between state, local, and nonprofit organizations. The division administers Title III (Wagner-Peyser Act) of the Workforce Innovation and Opportunity Act (WIOA).

WO serves Oregon businesses by recruiting and referring the best-qualified applicants to jobs. WO staff also help businesses secure federal tax credits and offset training costs when hiring specific populations such as public assistance recipients, people with disabilities, veterans, people leaving custody, or people who have been unemployed longer than six months.

As Oregon's WIOA Title III recipient, WO works closely with other WIOA-mandated community partners and agencies through WSO. WIOA has four titles which bring together, in strategic coordination, the "core" workforce development programs and partner (or "non-core") programs that provide complementary services for specific populations. WIOA also requires the co-location of Employment Services (ES) offices with American Job Centers (AJCs) as part of the One-Stop system, which in Oregon is the WSO network.

The four WIOA titles that provide services to Oregonians are:

Title I: Workforce Development Activities, including Dislocated Worker, Adult, and Youth; federally administered by the U.S. Department of Labor (DOL) and overseen in Oregon by the Higher Education Coordinating Commission (HECC), Office of Workforce Investments (OWI).

Title II: Adult Education and Literacy; federally administered by the U.S. Department of Education (DOE) and overseen in Oregon by HECC. This title is currently undergoing changes at the federal level, and its administration will soon move to DOL.

Title III: Amendments to the Wagner-Peyser Act; federally administered by DOL and overseen in Oregon by OED.

Title IV: Amendments to the Rehabilitation Act of 1973; federally administered by DOE and overseen in Oregon by the Oregon Department of Human Services.

More information on the funding for these Titles is available in Appendix C.

Workforce System Structure

The management of WSO centers, Oregon's American Job Center network, is a shared responsibility among state, local workforce development boards (local boards), elected officials, one-stop partners, one-stop operators, and service providers.

While brand and operational management of WSO is a joint responsibility, OED is currently the agency primarily responsible for staffing Oregon's comprehensive WSO centers. OED provides most of the staff physically present in WSO centers. These centers are the physical access points for workforce services, but the broader system includes a complex partnership among businesses, training providers, state agencies, local workforce development boards, and other partners.

Roles and Assessment of Local Workforce Development Boards

Local boards serve as conveners and facilitators for both local centers and regional local leadership teams (LLTs). According to WSO operational standards, LLTs are responsible for coordinating services, processes, performance, and local oversight of WSO centers. These teams are composed of local managers from WSO primary programs and other local WSO programs and resources. LLTs are the mechanism for implementing the standards, ensuring compliance, and driving continuous improvement, including aligning services offered by required partners within their local areas. The Workforce System Executive Team (WSET) holds LLTs accountable.

Facilitated by local boards, LLTs coordinate local services, funding streams, initiatives, performance, and general oversight of WSO centers. While WSET is intended to support LLTs at the state level, there are currently no interagency agreements, procedures, or processes in place for WSET members to evaluate, review, or hold LLTs accountable for the standards. There is also a lack of regular assessment or communication regarding identified gaps and opportunities for continuous improvement.

In addition to their coordination role, local boards are responsible for:

- Selecting one-stop operators
- Assessing eligible training providers and programs
- Overseeing youth programs
- Negotiating local performance measures
- Assessing accessibility for individuals with disabilities at all local WSO centers

Under WIOA, each local board convenes local employers and educational partners to develop policies and investments that support regional economic development. These efforts aim to build career pathways, support sector strategies, and promote work-based learning approaches to address business needs. Local boards must also develop and submit local area plans to HECC that align with the state's strategic plan and regional labor market needs.

At the state level, the Workforce Talent and Development Board (WTDB) assists the Governor in setting strategic and operational workforce development goals. The WTDB ensures the state has policies and procedures that comply with WIOA, including performance indicators, alignment strategies for core programs, and descriptions of authorized program activities. HECC's Office of Workforce Investment provides staffing and policy guidance to the WTDB.

Workforce Operations within the Workforce System

WO's presence in the WSO centers, which provides knowledgeable field staff and resource rooms, is an asset to local communities. Field staff are the public face of OED and offer a space where an individual can access or be directed to resources to help overcome barriers to employment. Staff frequently provide information to customers who are accessing Unemployment Insurance (UI) or Paid Leave benefit programs. Field staff may explain basic elements of filing a weekly UI claim and reporting work search and help navigate Frances Online.

WO staff in the WSO centers care deeply about their customers and have a passion for cultivating local talent and planning the next steps of the customer's employment journey. WO staff also play a key role in their local business communities, particularly in rural areas, by sourcing talent and advertising key positions to qualified customers.

Basic Facts

- 480 FTE
- Serves approximately 8,000 employers and 75,000 job seekers annually through 37 WSO centers across the state
- Budget of $149,153,943, including $123,866,286 in Other Funds and $25,287,657 in Federal Funds

Current State in WSO Centers

WO staff serve a diverse customer base. To effectively address the barriers customers face, WO field staff must rely on a fragmented partner network, which can vary region to region, to access supportive services and opportunities. Many Title I service provider staff are physically absent or irregularly scheduled in the centers, which can make referrals to their services more difficult. Both WO and partner staff often enter customer information in multiple systems to effectively communicate services needed and delivered by various partners. They must also keep track of many different service providers and their unique referral processes.

WO is currently modernizing its system of record and labor exchange, which will allow WO field staff to use one system to track a customer's employment journey. However, the fragmented funding structure of Oregon's Workforce System requires administrative funding of multiple agencies and boards, which limits the funding that Oregonians can access for retraining, support services, and individualized career services.

The modernization of WO's case management and labor exchange system is an opportunity for WSO to better serve and connect with its customer base. A modernized platform will expand the reach of the WSO brand by having a relevant look and feel and enhanced tools to help customers in their job search. A new system will also offer better data collection and customer tracking, which will allow WSO to better understand a customer's journey to employment and demonstrate the ways in which re-employment services make a difference in people's lives.

In 2026, WO is also scheduled to upgrade its telecommunications platform, which serves most of the WSO centers, which will give the division more visibility into customer contact reasons and trends. The new telecommunications platform comes with value-add features such as live chat, text, and on-demand video calls. These new features will expand service accessibility for the customer by providing alternative contact methods beyond a phone call or in-person visit.

Oregon's Workforce System - Past Assessments: Themes and Gaps

Oregon's workforce development system has a variety of leaders, agencies, and local politics that shape the way it is structured and how services are delivered. Over the years, there have been many efforts to create consistency and unity across the workforce system with varied success. Some primary themes from prior studies of the system are:

- Oregon's workforce system needs more accountability
- Workforce system services need to be streamlined to improve service delivery
- The workforce system needs a single systemwide performance metric reporting system
- The WTDB is well-positioned as Oregon's centralized workforce authority, setting statewide workforce vision, goals, and strategies

The 2024 Oregon Talent Assessment also surveyed employers on how well educational programs align with labor needs:

- 60% said programs are "somewhat aligned."
- 6% said "very aligned."
- 23% said "not at all aligned."

SB 623 (2021) established the Continuous Improvement Committee, which requires the WTDB to contract with a third-party evaluator to conduct a comprehensive assessment of the public workforce system. To date, the assessments have focused on the workforce system governance and not evaluations of public workforce system programs, including state and local boards. OED recommends establishing a framework for evaluating the strategies and education service providers administered by the State's Public Workforce Development System. Additionally, there is no analysis of whether local plans support the state plan in building career pathways to meet both local and statewide business needs.

While WSO partners agree that there are currently redundancies between programs, no formal third-party assessment of what those are can be located.

ACTIONS

Against that background and consistent with the governor's request, the rest of this section presents actions across two related areas: (1) improvements to OED's WSO programs and services, and (2) actions that could improve the efficiency of how Oregon delivers on its workforce development and support missions.

Actions Regarding OED's WSO Program

(WO 1) Finish WO Modernization Project (prioritized/in progress)

6 **UI Step 6: FOLLOW-UP TASKS**
Identity Verification, orientation

The modernization of WO's system of record and labor exchange will transform the way WSO serves its customers. A 2025 engagement report revealed inconsistent statewide customer experience when interacting with WSO centers. WO's current system of record does not match the centers' workflow needs. A new system will offer customer relationship management tools which will allow for better data collection and a more reliable and customer-friendly referral process between workforce partners.

The current iMatchSkills labor exchange system requires a lengthy registration process which most customers don't want to complete if they just need to use a center computer. Opting out of that registration process produces inaccurate system customer counts and drives creation of local work-around processes to fill in gaps. These local processes, while created with the intent of improving service, cause inconsistencies that result in customer frustration and lead to staff challenges serving customers from different parts of the state. A modernized system will allow WSO staff to provide continuity of service to all customers and leverage coworkers in other centers to assist with serving local customers when workload is high. Customers will have access to more timely delivery of services and a consistent level of service regardless of the WSO center they use.

In addition to streamlining service delivery, a modernized system will allow WSO to have one feedback mechanism. WSO partners currently rely on multiple systems to provide data about customers served and outcomes achieved. One shared platform will give WSO a single system of truth through which to evaluate and improve its services. OED's Modernization Program expects to implement WO's modernized system in 2027, and work with the vendor is scheduled to begin in 2026.

Cost: None, project already funded
Timing: 12+ months (project scheduled to conclude in 2027)

(WO 2) Upgrade Telephone Platforms and Use AI to Provide Self-Serve Opportunities (prioritized/in progress)

All
This action supports the entire customer journey map

WO is migrating telephony platforms from IBM to Cisco. WO has operated for years without data on calls received, services provided, or issues resolved through those calls. An updated telephony platform with real-time data analytics will provide valuable insight for the WO customer base and their associated needs. This data will allow WO to better align its resources and public-facing information with commonly asked questions. Along with real-time and historical data reporting, WO's new telephony platform will support SMS texting, which is both an improvement in customer service and a way to save staff time by making phone calls that are never answered.

The Cisco telephony platform comes with AI capabilities such as a "knowledge bank" of information shared with customers based on their questions. WO will pursue implementing a scripted chatbot without AI functionality as outlined in WO 3 or, if authorized to use more of the Cisco AI tools, will pursue a tool that will allow staff to provide customers with customized responses to their re-employment-related questions by suggesting job listings, workshop offerings, and clear directions on how to access beneficial community resources. WO has a vast amount of expertise and resources, but it is often only available to the customer by speaking with staff during business hours. Implementing AI capabilities within chatbots would allow a customer to receive valuable information on-demand without limitations of business hours or emergency and holiday closures. OED will ensure that any technology procured before WO modernization is discontinued if the new solution can provide similar or overlapping functionality. WO expects to migrate to a new telephony platform in the spring of 2026, however that timeline is dependent on Enterprise Information Services approval.

Cost: No new budget impacts. If additional AI tools are approved for use, this could add additional costs to the project, which would not exceed $300,000 over five years.
Timing: 0-6 months

(WO 3) Launch Live Chat and Statewide Customer Access to On-Demand Video Calls (prioritized/in progress)

6 **UI Step 6: FOLLOW-UP TASKS**
Identity Verification, orientation

WSO customers can currently schedule a virtual appointment through the WSO website or by calling a center. A virtual appointment is often used by customers who need to complete the UI requirement to register with the state's labor exchange system and complete a re-employment orientation. However, there aren't enough WO staff available for virtual appointments to keep up with customer demand. Customer feedback indicates confusion about if and when an appointment is required to receive service, and that appointment scarcity creates frustration when staff must cancel or reschedule.

WO's staffing models aren't well suited to appointment-based scheduling because staff must be available for customers who visit the office in person. Most offices don't have enough people to staff a resource room, answer phone calls, accommodate fluctuating in-person traffic, and committing staff to scheduled appointments. Scheduled appointments, while convenient for the customer, are inefficient from a workload management perspective as they frequently result in downtime in between appointments when the entirety of the scheduled time is not necessary to complete the service. Staff are also reluctant to serve an in-person customer between virtual appointments because they can't ensure the in-person customer appointment will be completed before their next scheduled appointment.

The migration of WO onto the CISCO telephony platform came with the opportunity to incorporate a tool called UpStream Works, which will allow WO to offer a scripted chatbot, live chat, and on-demand video calls. This functionality will allow WO to transition from appointment-based to on-demand virtual services. Customers will be able to live chat with WO staff and, if needed, transition from a chat interaction to a video interaction. This will allow WSO to increase the number of customers they can serve virtually while simplifying their staffing model and maximizing staff time.

Live chat will also expand the number of ways that a WSO customer can get their questions answered without needing to visit a center in-person or wait for a phone call. On-demand video calls allow WO to offer services that can only be completed “face to face” from anywhere in the state. This technology will allow WO to leverage its statewide workforce if a certain area is impacted by changing economic conditions or an emergency. Offering more immediately accessible virtual services also allows WO to tap into a customer base that is reluctant or unable to come in person to a center, potentially expanding services and marketing jobs to a new talent pool.

Cost: None, project already funded
Timing: 0-6 months**.** WO is expected to adopt live chat and on-demand video capability during its migration to a new telephony platform in the spring of 2026.

(WO 4) Create and Launch a Strategic Communications Plan (prioritized/in progress)

All
This action supports the entire customer journey map

EMPLOYERS/BUSINESSES
This action supports employers and businesses

WSO provides an extensive menu of re-employment services, yet local centers are primarily known in their communities as a UI resource. This impression that WSO is only for unemployed individuals precludes Oregonians from accessing the full scope of available services.

The goal of the strategic communication plan will be to raise public awareness about the variety of WSO services available for both employers and job seekers, focusing on sharing success stories and testimonials from customers and how WSO helped them on their employment or hiring journey. The stories will highlight the services WO provides and demonstrate that services extend well beyond UI. These stories — both in written and video formats — will then be posted on the WSO website, shared through social media, pitched to local media outlets, and used in presentations, brochures, and flyers at promotional events and other outreach activities.

OED’s Communication Office can also leverage local media relationships for press releases highlighting WSO community engagement events, local success stories, or workforce development initiatives. Social media platforms across the state could be used to promote services and implement customer awareness campaign strategies.

Cost: Minimal, $60,000 per biennium from existing communications staff time or result in contracted work
Timing: 0-6 months

Actions Regarding Oregon's Workforce Development and Support Missions

(WO 5) Align Title I and Title III Administration and Funding Within OED (prioritized/in progress)

Each local board receives different amounts of state and federal discretionary funding, has different priorities, and places different requirements on its one-stop operators. This often results in different levels of partner integration within WSO centers throughout the state and referral processes that vary based on where a customer lives. Administration of Title I and Title III by the same agency would provide Oregon with one voice and vision within the workforce system and put the customer at the center of service delivery.

OED would ensure that funds distributed to local boards come with additional accountability measures and requirements that result in more consistent and improved customer service statewide.

OED is in a unique position to develop and administer these types of requirements, as its on-the-ground experience within all WSO centers can help determine which types of partnerships and service delivery methods provide the best outcomes for customers. A single administrator would also allow for better connection across partnerships, as one funder could mandate certain types of collaboration and ensure that services were not duplicated across organizations. Spending less on administrative oversight ultimately moves more dollars to participants.

Upon adoption of this recommendation, the following programs would move to OED:

- WIOA Title I, which includes adult and dislocated workers, the rapid response system, and services to youth customers
- National Dislocated Worker Grants (DWGs)
- Workforce General Fund Grant Programs, including local competitiveness strategies, industry engagement, and work experience

The following programs would remain at HECC:

- Oregon Youth Works, which includes the Oregon Conservation Corps, Oregon Youth Corp, Oregon Youth Employment program, and the Oregon Department of Human Services Youth Employment Program (non-WIOA youth programs)
- OregonServes
- Future Ready Oregon
- Title II

Title I and Title III serve the same customer base, and Oregon is one of the few states where both titles are not administered by the same agency. Title I program staff from HECC/Office of Workforce Investments (OWI) and OED would work together to develop new processes and training for center staff to provide a braided service strategy focused on improving the customer experience and outcomes. OED has a nationally recognized Trade Act team experienced in the administration of training programs that could assist with the transition, as well as set up and oversee the program within OED. HECC and WO administrative staff frequently work together on joint projects, are familiar with each other's work styles, and could achieve operational efficiency quickly.

An additional benefit of this alignment would be strengthening the workforce system's business services. Employers could have a single point of contact (WO) for all recruitment and employee-related needs. This could increase local board bandwidth to work with educational partners and build the career pathways necessary to meet the needs of industry.

Aligning Title I and Title III under the same agency may allow OED to reduce the administrative costs associated with service delivery without laying off staff. OED would need to work with HECC to better understand which positions would move over to OED and which positions could be absorbed by the HECC to support work not connected to Title I services.

Cost: No additional state costs, existing program funds would be transferred from HECC to OED. Funding is primarily federal funds (about $68M), with the possibility of a small portion of general fund to support workforce initiatives that are delivered in partnership with Title I funding. The agencies would also need to discuss the movement of central service positions needed to support the administration of the migrated programs (e.g. budget analysts and procurement specialists).
Timing: 12+ months

Statutory Change Required: None. If the Governor decides to pursue this direction, the state plan would be modified accordingly and sent to the U.S. DOL to ensure the plan is in compliance with the law. Upon DOL approval, funds would be transferred.

(WO 6) Better Leverage the WTDB's Compliance and Policy-Oriented Role Within the Workforce System (prioritized/in progress)

The WTDB's mission is to empower Oregon's workforce and employers by informing and shaping an inclusive, coordinated training and education system responsive to their needs. One of the ways WTBD is charged with enabling its mission is to align workforce policy, resources, and services with employers, education, training, and economic development, as well as to provide accountability among public workforce partners.

Gov. Kotek's May 13, 2025, letter to the WTDB directed it to lead the development of a unified, consolidated reporting system for workforce performance metrics, with a focus on improving customer service and accountability in publicly funded workforce programs. The WTDB's authority to hold state and workforce agencies and local workforce boards accountable is grounded in ORS 660.324 and Senate Bill 623 (2021).

At the Governor's direction, the system must include all WIOA Titles (I – IV) and relevant state-funded programs, tracking metrics beyond compliance and participation with an emphasis on real-life outcomes for Oregonians, such as:

- Job placement
- Job retention
- Wage gains
- Credential attainment

- Career advancement in high-demand sectors

The Governor's vision is for the system to serve as a foundation for continuous improvement and transparency in publicly funded workforce programs with disaggregated data where possible, to support equity goals.

The modernization of the WO systems as described above presents a valuable opportunity for OED to integrate data and develop dashboards that align with the Governor's vision. These tools will equip the WTDB with the insights needed to drive continuous improvement in economic strategies and investments. WO will collaborate with OED's UI system, the Workforce and Economic Research division, and leverage Performance Reporting and Information System (PRISM) data to produce transparent, disaggregated datasets that advance equity goals for state leadership and the communities we serve.

If the administration of Title I was moved to OED, the responsibility for staffing the WTDB would migrate as well. The WTDB could continue to be staffed by the OED like current state at HECC/OWI.

As the administrator of Title I funds, OED would continue to work with local boards to increase local oversight of the goals and expectations within their contract to ensure alignment with the Governor's expectations. In support of this work, WO could influence and support the WTDB to align workforce strategies across the state and define clear accountability measures. As the owner and operator of the state's labor exchange and system of record, WO would be able to provide the WTDB workforce system data, and after the modernization project is complete, could provide system wide dashboards to help support accountability for the entire workforce system.

Compliance is another area in which OED's larger administrative and program team capacity could improve statewide consistency. OED's modernized system will be able to report on and track Title I participants and how training dollars are being spent with the goal of moving more Title I training resources to customers. The WTDB could use this data to strategically drive better outcomes across the state and OED could use its position to increase the focus on additional data supporting alignment with the Governor's expectations. Increased accountability for workforce system investments statewide will help drive better service delivery to Oregonians.

During engagement with partners and interested parties, there was also a common theme that the broader workforce system could benefit from greater oversight. One project to consider is the creation of an advisory council that is jointly supported by agency directors from HECC, OED, and Business Oregon. The council itself would be a small, business-led group that would focus on the intersection of economic development and workforce. The WTDB could be a subcommittee of the council and focus on public workforce system accountability.

In addition to having greater oversight, many partners expressed the desire to review the number of workforce areas and determine if the number of regions and geographies is reflective of the state's workforce needs. As part of this new oversight structure, the number of workforce areas could be evaluated.

Cost: Similar to WO 5, no additional state costs
Timing: 12+months. Planning could begin immediately along with WO5, and implementation could take place along with WO 5.

Statutory Change: None required

(WO 7): Evaluate Making Workforce Operations the Preferred Statewide Title I Service Provider (prioritized/in progress)

WO is well positioned to align Title I and Title III services to deliver better outcomes for customers. WO could hire staff with Title I experience and blend with current business and employment specialist Title III staff, providing opportunities for cross training all staff across service programs for continuity of service delivery. This provides a seamless customer experience, with customers getting multiple needs met with a blend of services while reducing referrals or hand-offs between program staff. This has shown promising results in Rogue Valley where WO is currently also the Title I service provider. Data shows that since Rogue Valley began delivering Title I services, there has been an increase in the number of participants served compared to prior years.

Performance metrics for the Rogue Workforce Partnership (RWP) Adult and Dislocated Worker programs in Program Year 2024 were also impressive, with WO staff outperforming statewide results in three of the five WIOA performance accountability indicators: Employment Rate 2nd Quarter After Exit, Employment Rate 4th Quarter After Exit, and Measurable Skill Gains. WO staff also outpaced statewide metrics in the percentage of participants enrolling in a training program, the percentage of participants placed into employment related to their training, and the percentage of participants co-enrolled in more than one WIOA core program. These outcomes demonstrate the effectiveness of the RWP model in reducing barriers to program entry, allowing customers to quickly engage with staff to access reemployment, training, and support services.

If WO became a statewide Title I provider, it could use its team of policy analysts and trainers to ensure that services are braided to maximize funding to assist Oregonians overcome barriers to re-employment to meet the needs of employers. WO already has a physical presence in all WSO centers, and existing staff that are trained on many federal programs, including previous experience working in the Title I program. WO staff in WSO centers already serve Title I participants as a common customer. By making WO Title I providers, the customer would be served holistically and by the same person or team, all working under the same leadership. The customer would receive better service, and more dollars could go directly towards their training costs due to the reduction in administrative expenses associated with having multiple Title I service providers.

There are at least three potential ways to accomplish this change:

(1) WIOA Waiver for Single Service Provider

First, a federal WIOA waiver may be required to streamline the competitive selection process for Title I service providers to allow the selection of a single statewide provider. WIOA waivers must be submitted to the U.S. Department of Labor along with a state plan that details how the implementation of the waiver will be monitored and supported in addition to how it will improve the workforce system in alignment with USDOL priorities. There are certain provisions of WIOA that the USDOL Secretary cannot waive, including the allocation of funds to local areas.

Title I funding cannot bypass local boards, however certain states have created a single Statewide Workforce Board.

(2) Sole Source Agreement

Second, local boards across the state could also decide to enter into a direct award or sole source agreement with OED to become the Title I service provider, as is the case in Rogue Valley. However, this can't be mandated and can only be done if the elected official approves, if the local workforce board demonstrates that no other entity can provide the services, and that it is in the best interest of the local area.

(3) Governor Executive Order for OED to be a statewide Title I Service Provider

Third, the Governor could support OED in becoming a statewide Title I service provider by encouraging local boards to pool their funds and contract for a single statewide Title I service provider. A single statewide provider, regardless of the entity providing service, would maximize federal funding, reduce administrative costs, and allow more funds to go directly to Oregonians. Encouraging a single statewide provider could also allow for the selection process to remain open and competitive or in the case where no other entity can provide statewide services, allow for a sole source justification that is in compliance with federal law.

Cost: No additional budget impacts other than what has been outlined in WO 5
Timing: 12+ months

Statutory Change: None required

(WO 8) Evaluate Making OED the Administrator for WIOA Title II and Title IV

The federal administration of Title II is shifting from the U.S. Department of Education to the U.S. Department of Labor. This shift in federal administration creates an opportunity to evaluate whether it would be advantageous to shift its administration at the state level as well. OED could establish a team to evaluate whether WIOA funding could be better braided to serve more Oregonians if all WIOA titles were administered by the same agency.

Cost: Unknown, would be evaluated
Timing: 12+ months

Statutory Change: None. If the Governor decides to pursue this direction, the state plan would be modified accordingly and sent to U.S. DOL to ensure the plan is in compliance with the law. Upon DOL approval, funds would be transferred.

PRIORITIZED PROJECTS LIST

While each of the actions in this plan would contribute to our success, we recognize that we do not have the resources to immediately pursue all of them, and that some are dependent on the completion of others. Accordingly, our executive team developed this Prioritized Projects List to set out the highest-priority projects we believe should be pursued first.

It includes six initiatives identified as the highest priority ideas due to the positive impact they could have on our customers. In addition to these six initiatives, the team identified projects that are currently underway, reinforcing the agency's commitment to ongoing work. To further support the development of OED's project portfolio, we also selected the top five projects within each of three project duration categories: short-term (less than 6 months), mid-term (6-12 months), and long-term (more than 12 months). Inclusion in this list does not necessarily indicate which projects will begin first, but reflects the agency's intent to implement the most impactful projects before pursuing others. Several Workforce projects are also included in the initial prioritized list due to their significance and as they do not draw on the same limited resources as the others. There are 101 total projects, with 72 in the initial prioritized list.

Other projects in this plan are listed in the subsequent table. Projects listed here represent valuable initiatives that, while not prioritized in the initial selection, remain important to the agency's broader strategic goals. These projects will continue to be monitored and assessed for alignment with emerging priorities, resource availability, and potential impact.

OED plans to revisit and reevaluate all of these projects on a regular basis, ensuring that efforts are not overlooked and may be advanced as capacity allows or as organizational needs evolve, so they are integrated thoughtfully in OED's portfolio.

Prioritized Projects List		
Prioritization Category	**Project Duration**	**Project Name**
Top Priorities	12+ months	**OED 2:** Use AI to Improve Customer Journey and Employee Workflows – **6 total projects, OED 2A – OED 2F**
Top Priorities	12+ months	**OED 3:** Review and Update All Customer-Facing Communications
Top Priorities	12+ months	**OED 4:** UI Customers Visiting WorkSource Offices with UI Questions – **8 total projects, OED 4A – OED 4H**
Top Priorities	12+ months	**OED 10:** Data for Goal Setting, Process Improvement, and Accountability – **5 total projects, OED 10A – OED 10E**
Top Priorities	12+ months	**OED 13:** Create a Live Claim Status Tracker
Top Priorities	12+ months	**WO 5:** Align Title I and Title III Administration and Funding Within OED
In Progress	0-6 months	**OED 12:** Update the Access Letter Process for Address Change
In Progress	0-6 months	**ORG 1:** Director’s Office Changes
In Progress	Complete	**ORG 2:** Centralizing Data Analytics to Support Agency-Wide Performance

In Progress	6-12 months	**ORG 3:** Agency-Wide Strategy, Performance and Continuous Improvement
In Progress	12+ months	**ORG 4:** OED's Learning, Development, and Training
In Progress	12+ months	**OED 1:** Renew Strategic Communications Focus
In Progress	12+ Months	**OED 7A:** Update UI SOPs and Add Quick-Guides
In Progress	12+ Months	**OED 7B:** Improve Paid Leave Staff Resources and Tools
In Progress	12+ months	**OED 7C:** Update C&R Process Maps and SOPs
In Progress	12+ months	**UI 6:** Improve Expired Task Communication
In Progress	12+ months	**UI 8:** Integrate UI and WO Modernized Systems
In Progress	12+ months	**UI 9:** Redesign the Claim Restart Process
In Progress	6-12 months	**UI 12:** Program Effectiveness Actions – **3 total projects, UI 12A – UI 12C**
In Progress	12+ months	**UI 15:** Review and Update UI Laws and Rules
In Progress	6-12 months	**PL 2:** Expand the Paid Leave Oregon Connector Program
In Progress	12+ months	**PL 5:** Implement Trauma-Informed Care Strategy

In Progress	6-12 months	**PL 7:** Enhance Quality Assurance Processes
In Progress	12+ months	**PL 9:** Set Up Designated Representative Account Functionality
In Progress	12+ months	**PL 11:** Enhance Outreach Services, Accessibility, and Equitable Access
In Progress	0-6 months	**CR 1:** Amended Payroll Report Bulk Filing
In Progress	6-12 months	**CR 6:** Update the OED Employer Webpage
In Progress	0-6 months	**FR 1:** Restructure Frances Governance
In Progress	0-6 months	**FR 6**: Enhance the SQR Prioritization Process
In Progress	12+ months	**WO 1**: Finish WO Modernization Project
In Progress	0-6 months	**WO 2**: Upgrade Telephone Platforms and Use AI to Provide Self-Serve Opportunities
In Progress	0-6 months	**WO 3**: Launch Live Chat and On-Demand Video Calls
In Progress	12+ months	**WO 7**: Evaluate Workforce Operations as Preferred Statewide Title I Service Provider
In Progress	0-6 months	**UI 7:** Launch a “Grace Period” to Complete Requirements
In Progress	12+ months	**OED 11B:** Launch More How-To Videos

In Progress	6-12 months	**CR 2:** Update "Status" Categories for Quarterly Payroll Reports
In Progress	12+ Months	**CR 3:** Train Managers on Data Literacy and Continuous Improvement Tools and Methodologies
Workforce	0-6 months	**WO 4:** Create and Launch a Strategic Communications Plan
Workforce	12+ months	**WO 6:** Better Leverage the WTDB’s Compliance and Policy-Oriented Role Within the Workforce System
Top 0-6 Months	0-6 Months	**OED 9C**: Implement Customer Satisfaction Surveys
Top 0-6 Months	0-6 Months	**OED 5B**: Cross-Division Connectivity Group
Top 0-6 Months	0-6 Months	**OED 8**: Streamline Customer Escalation Platforms
Top 0-6 Months	0-6 Months	**UI 4**: Pilot an Appointment-Based Outbound Call System
Top 0-6 Months	0-6 Months	**FR 4**: Conduct an Analysis of Aging SQRs
Top 6-12 Months	6-12 Months	**OED 9A:** Conduct Regular Staff Focus Groups
Top 6-12 Months	6-12 Months	**UI 13:** First-Call Resolution Rate Tracking
Top 6-12 Months	6-12 Months	**FR 2:** Conduct a Detailed Options Analysis for Improvement of Frances/Frances Online Support
Top 6-12 Months	6-12 Months	**FR 3:** Establish an Organizational Change Management (OCM) Project

Top 6-12 Months	6-12 Months	**FR 5:** Increase SQR Completion Capacity
Top 12+ Months	12+ Months	**OED 5A:** Cross-Trained Contact Center Team
Top 12+ Months	12+ Months	**OED 11A:** Refresh "How To" Guides for Customers
Top 12+ Months	12+ Months	**UI 1:** Estimated Wait Times
Top 12+ Months	12+ Months	**UI 5:** Streamline Identity Verification Processes
Top 12+ Months	12+ Months	**PL 1:** Establish an Interface with Health Care Providers

Projects Not Yet Prioritized	
Project Duration	**Project Name**
12+ Months	**OED 6:** Training Needs – **2 total projects, OED 6A and OED 6B**
0-6 months	**OED 9B:** Survey UI and WO Staff
0-6 months	**OED 9D:** Establish a C&R Customer Satisfaction Baseline Score

6-12 months	**OED 9E:** Regular C&R Employer Meetings
12+ Months	**WO 8:** Evaluate Making OED the Administrator for WIOA Title II and Title IV
12+ Months	**OED 11C:** Improve Program Information for Customers
12+ Months	**UI 2:** Training for UI Customers
12+ Months	**UI 3:** Customer Checklist and Due Date Resources
12+ Months	**UI 10:** Update Fact-Finding Questionnaires
12+ Months	**UI 11:** Pilot Appointments for Adjudication
6-12 months	**UI 14:** Redefine Initial Date of Detection
12+ Months	**PL 3:** Streamline the Application Process
12+ Months	**PL 4:** Enhance Claim Statuses and Resources
12+ Months	**PL 6:** Evaluate Using New Tools to Improve Workforce Management
12+ Months	**PL 8:** Improve Employer Online Service
12+ Months	**PL 10:** Enhance Appeals Functionality

12+ Months	**PL 12:** Improve Claim Decisions
12+ Months	**PL 13:** Improve Claim Benefit Issues
12+ Months	**PL 14:** Implement Claim Issue Automation
12+ Months	**PL 15:** Improve Financials and Overpayment Functionality
12+ Months	**PL 16:** Enhance Fraud Investigations and ID Verification
12+ Months	**PL 17:** Establish Compliance Functionality
12+ Months	**PL 18:** Improve Staff Task Management in Frances
12+ Months	**PL 19:** Enhance Equivalent Plan Reporting
12+ Months	**PL 20:** Improve (program) Self-Service Options in Frances
12+ Months	**PL 21:** Test Live Chat Functionality in Frances
6-12 months	**CR 4:** Explore Going Paperless or Strategies for Reducing Paper in Partnership with the UI and Paid Leave Programs
6-12 months	**CR 5:** Develop and Deliver Joint Outreach with DOR and DCBS to Educate Employers and Payroll Providers

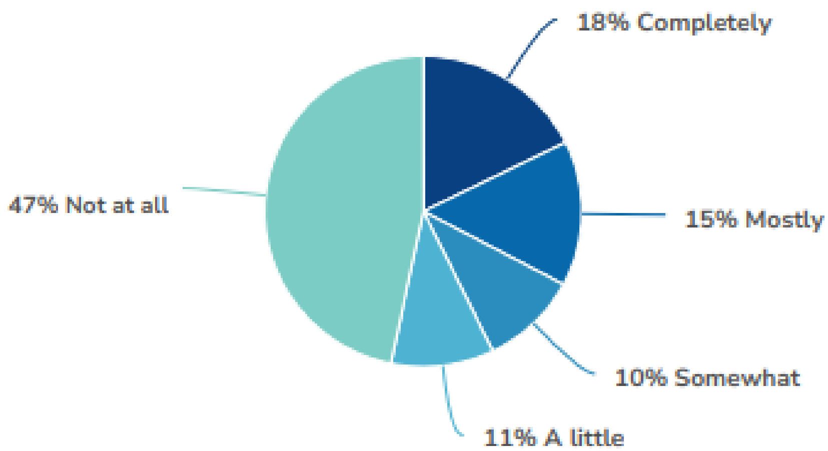
APPENDIX A: ENGAGEMENT RESULTS

OED CUSTOMER ENGAGEMENT RESULTS

This appendix summarizes findings from surveys of Paid Leave Oregon (Paid Leave), Unemployment Insurance (UI), Contributions and Recovery (C&R), and WorkSource Oregon (WSO) customers conducted in August and September 2025.

Unemployment Insurance Program Customers

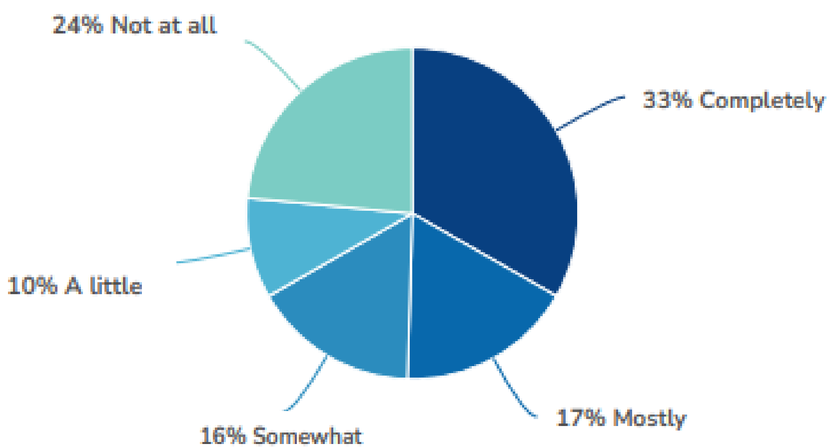
How satisfied are you with your experience?



UI pain points:
1. Phone wait time
2. Claim processing and adjudication wait time
3. Frances navigation
4. Communication clarity
5. ID verification

Paid Leave Oregon Program Customers

How satisfied are you with your experience?



Paid Leave Oregon pain points:
1. Phone wait time
2. Submitting documentation
3. Claim processing time
4. Frances navigation
5. Inconsistent or unclear comms clarity

Contributions and Recovery Customers

- 51% of customers "satisfied" or "very satisfied" with the service they received.
- 64% of customers reported that the agent listened to them and treated them with respect.
- 46% of customers reported that their issue was resolved in one call.

WorkSource Oregon Customers

How would you rate the overall quality of services?

79% of job seekers said "excellent" or "good"

71% of business customers that closed a job listing rated service as "excellent" or "good"

WSO pain points:

1. Availability of virtual appointments
2. Front desk and check-in process
3. Lack of knowledge regarding niche industries or high-level jobs
4. Outdated iMatchSkills system

OED EMPLOYEE ENGAGEMENT RESULTS

This section summarizes feedback from OED employees regarding customer service delivery challenges, internal systems, and employee development and resource needs. The findings are based on a three-phase engagement process conducted between August and September 2025.

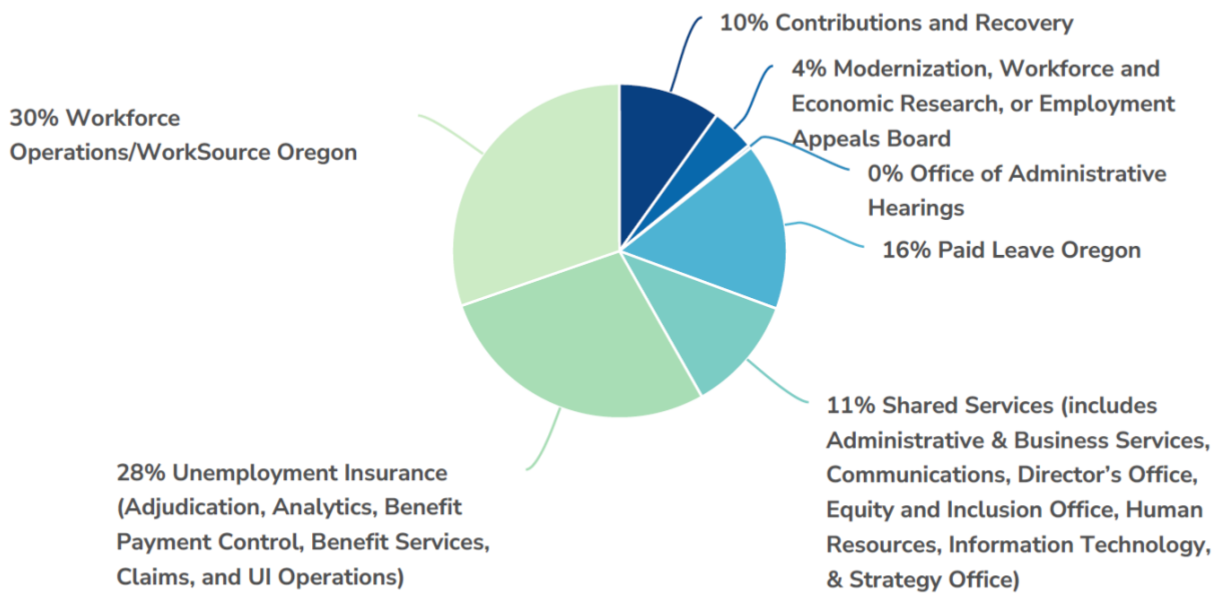
Engagement

Survey (Aug 12–22): 1,058 responses (831 complete), representing 54% of agency staff.

Focus Groups (Sept 2–12): 206 participants across 23 sessions.

Empowerment Groups: Outreach to allies and members of underrepresented employee communities. Participants were asked specific questions regarding their work experience.

Division Representation



What role best describes your work?

Role Type	% Response
Direct customer service	63.5%
Internal admin support	8.7%
Policy/program analyst	11.6%
Other work	16.2%

Survey Takeaways

Among UI and Paid Leave Oregon staff who provide direct customer service (266 total respondents), the resource that staff said would help them "**a lot**" in providing excellent customer service is:

"Smoother processes in Frances" (73.7%)

"Smoother internal processes" (66.5%)

"Clearer or updated resources or guides" (60.2%)

OED PARTNER ENGAGEMENT RESULTS

OED received insights from a number of partners and interested parties, including advocacy groups, state agencies, and WSO partners (see tables below).

Advisory Councils
OED Advisory Council
Oregon Workforce Partners
Workforce Talent Development Board

State Agencies
Bureau of Labor & Industries
Business Oregon
Department of Consumer & Business Services
Higher Education Coordinating Commission
Oregon Department of Human Services
Oregon Commission for the Blind
OR Department of Revenue

Northwest Oregon Works
Benton, Corvallis; Clatsop, Seaside; Columbia St. Helens; Lincoln, Lincoln City; Lincoln, Newport; Tillamook, Tillamook

Worksystems, Inc.
Multnomah, Gresham; Multnomah, Metro N/NE; Multnomah, Metro SE; Washington, Beaverton-Hillsboro; Washington, Tualatin

Clackamas Workforce Partnership
Clackamas, Oregon City

Willamette Workforce Partnership
Linn, Albany; Linn, Lebanon; Marion, Salem; Marion, Woodburn; Polk, Dallas; Yamhill, McMinnville

Lane Workforce Partnership
Lane, Eugene; Lane, Florence

Advocacy Groups
NW Public Affairs
Oregon Business Council
Oregon Law Center
NW Justice Project
American Federation of Labor-Congress of Industrial Organizations

Community Based Organizations
Centro Cultural de Condado
Oregon Human Development Corporation
Somali American Council of Oregon

Other
The Standard

SW Oregon Workforce Investment Board
Coos, Coos Bay; Curry, Brookings; Douglas, Roseburg

Rogue Workforce Partnership
Jackson, Medford; Josephine, Grants Pass

East Cascades Works
Crook, Prineville; Deschutes, Bend; Deschutes, Redmond; Jefferson, Madras; Klamath, Klamath Falls; Wasco, The Dalles

Eastern Oregon Workforce
Baker, Baker City; Harney, Burns; Grant, Canyon City; Malheur, Ontario; Umatilla, Hermiston; Umatilla, Pendleton; Union, La Grande; Wallowa, Enterprise

APPENDIX B:
AI CO-PILOT LETTERS PROJECT

Current Letter

Paid Leave Benefits Decision

Why am I receiving this notice?

Paid Leave Oregon has approved the following benefits for you:

- **Leave type:** Medical Leave
- **Work schedule:** Workdays per week: 5
- **Employer(s) you take leave from:** [redacted]
- **Leave amount:** Up to 33 workdays based on the approved work schedule listed above
- **Leave start date:** September 19, 2025
- **Leave end date:** November 2, 2025
- **Leave schedule:** Consecutive leave schedule
  Consecutive leave means you take all paid leave between the start and the end of your leave and you cannot work while on leave.

We based our decision to approve your benefits according to Oregon law, specifically ORS 657B.015, ORS 657B.020, ORS 657B.11 O; OAR 471-070-1100, OAR 471-070-1110, OAR 471-070-1120, OAR 471-070-1130, OAR 471-070-1230.

This approval only applies to the information and employers listed on this letter. We have approved your benefits listed on this letter if we have not

Copilot Revision

Paid Leave Oregon - Benefit Approval Notice

Date: October 7, 2025
From: Oregon Employment Department
Website: paidleave.oregon.gov
Phone: 1-833-854-0166 (toll-free)

Good news! Your paid leave has been approved.

Here are the details of your approved leave:

Leave type: Medical Leave
Work schedule: 5 workdays per week
Leave amount: Up to 33 workdays
Leave dates:

- **Start:** September 19, 2025
- **End:** November 2, 2025

Leave schedule: Consecutive (you'll take all your leave in one block and won't work during this time)

This approval is based on Oregon law and only applies to the information and employers listed in this letter.

When will I get paid?

- It may take up to 2 weeks to receive your first payment.
- You can check your payment status anytime using Frances Online, available 24/7

APPENDIX C: WORKFORCE SYSTEM FUNDING DETAILS

Other Federal and State Funding

Funding Category	Self Sufficiency Programs		HECC-OWI Workforce Programs		OED Workforce Operations	Discretionary Grants & One-time Funding
Funding Source	USDA - Food & Nutrition $30M	US Dept of Human Services $85M	State General Fund $9M		US Dept of Labor $27M Other Funds (SEDAF, contracts, etc.) $31M	Federal Agencies ($ varies) State General Fund ($ varies) Other State Funds ($ varies)
State Agency Recipients	ODHS		HECC		OED	State Agencies; LWDBs; Other System Orgs
Local/ Regional Recipients	There are local subcontractors that also provide services (e.g. IRCO)		LWDBs Local Service Providers			Varies
Provider of Services	ODHS staff & contracts w/CBOs $30M $750k	ODHS staff & contracts w/CBOs $85M $9.4M	Local Service Providers	HECC Staff	OED Staff	Varies
Use of Funds	SNAP & OFSET (USDA) - STEP	TANF (HHS) - Self-sufficiency Programs (ODHS) $30M match	Oregon Youth Employment Program $3.5M Industry Engagement $850k Local Competitiveness Strategies $1.1M Work Experience $2.2M Strategic Innovation Grants $340k	WTDB Strategic Plan WTDB Operations Agency Admin National Career Readiness Certificate $1.7M	Business Services Worker Employment and Reemployment Services	Varies Examples: Future Ready Oregon Prosperity 10,000 $15M $20M Workforce Benefits Navigators $10M* Workforce Benefits Navigators $450K - $4M* US DOL Nat'l Dislocated Worker Grants $3-$19M* Etc. * funding timelines vary from 1-4 yrs

KEY: State Funding | Federal Funding | Discretionary or flexible funds

! ***Note: Although every effort was made to develop a comprehensive funding / resource map, we recognize that this initial map may not capture all funding / resource flows due to the complexity of the system.***

Workforce Innovation and Opportunity Act (WIOA)

WIOA	Title I	Title II	Title III	Title IV		Title V
Federal Funding Departments	US Dept of Labor $31M	US Dept of Education $6M	US Dept of Labor $8M	US Dept. of Education $102M	US Dept. of Education $2.5M	US Dept of Labor - ETA $5.7M
State Agency Recipients	HECC-OWI $31M	HECC-CCWD $6M	OED - Workforce Operations Division OED - Workforce & Economic Research Division $8M	ODHS-VR $102M $38M	Oregon Commission for the Blind $2.5M	ODHS $1.1M
Local/ Regional Recipients	Formula determines funding LWDBs 83% of $31M	Formula determines funding 15 of 17 Community Colleges and DOC 83% of $6M		Service Contractors Local School Districts		Easter Seals $4.6M $1.1M
Provider of Services	Local Service Providers	Community Colleges DOC	OED Staff in one-stop centers OED Research Staff $8M	Service Contractors $32M Local School Districts $6M $15M ODHS-VOC Rehab Staff $87M	OCB Staff $2.5M	Easter Seals $5.7M
Programs	• Job service and training for **Adults** • Job service and training for **laid-off workers** • Employment, training and connection to college and career for **youth with one or more barriers to employment** (e.g. Youth Work Experience) • DLW Rapid Response Activities	• Job service and placement assistance for **Adults** • Job service and training for **laid-off workers** • Adult Education & Family Literacy	• Job services and placement assistance for **Adults** • Job service for **laid-off workers** • Job service and placement assistance for **Veterans** • Migrant seasonal farmworker outreach • Unemployment Insurance Program: Re- Employment assessment and support for unemployment insurance recipients • Business Engagement	• Job service and placement assistance for **disabled adults** • Pre-employment transition services (students 14-21 yrs old)	• Job service and placement assistance for **sight-impaired adults**	SCSEP: Employment training and job placement assistance for **low income adults 55+** SCSEP: Promoting community service activities for **low income adults 55+**

Title I is focused on workforce development activities and workforce investment activities and training.
Title II: Adult education and literacy (community colleges)
Title III: Employment services (Wagner- Peyser Act)
Title IV: DHS & Commission for the Blind, Self sufficiency, VR: Assists people with disabilities to get and keep a job
Title V: Older Americans Act