



# Oregon

Tina Kotek, Governor

**Employment Department**

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Feb. 16, 2024

The Honorable Senator Aaron Woods, Co-Chair  
The Honorable Representative Nancy Nathanson, Co-Chair  
Joint Committee on Information Management and Technology  
900 Court St NE H-178 State Capitol  
Salem, OR 97301-4048

Dear Co-Chairpersons:

Thank you for the opportunity to provide a written update on the Employment Department's Modernization Program. Please accept the attached report per your request.

We have continued progress on our UI Modernization Project since our last report in September of 2023. The second phase of the project continues to be on time, in scope, and under budget. Our agency will migrate to a new online claim system for unemployment insurance benefits on Monday, March 4, 2024, as planned.

Additionally, we have continued the planning phase of the Workforce Modernization Project. In 2024, we will continue our engagement with our staff and Oregon workforce organizations, building our understanding of available technology solutions, and preparing to release a request for proposals later in the year.

We are proud of the accomplishments of the Modernization Program thus far and look forward to continued success.

Respectfully,

Renee Royston  
Modernization Director  
Oregon Employment Department

Attachment: OED Modernization Program Update Report

# Modernization Program

## Program Status

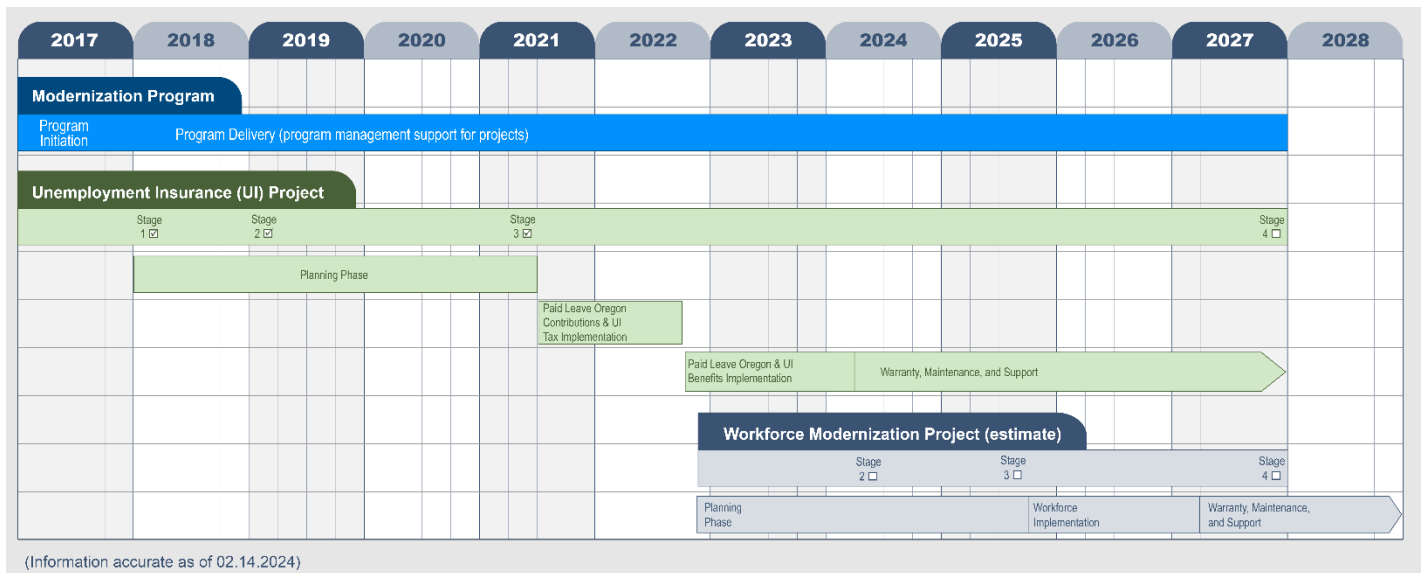
The Oregon Employment Department (OED) respectfully submits this report on the progress of our Modernization Program, Unemployment Insurance (UI) Modernization Project, and Workforce Modernization Project, as requested by the Joint Committee on Information Management and Technology. OED last submitted [a report](#) to the Joint Committee on Information Management and Technology regarding the Modernization Program on Sept. 22, 2023.

The purpose of this letter is to share an update on the progress of the UI Modernization Project and the progress made on the Workforce Modernization Project since our last update.

## MODERNIZATION PROGRAM TIMELINE

The figure below (Figure 1) illustrates the high-level projected timelines for the Modernization Program and anticipated projects. This projection is based on what we know today and may be updated as project timelines are finalized.

**Figure 1. Modernization Program Timeline**



## SUPPORTING EMPLOYERS AND PAID LEAVE OREGON CLAIMANTS

The agency continues to adjust the Frances system for our staff, as well as the Employer and Claimant Frances Online portals. This will improve our customer service and remove barriers to access of our programs and services.

Over the past year, areas of focus include enhancing customers' ease and experience using our new system, and strategic efforts to guard against fraud while improving and streamlining processes to better serve claimants.

For example, in response to customer feedback, specifically from customers using mobile devices, we made the 'Verify My Identity' link and panel more visible on Frances Online. By adding it to the landing page and making it more prominent on the portal page this critical and commonly used tool is more accessible to customers.

We worked with our partners at the Oregon State Treasury to reduce the time it takes to fund a benefits payment, getting benefit payments to those who need them more quickly. We also shifted from issuing Paid Leave benefits payments for people claiming leave from weekly to daily, to reduce the time people are waiting to receive their payment.

Finally, we are consistently looking for ways to reduce fraud and support customers receiving appropriate and timely correspondence. That includes shifting some of our additional questionnaires, what were known as "fact-finding" letters to after a claimant's identity has been verified.

Internally, Modernization team members continue to assist the Contributions and Recovery and Paid Leave Oregon teams. We are identifying opportunities for additional training, providing updates to the system, and supporting their communications to employers and Paid Leave Oregon benefits claimants.

## UI MODERNIZATION PROJECT—ACTIVITIES SINCE SEPTEMBER 2023

Implementation of the UI Modernization Project continues to be on time, in scope, and under budget, even after adding the new Paid Leave Oregon functionality to the project scope. The figure below (Figure 2) represents the overall timeline and progress of the project. The final rollout, focused on migrating the systems and processes that support UI benefits to Frances Online, will go live on March 4, 2024.

**Figure 2. Frances Online Timeline**



Beginning March 4, 2024, UI benefits customers will join Paid Leave Oregon claimants using the Frances Online Claimant portal to apply for benefits, communicate directly with program staff, provide missing or updated documentation, manage, and update their accounts, check on the status of their claims, view letters, and easily change their forgotten password.

## PLANNED ACTIVITIES FOR THE COMING ROLLOUT

As in the two previous rollouts, to prepare for the migration weekend, staff from business areas around the agency, OED's IT team, and the project team are meeting daily to identify down-to-the-minute activities for the days preceding the migration. The meetings ensure business activities, including publishing forms, staff training, customer support tools, setting up scanning software for paper documents, the phone system, the voice scripts within the agency's interactive voice response (IVR) system, staff and partner system accesses, and necessary internal and external communications are accounted for and completed.

A critical part of this migration is maintaining the numerous interfaces and access to data for our OED partners. Our partners are actively engaged in confirming the system access they need as well as participating in efforts to test the over 160 interfaces.

Our project team is nearing completion of end-to-end testing, which as with each rollout, tests daily tasks to simulate how staff and customers will use the system. As part of this testing, the project team moves the system date forward to simulate key business dates and processes such as completing identity verification, processing claims, and generating benefits payments.

Finally, OED's work with the independent quality management services (iQMS) vendor assessing risk and quality for the Modernization Program continues. They are actively monitoring project activities as the March 4 go live date approaches.

## Data readiness

Ensuring OED is protecting the data, that it is appropriately converted, and available to those who use it is a critical focus of this project.

Conversion work starts early in the project to allow time for data purification. To prepare, the conversion team worked with the agency to define the scope of the data to be converted and then inspected data from each legacy source to determine if there is missing, incorrect, or inconsistent data. The team addressed these anomalies by developing and executing strategies to purify the data prior to conversion, deciding to leave the data behind, planning to purify the data in the new system, or deciding to bring the data forward but leave it as-is. The project team will have completed 19 "mock," or practice data conversions before UI benefits migrates to Frances. Full mock conversions are dry runs of what will happen on the weekend before Frances goes live. These dry runs help the project team and agency leaders practice the timing and transitions of each step throughout the data conversion process.

## Preparing OED staff

The training team has used the same four-tiered approach to training used for the first two rollouts of the project. OED's training team includes vendor staff, members of the project team, and business experts. The training approach teaches core fundamentals and job-specific training through eLearning modules, instructor-led training, and classroom style "sandbox training" sessions. The team has provided training to more than 900 OED staff and over 3,700 external agency partners. We are also training customer care team members throughout the agency and in our WorkSource Oregon offices. Our goal is to ensure each person, whether they work for our agency or for one of our partners, understands their resources, and where they can get help and answers to questions when they have them, and that as an agency, we are prepared to support customers regardless of their entry point.

## Engagement and communication

Frances is replacing the Online Claims System (OCS) and other interfaces our customers currently use to access the UI benefits program and data. Adding complexity, customers with active claims when the system goes live will be switching to the new system in the middle of their benefits period – using the OCS system one week to claim their weekly benefits and using Frances Online the next week.

Given the significant breadth and impact of the UI benefits program, and to ensure Oregonians have the support and resources they need as we migrate the program to Frances Online, OED has partnered with an external communications contractor the agency has worked with in the past. Their team provides strategic council and technical resources in partnership with the agency's communications team, the Modernization team, and staff representing each business area impacted by this rollout. As a combined team, we are working to develop helpful virtual tools and resources, including informational documents outlining what is changing and what is staying the same, step by step guides and videos demonstrating common tasks in Frances Online, and critical information about how to get help with questions.

OED has maintained our commitment to include our customers' voice and experience in our policy and process development. To prepare for the migration of UI benefits to Frances, the Modernization engagement team partnered with UI staff and local organizations to host two virtual focus groups in English and one in-person focus group in Spanish. During the focus groups, members of the engagement team showed each group the process of creating an account in Frances Online and applying for benefits. The participants shared valuable feedback related to usability and accessibility that will improve the system for all Oregonians.

Detailed communications and outreach plans supporting special programs, including the Work Share program, are being carefully crafted to provide critical and easily accessible technical assistance to both claimants and employers who participate.

Along with Oregonians claiming UI benefits, and the employers who are involved with UI benefit claims, the team is also preparing to support a significant number of partners who have interfaces with and receive data from OED systems. The Modernization team is working extensively with interface partners identifying and revising or confirming inter-agency agreements and future data access needs to ensure every customer maintains their ability to access OED data to serve their customers.

For nearly three years, OED has been grateful for the ongoing engagement and support of the Modernization Oversight Forum. The forum provides the Modernization Program team the opportunity to share progress with members of the Oregon legislature. Current Forum participants include Senator Tim Knopp, Representative Nancy Nathanson, and Representative Paul Holvey. We are also grateful for the participation of Terrence Woods, the State Chief Information Officer, and Sean McSpaden, from the Legislative Fiscal Office (LFO).

Since 2019, the partnership of the UI Modernization Engagement Board members has allowed us to also include valuable perspectives and input from OED's state agency partners and Oregon employer and worker perspectives in the project. As Frances implementation nears completion, the formal convening of the board will end, and a final meeting is planned for

March 2024. Our valuable partnership with the members, however, will continue within the operational program areas.

## Cutover checkpoints

During the cutover process the team will use three “Checkpoints” to validate that the system and staff are ready to go live. Checkpoint #1 is to validate our initial readiness for cutover. The elements include validating appropriate rollout support structures are in place, and confirming appropriate communications with OED users, partners, external customers, and interested parties. The team will confirm all appropriate training has been completed, and all user logins and security configurations are in place. Finally, the project team will confirm all critical interfaces have been prepared, that appropriate aspects of security have been established and tested, and end-to-end testing is complete.

Checkpoint #2 will provide confirmation that the data was converted and reconciled and that the business team has verified the final conversion.

The final checkpoint, Checkpoint #3, will confirm new work processed successfully, and high priority interfaces were active and verified.

## WORKFORCE MODERNIZATION PROJECT

The Workforce Modernization Project will replace the computer systems supporting the delivery of employment services and administration of federal programs, including our labor exchange system, iMatchSkills, and our case management system. Additionally, similar to the UI project, the agency will transform business processes to take advantage of opportunities and benefits available through new system capabilities.

Project staff have been focused on activities that help us successfully plan the project and ensure we are gaining varying perspectives from internal program areas and partnering organizations. We have been meeting with program areas throughout the agency to gather information for the project’s business requirements and involving partner agencies in these discussions. We have also had several vendors provide demonstrations of their systems and have had conversations with other states who have recently undergone modernization efforts to enhance our understanding of available solutions. As we are scheduling these conversations and planning the Workforce Modernization Project, we are considering the demands on the agency and shared resources with the UI Modernization Project.

We are actively engaging with our service delivery and oversight partners. We have been working with Enterprise Information Services Project Portfolio Performance (EIS P3) on

submitting artifacts required for Stage Gate 2 endorsement and having conversations with EIS regarding independent quality management services required for the project.

Since the initial kick-off meeting in January 2023, we have been meeting with the Workforce Engagement Board which includes multiple Oregon workforce organizations (e.g., Higher Education Coordinating Commission, Oregon Department of Human Services, Oregon Commission for the Blind, and three local workforce development boards), who are bringing their experience and perspectives to our planning efforts. Near the end of 2023, the engagement board chartered a data workgroup to establish a solid understanding of current-state data exchanges, including identification of any inefficiencies and pain points, and potential future data needs. Similar to the engagement board, this workgroup is comprised individuals representing our internal and external partners.

Another significant focus of the project has been staff engagement. This past year, we hosted listening sessions with center staff and management and program-specific staff, such as our staff that work solely with veterans. We also visited 20 WorkSource Oregon centers throughout the state to shadow staff and understand their daily work. In 2024, we aim to continue this engagement with staff in our centers who work directly with job seekers and employers.

Lastly, project staff have been facilitating our agency's participation in the Aligned Case Management Institute in partnership with other state agency and local workforce development board partners to improve our shared customers' experiences. This is an effort launched in 2023 by the U.S. Department of Labor, Employment and Training Administration's Office of Workforce Investment in partnership with the National Association of State Workforce Agencies to provide exposure to emerging knowledge and ideas around workforce program case management, work collaboratively with the other states participating in the program on shared challenges, and gain access to ongoing consultation and technical support. These activities prepare OED to release a request for proposals in late 2024 as the UI Modernization Project is winding down and performing project close out activities.

## CONCLUSION

When we launched the first project of the Modernization Program in 2018, we could never have envisioned the tremendous amount of work nor the need and opportunity that lay ahead. With the incredible partnership of oversight, numerous partner agencies, community businesses and members, employers, third party administrators, local advocacy groups, Oregon workers and UI claimants, and countless others, we are approaching the final rollout of our project on time and within budget even after adding the brand-new Paid Leave Oregon



program to the project scope and the incredible demands the COVID-19 pandemic placed on the agency. We have been grateful for ongoing strategic and risk mitigation support and guidance from our oversight and independent quality management (iQMS) teams as we carefully navigated the increased risk and added workload of standing up the Paid Leave Oregon program as part of the UI Modernization Project.

We continue to work toward our improved customer service levels while remaining realistic about the rapid pace of the project and we recognize it will be critical, following this final rollout, to allow for a period of stabilization. Not only for the recent UI benefits systems and processes migrated into Frances, but also to develop a sustainable pace of support and ongoing improvements to the Paid Leave Oregon benefits and contributions programs.

We are grateful for your consistent support. OED will continue involving our customers and partners to make our programs easily accessible to those who need them. As we continue our work to modernize, we are confident that we will keep improving the services we provide to Oregonians.

Sincerely,

Renee Royston

Modernization Director

Oregon Employment Department