



**OREGON EMPLOYMENT
DEPARTMENT
MODERNIZATION PROGRAM**

**INDEPENDENT QUALITY
MANAGEMENT SERVICES**

**3.3.18 MONTHLY QUALITY STATUS REPORT –
AUGUST 2021**

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1. PURPOSE

The purpose of this Monthly Quality Status Report is to assess the Unemployment Insurance (UI) Modernization Project (which includes PFML contributions functionality) performance for the reporting period of August 1, 2021 through August 31, 2021. The report provides the Oregon Employment Department (OED) executives and sponsors, Enterprise Information Services (EIS), Department of Administrative Services (DAS), Legislative Fiscal Office (LFO), and OED Modernization team an overview of the current project health and status as it relates to quality and risk assessments. The Monthly Quality Status Report includes the tracking of previously reported CSG risks.



2. PROJECT QUALITY STATUS

2.1 Overall Project Health

The Project Health Rating for the UI Modernization Project is currently yellow (medium risk rank) for the reasons listed in Table 2. The following tables provide a high-level dashboard summary and the current health status of the UI Modernization Project for the period August 1, 2021 through August 31, 2021. Further details are included in the balance of this report. Changes in the current risks, or the identification of new risks, could require an adjustment of the Project Health Rating.

Table 1: Project General Information

PROJECT GENERAL INFORMATION		
Project Status "As Of" Date:		August 31, 2021
Original Project Budget:		\$106,121,029
Current Project Budget:		\$106,121,029
Project Start Date:		December 28, 2018
Project End Date:		September 30, 2024
Project Status Indicators		Trend Indicators
Green	On-track, only minor issues	+ = Improving
Yellow	One or more areas of concern	- = Declining
Red	Significant issues that limit the success of the project	N/C = No Change
N/A	Not applicable	Does Not Apply

Please note the overall Project health rating below draws from area health, in a larger context. A critical mass of risks or issues is necessary before overall health status is impacted—the Project may have one or more “yellow” areas while remaining overall “green”.



Table 2: Overall Project Health Rating

Overall Project Health Rating		
Previous	Current	Current Trend
Yellow	Yellow	NC
<p>➤ The overall iQMS health status rating for the UI Modernization Project is yellow (medium risk project health) as of August 31, 2021, due to the following reasons:</p> <ul style="list-style-type: none">✓ The CSG iQMS team is monitoring 10 CSG iQMS risks; one ranked high risk, two low risk, and seven medium ranked risks.✓ The high ranked risk is regarding the Modernization’s master schedule. The schedule is still a work in progress. The current version has inaccurate dates, many placeholders, and missing workstreams. The Modernization team is working to add missing activities, updating inaccurate dates, and adding dependencies.✓ The State is requiring state employee’s (with few exceptions) to be fully vaccinated for COVID by October 18. There are some Modernization staff who have stated they will not follow the mandate. Losing key resources could impact the project’s ability to meet deadlines or provide quality input into the system implementation, impacting quality. Additionally, OED resources in IT, UI, and other areas continue to be occupied with COVID-related work.✓ The Agency is combining the UI tax operations with PFML contribution operations into one team, Contributions. This change makes sense in delivering seamless and efficient services to employers and the business community. It also increases risk for the UI Modernization Project, with the users of the first rollout, which is scheduled for September 6, 2022, adopting not only a new system, but a new program. Resources may be overallocated and not have the bandwidth to focus on the Modernization project. <p>➤ Based on the impact of the pandemic to the UI systems nationally, the Department of Labor is looking at major reforms and modernizing UI. These plans could impact the Modernization project. Currently DOL is not advising any states to change any current modernization efforts or plans.</p> <p>➤ The new system has a name. It is Frances, named after Frances Perkins, who was an American workers-rights advocate who served as the U.S. Secretary of Labor from 1933 to 1945, the longest serving in that position. She made history as the first woman to serve in any presidential U.S. Cabinet.</p> <p>➤ The Modernization team conducted demonstrations of Frances, with some OED configuration, to Agency staff. Several hundred staff attended. There were positive comments and staff expressed an appreciation for the update and information.</p>		



2.2 Project Status Indicators

Table 3 provides the current and previous health status indicators for the UI Modernization Project for the current reporting period, August 1, 2021 through August 31, 2021. There is one health area, Schedule, that is ranked high, and one low, Budget. The remaining areas are all ranked medium.

Table 3: UI Modernization Project Health Indicators

UI Modernization Project Health Indicators by Area								
Budget			Schedule			Scope		
Previous	Current	Current Trend	Previous	Current	Current Trend	Previous	Current	Current Trend
Low	Low	NC	High	High	NC	Medium	Medium	NC
<p>The Budget Health Indicator remains low risk for this reporting period.</p> <p>There are no open iQMS risks in the budget area. The budget is being managed and appears adequate for the UI Modernization Project as currently defined, including PFMLI contributions.</p>			<p>The Schedule Health Indicator remains high risk for the reporting period.</p> <p>The Modernization team has been working on the OED master schedule, to balance having adequate details to manage the project but not too much detail that maintaining the schedule is an issue.</p> <p>There are still areas where the master schedule needs work. Typically, the project master schedule includes allocation of the time required to achieve objectives and the documentation and illustration of the relationships between activities. The current master schedule does not include these items, though the Modernization team states they intend to include these elements. There are also workstreams that are not defined in the master schedule. Some examples are interfaces, data migration & clean-up, the bridge between UI Tax and Benefits once the contributions component is live, etc.</p>			<p>The Scope Health indicator remains medium risk for this reporting period.</p> <p>There has been no change to the scope during the last reporting period. It is anticipated the decision to add additional PFMLI benefits functionality to the project will be finalized in September 2021.</p>		



UI Modernization Project Health Indicators by Area								
Communication			Quality			Organizational Readiness		
Previous	Current	Current Trend	Previous	Current	Current Trend	Previous	Current	Current Trend
Medium	Medium	+	Medium	Medium	+	Medium	Medium	NC
<p>The Communication Health Indicator remains medium risk.</p> <p>The Stakeholder Engagement Plan is anticipated to be submitted to EIS on October 1, 2021. This plan should lay out the communications and involvement of the external stakeholders.</p> <p>The Modernization team presented a demo of the new system to staff during three different virtual open houses. Many staff chose to attend these events, and there was an opportunity for them to ask questions. Staff appeared to appreciate these events and were generally pleased with what they saw demonstrated.</p> <p>The project is meeting with internal stakeholders as part of their OCM activities. This provides opportunities for staff beyond the SME's and business analysts to directly engage with the project. Some staff still question if the system will really be implemented in September 2022. These opportunities for involvement help make the project "real" to staff.</p>			<p>The Quality Health Indicator remains medium risk. The Agency has decided that the operations for UI Tax and PFMLI Contributions will be combined in a new team, Contributions. This decision provides additional direction for PFMLI business process developmental.</p> <p>The PFMLI contributions user stories have been uploaded as requirements into the workbench. The Modernization team plans on using them for requirements traceability.</p>			<p>The Organizational Readiness Health Indicator remains medium risk during.</p> <p>The change readiness assessment was distributed to OED Staff during the reporting period. There is concern as there are a couple other surveys being distributed to staff at the same time. The Modernization team, OED leadership, sponsors, and managers are reminding staff of the importance of their input into the assessment.</p> <p>The Modernization team has presented three different demonstrations of Frances, the new system, with some OED specific contributions (UI tax and PFMLI contributions) configurations in place. This is a good opportunity for staff to get a better idea of what the new system will be able to do and how their jobs will change.</p> <p>The OCM team plans on meeting with staff to gather feedback on potential job changes and identify opportunities.</p>		



UI Modernization Project Health Indicators by Area								
Leadership and Governance			Project Management			Resources		
Previous	Current	Current Trend	Previous	Current	Current Trend	Previous	Current	Current Trend
Medium	Medium	-	Medium	Medium	NC	Medium	Medium	-
<p>The Leadership and Governance Health Indicator remains medium risk.</p> <p>The Agency is creating a Contributions team, which will include UI tax and PFMLI contributions operations. This decision provides clarification and should help the development of the PFMLI contributions business processes and system configuration.</p> <p>The Agency is going through many major events at one time: Modernization, developing the PFMLI program, and an Agency reorganization. The reorganization change does make business sense, but it does increase the risk to the project. Key stakeholders of the project will need to focus on multiple events, and they may have difficulty meeting all the demands.</p>			<p>The Project Management Health Indicator remains medium risk.</p> <p>The Modernization team continues to update project management plans. Some conditional plans are being delayed for the decision regarding PFMLI benefits functionality being added to the project, to avoid having to re-do the plans one more time to add that functionality to the plans.</p>			<p>The Resource Health Indicator remains medium risk.</p> <p>The Agency, as well as many other state agencies, continues to find it difficult to recruit for IT positions. The individuals with these skills are not interested in the job offerings. Since the solution vendor has been begun there is much more demand on these resources for conversion activities. Also, there is much to do to prepare for the cutover of UI tax from the mainframe to Frances. The project team, along with OED IT, are working on developing a WBS and to determine the timeline for these activities.</p>		



2.3 Modernization Issues Monitored by CSG

The CSG iQMS team is currently monitoring the following OED Modernization (including PFMLI contributions functionality) issues:

Issue #13 – Pandemic (COVID-19/Coronavirus) impacting agency priorities and resources available to continue modernization (related to CSG iQMS Risk # 11) – The Agency continues to monitor this issue, as the COVID cases surge. The State is requiring most staff to be fully vaccinated by October 18, 2021. There are a few Modernization staff who have stated they will not follow the mandate, despite knowing there is a potential that they may be fired if they do not comply. If this comes about, it could impact the project’s ability to meet deadlines and provide necessary input into the system configuration and implementation.

2.4 Milestones and Deliverables Status

Table below details the status for the iQMS milestones and deliverables as of August 31, 2021.

Table 4: Milestones and Deliverables Status

Milestone or Deliverable	Due Date	Status
D1.1.1 Program and Project Risk Assessment Report – Initial	August 19, 2019	Accepted
D1.1.2 Program and Project Risk Assessment Report – Refresh #1	September 24, 2021	In Progress
D1.1.3 Program and Project Risk Assessment Report – Refresh #2	TBD	Not Started
D1.1.4 Program and Project Risk Assessment Report – Refresh #3	TBD	Not Started
D2.1 Quality Standards – Operational Definitions Report	September 20, 2019	Accepted
D2.2 - Preliminary Quality Checklists for Quality Control Reports	May 25, 2019	Accepted
D2.2 - Final Quality Checklists for Quality Control Reports	TBD – when all quality control report DEDs have been submitted	In Progress
D2.3.1 Quality Management Plan	November 18, 2019	Accepted
D2.3.2 Quality Management Plan – Refresh	TBD	Not Started
D2.4.1 Baseline QMS Work Plan	November 18, 2019	Accepted
D2.4.2 Baseline QMS Work Plan – Refresh	TBD	Not Started
D2.5 Internal/External Presentations and Special Requests	TBD-as requested by Agency	Not Started
D3.1.1 Request for Proposal - QC Review: Solution requirements related information and data components of the sample final solution contracts	July 22, 2019	Accepted
D3.1.2 Solution Requirements related information and data components of the proposed final solution contract with the successful Proposer QC Review	April 22, 2021	Accepted



Milestone or Deliverable	Due Date	Status
D3.1.3 Solution Requirements (Requirements Traceability Matrix) QC Review	June 20, 2019	Accepted
D3.1.4 Solution Contractor's Implementation Plan QC Review	TBD	Not Started
D3.1.5.a Program Management Plan QC Review, as follows: Stakeholder Engagement Plan, Risk and Issue Management Plan, Change Control Plan, Scope Management Plan, Change Management Plan, and Communication and Outreach Plan	July 1, 2019	Accepted
D3.1.5.a.2 Program Management Plan QC Review refresh: Stakeholder Engagement Plan and Governance Plan	TBD	Not Started
D3.1.5.b Program Management Plan QC Review, as follows: Staff Management Plan, Procurement Management Plan, Governance Plan, and Contract Management Plan	November 1, 2019	Accepted
D3.1.5.c Program Management Plan QC Review, as follows: Budget, Budget Management Plan, Quality Management Plan, Schedule, Schedule Management Plan, Interface Plan, and System Security Plan	TBD	Not Started
D3.1.6 Documentation necessary to demonstrate compliance with the OSCIO Cloud Policy (Statewide DAS Policy 107-004-150) QC Review	TBD	Not Started
D3.1.7.a System Test Plan (Tax) QC Review	TBD	Not Started
D3.1.7.b User Acceptance Test Plan (Tax) QC Review	TBD	Not Started
D3.1.7.c System Test Plan (Benefits) QC Review	TBD	Not Started
D3.1.7.d User Acceptance Test Plan (Benefits) QC Review	TBD	Not Started
D3.1.9 Stakeholder Engagement Plan	October 16, 2020	Accepted
D3.1.10 UI Modernization Business Case	TBD	Not Started
D3.3.1 – D3.3.13 Monthly Quality Status Report #1-#13	Various	Accepted
D3.3.14 Monthly Quality Status Report #14 – February 2021	March 10, 2021	Accepted
D3.3.15 Monthly Quality Status Report #15 – April 2021	May 10, 2021	Accepted
D3.3.16 Monthly Quality Status Report #16 – May 2021	June 10, 2021	Accepted
D3.3.17 Monthly Quality Status Report #17 – July 2021	August 11, 2021	Under Review
D3.3.18 Monthly Quality Status Report #18 – August 2021	September 13, 2021	In Progress
D3.3.19 – D3.3.52 Monthly Quality Status Report #19 - #39	8 business days from end of month	Not Started



Milestone or Deliverable	Due Date	Status
D4.1.1 – D4.1.6 Quarterly QA Status and Improvement Report #1-#6	Various	Accepted
D4.1.7 Quarterly QA Status and Improvement Report – 2 nd Qtr. 2021 (#7)	July 15, 2021	Accepted
D4.1.8 Quarterly QA Status and Improvement Report – 3 rd Qtr. 2021 (#8)	October 13, 2021	Not Started
D4.1.9 – D4.1.17 Quarterly QA Status and Improvement Reports / Presentations	10 business days from end of quarter	Not Started
D2.6.1 Lessons Learned Reports – Periodic Project Evaluations (UI Tax Phase)	TBD	Not Started
D2.6.2 Lessons Learned Reports – Periodic Project Evaluations (UI Benefits Phase)	TBD	Not Started
D2.6.3 Lessons Learned Reports – Periodic Project Evaluations (Any Other Phase)	TBD	Not Started
D2.6.4 Lessons Learned Reports – Periodic Project Evaluations (Any Other Phase)	TBD	Not Started
D2.6.5 Lessons Learned Reports – Periodic Project Evaluations (Close Out)	TBD	Not Started

NOTE: Status designations for deliverables are: Not Started, In Progress (not delivered), Submitted (delivered but no response yet), Under Review (after initial review and before approval), and Accepted



3. PROJECT RISKS AND RECOMMENDATIONS DETAILS

3.1 New CSG iQMS Risks

There were no new risks to report for the UI Modernization Project for this reporting period.

3.2 Previously Reported CSG iQMS Risks

As of August 31, 2021, the CSG iQMS team is monitoring 10 risks. There are 1 high, 7 medium, and 2 low ranked risks. Details of the risks and the current analysis are included in the table below.

[This space left intentionally.]



Table 5: Previously Reported CSG iQMS Risks

CSG iQMS Previously Reported Risks						
#1: Oregon Specific Requirements Missing Risk Model ID: 175 - Functional Requirements Definition RFP ID: OR-50* Category: Quality / Requirements Mgmt.	Current	Medium Risk Rank		Previous	Medium Risk Rank	
		Medium Probability	Medium Impact		Medium Probability	Medium Impact
Risk Trigger: Oregon-specific requirements are not included in the requirements. The solution does not meet the needs of the Agency.						
<p>Risk Description: There are requirements missing from the Business Requirement document that are part of the Request for Proposal (RFP) for the UI Modernization Project solution vendor. There is concern that not all Oregon specific requirements are adequately defined in the requirement document. An example of an Oregon specific requirement missing is the One Percent Penalty that is not only specific to Oregon, but also unique in how it is calculated and the trigger for assessment compared to other penalties.</p>	<p>Recommendation: The CSG iQMS team recommends the Agency ensure comprehensive requirements have been defined in the requirement documents, with an emphasis on ensuring all Oregon specific functionality is included.</p>	<p>Current Analysis – August 2021: Progress has been made with key decisions regarding PFMLI contributions. The Agency finalized the decision to have UI tax and PFMLI contributions operations combined into one team. This provides direction for the business processes and definition meetings.</p> <p>The CSG iQMS team will continue to monitor this risk.</p> <p>Previous Analysis – July 2021: The functional requirements for PFMLI are not well defined. There are many decisions that have not been made on how this program will interact with UI Tax and other combined reporting partners. The definition meetings are bringing to light the various areas where details need to be determined and documented. There are times in meetings when two opposing answers are given for PFMLI needs. FAST manages the meetings well, assigning action items to business analysts and moving the meetings forward.</p>				



CSG iQMS Previously Reported Risks						
#2: Lack of Stakeholder Involvement Risk Model ID: 134 - Requirements Analysis – Stakeholder Involvement RFP ID: N/A Category: Communication/Leadership & Governance	Current	Medium Risk Rank		Previous	Medium Risk Rank	
		Medium Probability	Medium Impact		Medium Probability	Medium Impact
<p>Risk Trigger: A significant number of customers express dissatisfaction with not being represented to shape the vision and requirements for the UI Modernization Project prior to development beginning.</p>						
<p>Risk Description: There has been no broad communication announcing the initiation of the UI Modernization Project to the customers. Employers and claimants were not included early in the UI Modernization Project planning process. The Agency expressed concern with communicating to customers too early or overwhelming them after the implementation of the OPRS 2.0 system. However, not communicating and including customers early in the project may lead to customers not supporting the system as desired, and as a result, the new system may not meet their needs. Early opportunities to improve the modernization effort may be missed.</p>	<p>Recommendation: The CSG iQMS team recommends communicating now with customers the need for the UI Modernization Project, informing them of plans for more customer involvement in the future.</p> <p>Consider asking their view of a modernized UI system and provide input to the UI Modernization Project requirements. Consider asking the customers what frequency and timing of future communications and meetings they would like to see.</p>		<p>Current Analysis – August 2021: The Agency continues to communicate the status of the project with stakeholders. The PFMLI Program also has a newsletter that communicates regarding the project and provides the information in five different languages besides English.</p> <p>The Modernization team has started meeting with the partner agencies and other key agencies regarding the interface activities that need to begin.</p> <p>The CSG iQMS team will continue to monitor this risk.</p> <p>Previous Analysis – July 2021: The Stakeholder Engagement Plan is currently being reviewed. The Modernization team has completed the stakeholder impact assessment and will be reviewing it with business units to continue to inform planning OCM and communication activities.</p> <p>The Modernization newsletter and PFMLI newsletter continue to update internal stakeholders and some external stakeholders, mostly partner agencies.</p>			



CSG iQMS Previously Reported Risks						
#4: Staff Not Ready for or Accepting Modernization Change	Current	Medium Risk Rank		Previous	Medium Risk Rank	
Risk Model ID: 110 - Agency Org. Roles and Responsibilities RFP ID: OR-38 Category: Organizational Readiness / OCM		Medium Probability	Medium Impact		Medium Probability	Medium Impact
Risk Trigger: Staff are unable or unwilling to engage with the UI Modernization Project when needed. Staff do not adopt the change.						
<p>Risk Description: There are concerns about staff adjusting to the change and transition with the new system. In the past there were unsuccessful change endeavors. The Agency has been dealing with an extremely high workload for over a year, with multiple different programs being introduced. Due to this, change fatigue is also a concern.</p> <p>PFMLI introduces a new program, requiring development of administrative rules, policies, and procedures. This is a high level of change for one Agency, and following a pandemic, it introduces additional risk and concern. The Agency, at all levels and in every area, has been working at an extremely high level for over a year. There is a high number of new staff and staff in new roles. The need for OCM is high. OCM activities with the impacted staff and groups has not yet begun but the Modernization team is developing plans.</p>		<p>Recommendation: The CSG iQMS team recommends beginning change management activities with all impacted IT staff involvement. Involve managers in developing change management plans, which includes training where appropriate.</p> <p>The CSG iQMS team also recommends the Agency provide change management training for all UI and PFMLI managers, hold staff and managers accountable to adopting and implementing the process changes, and ensure Modernization works closely with business and IT SMEs during the development of the system. Whenever possible, including staff who have been resistant in the past.</p>		<p>Current Analysis – August 2021: The change readiness assessment survey has been distributed to OED staff. The managers and leaders continue to encourage staff to participate and submit their surveys, to raise return rates. The results of the survey will provide direction for future OCM activities.</p> <p>The OCM team has scheduled meetings with internal user groups to gather feedback on potential job changes and identify opportunities.</p> <p>The CSG iQMS team will continue to monitor this risk.</p> <p>Previous Analysis – July 2021: The risk rank for this reporting risk was lowered from high to medium during this reporting period. The Modernization team has been working with managers, explaining the expectation of the managers regarding OCM and providing them talking points they are recommended to share with the staff.</p> <p>The baseline change readiness assessment is in development and is scheduled to be released August 23, 2021. This should provide current data on the readiness state of the Agency and direction for future tasks.</p>		



CSG iQMS Previously Reported Risks

#6: Schedule Slippage is Occurring with the Modernization Schedule

Risk Model ID: 8 - Convenient Date

RFP ID: OR-7 **Category:** Schedule / Business Mission & Goals

Current

High Risk Rank

High Probability

High Impact

Previous

High Risk Rank

High Probability

High Impact

Risk Trigger: The Modernization team continues to include important milestone dates in the published master schedule that are unrealistic and not achievable.

Risk Description: The CSG iQMS team observed schedule slippage of approximately four months (from April 2019 to a planned August release) for the solution vendor RFP release, and a two-week delay in the date the RFP draft was due to be submitted to the CSG iQMS team for its QC review. This indicates that the estimating methodology for determining realistic due dates may be lacking. Without a methodology to determine realistic and achievable due dates for important milestones such as the date the RFP will be released, it triggers doubt and lack of confidence in the published schedule. Without a realistic and achievable schedule, the timely completion of dependent activities is compromised or put at risk and places a higher probability that the UI Modernization Project will not achieve its objectives on time.

Recommendation: Consider putting in place a methodology that produces a master schedule with a realistic view of resources and constraints with documented planning assumptions so that key milestones are realistic and achievable. Consider taking a baseline of the master schedule at strategic points in the project (e.g., after the schedule has been reviewed and approved by OED), and utilize disciplined project management practices to keep the master schedule on track, and report to the Modernization team when changes in the schedule occur, with appropriate justification.

Current Analysis – August 2021: The Modernization team continues to build on the master schedule. There are still activities that need to be added to the schedule and dates that need to be corrected.

The CSG iQMS team will continue to monitor.

Previous Analysis – July 2021: The ranking for this risk was raised from medium to high. The master schedule does not have start and finish dates in many of the activities. Planned dates and actual dates are incorrectly used. It is not clear how variances will be determined without accurate and complete information in the master schedule.

The Modernization Master Schedule is still a work in progress. The team is currently working on the right level of detail in the schedule and accurate dates in the schedule.



CSG iQMS Previously Reported Risks						
#9: Major Organizational Changes Impacting the Project		Medium Risk Rank		Medium Risk Rank		
Risk Model ID: 108 – Organization Stability		Current	Medium Probability	Medium Impact	Previous	Medium Probability
RFP ID: 37 Category: Org Readiness / Leadership and Governance						Medium Impact
<p>Risk Trigger: Delays are realized due to shifting of resources, resources without capacity to support the UI Modernization work, or scope changes due to PFMLI, impacting the timelines for the Project.</p>						
<p>Risk Description: The Agency is going through a major change due to the Paid Family Medical Leave Insurance (PFMLI) Division being created. There is the potential for PFMLI to impact the UI Modernization Project by:</p> <ul style="list-style-type: none"> ➤ UI Modernization Project team members leaving the project to join new division <ul style="list-style-type: none"> ✓ The UI Director and Modernization Sponsor has left UI and is the new director for PFMLI ✓ There is the potential for other team members to interview and move to PFMLI as well ➤ Shared resources within the agency needing to support two major projects at the same time ➤ Agency focus being divided by two major projects in-flight at the same time ➤ The PFMLI tax needs have many overlaps with the UI Tax requirements which makes it advantageous to look at combining some of the functionality <p>Changes in priority or focus for the UI Modernization Project could mean delays in the completion of the project. Team members leaving could cause loss of UI and project knowledge and delays in completion of tasks and decision making. These events may impact the schedule and scope for the project.</p>		<p>Recommendation: The CSG iQMS team recommends considering preparing for potential vacancies by:</p> <ul style="list-style-type: none"> ➤ Developing transition plans for when key project sponsors, leaders, and team members are onboarding as well as off boarding ➤ Developing project orientation materials and using these for onboarding new leadership, sponsors, and team members ➤ Developing back-up plans for the key positions on the Modernization team, in case of vacancies <p>Additionally, consider:</p> <ul style="list-style-type: none"> ➤ Continue communications with the State leaders and the State Legislature on the importance and necessity of the UI Modernization Project ➤ Thoughtful management of scope changes through a Change Control Board ➤ Proactive management of shared resources to anticipate capacity issues ➤ Continued communication and cooperation between the PFMLI and UI Modernization Projects 		<p>Current Analysis – August 2021: The Agency has decided to combine the UI tax operations with PFMLI contribution operations into one team, Contributions. This change makes sense in delivering seamless and efficient services to employers and the business community. It also increases risk for the UI Modernization Project, with the users of the first rollout, which is scheduled for September 6, 2022, adopting not only a new system, but a new program.</p> <p>The CSG iQMS team will continue to monitor this risk.</p> <p>Previous Analysis – July 2021: The definition phase has begun and PFMLI subject matter experts are attending the meetings to provide input on the PFMLI contributions requirements for the solution and the PFMLI business processes. Many of these business processes are not final or complete. Decisions need to be made quickly to keep the process on schedule, while also ensuring the processes are consistent with combined reporting processes and meet the customer’s needs.</p> <p>The Modernization team continues to work on the impact analysis regarding the scope change for PFMLI benefits functionality. The expectation is to have the analysis ready for the Moderation Executive Steering Committee meeting in September 2021.</p>		



CSG iQMS Previously Reported Risks							
CSG Risk #11: Impact of Pandemic Outbreak to Project		Current	Medium Risk Rank		Previous	Medium Risk Rank	
Risk Model ID:	76 –Resource Management – Back-up Strategies		Medium Probability	High Impact		Medium Probability	High Impact
RFP ID: N/A Category: Schedule / Scope / Project Management							
<p>Risk Trigger: Project is delayed due to resources unable to travel, being quarantined, or resources unable to focus on Modernization.</p>							
<p>Risk Description: The COVID-19 outbreak is impacting many organizations and companies, requiring events to be cancelled, travel to be discouraged or prohibited, and individuals exposed to COVID-19 being quarantined for two weeks or more.</p> <p>If resource availability is limited due to travel restrictions or quarantine, project activities and tasks could be delayed, work could not be completed, or the quality of work could be diminished.</p>		<p>Recommendation: The CSG iQMS team recommends considering the following:</p> <ul style="list-style-type: none"> ➤ Request vendors provide action plans if COVID-19 impacts travel or team member availability and ensure staff have the tools needed to work remotely ➤ Prepare back-up strategies of how the Modernization Project team will respond if staff are unable to work on-site or get the virus and ensure staff have the tools needed to work remotely ➤ Continue communicating and promoting healthy habits to prevent the spread of COVID-19 		<p>Current Analysis – August 2021: The State of Oregon is requiring state employees, which a few exceptions to be fully vaccinated by October 18, 2021. There are a few Modernization staff who have stated they will not follow the mandate, despite knowing there is a potential that they will be fired. If this comes about, it could impact the project’s ability to meet deadlines and provide necessary input into the system configuration and implementation.</p> <p>The CSG iQMS team will continue to monitor.</p> <p>Previous Analysis – July 2021: This risk was lowered to medium during the reporting period. Though the pandemic is still impacting everyday lives of Oregonians, the UI Modernization Project is moving forward, with Agency staff being available when needed. IT staff are involved in conversion activities and other types of meetings with the Modernization team. UI and PFMLI staff, and others as needed, have been attending various definition meetings and responding to action items. There remain large workloads for these groups, but they are engaging with the project when needed. Burnout continues to be a concern. There has been no issue with vendor staff unable to be onsite and available.</p>			



CSG iQMS Previously Reported Risks							
CSG Risk #12: Decisions Not Being Made According to Decision Process		Current	Low Risk Rank		Previous	Low Risk Rank	
Risk Model ID: 11a –Project Management – Governance Process	RFP ID: N/A		Low Probability	Medium Impact		Low Probability	Medium Impact
Category: Project Management							
Risk Trigger: It is not possible to determine why a decision was made due to no documentation; decisions are challenged because they were not made by the appropriate entity; staff do not support the project because business owners were not involved in the decision process.							
Risk Description: Modernization decisions are not being made according to the Governance Plan. Decisions that impact scope, schedule, and budget, have external stakeholder impacts, or have significant risk impacts are to be made by the Executive Steering Committee (ESC) according to the Governance Plan. Reviewing ESC minutes there are no decisions that are documented. The Modernization Decision registry has a list of key decisions made but not all include key information. An example is the decision to adjust OCM scope of to include agency wide services as needed. The decision log does not list the decision maker or decision body responsible for the decision. There is no background or decision documentation link. This decision was changed to not adjust OCM scope of services, yet that this scope decision is not on the decision registry log. If decisions do not follow the prescribed decision process: <ul style="list-style-type: none"> ➤ Project continuity could be lost if there is team turnover There can be a perception that business owners or key stakeholders are not being included in decisions that may have a significant impact on the success of the project		Recommendation: The CSG iQMS team recommends the Modernization team ensure the decision process as outlined in the Modernization Governance plan is being followed, ensuring decisions are being made by the correct entity, are communicated appropriately, and decisions entered in the Modernization Decision Registry include all key information.		Current Analysis – August 2021: The current Decision registry does include the recent decisions that are required to be documented in the registry. The CSG iQMS team will continue to monitor this risk for another month to ensure processes continue to be followed. Previous Analysis – July 2021: The Modernization team has completed the mitigation strategies for this risk. They are monitoring this risk for a few months to ensure the decision process is followed.			



CSG iQMS Previously Reported Risks							
CSG Risk #13: Impact of Executive Sponsor and UI Sponsor Turnover		Current	Low Risk Rank		Previous	Low Risk Rank	
Risk Model ID: 26 – Leadership – Project Sponsor Involvement RFP ID: OR 012 Category: Project Mgmt./Leadership and Governance			Low Probability	Low Impact		Low Probability	Low Impact
<p>Risk Trigger: Modernization priority is reduced by the Agency; the direction of the project is changed</p>							
<p>Risk Description: The project has experienced executive sponsor turnover, including the recent resignation of Kay Erickson, OED Director and Modernization Executive Sponsor. The UI Director and Modernization Sponsor position has not been filled with a permanent position for several months. Loss of active Sponsors could put the project behind schedule as the new sponsors work to obtain knowledge, understanding, and make decisions about the project. New sponsors may also choose to take the project in a different direction which could also delay the project. The loss of the continuity could impact the project’s overall success.</p>		<p>Recommendation: The CSG iQMS team recommends the Modernization team conduct outreach, training, and knowledge transfer as a formal and scheduled process for all new project sponsors.</p>		<p>Current Analysis – August 2021: David Gerstenfeld continues in the role of the Interim OED Director and the Modernization Executive Sponsor. He continues to provide leadership and guidance for the UI Modernization Project.</p> <p>The CSG iQMS team continues to monitor this risk.</p> <p>Previous Analysis – July 2021: The Executive Sponsor is still “interim”. David Gerstenfeld provides leadership for the project and the priority of the project is supported by the Agency and leadership.</p>			



CSG iQMS Previously Reported Risks						
CSG Risk # 15: OED IT Skills and Resources Risk Model ID: 75a Resource Management – Technical Team Support RFP ID: N/A Category: Project Resources	Current	Medium Risk Rank		Previous	Medium Risk Rank	
		Medium Probability	Medium Impact		Medium Probability	Medium Impact
<p>Risk Trigger: 1. OED is unable to provide the solution vendor with system information on dependencies and interfaces, or clean conversion data from existing legacy systems needed in a timely manner. 2. Unknown dependencies cause UI Benefits to be impacted negatively when UI Tax is implemented.</p>						
<p>Risk Description: The IT support of existing UI systems is "single-threaded", usually with only one resource available to support a given system. Additionally, it is estimated that approximately 40% of the IT staff are eligible for retirement within the next five years. Many of these staff are extremely knowledgeable and considered experts on the legacy system. The Agency may not have the capacity to support the legacy systems and prepare the legacy system and documentation for transition and conversion to the new system, addressing any future pandemic programs or other Agency needs, and supporting the Modernization Project at the same time.</p> <p>The UI Modernization Project is huge and complex and will require significant contributions from technology resources. The recruitment of IT resources has resulted in several failed recruitments, as people with needed skill sets are not readily available or those with the skill sets are not interested in the positions.</p>	<p>Recommendation: The CSG iQMS team recommends:</p> <ul style="list-style-type: none"> ➤ OED identify and document internal and external interfaces and dependencies and prepare for data migration. ➤ Consider other resources to assist with some of the IT support activities, such as the solution vendor, or other vendor. ➤ A comprehensive resource plan for IT that includes the skills and resources required as identified by the WBS 		<p>Current Analysis – August 2021: Developer training was completed in August. OED IT and the Modernization team have been working with FAST on the Conversion phase. Some mock conversions have been completed.</p> <p>The CSG team will continue to monitor this risk.</p> <p>Previous Analysis – July 2021: Recruitments for OED and Modernization technical positions are proceeding. They continue to have failed recruitments but have had some success in filling the positions. OED IT is engaging and assisting in meetings with the solution vendor. Developer training began in August 2021.</p>			



CSG IQMS Previously Reported Risks						
Risk #16: Unclear context for payment milestones and milestone deliverables related to Paid Family and Medical Leave Insurance (PFMLI). Risk Mode: 19 – Project Management Plan – Deliverables & Milestones RFP ID: N/A Category: Project Management Planning	Current	Medium Risk Rank		Previous	Medium Risk Rank	
		Medium Probability	Medium Impact		Medium Probability	Medium Impact
Risk Trigger: Contractor submits an invoice for an amount different than what is shown in the Milestone Payment Schedule						
<p>Risk Description: The main contract document is inconsistent with the Statement of Work (SOW) and Milestone Payment Schedule in treatment of milestone deliverables and payment milestones for PFMLI. Inconsistency may lead to disputes if invoices are submitted for amounts different than those shown in the Milestone Payment Schedule. Specifically:</p> <p>The Milestone Deliverable table in the SOW shows two “PFML Checkpoint” milestones where a possible outcome is discontinuance of PFMLI-related work. The contract and SOW do not differentiate payments for PFMLI work from other Rollout 1 work, so the impact on invoicing is unclear and could lead to disputes. In addition, treatment of requirements (where many requirements show both original versions and revisions to address the addition of PFMLI) is not addressed.</p>	<p>Recommendation: Revise the Milestone Deliverable section of the SOW and the Milestone Payment Schedule for consistency: Specifically:</p> <ul style="list-style-type: none"> ➤ Clarify the impact of changes triggered by a decision to not go forward with PFMLI work at one of the PFML Checkpoints, including: <ul style="list-style-type: none"> ✓ Separating payments for PFMLI work from other work for all Rollout 1 Milestone Deliverables in the Milestone Payment Schedule. ✓ Adding language to the Milestone Deliverable Descriptions for the PFML Checkpoints stating that PFMLI-specific requirements will be taken out of scope, as well as references in the Core requirements explaining the treatment of requirements revised for the addition of PFMLI scope (i.e., will the requirement revert to the original version?) 		<p>Current Analysis – August 2021: The Modernization team agrees with this risk. This risk is being associated to their current risk # 57 regarding the project not meeting milestones. There are no mitigation strategies for risk #57 that address this risk currently.</p> <p>The CSG team will continue to monitor this risk.</p> <p>Previous Analysis – July 2021: The Modernization team has not made any progress on this risk during the last reporting period.</p>			



3.3 Resolved Risks

Risks are closed when the CSG iQMS team determines sufficient mitigation actions have taken place to resolve the risk or the risk is no longer applicable to the project for other reasons (e.g., a sub-project has ended). If a risk identified by the CSG iQMS team reoccurs after it has been closed it will be reopened and recommendations provided. During this reporting period no CSG iQMS risks were closed.



4. CATALOG OF REVIEWS

During the current reporting period, August 1, 2021, and August 31, 2021, the CSG iQMS team reviewed Modernization documents and materials, attended Modernization meetings, and interviewed Modernization stakeholders. Over the course of the project life cycle, materials may be re-reviewed over time as they support the iQMS activities.

4.1 Documents and Materials Reviewed

During the reporting period, the CSG iQMS team reviewed the materials listed in the table below.

Table 6: Documents and Materials Reviewed

Document or Material Name	File Name
OCM Handout for Managers	2021-07-23 OCM Handout for Managers
Equivalent Plan Application – Basic Info	Equivalent Plan Application – Basic Info – Questionnaire – Attachments - Fees
Self Employed Election Data Elements	Self Employed Election Data Elements
Current draft of the OTC-V from DOR that will take effect in 2023.	Payroll Payment Process Flow
Payroll Payment Process Flow	Payroll Payment Process Flow
UI Modernization Project Risk and Issue Report 2021-07-31	UI Modernization Project Risk and Issue Report 2021-07-31
Audit Definition Meeting Minutes	Audit – Audit Sources & Types (email 8/9/2021)
OED Manager Org Chart – August 9, 2021	OED Manager ORG CHART Current as of August 9, 2021
Modernization Functional Organizational Chart	FunctionalOrgChartWithNames_RI_2021-08-05
Financials – Penalties Definition Meeting Minutes	Financials – Penalties (email 8/16/2021)
Financials Definition Meeting Minutes	Financials – UIT & PFMLI Late Payment Interest (emailed 8/18/2021)
OED Modernization Project Lessons Learned SurveyMonkey Responses	OED Modernization Project Lessons Learned SurveyMonkey Responses 21_08_10
Modernization OCM Readiness Assessment Survey	Modernization OCM Readiness Assessment Survey Final 8.17.2021
PFMLI Newsletter – August 2021	PFMLI Newsletter: August



Document or Material Name	File Name
Front End Team Misc. Topics Definition Meeting Minutes	Definitions: Front End Misc. Topics
Billing – General Flow Definition Meeting Minutes	Billing – General Flow Pt. 2 (email dated 8/20/2021)
Modernization Program Update – August 2021	Modernization Program Update – August 2021
UI Modernization and FAST OPTs and Managers Meeting	UI Modernization and FAST OPTs and Managers Meeting 21_08_19
Oregon PFMLI August Newsletter	Oregon PFMLI August Newsletter (email dated 8/27/2021)

4.2 Interviews Conducted

The details of the interviews that the CSG iQMS team conducted during August 2021 are in the table below.

Table 7: Interviews Conducted

Interviewees	Interview Date	CSG Participants
Steve Berrios	August 9, 2021	Jayne Martin
Ashley Cottingham	August 11, 2021	Jayne Martin
Stephanie Stevens	August 12, 2021	Jayne Martin
Maggie Gleason	August 12, 2021	Jayne Martin
Renee Royston	August 12, 2021	Jayne Martin and Brad Tait
Martha Fitts	August 13, 2021	Jayne Martin
Lynn Kneeland	August 13, 2021	Jayne Martin
Lindsi Leahy	August 17, 2021	Jayne Martin
Larry Mitchell	August 17, 2021	Brad Tait
Katie Lolley	August 18, 2021	Jayne Martin
Alex Kasner	August 18, 2021	Jayne Martin and Brad Tait
Keith Shribbs	August 18, 2021	Brad Tait
James Wollenweber	August 18, 2021	Brad Tait
Lori Graham	August 19, 2021	Jayne Martin
Chris French	August 19, 2021	Jayne Martin



Interviewees	Interview Date	CSG Participants
Jenny King	August 23, 2021	Jayne Martin
Ryan Bell	August 26, 2021	Brad Tait and Terri Grenda
Jeff Rollman	August 26, 2021	Brad Tait and Terri Grenda
Sanjuana Cantu	August 27, 2021	Jayne Martin
Nancy Curtis	August 31, 2021	Brad Tait and Terri Grenda
Joshua Williams	August 31, 2021	Brad Tait and Terri Grenda

4.3 Meetings Attended

The CSG iQMS team attend the meetings listed in the table below during this reporting period.

Table 8: Meetings Attended

Modernization Meetings	Meeting Date	CSG Participants
UI Modernization Stakeholder Board Meeting	August 2, 2021	Jayne Martin
Definitions: Payments	August 2, 2021	Jayne Martin
Functional Overview Demonstration: Support Services	August 3, 2021	Jayne Martin
CSG and EIS Oversight Touchbase	August 3, 2021	Jayne Martin
iQMS Touchbase	August 3, 2021	Jayne Martin
Definitions: Equivalent Plans and Small Business Determinations	August 3, 2021	Jayne Martin
Definitions: Registration	August 4, 2021	Jayne Martin
Functional Overview Demonstration: Payments	August 5, 2021	Jayne Martin
Definitions: Letters	August 5, 2021	Jayne Martin
Learning Lab: Billing, Payments, Support Functions	August 5, 2021	Jayne Martin
Modernization Risk and Issue Management Team Meeting	August 9, 2021	Jayne Martin
Monthly iQMS Schedule Meeting	August 9, 2021	Jayne Martin
Definitions: Equivalent Plans Continuation	August 9, 2021	Jayne Martin
Definitions: Billings – General Flow	August 10, 2021	Jayne Martin
ESC Talking Points Walk Through	August 12, 2021	Jayne Martin



Modernization Meetings	Meeting Date	CSG Participants
iQMS Touchbase	August 13, 2021	Jayne Martin
Modernization Executive Steering Committee Meeting	August 16, 2021	Jayne Martin and Drew Sutter
iQMS Touchbase	August 17, 2021	Jayne Martin
MOD Open House	August 18, 2021	Jayne Martin
Definitions: Front End	August 18, 2021	Jayne Martin
OED Modernization Project – Lessons Learned for the Planning Phase	August 19, 2021	Jayne Martin
Interface Kickoff Meeting	August 20, 2021	Brad Tait
Definitions: Registration	August 23, 2021	Jayne Martin
iQMS Touchbase	August 24, 2021	Jayne Martin
Definitions: Collections – Liens and Garns	August 24, 2021	Jayne Martin
Definitions: Payroll Reporting Continued	August 25, 2021	Jayne Martin
Definitions: Collections – Payment Plans	August 25, 2021	Jayne Martin
Definitions: Audit – Audit Procedures	August 26, 2021	Jayne Martin
Monthly Communications Planning	August 26, 2021	Jayne Martin
Managers Modernization Monthly Update	August 27, 2021	Jayne Martin
Definitions: Payments – Lockbox Procedures	August 30, 2021	Jayne Martin
Definitions: Self Employment Follow-Up and Demo	August 30, 2021	Jayne Martin
Definitions: Financials: Penalties Part 2 & Estimated Penalties	August 30, 2021	Jayne Martin
Definitions: Payments – ACH Debits	August 31, 2021	Jayne Martin
Definitions: Combined Employer Registration	August 31, 2021	Jayne Martin
iQMS Touchbase	August 31, 2021	Jayne Martin



5. QUALITY CONTROL PLAN FOR NEXT MONTH

The quality management activities planned by the CSG iQMS team for the next reporting period are detailed in the tables in this section. Due dates are based on the latest draft of the iQMS project schedule.

5.1 Milestones and Deliverables Due

Table 9: Milestones and Deliverables Due

Milestone/Deliverable	Date Due	Status
3.3.18 Monthly Quality Status Report – August 2021	September 13, 2021	In Progress
1.1.2 Project Risk Assessment Refresh	September 24, 2021	In Progress

NOTE: Status designations for deliverables are: Not Started, Submitted, In Progress, Under Review, and Accepted

5.2 Planned iQMS Interviews

Table 10: Planned iQMS Interviews

Interviewee Name	Date	CSG Participant
Natalie O’Neill	September 1, 2021	Brad Tait and Terri Grenda
Shaun Skelton	September 1, 2021	Brad Tait and Terri Grenda
Bill Truex	September 2, 2021	Brad Tait and Terri Grenda
David Ford	September 9, 2021	Brad Tait
Jenny King	September 9, 2021	Brad Tait
Renee Royston	September 10, 2021	Jayne Martin
Linda Osborne	September 10, 2021	Jayne Martin
Ken Lux	September 14, 2021	Jayne Martin
Martin Hepp	September 16, 2021	Jayne Martin
Jenna Pourciau	September 17, 2021	Jayne Martin
Lois Williams	September 23, 2021	Jayne Martin
Lisa Schriever	September 23, 2021	Jayne Martin
Maggie Gleason	TBD	Brad Tait
Martha Fitts	TBD	Brad Tait
Kris Araki	TBD	Brad Tait



Interviewee Name	Date	CSG Participant
Scott Jones	TBD	Brad Tait

5.3 Planned Meeting Attendance

Table 11: Planned Meeting Attendance

OED Modernization Meetings	Scheduled Date	CSG Participant
Data Purification Workgroup	September 1, 2021	Brad Tait and Terri Grenda
UI Modernization Stakeholder Board Meeting	September 6, 2021	Jayne Martin
CSG and EIS Oversight Touchbase	September 7, 2021	Jayne Martin
iQMS Touchbase	September 7, 2021	Jayne Martin
Definitions: PMA – Pacific Maritime Association	September 7, 2021	Terri Grenda
Data Purification Workgroup	September 8, 2021	Brad Tait and Terri Grenda
Monthly iQMS Schedule Meeting	September 9, 2021	Jayne Martin
Change Control Board Meeting	September 13, 2021	Jayne Martin and Terri Grenda
Modernization Risk and Issue Management Team Meeting	September 13, 2021	Jayne Martin
iQMS Touchbase	September 14, 2021	Jayne Martin
Data Purification Workgroup	September 15, 2021	Brad Tait
ESC Talking Points Walkthrough	September 15, 2021	Jayne Martin
Modernization Executive Steering Committee Meeting	September 20, 2021	Jayne Martin and Drew Sutter
iQMS Touchbase	September 21, 2021	Jayne Martin
Data Purification Workgroup	September 22, 2021	Brad Tait
Monthly Communications Planning	September 23, 2021	Jayne Martin
Modernization Operations and Policy Team Meeting	September 23, 2021	Jayne Martin
Managers Modernization Monthly Update	September 24, 2021	Jayne Martin
iQMS Touchbase	September 28, 2021	Jayne Martin
Modernization Budget Meeting	September 29, 2021	Jayne Martin
Data Purification Workgroup	September 29, 2021	Brad Tait
Various Definition Meetings	TBD	Jayne Martin