

# OREGON PERS

PUBLIC EMPLOYEES RETIREMENT SYSTEM



## **PERS Modernization Program Presentation to Joint Committee on Information Management and Technology**

Kevin Olineck, PERS Director

Yvette Elledge-Rhodes, Deputy Director and  
Interim Modernization Program Director

September 24, 2024

The background of the slide is a composite image. The top half shows a landscape with a large, snow-capped mountain peak in the distance, surrounded by rolling hills and a forest. The bottom half shows an aerial view of a city with various buildings and a large green forested area in the foreground. A blue banner with a white border is overlaid on the right side of the image, containing the text 'Modernization Program' in white.

## **Modernization Program**

# Agenda

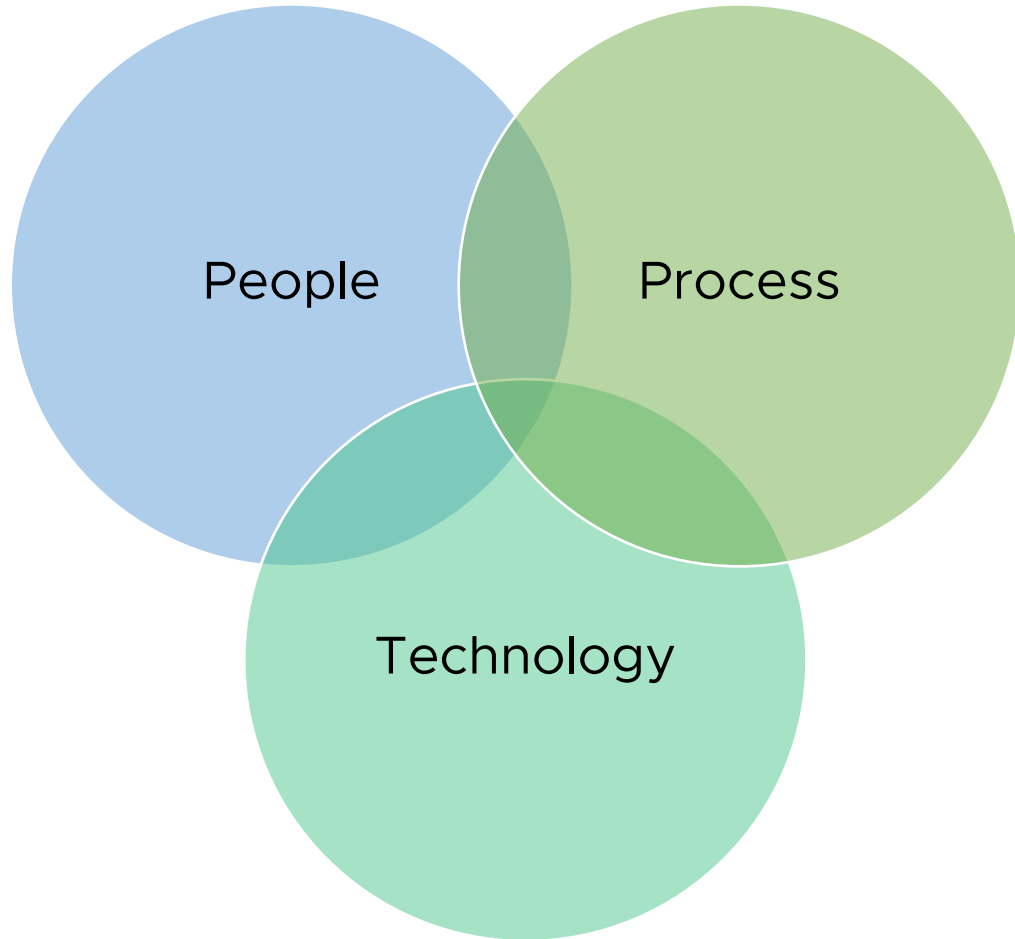
1. Modernization strategy overview
  1. Modernization approach and benefits delivery
  2. Decision-making structures
2. Program updates since February 21, 2024
3. Modernization roadmap overview
  1. Initiatives in current and upcoming biennia
  2. Workstreams and projects
4. Upcoming activities and immediate priorities for 2023-25

# Modernization strategy review

---

# Operationalizing the PERS modernization vision

Equal parts people, process, and technology



## People

Activities, which will increase satisfaction with services, improve confidence in our technologies and improve skills of our staff.

## Process

Organizational improvements, which enable streamlined work and eliminate manual processes and procedures.

## Technology

Consider opportunities to transform disparate technologies to a sustainable and integrated system.

# PERS Modernization Program deliverable benefits

The Modernization Steering Committee has identified the following program benefits desired to be delivered by the PERS Modernization Program.

## People benefits

Increased satisfaction with PERS services

Increased PERS staff engagement

Improved confidence in PERS tools and technologies

Increased technical skills of staff

## Process benefits

Reduction of manual processes

Increased data utilization

Increased member engagement capabilities

Reduction of risk rating by internal and external auditors

## Technology benefits

Reduced system complexity

Reduction of costs for technology maintenance & enhancements

Reduction of system downtime

Reduction in data and identity fraud risks

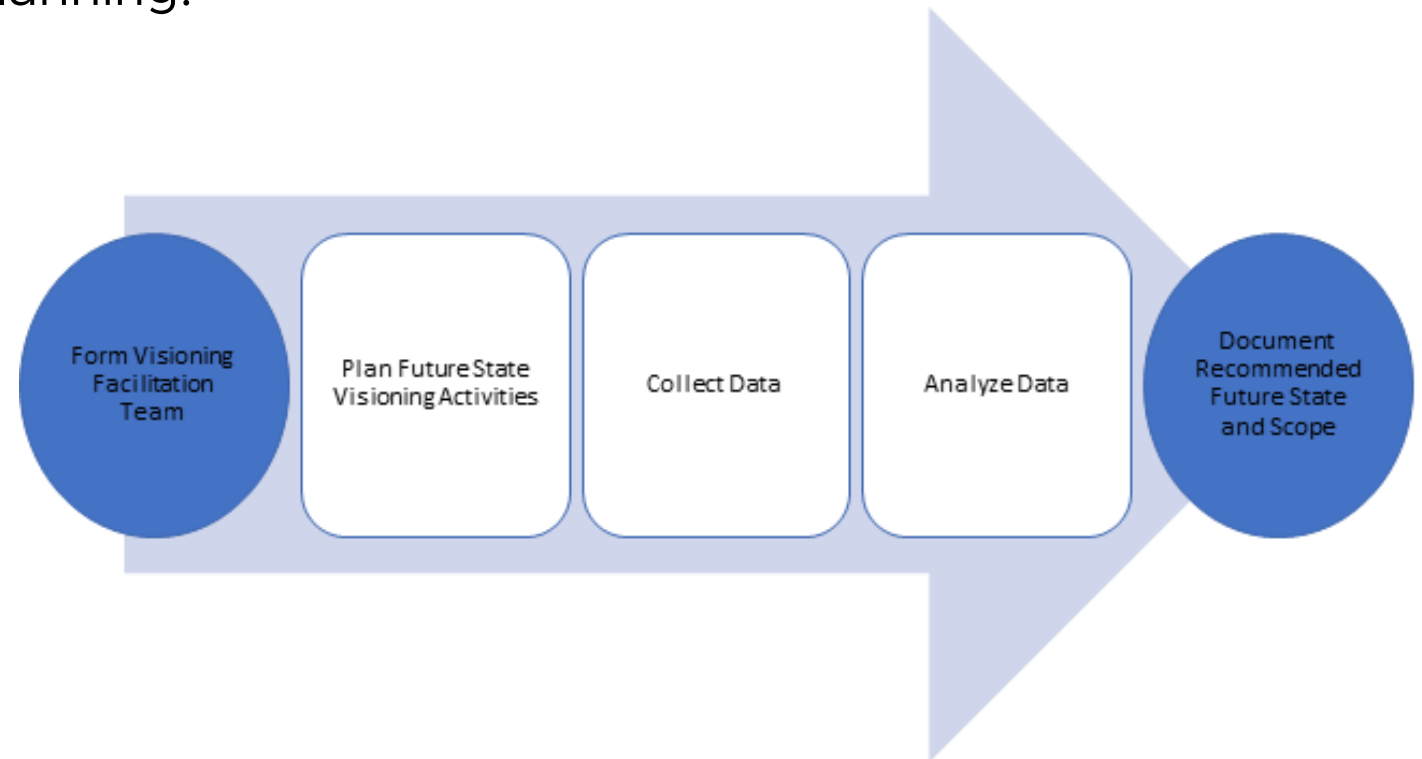
# Future-state visioning (FSV)

The PERS Modernization Program intends for FSV to be **a process** that invites people to **get creative and imagine the possibilities** for a particular team, process, system, and/or objective. Facilitators then take the information gathered and **apply any necessary constraints to figure out what is actually achievable** as part of program/project initiation and planning.

## Facilitation team:

- Product owner (lead)
- Enterprise architect
- Business process mappers

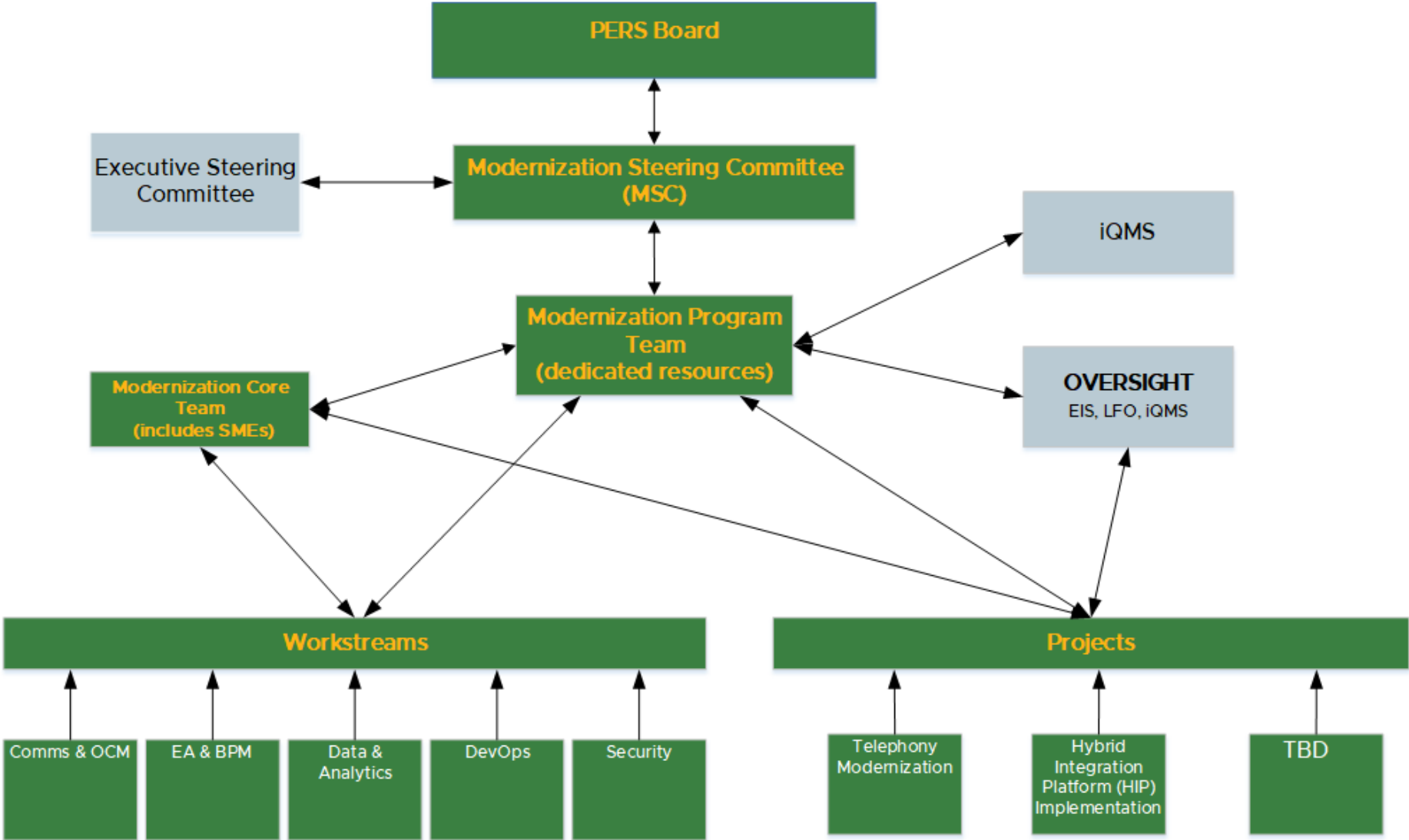
Additional consultation with program team and organizational change-management resources.



# PERS Modernization Program governance

PERS has established program- and project-level governance structures as part of initiation activities.

The Modernization Program Team will focus on creating engagement opportunities for external stakeholders (including members, beneficiaries, and employers) as part of governance improvements later in the 2023-25 biennium.

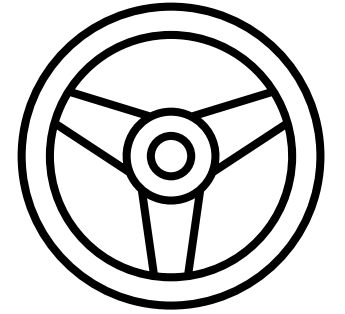


# Status updates since February



# Modernization Program Administration

Define, develop and deliver new processes supporting PERS Modernization



## Highlights:

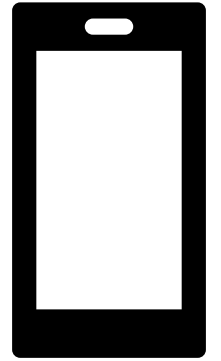
- Worked with Enterprise Architecture consultants to develop tailored architecture framework
- Completed third party assessment of current pension administration system
- Developed and supported two new program components
- Developed detailed 2025-27 budget request
- Continued hiring program supporting LD positions

## Upcoming Activities:

- New Modernization Director recruitment
- Revise and refine program business case to reflect outcomes of assessment and decision-making process
- Work Order Contract for DevOps consulting services
- Refine Program Roadmap
- Planning future modernization components and supporting activities
- Complete hiring of new LD positions provided in 2023-25 budget

# Telephony Modernization Project

Implement a modern telephony system that can be integrated with future capabilities.



## Current Stage: Execution

### Highlights:

- Project chartered
- Solution analysis completed
- Solution selected

### Upcoming Activities:

- Procurement Initiation
- Coordination of implementation with vendor

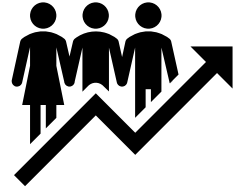
## Project supports the following Modernization Program benefits:

Increased satisfaction  
with PERS services

Reduction of manual  
processes

Increased data utilization

# Data Cleaning Implementation Project



Deliver strategy and process for regular data maintenance.

## Current Stage: Execution

### Highlights:

- Project chartered
- Initial Clean up Plan and schedule received
- Data Strategy Workshop held

### Upcoming Activities:

- Data Cleaning workshops
- Data Governance support

**Project supports the following Modernization Program benefits:**

Reduction of manual processes

Increased data utilization

# HIP Implementation Project



**Project Summary:** Acquire and implement a cloud-based HIP solution and coordinate and deliver staff training for support and management of cloud-based integrations.

## Current Stage: Initiation

### Highlights:

- Business case approved by Modernization Steering Committee
- Project approved for initiation by Project Steering Committee

### Upcoming Activities:

- Engage with EIS on oversight requirements
- Develop Project Charter

## Project supports the following Modernization Program benefits:

Reduced system complexity

Increased data utilization

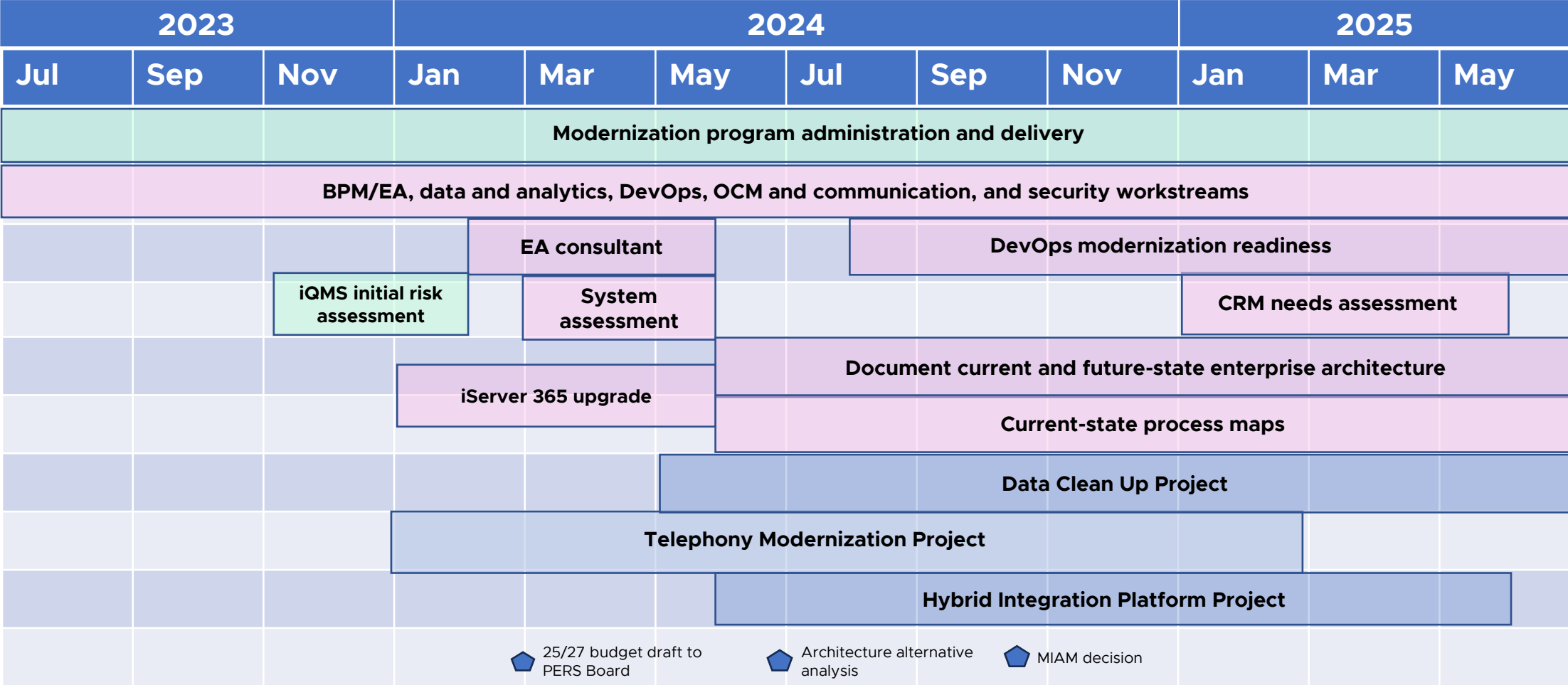
Increased technical skills of staff

# Modernization roadmap overview

---

# Roadmap 2023-2025

Note that this timeline is an estimation and should not be considered a project schedule. A project schedule is developed after projects and resources are approved and prioritized in the PERS Enterprise Portfolio and then will be formally baselined.



25/27 budget draft to PERS Board

Architecture alternative analysis

MIAM decision

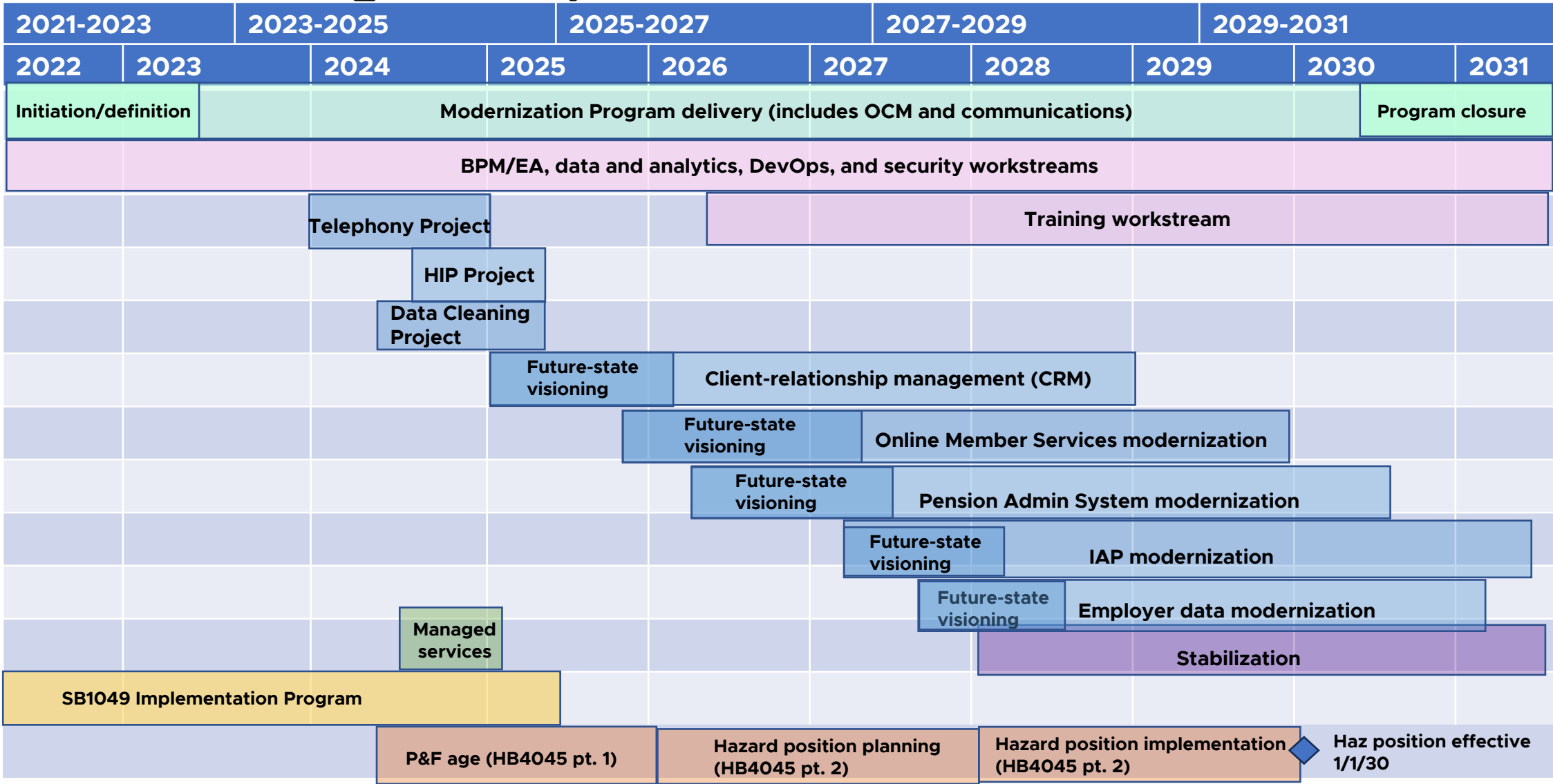
Roadmap approved 5/14/24

Workstream activities

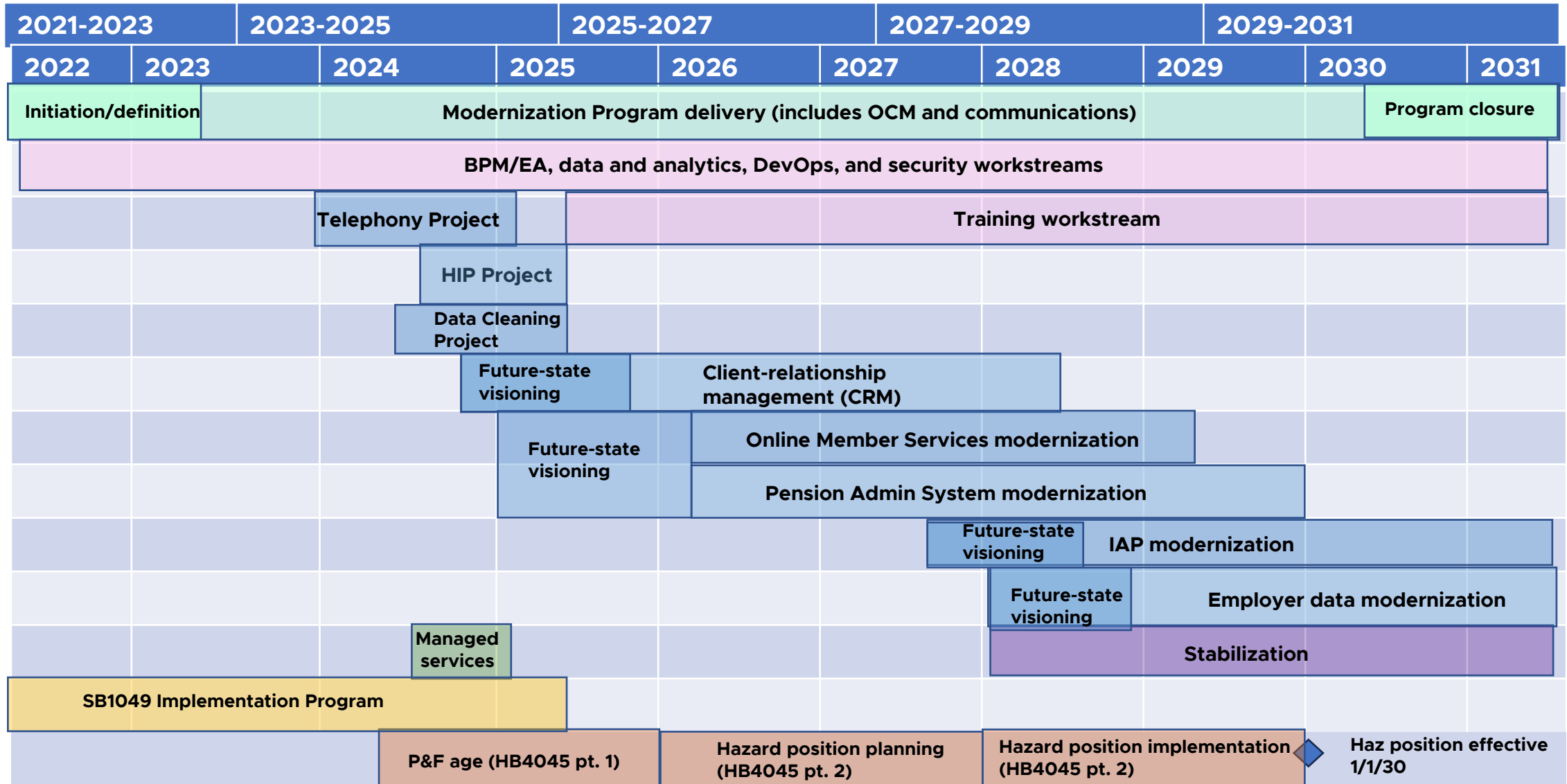
Project

Key decision point

# PERS Modernization Program roadmap (current + other large efforts)



# PERS Modernization Program roadmap (DRAFT – HB 4045 optimized)





# Upcoming activities and immediate program priorities

---

# Upcoming activities and priorities for 2023–25

- **Program-level activities:**

- Revise and refine program business case to reflect outcomes of system and enterprise architecture analysis and strategic decisions.
- Complete program benefits refinement and scope definition activities and documentation.
- Continue mitigating risks as identified in the iQMS initial risk assessment.
- Complete hiring of new LD positions provided in 2023–25 budget.
- Prepare detailed 2025–27 budget request.

- **Project-level activities:**

- ***Telephony Modernization Project***: Implementation and closure.
- ***Data Cleaning Implementation Project***: Implementation and closure.
- ***Hybrid Integration Platform Implementation Project***: Initiation, implementation, and closure.
- ***Customer/client-relationship management initiative***: Engage support to explore possible CRM capabilities; begin future-state-visioning process.
- Engage with EIS on stage-gate oversight process for individual projects.

# Program budget update

As of July 31, 2024

BUDGET					
Expenses	Budget	Actual to Date	Projections	Total	Variance
Program Staff	\$ 3,406,073	\$ 1,207,904	\$ 1,989,317	\$ 3,197,221	\$ 208,852
Client Relationship management	\$ 400,000	\$ -	\$ 400,000	\$ 400,000	\$ -
Data and Analytics	\$ 1,000,000	\$ 228,067	\$ 614,599	\$ 842,666	\$ 157,334
Development and Operations	\$ 560,000		\$ -	\$ -	\$ 560,000
Architecture	\$ 2,000,000	\$ 1,600,204	\$ 597,514	\$ 2,197,718	\$ (197,718)
Ind Quality Management Svcs	\$ 1,200,000	\$ 191,000	\$ 937,500	\$ 1,128,500	\$ 71,500
Hybrid Integration Platform	\$ 450,000		\$ 450,000	\$ 450,000	\$ -
Telephony	\$ 557,000		\$ 557,000	\$ 557,000	\$ -
<b>Project Total</b>	<b>\$ 9,573,073</b>	<b>\$ 3,227,174</b>	<b>\$ 5,545,931</b>	<b>\$ 8,773,105</b>	<b>\$ 799,968</b>
<b>Average Monthly Spend (Burn Rate)</b>	<b>\$ 398,878</b>	<b>\$ 134,466</b>	<b>\$ 23,208</b>	<b>\$ 23,208</b>	

# OREGON PERS

PUBLIC EMPLOYEES RETIREMENT SYSTEM



# THANK YOU

