



February 20, 2025

Senator Aaron Woods, Co-Chair  
Representative David Gomberg, Co-Chair  
Joint Committee On Ways and Means  
Subcommittee on Transportation and Economic Development  
900 Court Street NE  
H-178 State Capitol  
Salem, OR 97301

Dear Co-Chairs:

Regarding Workers' Compensation Division POP No. 102: \$13,527,684; Positions: 3; FTE: 2.64

Sen. Starr's question (paraphrased): It would be helpful to have a break out of this \$13 million, how much for contracted services, what services are being contracted out, for who, how long, what are you buying?

Answer:

The primary cost drivers for POP No 102 consist of (1) three new permanent positions (\$504,267), (2) information technology (IT) professional contracted services (\$12,856,064), (3) other professional expenses (\$1,240,005), and (4) project administrative expenses (\$167,353). The details for each are as follows:

**1. Permanent positions – Three new positions: \$504,267**

- **Modernization program assistant** (Administrative Specialist 2 – OAS C0108 AP)
  - Starting Oct. 1, 2025, this position will help with contract administration, quality assurance, and coordination of risks and issues. This position will also be responsible for coordinating the deliverable review process for IT professional services and iQMS. In addition, this position will help with project scheduling and other tasks to support our project and change management initiatives.
- **System and software trainer** (Learning & Development Specialist 1 – OAS C1338 AP)
  - Starting Oct. 1, 2025, this position will serve as a dedicated system trainer for both new employees and for support and retraining of current employees.
- **Public service representative** (Public Service Representative 4 – OAS C0324 AP)
  - Starting Oct. 1, 2025, this position will serve as the point of contact for our external stakeholders to provide information, support, and escalation of issues associated with implementation.

## 2. IT professional contracted services approximately \$12,856,064:

### A. Ongoing IT professional contracted services from prior biennium (effective July 1, 2025, through June 30, 2027) for project planning and implementation:

- **Information technology project manager** (continued services from approved 2023-25 policy option package): **\$1,792,926**
  - This contracted position will help with additional technical requirements gathering, draft technical plans and project documents, help with request for proposals (RFP) development, act as a subject matter expert for technology implementations, and collaborate with the program project manager to develop and modify plans, identify and update risks, and effectively manage the project schedule and scope.
- **Two business analysts** (continued services from approved 2023-25 policy option package): **\$3,585,851**
  - These contracted positions will gather and refine business requirements, help with use-case development and documentation, work with business users on questions related to business processes and requirements, help with team implementation readiness assessments, and help with RFP development.
- **Systems analyst** (continued services from 2023-25 policy option package): **\$1,792,926**
  - This contracted position will focus on refining and validating system requirements, work on possible application reconfigurations, help with use case development and documentation, assess system integration needs, and identify and escalate technical risks.

### B. New IT professional contracted services (effective Oct. 1, 2025, to June 30, 2027):

- **Software application developer** (integrations analyst): **\$1,481,452**
  - This position supports IT work in implementing vendor integrations and middleware/connectors in DCBS infrastructure and design and build new integrations between systems.
- **Systems administrator** (operations and IT infrastructure): **\$1,481,452**
  - This position would handle the increased system administration work associated with planning a major system implementation. This position would assist/balance overall infrastructure needs, as well as coordinate database/web/other systems with technical and data leads.
- **Data analyst: \$1,481,452**
  - This position will develop and manage production data conversion/migration pipeline with the vendor's target. This position will help and guide vendor and internal data conversion employees and validate production data migration.



**3. Other professional services and independent quality management services** (costs are ongoing through all project implementations through the closure of project five in 2029: **\$1,240,005**)

- Independent quality management services are required by Enterprise Information Services for large technology projects. They are delivered by independent contractors and services include foundational planning, artifact review, and quality and risk management services for all project phases.

**4. Project expenses** (incurred throughout the biennium) – procurement, contract review, and administration costs: **\$167,353**

- Department of Administrative Services procurement: Contract amendments, new work order contracts (4): \$54,000
- Department of Justice: Review of contract amendments, new work order contracts (20 hours per amendment): \$13,200
- Standard Services and Supplies: Position-related services and supplies related to the three new modernization positions, including training, office expenses, rent, and IT expendable property: \$100,153

Workers' Compensation Modernization	
Personal Services	\$ 504,267
Services & Supplies	\$ 167,353
Contracted Services	\$ 12,856,064
<b>Total Cost:</b>	<b>\$ 13,527,684</b>

DCBS began the WCD Modernization project in 2019-21, hiring a program manager. In 2021-23, the program added a data architect and a systems designer developer. In 2023-25, the program hired a project manager, change management analyst, and an IT tester. Currently, the program has six positions. Approval of this policy option package would increase the total to nine positions in the Modernization program.

Thank you for the opportunity to provide more detail. Please let us know if the committee wants more information.

Sincerely,



Andrew R. Stolfi  
Director  
Department of Consumer and Business Services