

EMPLOYMENT AND TRAINING ADMINISTRATION ADVISORY SYSTEM U.S. DEPARTMENT OF LABOR Washington, D.C. 20210	CLASSIFICATION Unemployment Insurance
	CORRESPONDENCE SYMBOL OUI/Performance Management
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ADVISORY: UNEMPLOYMENT INSURANCE PROGRAM LETTER NO. 11-18

TO: STATE WORKFORCE AGENCIES

**FROM: ROSEMARY LAHASKY /s/
Deputy Assistant Secretary**

SUBJECT: ETA 9177 Report - Pre-Implementation Planning Checklist Report for State Unemployment Insurance (UI) Information Technology (IT) Modernization Projects

1. **Purpose.** Building on lessons learned from previous state implementations of modernized UI IT systems, the U.S. Department of Labor’s Employment and Training Administration (ETA) facilitated the development of a UI IT Modernization Pre-Implementation Planning Checklist for states to use prior to “going live” with a new UI Benefits and/or Tax system. Prior to the production launch of a UI IT system, State UI agencies must use the ETA 9177 Checklist Report to verify that necessary system functions are available and/or that alternative solutions are developed to help avoid major disruption of services to UI customers and to prevent delays in paying UI benefits when due.

2. **References.**

- Section 303(a)(6), Social Security Act 42 U.S.C. 503(a)(6);
- Section 911(a), Social Security Act 42 U.S.C. 1111(a);
- 5 CFR 1320.5;
- Unemployment Insurance Program Letter (UIPL) No. 26-11, *Unemployment Insurance (UI) Supplemental Funding Opportunity for Program Integrity and Performance and System Improvements*, July 18, 2011;
- UIPL No. 18-12, *Unemployment Insurance (UI) Supplemental Funding Opportunity for Program Integrity, Performance, and System Improvements*, May 11, 2012;
- UIPL No. 24-13, *Unemployment Insurance (UI) Supplemental Funding Opportunity for Program Integrity and Performance and System Improvements*, July 25, 2013;
- UIPL No. 13-14, *Unemployment Insurance (UI) Supplemental Funding Opportunity for Program Integrity and Performance and System Improvements*, June 16, 2014;
- UIPL No. 16-15, *Unemployment Insurance (UI) Supplemental Funding Opportunity for Program Integrity and Performance and System Improvements*, June 15, 2015;
- UIPL No. 19-16, *Unemployment Insurance (UI) Supplemental Funding Opportunity for Improved Operations*, August 2, 2016;
- UIPL No. 22-17, *Unemployment Insurance (UI) Supplemental Funding Opportunity for State Consortia to Modernize Tax and Benefit Systems*, September 8, 2017; and

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- Training and Employment Notice (TEN) No. 28-14, *Pre-Implementation Planning Checklist for State Unemployment Insurance (UI) Information Technology (IT) Modernization Projects*, March 27, 2015.

3. **Background.** State UI Agencies are heavily dependent on IT systems to carry out their UI program operations and to pay benefits to claimants in a timely manner. UI programs in many states operate using aging IT systems, some dating from the 1970s. As a result, many states are modernizing antiquated UI IT systems. However, recent efforts by states in launching new UI IT systems have resulted in unexpected disruptions of service to customers, delays in the payments of benefits, and the creation of processing backlogs. ETA designed the Pre-Implementation Planning Checklist for State UI IT Modernization Project Report to help avoid future occurrences of similar experiences as an increasing number of states implement new systems.

To help states address this critical program challenge, in Fiscal Year (FY) 2009 ETA began providing funds to state consortia to modernize their UI IT systems as a strategy to reduce costs and accelerate the replacement of outdated UI Benefit and Tax systems. ETA continues to work with states to improve UI program performance and modernize outdated IT infrastructures. Following the initial investment in FY 2009, ETA funded Supplemental Budget Requests (SBRs) for state consortia to modernize their UI Tax and Benefit systems in FY 2011 (UIPL No. 26-11), FY 2012 (UIPL No. 18-12), FY 2013 (UIPL No. 24-13), FY 2014 (UIPL No. 13-14), FY 2015 (UIPL No. 16-15), FY 2016 (UIPL No. 19-16), and FY 2017 (UIPL No. 22-17). Some of these projects are nearing completion and will be launching new systems in the future.

ETA continues to support individual states and state consortia in updating their IT infrastructures, in part, by funding the Information Technology Support Center (ITSC) operated by the National Association of State Workforce Agencies (NASWA). NASWA is a national organization of state administrators of the publicly-funded state workforce system, including the unemployment insurance program. In 2009, NASWA's Center for Employment Security Education and Research (NASWA/CESER) became the operator of the ITSC. ITSC provides information, software tools, products, and advisory services to states in support of IT systems for the UI program, to enhance efficiencies and promote the sharing and replication of successful UI models and practices, as well as supporting states' UI IT modernization efforts. In 2015, ITSC created and ETA announced, via TEN No. 28-14, the availability of a pre-implementation planning checklist to assist state UI agencies in preparing to launch modernized UI IT systems that support administration of UI Benefits and/or Tax operations. This checklist was the impetus for the ETA 9177 Report Checklist.

The ETA 9177 Report Checklist is a comprehensive checklist, which denotes critical functional areas that states must verify prior to launching a new UI IT system including, but not limited to, technical IT functions and UI business processes that interface with the new system. The list of critical areas identified in the checklist is comprised of ten (10) Project Categories:

1. Functionality (Fully Available or Workaround in Place)
2. External Alternate Access Options and Usability Issues Addressed
3. Policies/Procedures Development and Dissemination
4. Technical Preparation
5. Call Center/Customer Service Operations

6. Staffing/Staff Training on New System Operations
7. Staff and Customer Help Desk Support
8. Management Oversight
9. Vendor Support
10. Communications

4. **Reporting.** The information gathered in the ETA 9177 Report Checklist must be used by states to prepare for the implementation of new UI IT systems and ensure the availability of mission critical functions as states prepare to launch a new UI IT system. Any state that is preparing to launch a new UI IT system must certify that it has reviewed and accomplished or has developed an appropriate plan addressing the items detailed in the Pre-Implementation checklist. The collection will also enable ETA to identify any needed technical assistance as states prepare for the implementation of a modernized system.

This information must include a cover page, state general information (state name, date of submission, UI IT Modernization project name [e.g. Consortium name], contact information, and a summary of the project) and the report on each of the UI IT Modernization Pre-Implementation Planning Checklist Project Categories. Each Project Category has associated sub-elements. For every sub-element in the ETA 9177, the state must provide supporting content to demonstrate that it has addressed the specific sub-element. A Certification is required at the end of the report.

For each sub-element, the state must address the issue including but not limited to:

- An overall status report;
- A brief report explaining the status of the project as it relates to the particular sub-element;
- Explanations of any workaround solutions of the processes in the sub-element;
- Explanations if implementation of the new system concerning processes for the sub-element will be delayed;
- Explanations for added clarity and/or to support a narrative;
- Mitigation proposals for addressing any problems;
- New project timelines if applicable; and/or
- Any discussion of identified technical assistance needs for the successful completion of the project.

The new collection is a detailed narrative report, provided by the state, describing pre-implementation preparation of a state's new UI IT system. With this information, ETA will then be able to more effectively and consistently monitor states' progress in implementing the UI IT Modernization projects for which the funds were provided.

Because this report is a narrative and not a statistical submission, states will use an ETA provided simple form template (a Microsoft Word 2010 ".doc") to prepare the ETA 9177 Report Checklist. Once completed, the ETA 9177 Report Checklist must be e-mailed to the appropriate regional office.

5. **Office of Management and Budget Approval.** The Pre-Implementation Planning Checklist Report for State Unemployment Insurance (UI) Information Technology (IT) Modernization Projects has been approved by the Office of Management and Budget (OMB) in accordance

with the Paperwork Reduction Act of 1995. The OMB Control Number is 1205-0527 with an expiration date of 05/31/2020.

6. **Action Requested.** State Administrators are requested to provide this guidance, including the attached Pre-Implementation Planning Checklist Report and its associated Report Instructions, to appropriate staff, including UI Directors and Chief Information Officers.

7. **Inquiries.** Questions should be directed to the appropriate Regional Office.

8. **Attachment.**

Attachment A: Unemployment Insurance (UI) Information Technology (IT)
Modernization Pre-Implementation Planning Checklist Report

Attachment B: Unemployment Insurance (UI) Information Technology (IT)
Modernization Pre-Implementation Planning Checklist Report Instructions