


<b>EMPLOYMENT AND TRAINING ADMINISTRATION ADVISORY SYSTEM U.S. DEPARTMENT OF LABOR Washington, D.C. 20210</b>	<b>CLASSIFICATION</b> Unemployment Insurance
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**ADVISORY: UNEMPLOYMENT INSURANCE PROGRAM LETTER NO. 09-23**

**TO: STATE WORKFORCE AGENCIES**

**FROM: BRENT PARTON**   
Acting Assistant Secretary

**SUBJECT: Additional Planning Guidance for the Fiscal Year (FY) 2024 Unemployment Insurance (UI) State Quality Service Plan (SQSP)**

1. **Purpose.** To initiate the FY 2024 SQSP process and define additional requirements relevant to the FY.
2. **Action Requested.** The Employment and Training Administration (ETA) requests State Administrators to:
  - Make this information available to appropriate staff;
  - Prepare their state’s SQSP in accordance with planning and reporting instructions contained in [Employment and Training \(ET\) Handbook No. 336, 18<sup>th</sup> Edition, Change 4](#) and additional instructions in this Unemployment Insurance Program Letter (UIPL);
  - Coordinate specifics, as appropriate, with ETA’s Regional Office (RO) for electronic submission of the SQSP; and
  - Submit the FY 2024 SQSP to the appropriate RO by the deadline set by the RO.
3. **Summary and Background.**
  - A. **Summary** – This UIPL provides additional guidance relevant to the SQSP process for FY 2024; specifies dates applicable to the FY; outlines National Priorities and Federal Program Emphasis; and identifies special planning requirements in effect for the FY.
  - B. **Background** – The SQSP is the state’s UI performance management and service plan. It represents an approach to the UI performance management and planning process that allows for an exchange of information between Federal and state partners to enhance the UI program’s ability to reflect their joint commitment to performance excellence and customer-centered services. As part of UI Performs, the comprehensive performance management system for the UI program, the SQSP is the principal vehicle that state UI programs use to plan, record, and manage improvement efforts as they strive for excellence in service. Title III of the Social Security Act (SSA) authorizes the Secretary

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of Labor (Secretary) to provide funds to states to administer the UI program and governs the expenditure of those funds. The SQSP is a part of the process by which states receive Federal UI administrative grants.

[ET Handbook No. 336](#) (Handbook) contains general instructions for the SQSP. The Handbook is designed as a permanent guide for the planning and budget process and provides states with planning guidelines and instructions for reporting UI financial and staff year information. The Handbook notes that ETA will issue a SQSP UIPL each year with additional planning guidance that supplements the Handbook and provides direction and instructions specific to the upcoming FY. Though this additional planning guidance is similar to the guidance issued in previous years, there are changes relevant to the FY 2024 SQSP cycle. Therefore, please review this guidance carefully.

The Handbook is approved under the Office of Management and Budget (OMB) No. 1205-0132. The current approval expires on February 29, 2024.

4. This section highlights the major areas that states are to use in developing their FY 2024 SQSPs. The areas include: National Priorities; Program Performance; UI Performance Criteria; Planning Requirements for FY 2024; Tiger Team Grant Funds and Consultative Assessments; Waiving Recovery of Overpayments, where Appropriate; Coordination with DOL-OIG; WIOA Combined State Plans; UI Technical Assistance Resources; Funding Period; Data Availability; SQSP Submittal Deadlines; and Electronic Submittal of the SQSP. The requirements for each area follows:

- A. **National Priorities.** For FY 2024, ETA will continue to strive to make the SQSP process a meaningful management tool and a strategic road map to improve program administration, strengthen program integrity, and ensure quality service delivery. The SQSP process focuses on promoting state performance and integrity by aligning state UI administration and operations with national policies. This includes rebuilding UI program performance, paying benefits accurately and timely, ensuring equitable access, mitigating the likelihood and impact of fraud, detecting and preventing improper payments, recovering overpayments, and connecting unemployment compensation (UC) claimants with needed reemployment services. Each year ETA establishes National Priorities for the UI program.

On March 11, 2021, the President signed the American Rescue Plan Act of 2021 (ARPA) into law (Public Law (Pub. L.) 117-2). Section 9032, ARPA, provided funding to the Secretary to detect and prevent fraud, to promote equitable access, and to ensure timely payment of benefits to eligible workers with respect to UI programs.

In June 2022, the U.S. Government Accountability Office (GAO) added “the UI system to its list of federal areas at ‘High Risk’ for waste, fraud, abuse, and mismanagement, or in need of broad-based transformation.”<sup>1</sup> Focus on performance, operational, and process improvements will be essential to support the goal of removing this designation.

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<sup>1</sup> See GAO Report issued on June 7, 2022, entitled “Unemployment Insurance: Transformation Needed to Address Program Design, Infrastructure, and Integrity Risks” at <https://www.gao.gov/assets/gao-22-105162.pdf>.

For FY 2024, ETA's top priorities align with reemployment and integrity strategies as well as ARPA goals and initiatives. States should also establish additional state-level priorities for their respective UI programs in their SQSPs. The FY 2024 National Priorities are intended to guide states in the development of their SQSPs and include:

**i. Rebuilding and Improving Program Performance by Addressing the Significant Impact that the Workload Created by the COVID-19 Pandemic continues to have on the UI System**

The unprecedented claims workload during the peak of the pandemic significantly impacted states' capacity to administer and operate their UI programs. Many states continue to struggle with administrative and operational challenges resulting in performance and customer service issues. These challenges include but are not limited to: changes in state program leadership; aging technology systems and/or implementing new technology solutions; managing the loss of key subject matter expertise due to staff retirements and turnover; hiring new staff, requiring ongoing staff training and increased supervision; loss of contracted staff support; combatting an increase in fraud; and the need to improve overall program performance. States experienced these challenges during the COVID-19 pandemic and the resulting significant increase in their UC claims workload, and are likely to continue to face the residual effects of issues in the coming months and years.

In developing their FY 2024 SQSPs, states are strongly encouraged to incorporate administrative performance improvement strategies such as:

- Leveraging ETA's multidisciplinary consultative assessment Tiger Teams and associated grant funding opportunities available under UIPLs No. [02-22](#) and [02-22, Change 2](#) as a means to: 1) preventing, detecting, and recovering funds from fraud; 2) promoting equitable access; and 3) ensuring the timely payment of benefits as well as activities to reduce workload backlogs, for all UI programs.
- Conducting business process analyses in key areas to identify opportunities and recommendations for improving program operations, integrity, and performance, and implementing such recommendations.
- Reviewing service delivery processes to ensure that current web-based, telephone-based, and other remote UI services provide and promote alternative mechanisms for individuals experiencing barriers to access, such as a disability or limited English proficiency (*see* UIPLs No. [02-16](#) and [02-16, Change 1](#)).
- Reviewing staff training strategies to support succession planning and ongoing staff development.
- Using online training modules available through the National Association of State Workforce Agencies' (NASWA's) learning management platform at <https://www.naswa.org/learning>.

- Incorporating lessons learned from the COVID-19 pandemic, including the significant increase in UC claims and implementation of the temporary Coronavirus Aid, Relief, and Economic Security (CARES) Act UI programs, such as managing rapid changes in staffing, implementing call center expansions, and innovations to manage customer flow, and technology solutions to increase capacity and detect and prevent fraud and other improper payments.
- Using technical assistance opportunities offered by ETA, the U.S. Department of Labor’s (Department) Office of Unemployment Insurance Modernization (OUIIM), the Department’s Office of the Chief Information Officer (OCIO), UI Information Technology Support Center (ITSC), and the UI Integrity Center, as well as the many resources available through the UI Community of Practice (CoP) on WorkforceGPS at <https://www.workforcegps.org/>. Also, states are encouraged to review information and resources available on the Department’s UI Modernization resource page at <https://www.dol.gov/agencies/eta/ui-modernization>.

ii. **Focusing on Improving the Timely Delivery of Benefit Payments and the Reduction of the UI Adjudication and Appeals Backlogs**

States experienced extraordinary workloads due to the economic impacts of the COVID-19 pandemic while managing the implementation and operation of temporary CARES Act UI programs. Although the benefit period for the pandemic-related programs has expired, there remains a heightened need for states to maintain a steadfast focus on UI functions and activities that improve the timely payment of benefits. Under Section 303(a)(1) of the SSA, a state’s laws must provide for “methods of administration” that are “reasonably calculated” to ensure full payment of UC “when due” in order to receive a UI administrative grant. “When due” is the basis for Federal requirements concerning accuracy and timeliness of benefit payments and eligibility determinations.

Many states continue to struggle with significant numbers of pending adjudications and appeals because of the impact of the pandemic. In preparation of the FY 2024 SQSP, states should examine strategies and processes with the goal of quickly reducing the level of backlogs. As discussed below and as part of the FY 2024 SQSP process, states must describe their plans to address any pending adjudication and appeals backlogs and submit monthly updates to the appropriate RO on the number of adjudication and appeals cases that are still pending. This information should represent the number beyond the usual expected number of pending adjudications and appeals (e.g., 21 and 30 days, respectively) for regular operations.

iii. **Ensuring Equitable Access to UI Programs**

A top priority of the Department is ensuring equitable and meaningful access to the UI program. Section 303(a)(1) of the SSA, discussed above, includes a requirement

that a state’s methods of administration include insuring full payment “when due.” The Department interprets this to include a requirement of equity so that individuals have sufficient access to the program so that eligibility can be determined, and UC payments can be made, “when due.” Equity in the UI programs is also a requirement of funding set out in Section 9032 of the ARPA.

On January 20, 2021, the President issued [Executive Order \(EO\) 13985](#) concerning advancing racial equity and support for underserved communities. This EO articulates the importance of advancing equity for all, including people of color and others who have been historically underserved, marginalized, and adversely affected by persistent poverty and inequality. This includes, low wage workers, Black and Hispanic/Latino workers, individuals with disabilities, and individuals with limited English proficiency. Advancing equity requires a systematic approach to embedding fairness in decision making processes and eliminating barriers to access. Public programs must be designed to serve all individuals. For this reason, the Federal Government should, consistent with applicable law, allocate resources to address the historic failure to invest sufficiently, justly, and equally in underserved communities, as well as individuals from those communities. State UI agencies must ensure that use of technologies and systems for administering UI programs and providing services do not create barriers (e.g., procedural, technological, or informational) that may prevent individuals from accessing UC, such as by denying them a reasonable opportunity to establish their eligibility.

ETA notes that the GAO issued a Management Report on June 17, 2021, regarding potential racial and ethnic disparities in the UI program during the pandemic.<sup>2</sup> On June 7, 2022, GAO also published a report about the Pandemic Unemployment Assistance program that found evidence of racial disparity in benefit receipt<sup>3</sup>. Furthermore, the DOL-OIG issued an Alert Memorandum<sup>4</sup> on March 31, 2023, highlighting concerns about states’ use of ID verification service providers, specifically those employing the use of facial recognition technology, and the impact these ID proofing services may have on equitable and secure access to UI benefits. As outlined in [UIPL No. 22-21, Change 2](#), ETA strongly encourages states to carefully review ID proofing solutions that use biometrics such as facial recognition. While these solutions may help to reduce ID fraud, they may have negative implications for<sup>5</sup>

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<sup>2</sup> Management Report: *Preliminary Information on Potential Racial and Ethnic Disparities in the Receipt of Unemployment Insurance Benefits during the COVID-19 Pandemic* at <https://www.gao.gov/assets/gao-21-599r.pdf>.

<sup>3</sup> Pandemic Unemployment Assistance: *Federal Program Supported Contingent Workers Amid Historic Demand, but DOL Should Examine Racial Disparities in Benefit Receipt* at <https://www.gao.gov/products/gao-22-104438>.

<sup>4</sup> Alert Memorandum: *ETA and States Need to Ensure the Use of Identity Verification Service Contractors Results in Equitable Access to UI Benefits and Secure Biometric Data*, [Report No. 19-23-005-03-315](#) (March 31, 2023).

<sup>5</sup> For instance, recent research indicates that, depending on how it is implemented, certain biometric technology may have a disproportionate adverse impact on protected groups. See, e.g., National Institute of Standards and Technology (NIST), *NIST Study Evaluates Effects of Race, Age, Sex on Face Recognition Software* (Dec. 19, 2019), <https://www.nist.gov/news-events/news/2019/12/nist-study-evaluates-effects-race-age-sex-face-recognition->

or lead to violations of states' nondiscrimination obligations under Section 188 of Workforce Innovation and Opportunity Act (WIOA). States using ID proofing solutions that employ the use of facial recognition technology, must test the system for biases<sup>6</sup> and work with the service provider to identify and resolve any biases or barriers to equitable access resulting from the ID proofing process. States implementing or using facial recognition technology in their ID proofing processes must also report to ETA, in their IAP submission, findings from bias testing and provide updates on efforts to mitigate biases or barriers.

States are encouraged to examine any available claimant demographic data to help inform strategies to enhance outreach and education about the program to underserved communities. States should also explore strategies to improve their state's UI program reciprocity rate. In addition, states should focus on UI functions and activities that ensure equitable access to these programs. UIPLs No. [02-16](#) and [02-16, Change 1](#), outline the requirements that states must meet to ensure access to the UI program and timely payments are made to eligible individuals. States are encouraged to use the UI Equity Toolkit as a resource concerning equitable access to the UI program.

States should discuss how they are improving their UI programs to reduce or eliminate barriers to access and any equity issues across the claimants' journeys. This could include but it is not limited to discussing the state's approach to:

- Simplifying communications;
- Enhancing language access and translation and interpretation services;
- Engaging claimant-focused community organizations to provide feedback on pain points, education campaigns, and cultural competency;
- Creating feedback loops across the states' diverse communities and claimants;
- Developing and utilizing demographic, geographic, and industry data across the claimant journey to discover and fix pain points across populations;
- Improving in-person and phone services;
- Improving online accessibility and usability across computer and phone devices; and

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[software](#) (finding demographic differentials in the majority of the 189 face recognition algorithms studied, and noting that "a false positive in a one-to-many search puts an incorrect match on a list of candidates that warrant further scrutiny").

<sup>6</sup> States should be aware that 29 CFR § 38.51 requires UI program administrators to conduct statistical or other quantifiable data analyses of demographic records and data to determine whether their UI programs and activities are being conducted in a nondiscriminatory way.

- Improving educational content available in both in-person and electronic means.

States that received equity grants under [UIPL No. 23-21](#) are encouraged to include the equity strategies they are pursuing using these grant funds in their FY 2024 SQSPs.

iv. **Supporting the reemployment of UC claimants through Reemployment Services and Eligibility Assessments (RESEA), Short-Time Compensation (STC), robust work search activities, and other targeted initiatives**

RESEA for individualized reemployment services

The reemployment of UC claimants remains a top priority for the entire workforce system. The UI program supports reemployment through a variety of targeted strategies, and RESEA provides a dedicated funding stream for states to provide individualized reemployment services and referrals to other workforce partners. RESEA, a voluntary program for states, is codified in Section 306 of the SSA. Recognizing RESEA as a permanent workforce partner, states with RESEA programs have been directed to prioritize strategies that support the expansion and sustainability of the program, such as permanent staffing, expanded eligibility, and increased service-delivery. [UIPL No. 02-23](#) and Training and Employment Guidance Letter ([TEGL](#)) [No. 08-22](#) provide the FY 2023 RESEA operating guidance. States recently updated their WIOA state plans, which should reference the integration of RESEA into their broader workforce system and reemployment strategies.

States are permitted to reference their RESEA and WIOA state plans in the SQSP rather than replicate these strategies and approaches. States should also discuss how their RESEA strategies support reducing improper payments, including the review of claimant eligibility and providing services that help them comply with work search requirements.

STC as a lay-off aversion program

The STC program (known also as “worksharing” or “shared work”) is a lay-off aversion program in which an employer, under a state-approved plan, reduces the hours for a group of workers and these workers in turn receive a reduced UC payment. Section 2108, 2109, and 2110 of the CARES Act, as amended, provided for federal funding of benefits and grants to states to support the expansion and take-up of STC during the height of the pandemic (*see* [UIPL No. 22-20](#)). The Department encourages the use of STC to support workers and employers.

Robust Work Search Activities

A provision of UI administrative grant eligibility requires that state laws include a work search requirement as a condition of UC eligibility (*see* Section 303(a)(12), SSA). Each state defines acceptable work search activities through its laws and

policies – which vary widely in the types of activities that qualify as acceptable work search activities.

Training and Employment Notice ([TEN](#)) No. 17-19 provides states with model work search legislation focused on proactively referring claimants to suitable work, establishing a comprehensive definition of acceptable work search activities that focuses on rapid reemployment, and providing fair notice and documentation requirements. It is a best practice for states to have a fully integrated workforce system that focuses its collective efforts on assisting claimants getting back to work as quickly as possible in suitable jobs in the following ways:

Strategies to consider include:

- Requiring work search activities that embrace a wide array of activities that support reemployment in today’s labor market and include receiving services through American Job Centers;
- Supporting claimant compliance with required work search activities through a reemployment service delivery design that includes developing clear, plain language work search requirements that: 1) help to ensure that claimants understand work search requirements (both acceptable activities and documentation requirements); 2) helps to ensure that claimants understand the consequences of failing to comply with these requirements; and 3) provides assistance in developing a reemployment plan that meets the requirements, including through customer-friendly technology applications that facilitate claimants carrying out tasks that meet their work search requirements;
- Encouraging states to proactively identify and refer claimants to suitable job openings from public and private job banks, and ensure that claimants accept employment in suitable work if offered;
- Developing and facilitating continuous review of completed work search activities to verify claimant compliance;
- Documenting these activities through the state’s case management system or other information technology (IT) systems that support documentation requirements; and
- Providing case management services through American Job Center career counselors, which include following up with claimants and employers on the results of job referrals to inform future job referrals and/or the need for additional reemployment services for the claimant.

There are additional strategies states should consider in developing their work search requirements and designing reemployment service delivery strategies that support a claimant’s ability to comply with a state’s work search requirements and help to



mitigate improper payments. States are strongly encouraged to implement these additional strategies to address work search errors and incorporate those strategies into the Integrity Action Plan (IAP) as part of the SQSP.

- Designing the state RESEA program to support the development of an individual reemployment plan that can help each claimant effectively plan work search activities, and making such services available virtually to support a broader reach;
  - Encouraging RESEA and other career and reemployment service providers to take advantage of the My Reemployment Plan tools that are designed to support development of individualized reemployment plans and connect claimants to effective reemployment resources (*see* [Pathways to Reemployment](#)); and
  - Reinforcing the requirement to complete work search activities throughout the claims cycle through the use of behavioral messaging in electronic communications, either in an online technology application or through emails or texts, to “nudge” claimants to comply with work search requirements.
- v. **Ensuring UI program integrity by assessing and evaluating fraud risks, implementing and maintaining sufficient controls to effectively mitigate the likelihood and impact of fraud, and reducing improper payments**

UI program integrity continues to remain a top priority and a key focus for the Department and the entire UI system. UI program integrity includes identity (ID) verification, fraud prevention and detection; fraud risk mitigation; improper payment reduction; the recovery of overpayments; the prevention of underpayments; the timely and accurate payment of benefits; and ensuring equitable access in all UI programs. ETA continuously develops and oversees implementation of integrity strategies that target fraud and the root causes of improper payments. ETA’s efforts to address fraud risks and improve integrity in the UI program includes providing guidance, technical assistance, and funding to states to combat fraud and reduce and recover improper payments. ETA is also investing in developing new and enhancing existing tools, datasets, and resources and making them available to aid states in more quickly identifying potential improper payments and fraud.

GAO issued two reports<sup>7</sup> recommending the Department assess fraud risks to the UI program in alignment with GAO’s Fraud Risk Framework<sup>8</sup>. The Department has developed and documented a UI fraud risk profile in alignment with the leading practices identified in the GAO Fraud Risk Framework. In doing so, the Department has completed the following activities:

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<sup>7</sup> See GAO Report issued October 27, 2021, entitled “Additional Actions Needed to Improve Accountability and Program Effectiveness of Federal Response” at <https://www.gao.gov/assets/gao-22-105051.pdf> and GAO Report issued January 23, 2023, entitled “Unemployment Insurance: Data Indicate Substantial Levels of Fraud during the Pandemic; DOL Should Implement an Antifraud Strategy” at <https://www.gao.gov/assets/gao-23-105523.pdf>.

<sup>8</sup> See A Framework for Managing Fraud Risks in Federal Programs at <https://www.gao.gov/assets/gao-15-593sp.pdf>.

- Identified the inherent fraud risks facing the UI program;
- Assessed the likelihood and impact of inherent fraud risks facing the UI program;
- Determined the fraud risk tolerance for the UI program;
- Examined the suitability of existing fraud controls in the UI program; and
- Prioritized residual fraud risks.

The Department regularly assesses its antifraud strategies and continuously evolves strategies to address emerging fraud threats and risks<sup>9</sup>. ETA is committed to ensuring its UI fraud risk management activities are conducted in alignment with GAO's Fraud Risk Framework, which calls for a strategic approach for assessing and managing fraud risks. Since the UI program is a Federal-state partnership, which means both the Department and state UI agencies are responsible for ensuring UI program integrity, states are encouraged to also evaluate UI fraud risks and implement and maintain sufficient controls to effectively prevent fraud and reduce improper payments. An antifraud strategy describes existing fraud control activities as well as any new control activities a program may adopt to address residual fraud risks.

On April 27, 2023, ETA issued [UIPL No. 22-21, Change 2](#), outlining the required and recommended UI program integrity functions and overpayment recovery activities, and reminding states that they must use, operate, and maintain the required integrity controls and required overpayment recovery activities, including during times of mass unemployment events, absent specific statutory authorization allowing suspension of such controls or activities. ETA also strongly encourages states to use, operate, and maintain the recommended integrity controls and recommended overpayment recovery activities described in [UIPL No. 22-21, Change 2](#).

As states continue to combat ongoing fraud attacks involving sophisticated criminal ID fraud schemes, states must also remain focused on preventing eligibility fraud and other improper payments. While states have developed and implemented new and innovative integrity strategies and enhanced existing integrity efforts to combat fraud, it is equally important for states to evaluate outcomes using a risk-based approach to assess the effectiveness of fraud prevention and detection and improper payment reduction activities. This includes collecting and analyzing data for fraud trends and identifying potential control deficiencies, as well as effective monitoring and evaluation with a focus on measuring outcomes and progress toward the achievement of objectives, rather than solely reviewing outputs and progress in implementing control activities. Evaluation results should be used to continuously adapt to changing risks and improve the design, implementation, and effectiveness of fraud and improper payment risk management activities. States must also continue to mitigate the likelihood and impact of fraud and reduce improper payments by staying abreast

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<sup>9</sup> A public version of the UI Integrity Strategic Plan is found at [https://oui.doleta.gov/unemploy/integrity\\_plan.asp](https://oui.doleta.gov/unemploy/integrity_plan.asp).

of emerging fraud schemes through ongoing communication and collaboration with the broader UI community. This includes all state workforce agencies, ETA's Regional and National offices, the Department's Office of Inspector General (DOL-OIG), and NASWA's UI Integrity Center.

For FY 2024, ETA is highlighting the following specific topics states must incorporate into the SQSP IAP in addition to the IAP requirements outlined in Section 6.d. of this UIPL:

- State plans to evaluate UI fraud risks and implement and maintain sufficient controls to effectively prevent fraud and reduce improper payments, including state actions to develop their own state-specific antifraud strategy.
- State use of tools, services, strategies, process improvements, and/or procedural changes adopted by the state to combat fraud, verify identities, and enhance recovery efforts. States must identify which tools, solutions, and service provider(s) are used in the state's fraud management operations including, but not limited to, the following areas: data analysis, risk-based ID verification, fraud prevention and detection, and cybersecurity.
- State use of UI Integrity Center resources, with a particular focus on state connection to the Integrity Data Hub (IDH) and use of its datasets to cross-match UC claims and aid in the prevention and detection of fraud and improper payments (*see* [TEN No. 24-21](#)).
- State use of required and recommended integrity controls and overpayment recovery activities as outlined in [UIPL No. 22-21, Change 2](#), including any additional effective cross-matching and overpayment recovery activities and identified best practices.
- State use and employer participation in the State Information Data Exchange System (SIDES) (*see* [TEN No. 12-16](#)).
- State strategies designed to facilitate claimants' compliance with state work search requirements while also supporting their reemployment such as adoption of the work search requirements in the Model Work Search Legislation (*see* [TEN No. 17-19](#)).

Additional tools, strategies, process improvements, and/or procedural changes to combat fraud, verify identities, and enhance overpayment recovery efforts

Intercepting fraud as early as possible minimizes its impact on the UI system. Fraud detection operations and procedures, coupled with using a risk-based approach to determine which claims are subject to evidence-based ID verification, are critical to ensuring payment is made timely and only to individuals entitled to receive UC. The Department continues to strongly encourage states to adopt multiple strategies and

techniques to validate UC claims, detect and share suspicious claim attributes among states, and consider a range of other available tools and resources when combating fraud, conducting risk-based ID verification, and ensuring program integrity. In addition, states should work collaboratively with law enforcement agencies to assist in investigative efforts.

Overpayment recovery is critical to protect both state unemployment funds and Federal funds in the UI trust fund and must be given the same priority as overpayment prevention and detection. ETA strongly encourages states to work proactively and collaboratively with Federal law enforcement to streamline forfeiture and seizure efforts and with banks and financial institutions to facilitate the rapid return/recovery of improperly paid UC.

ETA has provided states significant additional funding to support states with fraud prevention and detection, ID verification, and overpayment recovery activities in the CARES Act UI programs and regular UC programs (*see* UIPLs No. [28-20](#); [28-20, Change 1](#); [28-20, Change 2](#); [28-20, Change 4](#); [22-21](#); and [02-22](#)).

#### State Use of UI Integrity Center Resources

The UI Integrity Center, established and funded by the Department and operated by NASWA's Center for Employment Security Education and Research, Inc. (CESER), assists states in their efforts to prevent, detect, and recover improper and fraudulent payments and improve UI program integrity by developing and promoting innovative program strategies. The UI Integrity Center is a unique and extremely valuable resource available at no cost to states, and ETA strongly encourages states to access its services and resources on a regular and ongoing basis to inform and support state integrity strategies, strengthen fraud prevention and detection, enhance fraud management operations, and improve overpayment recovery efforts. Below are important UI Integrity Center services and resources that states should connect to and build into their IAP as part of the SQSP.

- [Integrity Data Hub](#) – is a secure, robust, centralized, multi-state data system that allows participating states to cross-match, compare, and analyze UC claims data against a variety of datasets for enhanced prevention and detection of improper payments and fraud in UI programs (*see* [TEN No. 24-21](#)). States should take the following three actions to strengthen fraud prevention and detection using the IDH:
  - Take advantage of, and use, all IDH functionalities;
  - Implement IDH web service/real-time connectivity, if possible; and
  - Submit all UC initial and continued claims to the IDH in real-time, or on a daily basis, at minimum.

The IDH continues to evolve as new data sources are added and more states submit data for cross-matching and identify suspicious claim attributes. New IDH enhancements, such as IDH Results Prioritization and Results Sorting, Filtering, and Outcomes, allow states to prioritize, analyze, and manage IDH results quickly and easily, and help states identify why a claim warrants further investigations. Current IDH datasets and functionality include: the Suspicious Actor Repository; Suspicious Email Domains; Foreign Internet Protocol address detection; Multi-State Cross-Match; Identity Verification solution; Bank Account Verification service; and Fraud Alert System.

- [\*State Services\*](#) – supports states in assessing business processes and provides recommendations for adoption of effective strategies for combatting fraud, reducing a state’s improper payment rate, enhancing overpayment recovery, and improving UI program integrity.
- [\*UI Integrity Knowledge Exchange Library \(Library\)\*](#) – provides an online, searchable, knowledge-sharing platform with a repository containing thousands of UI technical resources to strengthen UI program integrity. The Library also contains the [\*Behavioral Insights \(BI\) Toolkit\*](#) – a collection of resources, articles, templates, and how-to information developed to help state UI agencies apply the learnings of BI to address program compliance challenges and improve UI program integrity (see [\*TEN No. 15-21\*](#)).
- [\*UI National Integrity Academy \(Academy\)\*](#) – provides no-cost interrelated certificates that offer program integrity trainings for state staff via online, eLearning modules and Virtual Instructor Led Training. The Academy’s Learning Management System provides states with access to self-paced, on-demand training available at any time and a searchable online catalog with over 120 lessons available for state UI staff in the areas of Program Leadership, UI Operations Integrity, Fraud Investigations, Tax Integrity, Data Analysis, and Behavioral Insights.

#### Increased State and Employer Use of SIDES

State implementation and employers’ use of SIDES should be an integral part of a state’s integrity strategy (see [\*TEN No. 12-16\*](#) and information available at <https://www.naswa.org/uicides>). SIDES is composed of Web Services for third-party administrators (TPAs) and large employers and E-Response for smaller employers. States should view SIDES as a critical part of their UI integrity efforts and are encouraged to connect to all SIDES exchanges and build SIDES into their IAP as part of the SQSP.

The SIDES *Separation Information Exchange* supports timely and accurate information from employers and TPAs, which aids in reducing separation errors. As set out in [\*UIPL No. 19-16\*](#), ETA has expectations for the overall state usage of SIDES (Web Services and E-Response) with a goal for states to receive employer responses

through SIDES Web Services and SIDES E-Response for at least 50 percent of all UC initial claims processed and, separately, a goal of at least 35 percent of all UC initial claims processed through the SIDES E-Response. ETA encourages states to increase employer usage of SIDES for separation exchanges by pursuing the following strategies:

- Each state should strive to have all TPAs operating within the state to be live and using Web Services.
- States that have been successful in obtaining greater employer use have SIDES as the default method of exchanging information unless employers “opt-out” of this approach. These states have also used SIDES as the only electronic response system and have not used parallel/dual systems.
- States that have been successful in obtaining greater employer use have a single sign-on for SIDES and the state’s employer portal. The NASWA SIDES Team can provide technical assistance to states on implementing a single sign-on option if the state is not currently using a single sign-on for employers.
- States also should consider efforts to promote SIDES E-Response and to encourage employers who do not use TPAs to use SIDES, especially those employers who are frequent users of the UI program. In marketing SIDES, states are encouraged to use resources like the SIDES toolkit found at <http://sidesitk.naswa.org/sides>.

States should consider using the other valuable SIDES exchanges, if they are not already doing so. These additional exchanges include:

- *Monetary & Potential Charges Exchange* – advises the employer/TPA of the wages used to calculate potential benefits payable to the claimant and advises the employer of the potential charges applied to their state unemployment taxes if benefits are awarded, and they are found liable.
- *Additional Fact-Finding Exchange* – permits electronic transmission of unique questions and responses between the state and the employer/TPA.
- *Determinations & Decisions Exchange* – permits the state to electronically transmit a non-monetary determination or an appeals decision to an employer/TPA, and permits the employer/TPA to electronically respond, if necessary, with an appeal of a non-monetary determination or appeal of a lower-level appeal decision using the standard national format.
- *Earnings Verification Exchange* – electronically sends wage verification requests to employers through a state-specific employer portal and is recommended if a state does not have an automated web-based system for requesting employers to verify earnings.

- *Benefit Charges Exchange* – advises the employer/TPA of the amount of benefits charged to the employer for determining the employer’s state unemployment taxes based on the claimant’s eligibility and account liability.

#### Compliance with Work Search Activities

As noted above, robust work search activities are a critical component of supporting reemployment of UC claimants. Additional strategies for states to consider for mitigating improper payments related to compliance with such activities is described earlier in this UIPL.

#### vi. **Addressing Worker Misclassification**

States should monitor their performance under the Effective Audit Measure to determine whether they are effectively detecting and preventing worker misclassification (*see* [UIPL No. 03-11](#)). States may deploy a wide array of strategies to address worker misclassification. ETA encourages states to develop and implement strategies to address the misclassification of workers and to include those strategies in the states’ SQSPs. ETA will continue to identify state “best-promising practices” in this area and share them broadly.

#### vii. **Ensuring accurate and complete reporting of ETA Required Reports**

The impact of the pandemic on the UI system has resulted in some states experiencing technical challenges leading to untimely filing and/or inaccurate reporting of the ETA required reports. The states’ SQSP Narrative is required to include actions planned to address this issue and ensure appropriate reporting in FY 2024. States are also required to correct previously transmitted reports to ensure accurate data is reported.

Additionally, states with inaccurate and/or incomplete reporting on all ETA 227 reports (Overpayment Detection and Recovery Activities), and the 902P report (Pandemic Unemployment Assistance) must report their plans to correct the reporting issues in the IAP, specifically regarding Section C. *Overpayment Activity and Administration (all activity EXCEPT for Identity Theft)* and Section D. *Overpayment Activity Related to Identity (ID) Theft*.

States must also continue to ensure accurate financial transaction information is reported on the ETA 2112 Financial Transaction Summary Report. Ongoing activity associated with the various CARES Act programs must be reported on the appropriate lines of the ETA 2112 report and recoveries must be broken out by relevant program. Prior reports should be revised to ensure accuracy including cases where comingled recoveries may have been reported under lines not associated with a specific program.

**Government Performance and Results Act of 1993 (GPRA) UI Performance Measures (Federal Emphasis)**

GPRA requires a commitment from all Department programs to attain expressed goals and objectives. Achieving these objectives requires the combined efforts of the Federal and state partners.

ETA recognizes that the COVID-19 pandemic has negatively impacted states’ program performance in FYs 2020, 2021, and 2022. While the impact of the pandemic has begun to subside somewhat in FY 2023, states continue to struggle with meeting key performance measures. It remains important for states to focus their efforts on meeting the performance measures that ensure the UI program is achieving its mission-critical goals.

In FY 2024, ETA will continue to work with states to rebuild performance with attention on the following GPRA goals for FY 2024, with targets that the UI system, as a whole, is expected to meet. States should continue to strive to reach or exceed these GPRA goals and targets. States must describe in the SQSP Narrative the steps they will take to reach and/or exceed these GPRA goals and targets(*see* [https://oui.doleta.gov/unemploy/docs/GPRA\\_Summary\\_Report.asp](https://oui.doleta.gov/unemploy/docs/GPRA_Summary_Report.asp) for the FY 2024 GPRA goals and targets.

<b>Goal</b>	<b>Target</b>
<i>Percent of Intrastate Payments Made Timely (Make Timely Benefit Payments)</i>	87 percent of intrastate first payments for full weeks of UC will be made within 14/21 days from the week ending date of the first compensable week.
<i>Detection of Recoverable Overpayments (Detect Benefit Overpayments)</i>	Overpayments established at a rate that is at least 57.5 percent of the estimated detectable, recoverable overpayments.
<i>Percent of Employer Tax Liability Determinations Made Timely (Establish Tax Accounts Promptly)</i>	90 percent of status determinations for new employers will be made within 90 days of the end of the first quarter in which liability occurred.

**B. Program Performance.** The Department’s strategic approach to UI Performs is to focus efforts on improving the performance of states where performance is below minimum criteria while promoting overall excellence. To that end, states are expected to address performance that does not meet established criteria for the SQSP measurement period. The measurement period for the FY 2024 SQSP is April 1, 2022 – March 31, 2023, unless otherwise indicated in Attachment I.



**C. UI Performance Criteria.** Attachment I list the performance criteria for the Core Measures, Secretary's Standards, and other program criteria where Corrective Action Plans (CAPs) and/or Narratives may be expected if annual performance is not acceptable.

- i. **Core Measures.** Performance below the acceptable levels of performance (ALP) for Core Measures must be addressed in a CAP unless otherwise indicated.

Additional instructions for Core Measures are as follows:

- ***The Detection of Overpayments Measure.*** This measure is the percentage of detectable/recoverable overpayments estimated by the Benefit Accuracy Measurement (BAM) survey that was established for recovery through regular UI Benefit Payment Control (BPC) program operations. Any state reporting an overpayment detection rate below 50 percent is expected to address the deficiency in a CAP. In addition, because most states cannot cost-effectively detect and establish more than 90 percent of estimated overpayments, an upper limit of 95 percent has been established for monitoring purposes. If a state reports an overpayment detection rate above 95 percent is the result the issue reflects the improper administration of BAM or BPC activities or misreporting of data on the ETA 227 (Overpayment Detection and Recovery Activities) report, the state is expected to submit a CAP (for BAM/Overpayment Detection or BPC/Overpayment Detection or address reporting 227 issues). The state should develop the CAP to ensure that the state is producing valid data for the Overpayment Detection Measure. The performance period for the BPC component is the three-year period ending March 31, 2023; the performance period for the BAM component is the three-year period ending September 30, 2022.
- ***Effective Audit Measure.*** The Effective Audit Measure, as noted in [UIPL No. 03-11](#), is a blended measure of the following four factors: 1) *Percentage of Contributory Employers Audited Annually*; 2) *Percentage of Total Wage Changed as a Result of Audit*; 3) *Percentage of Total Wages Audited*; and 4) *Average Number of Misclassifications Detected Per Audit*. Each of the four factors has a minimum standard score that states must meet to pass the Effective Audit Measure, as well as an overall combined score that must be achieved. The measure also requires each state to direct additional emphasis to the factor(s) that state personnel deem important to the state. An additional two points must be earned among any of the four factors to attain the overall passing score of at least 7.0. A CAP is required for states that do not meet the measure based on calendar year 2022 data.
- ***Improper Payments Measure.*** The Improper Payments Measure is defined as UC overpaid plus UC underpaid divided by the total amount of UC paid. It is based on estimates from the results of the BAM survey of paid UC claims in the State UI, Unemployment Compensation for Federal Employees, and Unemployment Compensation for Ex-Servicemembers programs.

The [Payment Integrity Information Act \(PIIA\) of 2019](#), codified in 31 U.S.C. 3351 *et seq.*, repealed and replaced the Improper Payments Information Act of 2002, and the subsequent statutory amendments (the Improper Payments Elimination and Recovery Act (IPERA) of 2010 and the Improper Payments Elimination and Recovery Improvement Act (IPERIA) of 2012. PIIA requires agencies to examine the risk of erroneous payments in all programs and activities they administer. This Federal law defines the term improper payment as:

- (A) ...any payment that should not have been made or that was made in an incorrect amount, including an overpayment or underpayment, under a statutory, contractual, administrative, or other legally applicable requirement; and
- (B) includes—(i) any payment to an ineligible recipient; (ii) any payment for an ineligible good or service; (iii) any duplicate payment; (iv) any payment for a good or service not received, except for those payments where authorized by law; and (v) any payment that does not account for credit for applicable discounts.

PIIA requires Federal programs to report an annual improper payment rate. It also requires agencies to include all identified improper payments in the reported estimate, regardless of whether the improper payment in question has been or is being recovered (*see* [UIPL No. 09-13, Change 1](#) for ETA’s approved improper payment rate computation methodology). Corrective actions and IAP root causes for FY 2024 are based on ETA’s approved computation methodology.

In accordance with PIIA, an ALP of less than 10 percent has been established for the improper payment measure. States are expected to maintain an improper payment rate of less than 10 percent for covered UC programs. This ALP is applicable to the 2022 PIIA performance period (July 1, 2021 to June 30, 2022). A state failing to meet the ALP for the 2022 PIIA performance period will be expected to develop a CAP as part of the FY 2024 SQSP.

- ***UI Overpayment Recovery Measure.*** As explained in [UIPL No. 09-13](#), the recovery rate is “the amount of improper overpayments recovered divided by the amount of improper overpayments identified.” The ALP for the recovery rate measure is 68 percent for the 2022 PIIA performance period. The Department will compute future recovery targets based on the most recent recovery and other performance data available.

The performance period will be based on data from the ETA 227, Overpayment Detection and Recovery Activity (Regular), and ETA 227, Overpayment Detection and Recovery Activity (Emergency Unemployment Compensation) (EUC), for the PIIA 2022 performance period (July 1, 2021 to June 30, 2022). Pursuant to the UI Reports Handbook ([ET Handbook No. 401, 5th edition](#)), the June quarter ETA 227 reports are due August 1 each year. A state failing to meet

the ALP for the 2022 PIIA performance period will be expected to develop a CAP as part of the FY 2024 SQSP.

ii. **Secretary's Standards**

A state experiencing performance below the criteria for the Secretary's Standards established in regulation at 20 CFR Parts 640 and 650 are required to address the performance issues in a CAP. The Secretary's Standards are listed in Attachment I.

iii. **UI Programs**

States must address the following UI Programs as described below:

- ***State Directory of New Hires (SDNH)/National Directory of New Hires (NDNH)***

State BAM operations that, based on the BAM Administrative Determination, are not compliant with the NDNH matching requirements in [ET Handbook No. 395, 5th Edition](#), chapter VI, [UIPL No. 03-07](#), and [UIPL No. 03-07, Change 1](#), are expected to be addressed in a CAP for FY 2024.

- ***Benefit Accuracy Measurement (BAM)***

State BAM operations or operational components that are not compliant with investigative and/or method and procedure requirements established in [ET Handbook No. 395, 5th Edition](#), and through findings established through [ET Handbook No. 396, 4th Edition](#) monitoring reviews (based on the annual determination letter issued on or before May 1, 2023), are expected to be addressed in a CAP. This includes paid and denied claim population variances outside established control limits.

- ***Tax Performance System (TPS)***

To ensure that UI tax operations are in compliance with Federal reporting and oversight requirements, a state's failure to conduct one or more TPS sample reviews will be subject to a CAP. Additionally, a tax function that is not sampled will be included in the number of total failing functions as measured by Tax Quality Part A (no more than three tax functions may fail TPS review) and Part B (a tax function cannot fail for three consecutive years). Exceptions include universes that are too small to support a sample ("S"), an Experience Rate sample that was not scheduled for review during the performance year ("E"), or the granting of a temporary waiver by the RO ("W"). Program Review Findings Charts should be noted accordingly.

- ***Data Validation (DV)***

The deadline for submitting DV results is June 10, 2023. DV items that fail to pass validation, or were due but not submitted, are expected to be addressed in the state's FY 2024 SQSP. Non-submitted items also include failure to certify that the state instructions in the Module 3 for Benefits and Tax are up-to-date during the April 1 – June 10, 2023, certification window.

Any DV items due for Validation Year (VY) 2023 that did not pass or were not submitted by the June 10, 2023, deadline are expected to be addressed in a CAP for FY 2024.

ROs will monitor states every three years on cycles coinciding with the Data Validation Years. They will assess the accuracy of the states' DV results considered passing or not due as of the time of the monitoring review to verify that the states are properly implementing the DV program. DV items submitted as passing but which a monitoring review determined to have failed must also be addressed in the SQSP. All subsequent SQSP cycles will address items changed from pass to fail in the previous year's monitoring review.

iv. **UI Program Integrity and the IAP**

The purpose of the IAP is for the state to provide a comprehensive and detailed plan outlining the agency's UI integrity and antifraud strategies. States will use the IAP template (Word document) to develop their FY 2024 IAPs. The template provides states with a format that is conducive for developing a comprehensive, detailed, and actionable IAP and offers more flexibility to clearly articulate state integrity plans and antifraud strategies. States are expected to report their planned actions and activities to prevent, detect, reduce, and recover fraud and UI improper payments in their IAPs, which are submitted each year as part of the annual SQSP submission.

A critical part of fraud risk management includes evaluating outcomes using a risk-based approach and adapting activities to improve fraud risk management strategies. To effectively manage fraud risks states should develop and document an antifraud strategy that describes the states approach for addressing fraud risks.

States are expected to address each of the following topics, including specific National Priorities and additional integrity strategies as outlined below, as part of IAPs for the FY 2024 SQSP submission. States should use the IAP template as a guide to develop their IAPs and ensure all key IAP topics (outlined below) are addressed.

- (Topic #1: National Priority) – Ensuring UI program integrity by assessing and evaluating UI fraud risks and implementing and maintaining sufficient controls to effectively mitigate the likelihood and impact of fraud and reduce improper payments:

- State plans to evaluate UI fraud risks and implement and maintain sufficient controls to effectively prevent fraud and reduce improper payments, including state actions to develop their own state-specific antifraud strategy.
- State use of tools, services, strategies, process improvements, and/or procedural changes adopted by the state to combat fraud, verify identities, and enhance recovery efforts. States are expected to identify which tools, solutions, and service provider(s) are used in the state's fraud management operations, including but not limited, to the following areas: data analysis, risk-based ID verification, fraud prevention and detection, and cybersecurity.
- State use of UI Integrity Center resources, with a particular focus on state connection to the IDH and use of its datasets to cross-match UC claims and aid in the prevention and detection of fraud and improper payments.
- State use of required and recommended integrity controls and overpayment recovery activities as outlined in [UIPL No. 22-21, Change 2](#), including any additional effective cross-matching and overpayment recovery activities and identified best practices.
- State use of and employer participation in SIDES.
- State strategies designed to facilitate claimants' compliance with state work search requirements while also supporting their reemployment such as adoption of the work search requirements in the Model Work Search Legislation.
- (Topic #2) – State plans and actions to address the state's top three improper payment root causes in PIIA 2022.
- (Topic #3) – State coordination and collaboration with DOL-OIG and other state and Federal law enforcement agencies to investigate and prosecute UI fraud and recover overpayments. This should also include state plans to continue providing all confidential UC information to DOL-OIG for purposes of both investigating fraud and performing audits.
- (Topic #4) – State plans to strengthen program integrity in UI tax operations, including current activities and plans to identify and prevent worker misclassification, State Unemployment Tax Act Dumping, and fictitious employer schemes, and development/use of effective employer audit strategies (i.e., use of remote audits).
- (Topic #5) – State plans and actions to strengthen internal security and ensure that all appropriate internal controls and processes are in place and are adequate to assess internal risks and threats, ensure program integrity, and minimize program vulnerabilities (*see* [UIPL No. 14-17](#)).

- (Topic #6) – State plans and actions to evaluate the effectiveness and equity of fraud prevention and detection, ID verification, and improper payment reduction activities. State should include strategies to ensure that processes used to detect and prevent fraud are effective and do not limit the ability for a legitimate claimant to apply for and become eligible for UC. States implementing or using facial recognition technology in their ID proofing processes must also report findings from bias testing and provide updates on efforts to mitigate biases or barriers in this section of the IAP.
- (Topic #7) – State plans and actions to mitigate negative consequences for victims of UI ID fraud, including ensuring simplified processes to remove the victim’s liability for overpayments resulting from ID fraud.
- (Topic #8) – If the state has not provided complete and accurate overpayment reporting on the ETA 227 reports (Overpayment Detection and Recovery Activities), and the ETA 902P report (Pandemic Unemployment Assistance Activities), the state must provide information on plans for improvement, including timeframes and milestones, for addressing the issue and ensuring complete, accurate, and timely reporting in FY 2024.

In FY 2022, ETA began requiring states to provide a six-month update to the IAP, covering the first two quarters of the FY (October – March) when submitting the SQSP quarterly update for the quarter ending March 31. The six-month update to the IAP continues to be required for FY 2024. States will develop the six-month IAP update in the IAP Word document template and submit it at the same time the state submits the SQSP quarterly update for the quarter ending March 31. The purpose of the six-month update is for a state to provide a progress report on all integrity and antifraud strategies outlined in the IAP and must include details on any new strategies, solutions, and/or activities; changes to existing strategies; plan or strategy delays and/or challenges in implementing the IAP; positive outcomes (e.g., progress toward the achievement of objectives); and identified successes.

ETA will continue to provide technical assistance to states to support their integrity activities through guidance, webinars, individual state technical assistance, and in partnership with the many available resources to support states with strengthening UI program integrity (*see* Section 12 of this UIPL for UI Technical Assistance Resources).

v. **Other UI Performance**

States are expected to address the following performance deficiencies in the SQSP Narrative, unless otherwise indicated.

- Failure to meet reporting requirements.

- Invalid recording of the Issue Detection Date (IDD) and Determination Date (DD). The validity of the UI Performs nonmonetary determination timeliness measure depends on the accuracy of the state’s IDD and DD data. IDD and DD data are considered accurate if dates were correct in at least 95 percent of the nonmonetary determinations evaluated in the quarterly quality samples (obtained from the ETA 9056 report for the measurement period (see Attachment I). Since the accuracy of IDD and DD data is based on sample results, sampling variation will be taken into account in setting the percentage below which a state’s data will be considered inaccurate. States with invalid IDD or DD data are expected to address the steps they will take to record the IDD and DD correctly in the SQSP Narrative.

vi. **Future Performance Requirements**

In FY 2021, ETA published [UIPL No. 07-21](#) that announced a new reemployment core measure: Reemployment rate in the 2<sup>nd</sup> Quarter after Program Exit for RESEA Participants. This new core measure is designed to focus on RESEA program performance, given that the RESEA program is now permanently authorized within the context of the broader workforce development system. The measure aligns with the WIOA primary indicators of performance and will utilize data that states already report for the Employment Service program and will assist ETA and states in assessing state performance related to the employment outcomes of RESEA participants.

Performance data for FY 2020 and FY 2021 will be used to review state performance trends and to establish baseline state RESEA performance. States that do not meet performance criteria for both of these performance periods will not be expected to submit CAPs for FY 2024 SQSPs.

UIPL No. 07-21 also announced two new program performance measures that are meant to assist states in managing reemployment performance, but these measures are not core measures and do not have associated acceptable levels of performance.

**D. Planning Requirements for FY 2024**

SQSP Submittal Cycle

The SQSP process provides a 24-month window for states to adequately plan and implement performance improvement efforts. The process provides for two types of submittals: a Formal two-year (Biennial) plan and an Alternate Year plan. Descriptions of the Biennial and Alternate Year SQSP submittals, significant activities, and dates relating to the submittal and approval of the SQSP are outlined in [ET Handbook No. 336, 18th Edition, Change 4](#) and this UIPL. This year (FY 2024), all states will submit an Alternate Year SQSP.

### SQSP Preparation

States must use the Excel CAP Workbook to develop their CAPs for the SQSP submissions. States must also use the Excel CAP Workbook for reporting updates to specific CAP milestones and its performance each quarter. States must also use the IAP template to develop their IAP and provide the IAP updates. The ROs will provide states with the Excel Workbook and IAP template with specific instructions relevant to this Alternate Year SQSP submittal.

### SQSP Assurances and Approval

By signing the SQSP Signature Page, a state certifies that it will comply with the assurances listed in [ET Handbook No. 336, 18th Edition, Change 4](#), and will institute plans or measures to comply with the requirements for each of the assurances.

- Assurance of Disaster Unemployment Assistance (DUA)

Each state must assure that it will conduct annual training for its DUA staff and develop and maintain a Standard Operating Procedures manual for DUA. States are encouraged to use the DUA training modules available on the NASWA learning platform at <https://www.naswa.org/learning>.

Each state must:

- Indicate that it has conducted training and provide the date(s) of the training; and
- Indicate that it has developed and/or maintained DUA Standard Operating Procedures for use during a major disaster declaration.

States may contact their RO for a copy of a DUA Standard Operating Procedure template. See [TEN No. 13-21](#) for additional information.

**E. Tiger Team Grant Funds and Consultative Assessments.** In the SQSP Narrative Response section, states must detail their status regarding the grant opportunities following a consultative assessment for fraud prevention and detection, promoting equitable access, and ensuring the timely payment of benefits, including backlog reductions, for all UI programs, as announced including backlog reductions, for all UI programs, as announced in [UIPL No. 02-22](#).

- If your state has either expressed interest for an upcoming Tiger Team consultative assessment or has already been through the consultative assessment, please provide an update on the status of that engagement. In addition, if your state is actively implementing projects resulting from the consultative assessment, please provide in detail the progress on those activities, as well as any challenges or barriers your state is facing.



- If your state did not express interest for this consultative assessment please include your state's current efforts in process improvement, technology improvement, and operations enhancements in the areas of fraud prevention and detection, promoting equitable access, and ensuring the timely payment of benefits, including backlog reductions, for all UI programs.

**F. Waiving Recovery of Overpayments, where Appropriate.** As states are resolving backlogs, they may identify situations where individuals received benefits to which they were not entitled (i.e., establish an overpayment). As noted in [UIPL No. 20-21, Change 1](#), seeking recovery of overpayments from individuals who did not commit fraud and were without fault in receiving the overpayment, especially in light of the economic effects of the pandemic, creates an extraordinary hardship on working families. The authority to waive recovery of overpayments under the regular UI program is a matter of state law. When establishing overpayments under the temporary CARES Act UI programs, the Department strongly encourages states to exercise the authority to waive recovery when both conditions set forth in the CARES Act, as amended, are satisfied: (1) payment was done without fault on the part of the individual; and (2) repayment would be contrary to equity and good conscience. We remind states that to consider a waiver of the recovery of an overpayment, the state must first establish an overpayment and under no circumstances may a state waive recovery activities for a fraudulent overpayment.

Within the context of the CARES Act UI programs, states are permitted to use blanket waivers under the seven scenarios described in [Attachment I to \[UIPL No. 20-21, Change 1\]\(#\)](#). States may also submit requests for additional blanket waiver scenarios within the context of the CARES Act UI programs by submitting [Attachment II to \[UIPL No. 20-21, Change 1\]\(#\)](#). These approved blanket waiver scenarios permit a state, under the limited authorized circumstances, to process the waiver of recovery for individual overpayments that do not require additional fact-finding or submission of individual requests. These scenarios also permit the state to process the waiver of recovery for multiple overpayments meeting one of the approved scenarios simultaneously based on a single set of facts. If overpayments covered by the seven approved scenarios were processed individually, it could result in the same amount of overpayments not being recovered (i.e., recovery still being waived), but at a greater cost and inefficiency to the state because of the workload generated from processing individual waivers. Overpayments occurring outside of the scope of the approved scenarios may still be considered for waiving repayment on an individual case-by-case basis to ensure the two conditions described in the preceding paragraph are satisfied.

**G. Coordination with DOL-OIG.** States must refer allegations which they reasonably believe constitute UC fraud, waste, abuse, mismanagement, or misconduct to the DOL-OIG. States are also required to disclose confidential UC information related to the CARES Act, as amended, to the DOL-OIG for the purpose of UC fraud investigations and audits for the entire pandemic relief period (*see* [UIPL No. 04-17, Change 1](#)). Additionally, [TEN No. 05-22](#) reminded states of the DOL-OIG's authority under the Inspector General Act and strongly encouraged states to comply with data requests made by DOL-OIG. Furthermore, as a condition of receiving funding under [UIPL No. 22-21](#),

participating states are required to disclose all confidential UC information to DOL-OIG for purposes of both investigating fraud and performing audits through weeks of unemployment ending before December 31, 2023.

**H. WIOA Combined State Plans.** WIOA provides the option for states to submit a Combined State Plan that includes program plans for mandatory one-stop partners and other programs. Given that the UI program is a mandatory one-stop partner under WIOA, states have the option of including the UI program as part of the Combined State Plan. However, each state must participate in the UI Performs SQSP process whether or not the state decides to include the UI program as part of its Combined State Plan.

States electing to include UI in a Combined State Plan must incorporate the SQSP in its entirety into the Combined State Plan through the Combined State Plan process via the online WIOA State Plan Portal at <https://wioaplans.ed.gov/>. Those states must incorporate the FY 2024 SQSP into the Combined State Plan upon ETA's approval of the SQSP, but no later than October 31, 2023.

**I. UI Technical Assistance Resources.** The following resources provide states with information and support for UI program activities.

- **ETA's Regional Offices.** ETA's ROs are available to provide states with ongoing technical assistance regarding UI program administration and operations, integrity strategies, and to connect states with resources supported and funded by the Department. States are encouraged to work closely with ETA's ROs in developing their SQSP and IAP and any needed CAPS.
- **Tiger Teams.** The Department's multidisciplinary technical assistance teams (known as Tiger Teams) work with states to conduct consultative assessments to address state-specific, unique challenges and/or collect best practices to prevent and detect fraud, promote equitable access, reduce backlogs, and ensure timely payment of benefits. Tiger Teams work with states to identify immediate needs and issues focused on near-term improvements in customer experiences and improved operational processes, while also proposing grant funded recommendations to address fraud and support more equitable access for legitimate claimants. The Department has engaged with 30 states for the Tiger Team initiative since its inception and continues to finalize and deliver recommendations to states based on Tiger Team consultative assessments. Trends from Tiger Team recommendations are available at: <https://oui.doleta.gov/unemploy/pdf/TigerTeamCohortTrendsJanuary2023.pdf>.
- **UI Integrity Center.** In FY 2012, ETA created the UI Integrity Center of Excellence (UI Integrity Center) to support the needs of the fifty-three State Workforce Agencies in implementing strategies to ensure program integrity to prevent, detect, and recover improper payments, and to reduce fraud in the UC programs. NASWA CESER operates the UI Integrity Center through a cooperative agreement with ETA.

- **Office of Unemployment Insurance Modernization (OUIIM).** OUIIM, located within the Department’s Office of the Secretary, is developing services to assist states with equitable practices that reduce claimant errors which contribute to improper payments. States may also visit OUIIM’s reference site where promising practices and materials related to IT modernization and updates from Department-sponsored engagements are housed. The reference site is located at <https://www.dol.gov/agencies/eta/ui-modernization>.
  - **UI Information Technology Support Center (UI ITSC).** ETA created UI ITSC in 1994 through a cooperative agreement with the State of Maryland to develop products and services and to support state UI agencies in the use of IT for efficient administration of the UI program. Since 2009, NASWA CESER has operated the UI ITSC. UI ITSC’s activities involve providing information, technical assistance, products, and services to states or state consortia in support of the modernization of IT systems used to administer the UI program. For more information on UI ITSC visit <http://www.itsc.org>.
  - **Prisoner Update Processing System (PUPS).** To be eligible for UC, an individual must be able and available for work, and actively seeking work. Incarcerated individuals do not typically meet the eligibility requirements to receive UC. ETA worked in partnership with the Social Security Administration to establish a secure data exchange between ICON and the Social Security Administration’s PUPS to provide states with the ability to cross-match UC claims data with incarceration records to assist states in making accurate UC eligibility determinations (*see UIPL No. 01-22*). States are strongly encouraged to cross-match all UC claims against incarceration datasets, including PUPS and/or other Federal, state, and local incarceration records.
  - **DOL-OIG.** ETA recommends states build a strong partnership with their DOL-OIG offices. ETA encourages all states to collaborate with their ETA Regional Offices and DOL-OIG to share fraud trends and analysis, discuss recommendations and effective strategies for responding to emerging fraud schemes, receive updates on prosecution efforts, and facilitate sharing of UI fraud and integrity-related challenges and best practices among states.
- J. Funding Period.** The Department’s proposed FY 2024 appropriation language for State UI and Employment Service Operations allows for obligation of UI allocations by states through December 31, 2024, with 90 additional days to liquidate the obligations and complete the expenditure of funds. Under this proposed language (which mirrors language that all recent-year appropriation acts have contained), states would be able to obligate FY 2024 UI funds through September 30, 2026, if such obligations are for automation, competitive grants awarded to states for improved operations, or for conducting in-person reemployment and eligibility assessments and improper payment reviews, and providing reemployment services and referrals to training, as appropriate. The grant management resources and information including grant terms and conditions are available at <https://www.doleta.gov/grants/resources.cfm>. Please note that FY 2024

grant terms and conditions are not available at this time. This information will be provided through ETA's ROs at a later date and also posted at the webpage indicated above.

**K. Data Availability.** ETA's ROs will provide states with data showing their performance measured against the Core Measures, Secretary's Standards, and other information relevant to the SQSP (e.g., reporting deficiencies).

**L. SQSP Submittal Deadlines.** Each ETA RO will set a date and inform states of the deadline to submit their SQSPs for FY 2024.

**M. Electronic Submission of the SQSP.** States must submit the SQSPs electronically and should contact their RO SQSP Coordinators before submittal to coordinate specific details. Standard forms required as part of the budget reporting process (Chapter II of [ET Handbook No. 336, 18th Edition, Change 4](#)) are available in PDF and may be downloaded from the OMB website at: <https://www.grants.gov/web/grants/forms/sf-424-family.html#sortby=1>.

States may submit the SQSP Signature Page electronically if the state law permits. States that do not submit the signature page electronically (which includes by fax or scan) must submit the signature page by mail by the deadline set by the RO.

**5. Inquiries.** Please direct inquiries to the appropriate Regional Office.

**6. References.**

- Social Security Act (SSA), sections 303(a)(1) and 306 (42 U.S.C. 503(a)(1) and 506);
- Government Performance and Results Act (GPRA) of 1993, Pub. L. 103-62, as amended by GPRA Modernization Act of 2010, Pub. L. 111-352;
- Payment Integrity Information Act of 2019 (PIIA), Pub. L. 116-117 <https://www.congress.gov/116/plaws/publ117/PLAW-116publ117.pdf>;
- Appendix C to Office of Management and Budget (OMB) Circular A123, Requirements for Payment Integrity Improvement <https://www.whitehouse.gov/wp-content/uploads/2021/03/M-21-19.pdf>
- WIOA, Pub. L. 113-128, 29 USC 3101 note and Title I;
- Wagner-Peyser Act, 29 U.S.C. Sec. 49 *et seq.*, as amended by Title III of WIOA;
- Trade Act of 1974, Pub. L. 93-618, as amended;
- The Bipartisan Budget Act of 2013, Pub. L. 113-67;
- Bipartisan Budget Act of 2018, Pub. L. 115-123;
- Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 2020, Pub. L. 116-94;
- Consolidated Appropriations Act, 2021, including Division N, Title II, Subtitle A, the Continued Assistance for Unemployed Workers Act of 2020;
- American Rescue Plan Act of 2021, Pub. L. 117-2;

- Executive Order 13985 of January 20, 2021; 86 FR 7009, page 7009-7013, <https://www.federalregister.gov/documents/2021/01/25/2021-01753/advancing-racial-equity-and-support-for-underserved-communities-through-the-federal-government>;
- 20 CFR Parts 601, 640, 650, 652, and 660;
- 20 CFR Part 200, Subpart F;
- The Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards at 2 CFR Parts 200 and 2900;
- UIPL No. 02-23, *Fiscal Year (FY) 2023 Funding Allotments and Operating Guidance for Unemployment Insurance (UI) Reemployment Services and Eligibility Assessment (RESEA) Grants*, issued February 23, 2023, <https://www.dol.gov/agencies/eta/advisories/uipl-no-02-23>;
- UIPL No. 10-22, *Fiscal Year (FY) 2022 Funding Allotments and Operating Guidance for Unemployment Insurance (UI) Reemployment Services and Eligibility Assessment (RESEA) Grants*, issued January 21, 2022, [https://wdr.doleta.gov/directives/corr\\_doc.cfm?DOCN=9998](https://wdr.doleta.gov/directives/corr_doc.cfm?DOCN=9998);
- UIPL No. 02-22, Change 2, *Extension of Time for States to Express Interest in the Grant Opportunity Announced in Unemployment Insurance Program Letter (UIPL) No. 02-22, to Support States Following a Consultative Assessment for Fraud Detection and Prevention, Promoting Equitable Access, and Ensuring the Timely Payment of Benefits, including Backlog Reduction, for all Unemployment Compensation (UC) Programs*, issued September 19, 2022, <https://www.dol.gov/agencies/eta/advisories/uipl-02-22-change-2>;
- UIPL No. 02-22, Change 1, *Extension of Time for States to Express Interest in the Grant Opportunity Announced in Unemployment Insurance Program Letter (UIPL) No. 2-22 to Support States Following a Consultative Assessment for Fraud Detection and Prevention, Promoting Equitable Access, and Ensuring the Timely Payment of Benefits, including Backlog Reduction, for all Unemployment Compensation (UC) Programs*, issued February 16, 2022, [https://wdr.doleta.gov/directives/corr\\_doc.cfm?DOCN=8539](https://wdr.doleta.gov/directives/corr_doc.cfm?DOCN=8539);
- UIPL No. 02-22, *Grant Opportunity to Support States Following a Consultative Assessment for Fraud Detection and Prevention, Promoting Equitable Access, and Ensuring the Timely Payment of Benefits, including Backlog Reduction, for all Unemployment Compensation (UC) Programs*, issued November 2, 2021, [https://wdr.doleta.gov/directives/corr\\_doc.cfm?DOCN=6683](https://wdr.doleta.gov/directives/corr_doc.cfm?DOCN=6683);
- UIPL No. 01-22, *Announcing the Availability of an Incarceration Data Exchange and Instructions to Access the Data Exchange between the Unemployment Insurance (UI) Interstate Connection Network (ICON) and the Social Security Administration (SSA) Prisoner Update Processing System (PUPS)*, issued October 29, 2021, [https://wdr.doleta.gov/directives/corr\\_doc.cfm?DOCN=4115](https://wdr.doleta.gov/directives/corr_doc.cfm?DOCN=4115);
- UIPL No. 23-21, *Grant Opportunity for Promoting Equitable Access to Unemployment Compensation (UC) Programs*, issued August 17, 2021, [https://wdr.doleta.gov/directives/corr\\_doc.cfm?DOCN=7400](https://wdr.doleta.gov/directives/corr_doc.cfm?DOCN=7400);
- UIPL No. 22-21, Change 2, *Additional American Rescue Plan Act (ARPA) Funding and Support for States to Strengthen Unemployment Insurance (UI) Program Integrity, including Identity (ID) Verification, Fraud Prevention and Detection, and Overpayment Recovery Efforts in All Unemployment Compensation (UC) Programs and Required and*

*Strongly Recommended Strategies, Tools, and Services for UI Fraud Risk Mitigation and Improper Payment Reduction*, issued April 27, 2023, [UIPL 22-21 Change 2 | U.S. Department of Labor \(dol.gov\);https://www.dol.gov/agencies/eta/advisories/uipl-22-21-change-2](https://www.dol.gov/agencies/eta/advisories/uipl-22-21-change-2); <https://www.dol.gov/agencies/eta/advisories/uipl-22-21-change-2>;

- UIPL No. 22-21, *Grant Opportunity to Support States with Fraud Detection and Prevention, Including Identity Verification and Overpayment Recovery Activities, in All Unemployment Compensation (UC) Programs*, issued August 11, 2021, [https://wdr.doleta.gov/directives/corr\\_doc.cfm?docn=4240](https://wdr.doleta.gov/directives/corr_doc.cfm?docn=4240);
- UIPL No. 20-21, Change 1, *Additional State Instructions for Processing Waivers of Recovery of Overpayments under the Coronavirus Aid, Relief, and Economic Security (CARES) Act, as Amended*, issued February 7, 2022, [https://wdr.doleta.gov/directives/corr\\_doc.cfm?DOCN=8527](https://wdr.doleta.gov/directives/corr_doc.cfm?DOCN=8527);
- UIPL No. 20-21, *State Instructions for Assessing Fraud Penalties and Processing Overpayment Waivers under the Coronavirus Aid, Relief, and Economic Security (CARES) Act, as Amended*, issued May 5, 2021, [https://wdr.doleta.gov/directives/corr\\_doc.cfm?DOCN=6830](https://wdr.doleta.gov/directives/corr_doc.cfm?DOCN=6830);
- UIPL No. 13-21, *Fiscal Year (FY) 2021 Funding Allotments and Operating Guidance for Unemployment Insurance (UI) Reemployment Services and Eligibility Assessments (RESEA) Grants*, issued January 19, 2021, [https://wdr.doleta.gov/directives/corr\\_doc.cfm?DOCN=6686](https://wdr.doleta.gov/directives/corr_doc.cfm?DOCN=6686);
- UIPL No. 07-21, *Performance Measures for Reemployment Services and Eligibility Assessments (RESEA) and Unemployment Insurance (UI) participants*, issued December 17, 2020, [https://wdr.doleta.gov/directives/corr\\_doc.cfm?DOCN=3854](https://wdr.doleta.gov/directives/corr_doc.cfm?DOCN=3854);
- UIPL No. 28-20, Change 2, *Additional Funding to Assist with Strengthening Fraud Detection and Prevention Efforts and the Recovery of Overpayments in the Pandemic Unemployment Assistance (PUA) and Pandemic Emergency Unemployment Compensation (PEUC) Programs, as well as Guidance on Processes for Combatting Identity Fraud*, issued August 11, 2021, [https://wdr.doleta.gov/directives/corr\\_doc.cfm?docn=7207](https://wdr.doleta.gov/directives/corr_doc.cfm?docn=7207);
- UIPL No. 28-20, Change 1, *Additional Funding for Identity Verification or Verification of Pandemic Unemployment Assistance (PUA) Claimants and Funding to Assist with Efforts to Prevent and Detect Fraud and Identity Theft as well as Recover Fraud Overpayments in the PUA and Pandemic Emergency Unemployment Compensation (PEUC) Programs*, issued January 15, 2021, [https://wdr.doleta.gov/directives/corr\\_doc.cfm?DOCN=9897](https://wdr.doleta.gov/directives/corr_doc.cfm?DOCN=9897);
- UIPL No. 28-20, *Addressing Fraud in the Unemployment Insurance (UI) System and Providing States with Funding to Assist with Efforts to Prevent and Detect Fraud and Identity Theft and Recover Fraud Overpayments in the Pandemic Unemployment Assistance (PUA) and Pandemic Emergency Unemployment Compensation (PEUC) Programs*, issued August 31, 2020, [https://wdr.doleta.gov/directives/corr\\_doc.cfm?DOCN=8044](https://wdr.doleta.gov/directives/corr_doc.cfm?DOCN=8044);
- UIPL No. 23-20, *Program Integrity for the Unemployment Insurance (UI) Program and the UI Programs Authorized by the Coronavirus Aid, Relief, and Economic Security (CARES) Act of 2020 – Federal Pandemic Unemployment Compensation (FPUC), Pandemic Unemployment Assistance (PUA), and Pandemic Emergency Unemployment*

- Compensation (PEUC) Programs*, issued May 11, 2020,  
[https://wdr.doleta.gov/directives/corr\\_doc.cfm?DOCN=4621](https://wdr.doleta.gov/directives/corr_doc.cfm?DOCN=4621);
- UIPL No. 22-20, *Coronavirus Aid, Relief, and Economic Security (CARES) Act of 2020 – Short-Time Compensation (STC) Program Grants*, issued May 10, 2020,  
[https://wdr.doleta.gov/directives/corr\\_doc.cfm?DOCN=6220](https://wdr.doleta.gov/directives/corr_doc.cfm?DOCN=6220);
  - UIPL No. 09-20, *Unemployment Insurance (UI) State Quality Service Plan (SQSP) Submittal Schedule*, issued February 6, 2020,  
[https://wdr.doleta.gov/directives/corr\\_doc.cfm?DOCN=7801](https://wdr.doleta.gov/directives/corr_doc.cfm?DOCN=7801);
  - UIPL No. 08-20, *Fiscal Year (FY) 2020 Funding Allotments and Operating Guidance for Unemployment Insurance (UI) Reemployment Services and Eligibility Assessments (RESEA) Grants*, issued January 30, 2020,  
[https://wdr.doleta.gov/directives/corr\\_doc.cfm?DOCN=4214](https://wdr.doleta.gov/directives/corr_doc.cfm?DOCN=4214);
  - UIPL No. 13-19, *National Directory of New Hires (NDNH) and State Directory of New Hires (SDNH) Guidance and Best Practices*, issued June 7, 2019,  
[https://wdr.doleta.gov/directives/corr\\_doc.cfm?DOCN=5373](https://wdr.doleta.gov/directives/corr_doc.cfm?DOCN=5373);
  - UIPL No. 07-19, *Fiscal Year (FY) 2019 Funding Allotments and Operating Guidance for Unemployment Insurance (UI) Reemployment Services and Eligibility Assessment (RESEA) Grants*, issued January 11, 2019,  
[https://wdr.doleta.gov/directives/corr\\_doc.cfm?DOCN=8397](https://wdr.doleta.gov/directives/corr_doc.cfm?DOCN=8397);
  - UIPL No. 18-17, *Unemployment Insurance Benefits Operations Self-Assessment Tool*, issued July 28, 2017, [https://wdr.doleta.gov/directives/corr\\_doc.cfm?DOCN=9282](https://wdr.doleta.gov/directives/corr_doc.cfm?DOCN=9282);
  - UIPL No. 14-17, *States' Responsibilities for Internal Security in the Unemployment Insurance Program*, issued March 23, 2017,  
[https://wdr.doleta.gov/directives/corr\\_doc.cfm?DOCN=5496](https://wdr.doleta.gov/directives/corr_doc.cfm?DOCN=5496);
  - UIPL No. 04-17, Change 1, *Requirement for States to Refer Allegations of Unemployment Compensation (UC) Fraud, Waste, Abuse, Mismanagement, or Misconduct to the Department of Labor's (Department) Office of Inspector General's (DOL-OIG) and to Disclose Information Related to the Coronavirus Aid, Relief, and Economic Security (CARES) Act to DOL-OIG for Purposes of UC Fraud Investigation and Audits*, issued August 3, 2021,  
[https://wdr.doleta.gov/directives/corr\\_doc.cfm?DOCN=5817](https://wdr.doleta.gov/directives/corr_doc.cfm?DOCN=5817);
  - UIPL No. 03-17, Change 1, *Fiscal Year (FY) 2017 Unemployment Insurance (UI) Reemployment Services and Eligibility Assessment (RESEA) Grants*, issued September 22, 2017, [https://wdr.doleta.gov/directives/corr\\_doc.cfm?DOCN=6557](https://wdr.doleta.gov/directives/corr_doc.cfm?DOCN=6557);
  - UIPL No. 03-17, *Fiscal Year (FY) 2017 Unemployment Insurance (UI) Reemployment Services and Eligibility Assessment (RESEA) Grant*, issued December 8, 2016,  
[https://wdr.doleta.gov/directives/corr\\_doc.cfm?DOCN=5218](https://wdr.doleta.gov/directives/corr_doc.cfm?DOCN=5218);
  - UIPL No. 19-16, *Unemployment Insurance (UI) Supplemental Funding Opportunity for Improved Operations*, issued August 2, 2016,  
[https://wdr.doleta.gov/directives/corr\\_doc.cfm?DOCN=6982](https://wdr.doleta.gov/directives/corr_doc.cfm?DOCN=6982);
  - UIPL No. 17-16, *Reengineering Unemployment Insurance (UI) Benefits Program Accountability Process: High Priority Designation of States with Sustained Poor Performance*, issued July 13, 2016,  
[https://wdr.doleta.gov/directives/corr\\_doc.cfm?DOCN=3910](https://wdr.doleta.gov/directives/corr_doc.cfm?DOCN=3910);

- UIPL No. 02-16, Change 1, *State Responsibilities for Ensuring Access to Unemployment Insurance Benefits, Services, and Information*, issued May 11, 2020, [https://wdr.doleta.gov/directives/corr\\_doc.cfm?DOCN=5491](https://wdr.doleta.gov/directives/corr_doc.cfm?DOCN=5491);
- UIPL No. 02-16, *State Responsibilities for Ensuring Access to Unemployment Insurance Benefits*, issued October 1, 2015, [https://wdr.doleta.gov/directives/corr\\_doc.cfm?DOCN=4233](https://wdr.doleta.gov/directives/corr_doc.cfm?DOCN=4233);
- UIPL No. 01-16, Change 1, *Federal Requirements to Protect Claimant Rights in State Unemployment Compensation Overpayment Prevention and Recovery Procedures – Questions and Answers*, issued January 13, 2017, [https://wdr.doleta.gov/directives/corr\\_doc.cfm?DOCN=7706](https://wdr.doleta.gov/directives/corr_doc.cfm?DOCN=7706);
- UIPL No. 01-16, *Federal Requirements to Protect Individual Rights in State Unemployment Compensation Overpayment Prevention and Recovery Procedures*, issued October 1, 2015, [https://wdr.doleta.gov/directives/corr\\_doc.cfm?DOCN=5763](https://wdr.doleta.gov/directives/corr_doc.cfm?DOCN=5763);
- UIPL No. 17-14, *Revised Employment and Training (ET) Handbook No. 336, 18<sup>th</sup> Edition: “Unemployment Insurance (UI) State Quality Service Plan (SQSP) Planning and Reporting Guidelines”*, issued July 7, 2014, [https://wdr.doleta.gov/directives/corr\\_doc.cfm?DOCN=9690](https://wdr.doleta.gov/directives/corr_doc.cfm?DOCN=9690);
- UIPL No. 09-13, Change 1, *Integrity Performance Measure for Unemployment Insurance*, issued January 27, 2015, [https://wdr.doleta.gov/directives/corr\\_doc.cfm?DOCN=7422](https://wdr.doleta.gov/directives/corr_doc.cfm?DOCN=7422);
- UIPL No. 09-13, *Integrity Performance Measures for Unemployment Insurance (UI)*, issued January 29, 2013, [https://wdr.doleta.gov/directives/corr\\_doc.cfm?DOCN=8922](https://wdr.doleta.gov/directives/corr_doc.cfm?DOCN=8922);
- UIPL No. 05-13, *Work Search and Overpayment Offset Provisions Added to Permanent Federal Unemployment Compensation Law by Title II, Subtitle A of the Middle Class Tax Relief and Job Creation Act of 2012*, issued January 10, 2013, [https://wdr.doleta.gov/directives/corr\\_doc.cfm?DOCN=3698](https://wdr.doleta.gov/directives/corr_doc.cfm?DOCN=3698);
- UIPL No. 08-12, Change 1, *Consolidation of the Employment and Training Administration (ETA) 9000 and ETA 227 Reports*, issued July 27, 2015, [https://wdr.doleta.gov/directives/corr\\_doc.cfm?DOCN=9079](https://wdr.doleta.gov/directives/corr_doc.cfm?DOCN=9079);
- UIPL No. 08-12, *Consolidation of the Employment and Training Administration (ETA) 9000 and ETA 227 Reports*, issued January 11, 2012, [https://wdr.doleta.gov/directives/corr\\_doc.cfm?DOCN=3311](https://wdr.doleta.gov/directives/corr_doc.cfm?DOCN=3311);
- UIPL No. 03-11, *Implementation of the Effective Audit Measure*, issued December 30, 2010, [https://wdr.doleta.gov/directives/corr\\_doc.cfm?DOCN=2971](https://wdr.doleta.gov/directives/corr_doc.cfm?DOCN=2971);
- UIPL No. 22-10, *Selecting and Monitoring At-Risk States for Continuous Improvement and Compliance with First Payment Timeliness and First Level Appeals Promptness*, issued April 23, 2010, [https://wdr.doleta.gov/directives/corr\\_doc.cfm?DOCN=2890](https://wdr.doleta.gov/directives/corr_doc.cfm?DOCN=2890);
- UIPL No. 03-07, Change 1, *Use of National Directory of New Hires (NDNH) in Unemployment Insurance (UI) Benefit Accuracy Measurement (BAM) Audits*, issued February 27, 2008, [https://wdr.doleta.gov/directives/corr\\_doc.cfm?DOCN=2597](https://wdr.doleta.gov/directives/corr_doc.cfm?DOCN=2597);
- UIPL No. 03-07, *Use of National Directory of New Hires (NDNH) in Unemployment Insurance (UI) Benefit Accuracy Measurement (BAM) Audits*, October 31, 2006, [https://wdr.doleta.gov/directives/corr\\_doc.cfm?DOCN=2280](https://wdr.doleta.gov/directives/corr_doc.cfm?DOCN=2280);



- UIPL No. 22-05, Change 2, *Unemployment Insurance Data Validation (UI DV) Program Activities during Validation Years (VY) 2008 and Beyond*, issued March 14, 2008, [https://wdr.doleta.gov/directives/corr\\_doc.cfm?DOCN=2611](https://wdr.doleta.gov/directives/corr_doc.cfm?DOCN=2611);
- UIPL No. 22-05, Change 1, *Unemployment Insurance Data Validation (UI DV) Program Activities During Validation Years (VY) 2007 and 2008 and Policy Clarification*, issued July 21, 2006, [https://wdr.doleta.gov/directives/corr\\_doc.cfm?DOCN=2245](https://wdr.doleta.gov/directives/corr_doc.cfm?DOCN=2245);
- UIPL No. 22-05, *Unemployment Insurance Data Validation (UI DV) Program Software and Policy Guidance*, issued April 28, 2005, [https://wdr.doleta.gov/directives/corr\\_doc.cfm?DOCN=2074](https://wdr.doleta.gov/directives/corr_doc.cfm?DOCN=2074);
- UIPL No. 14-05, Change 3, *Acceptable Levels of Performance (ALP) Criteria for Appeals Case Aging Measures and Nonmonetary Determination Quality Review*, issued April 16, 2008, [https://wdr.doleta.gov/directives/corr\\_doc.cfm?DOCN=2625](https://wdr.doleta.gov/directives/corr_doc.cfm?DOCN=2625);
- UIPL No. 14-05, Change 2, *Performance Criteria for Appeals Case Aging Measures and the Starting Date for Measuring Nonmonetary Determinations Time Lapse*, issued December 13, 2006, [https://wdr.doleta.gov/directives/corr\\_doc.cfm?DOCN=2287](https://wdr.doleta.gov/directives/corr_doc.cfm?DOCN=2287);
- UIPL No. 14-05, Change 1, *Performance Criterion for the Overpayment Detection Measure; Clarification of Appeals Timeliness Measures; and Implementation of Tax Quality Measure Corrective Action Plans (CAPs)*, issued October 12, 2005, [https://wdr.doleta.gov/directives/corr\\_doc.cfm?DOCN=2157](https://wdr.doleta.gov/directives/corr_doc.cfm?DOCN=2157);
- UIPL No. 14-05, *Changes to UI Performs*, issued February 18, 2005, [https://wdr.doleta.gov/directives/corr\\_doc.cfm?DOCN=1683](https://wdr.doleta.gov/directives/corr_doc.cfm?DOCN=1683);
- TEGL No. 08-22, *Fiscal Year (FY) 2023 Funding Allotments and Operating Guidance for Unemployment Insurance (UI) Reemployment Services and Eligibility Assessment (RESEA) Grants*, issued February 23, 2023, <https://www.dol.gov/agencies/eta/advisories/tegl-08-22>;
- TEGL No. 05-21, *Fiscal Year (FY) 2022 Funding Allotments and Operating Guidance for Unemployment Insurance (UI) Reemployment Services and Eligibility Assessment (RESEA) Grants*, issued January 21, 2022, [https://wdr.doleta.gov/directives/corr\\_doc.cfm?DOCN=3134](https://wdr.doleta.gov/directives/corr_doc.cfm?DOCN=3134);
- TEN No. 05-22, *Authority of the U.S. Department of Labor's (Department) Office of Inspector General (DOL-OIG) to Receive Confidential Unemployment Compensation (UC) Data*, issued September 15, 2022, <https://www.dol.gov/agencies/eta/advisories/training-and-employment-notice-no-05-22>;
- TEN No. 24-21, *Encouragement for States to Use the Integrity Data Hub (IDH) available through the Unemployment Insurance (UI) Integrity Center*, issued May 5, 2022, [https://wdr.doleta.gov/directives/corr\\_doc.cfm?DOCN=8412](https://wdr.doleta.gov/directives/corr_doc.cfm?DOCN=8412);
- TEN No. 15-21, *Announcing the National Association of State Workforce Agencies (NASWA) Unemployment Insurance (UI) Integrity Center's Behavioral Insights Toolkit*, issued November 17, 2021, [https://wdr.doleta.gov/directives/corr\\_doc.cfm?DOCN=6799](https://wdr.doleta.gov/directives/corr_doc.cfm?DOCN=6799);
- TEN No. 13-21, *State Quality Service Plan Assurances Required for Disaster Unemployment Assistance*, issued October 19, 2021, [https://wdr.doleta.gov/directives/corr\\_doc.cfm?DOCN=5710](https://wdr.doleta.gov/directives/corr_doc.cfm?DOCN=5710);
- TEN No. 17-19, *Model Unemployment Insurance State Work Search Legislation*, issued February 10, 2020, [https://wdr.doleta.gov/directives/corr\\_doc.cfm?DOCN=4227](https://wdr.doleta.gov/directives/corr_doc.cfm?DOCN=4227);

- TEN No. 12-16, *Unemployment Insurance (UI) State Information Data Exchange System (SIDES)*, issued September 27, 2016, [https://wdr.doleta.gov/directives/corr\\_doc.cfm?DOCN=8026](https://wdr.doleta.gov/directives/corr_doc.cfm?DOCN=8026);
- TEN No. 03-15, *Reengineering Unemployment Insurance (UI) Benefits Program Accountability Processes: Update on Implementation Progress and State Impacts*, issued July 27, 2015, [https://wdr.doleta.gov/directives/corr\\_doc.cfm?DOCN=6837](https://wdr.doleta.gov/directives/corr_doc.cfm?DOCN=6837);
- TEN No. 08-14, *Reengineering Unemployment Insurance (UI) Benefits Program Accountability Processes*, September 2, 2014, [https://wdr.doleta.gov/directives/corr\\_doc.cfm?DOCN=4692](https://wdr.doleta.gov/directives/corr_doc.cfm?DOCN=4692);
- ET Handbook No. 336, *Unemployment Insurance (UI) State Quality Service Plan (SQSP) Planning and Reporting Guidelines*, 18<sup>th</sup> Edition, Change 4 (March 2019), [Employment and Training \(ET\) Handbook No. 336, 18<sup>th</sup> Edition, Change 4](#);
- ET Handbook No. 361, *Unemployment Insurance Data Validation Handbook, Tax* (October 2022), [UNEMPLOYMENT INSURANCE \(doleta.gov\)](#);
- ET Handbook No. 395, *Benefit Accuracy Measurement State Operations Handbook*, 5<sup>th</sup> Edition (November 2009), [Employment and Training \(ET\) Handbook No. 395, 5<sup>th</sup> Edition](#);
- ET Handbook No. 396, *Unemployment Insurance Benefit Accuracy Measurement Monitoring Handbook*, 4<sup>th</sup> Edition (November 2009), [Employment and Training \(ET\) Handbook No. 396, 4<sup>th</sup> Edition](#); and
- ET Handbook No. 401, 5<sup>th</sup> Edition, *UI Report Handbook No. 401* (July 2017), [Employment and Training \(ET\) Handbook No. 401, 5<sup>th</sup> Edition](#).

## 7. **Attachment(s).**

Attachment I: Measures/Programs to be Addressed in the Fiscal Year (FY) 2024 State Quality Service Plan (SQSP).

**Measures/Programs to be Addressed in the Fiscal Year (FY) 2024  
State Quality Service Plan (SQSP)**

<b>Core Measures</b>	<b>Measurement Period</b>	<b>Criteria</b>	<b>FY 2024 Requirement</b>
First Payment Promptness	Apr 1, 2022 – Mar 31, 2023	87%	CAP
Nonmonetary Determination Time Lapse	Apr 1, 2022 – Mar 31, 2023	80% (combined score)	CAP
Nonmonetary Determination Quality – Nonseparations	Apr 1, 2022 – Mar 31, 2023	75%	CAP
Nonmonetary Determination Quality – Separations	Apr 1, 2022 – Mar 31, 2023	75%	CAP
Detection of Overpayments	<u>BPC</u> Apr 1, 2020 – Mar 31, 2023	50%	CAP
	<u>BAM</u> Oct. 1, 2019 – Sep. 30, 2022	95%	Narrative
	If rate over 95% is a result of improper administration of BAM and/or BPC	95%	CAP
Average Age of Pending Lower Authority Appeals	Apr 1, 2022 – Mar 31, 2023	30 days	CAP
Average Age of Pending Higher Authority Appeals	Apr 1, 2022 – Mar 31, 2023	40 days	CAP
Lower Authority Appeals Quality	Apr 1, 2022 – Mar 31, 2023	80%	CAP
New Employer Status Determinations Time Lapse	Jan 1, 2022 – Dec 31, 2022	70%	CAP
Tax Quality – Part A	Jan 1, 2022 – Dec 31, 2022	No more than 3 tax functions failing Tax Performance System (TPS) in a year	CAP
Tax Quality – Part B	Jan 1, 2022 – Dec 31, 2022	The same tax function cannot fail for 3 consecutive years	CAP
Effective Audit Measure	Jan 1, 2022 – Dec 31, 2022	Score $\geq 7$ and pass all 4 factors	CAP
Improper Payments Measure	BAM batches 202127 through 202226	< 10%	CAP
UI Overpayment Recovery Measure	Jul 1, 2021 – Jun 30, 2022	68%	CAP

<b>Secretary's Standards in Regulation</b>	<b>Measurement Period</b>	<b>Criteria</b>	<b>FY 2024 Requirement</b>
First Payment Promptness (Intrastate 14/21 Days)	Apr 1, 2022 – Mar 31, 2023	87%	CAP
First Payment Promptness (Intrastate 35 Days)	Apr 1, 2022 – Mar 31, 2023	93%	CAP
First Payment Promptness (Interstate 14/21 Days)	Apr 1, 2022 – Mar 31, 2023	70%	CAP
First Payment Promptness (Interstate 35 Days)	Apr 1, 2022 – Mar 31, 2023	78%	CAP
Lower Authority Appeals (30 Days)	Apr 1, 2022 – Mar 31, 2023	60%	CAP
Lower Authority Appeals (45 Days)	Apr 1, 2022 – Mar 31, 2023	80%	CAP

<b>UI Programs, etc.</b>	<b>Measurement Period</b>	<b>Criteria</b>	<b>FY 2024 Requirement</b>
Data Validation –Populations & Modules (Benefits and Tax)	Apr 1, 2022 – Mar 31, 2023	Results not submitted by June 10, 2023	CAP
		Failing/incomplete submission by June 10, 2023	CAP
Compliance with NDNH matching requirements for BAM	Status as of March 31, 2023		CAP
BAM operations not compliant with investigative and/or method and procedure requirements including construction of valid samples and sample populations	Based on the annual determination letter issued on or before May 1, 2023		CAP
Incorrect recording of the Issue Detection Date and/or Determination Date	Apr 1, 2022 – Mar 31, 2023		Narrative
TPS Sample Reviews	Jan 1, 2022 – Dec 31, 2022		CAP
Reporting Deficiencies			Narrative
UI Program Integrity			IAP