

Instructions for Preparing and Completing ETA 9059 – Audit Summary Worksheet

Background: The Omnibus Budget Reconciliation Act of 1990, P. L. 101-508, § 11405(c), extended indefinitely the \$5 million set-aside (cited below) for testing whether individuals certified as members of WOTC targeted groups are eligible for certification (including the use of statistical sampling techniques). As long as there is a WOTC appropriation, this requirement continues in force. These provisions apply in full force to the certification process under the consolidated WOTC Program. Section 261(f)(2) of the Economic Recovery Tax Act of 1981 (P. L. 97-34), as amended, states:

“(A) \$5,000,000, shall be used to test whether individuals certified as members of targeted groups under section 51 of such Code [Internal Revenue] are eligible for such certification (including the use of statistical sampling techniques), and “(B) the remainder shall be distributed under performance standards prescribed by the Secretary of Labor.”

Note. Verification activities require testing the validity of all the certifications issued by the state workforce agencies (SWAs), including the Conditional Certifications and other documentation, which results in a Certification. Quality Reviews and Audits are both parts of the verification activities. A General Accounting Office (GAO) report recommended that verifications activities be done by "...other than the person who originally processed," the ICF or CC.

ETA Form 9059 was designed as a worksheet for states to use in obtaining the results of the quarterly audit of a randomly chosen sample (See Table - Sample Sizes, Chapter VII-23 in the Handbook) of all of the certifications issued for that quarter as described in this chapter. Pursuant to P.L. 109-432, as of December 20, 2006, the universe of certifications to be audited now only includes all individual WOTC certifications issued for each reporting quarter.

- (1) **Line 1 - Universe Size.** Enter the total number of Certifications issued during the reporting period. This number should be the same as the total number of certifications reported in Part I., Certification Actions (System Outputs), Column D of ETA Form 9058 for the same quarter.

$$\frac{\text{Number of Invalidations}}{\text{Sample Size}} \times 100$$

- (2) **Line 2 - Sample Size.** Enter the number of Certifications in the audit sample for which verification data was obtained for the audits. This number must equal or exceed the appropriate number shown in the table on sample size in Chapter VII in the Handbook.
- (3) **Line 3 - Number Invalid.** Enter the number of certifications in the sample which, after verification, were determined to be invalid.
- (4) **Line 4 - Percent Invalid.** Calculate and enter the percentage of the sample determined to be invalid using the following formula:
- (5) **Line 5 – Number Invalid (Second Sample) and Line 6 - Percent Invalid.** (See note below)

Note: If the percentage is less than 5 percent, do not complete lines 5 and 6. If the percentage on Line 4 is 5 percent or more, a second sample equal in size to the first must be drawn and verified in the same manner. The Number Invalid on Line 5 and Percent Invalid On Line 6 from the second sample shall be entered in Lines 5 and 6. If the Percent Invalid in the second sample is 5 percent or more, corrective action shall be initiated according to the instructions in Chapter VII of the Handbook.

- (6) **Line 7 - Name and Title of Responsible Official: Signature and Date Signed.** Print or type complete name of official reporting the verification results; **Line – 8 Signature.** Sign your name legibly; **Line 9 - Date Signed.** Enter the date (month, day year) when worksheet was completed and signed.