Date : December 2, 2013

LAUS Technical Memorandum No. S-14-05

#### MEMORANDUM FOR: STATE WORKFORCE AGENCY ADMINISTRATORS

 AND REGIONAL COMMISSIONERS

FROM : JAY A. MOUSA

 Associate Commissioner

 Office of Field Operations

SUBJECT : Instructions for Monthly LAUS Estimation in 2014

**Purpose**: This memorandum contains instructions for 2014 monthly LAUS estimation, as well as the schedule for monthly production, finalization, and release of those estimates.

**Background**: BLS is required by Office of Management and Budget Statistical Policy Directive No. 4 to publish monthly estimates on a timely basis. In order to facilitate that goal, it is necessary to establish and follow a schedule of important monthly activities and delivery dates. This memorandum contains a comprehensive schedule of activities and related instructions.

**Overview of 2014**: Many aspects of production and publication will parallel those of 2013 and prior years, although there will be some changes from past years. Noteworthy changes for 2014 include the following:

* States must retain monthly area-specific commuter claims counts received **from each neighboring non-PROMIS State**.  This procedure will facilitate the move to the new interstate microdata claims exchange for PROMIS States.  While planned for implementation in 2015, this method of exchanging claims between PROMIS States will be used for all months of 2014 as well.  Further details on this exchange will be provided via a memorandum in CY 2014.
* The latest version of the Program for Measuring the Insured Unemployed Statistics (PROMIS) software will be issued prior to annual processing and January 2014 estimation to reflect annual geographic changes.
* The reference week for all months, including November and December, will be the week including the 12th day of the month.

Items of note that do not reflect changes from 2013 or earlier years include the following:

* LAUSOne will be used as the system for official monthly estimation.
* Most data exchanges will be performed in LAUSOne.
* Monthly revisions are required. States are expected to revise any inputs for which new data become available between preliminary and revised estimation.
* State seasonally adjusted estimates will continue to reflect the smoothing process, as described in LAUS Technical Memorandum No. S-10-08. Additionally, smoothed seasonally adjusted metropolitan area estimates will be published on the website by the BLS national office; while still a goal, it is not anticipated these estimates will be added to the news release in 2014.
* States that wish to be approved for use of Small Area Employment Estimates (SAEE), as described in LAUS Technical Memorandum No. S-07-22, should submit requests according to that memorandum.
* Emphasis continues to be placed on States providing comments on data that pass the Questionable Data Edits (QDEs) overall, but fail both over-the-month or both over-the-year tests by large margins.

**Instructions for monthly estimation**:

**1. Model-based estimation**:

Estimates for all States, the Los Angeles-Long Beach-Glendale Metropolitan Division, New York City, the Balance of California, the Balance of New York State, and the District of Columbia will be produced using the LAUS models with real-time benchmarking to national Current Population Survey (CPS) totals via census division models. BLS will update the State Time-series Analysis and Review System (STARS) databases shortly after 8:30 a.m. Eastern Time (ET) on the day of the *Employment Situation* release (see attachment 1), enabling States to view or develop simulated monthly model-based estimates.

The official model-based estimates will be developed using the CPS data, along with the following State-entered inputs: Current Employment Statistics (CES) total nonfarm wage and salary employment estimates and Unemployment Insurance (UI) claims counts. States should continue to enter counts of Unemployment Compensation for Federal Employees (UCFE) claims and strikers even though they are not used for developing model-based estimates. States should enter preliminary CES, striker, UI, and UCFE data for January 2014 estimation by February 28. In subsequent months, preliminary input data should be entered for the “current” month and revised input data for the prior month. The revised CES inputs reflect more complete sample returns, and the revised UI and UCFE claims counts result from a more complete claims extract. Because of the interdependence involved, a State’s official estimates will not be available until all States in its census division have submitted their inputs and the national office has created the estimates.

Models will be used for five additional substate areas:

* Chicago-Joliet-Naperville, Illinois Metropolitan Division;
* Cleveland-Elyria-Mentor, Ohio Metropolitan Statistical Area;
* Detroit-Warren-Livonia, Michigan Metropolitan Statistical Area;
* Miami-Miami Beach-Kendall, Florida Metropolitan Division; and
* Seattle-Bellevue-Everett, Washington Metropolitan Division.

“Balance-of-State” estimates will be produced for these five States. Unlike the statewide estimates and those for the Los Angeles-Long Beach-Glendale Metropolitan Division, New York City, and the respective State balances, these substate area estimates will be modeled using CPS data only; related CES, striker, UI, or UCFE data are not used. Therefore, no inputs are required from the States to produce the estimates for these 10 areas, though the related inputs will be collected for research purposes.

For California and New York, where there are no statewide models, the statewide estimates, both smoothed seasonally adjusted and not seasonally adjusted, are derived by summing the substate area and Balance-of-State model estimates. In contrast, not seasonally adjusted data for the other five areas and their respective Balances of State will be forced to sum to the separately calculated model-based estimates (reflecting real-time benchmarking) for the State. Smoothed seasonally adjusted estimates for those five areas are not controlled to the statewide smoothed seasonally adjusted estimates.

States are reminded that, for the production of both preliminary and revised model-based estimates, only the official CES employment data should be used, unless an atypical/exception has been granted from the LAUS program office. The national office compares the STARS inputs with the CES estimates to ensure conformity. Any differences beyond those attributable to rounding are likely to delay the production of estimates for all States in the census division.

**2. Substate estimation**:

A. As with the statewide estimates, preliminary estimates will be produced for all months, and revised estimates will be produced for January-November. In developing the revised estimates, States will incorporate revised CES employment inputs for all CES areas (primarily metropolitan areas and metropolitan divisions) and more complete UI and UCFE counts for all areas. Depending on the State’s method for developing small area nonfarm wage and salary employment inputs, monthly revisions may be needed for those as well. For example, a method that uses monthly CES statewide and/or metropolitan area estimates or ACESWeb to derive small area employment should incorporate the monthly revisions at all levels of geography.

B. On January 21, States and regional offices will have access to the new Title/Code File on EUSWeb, which lists all LAUS areas and codes for which estimates are to be produced in 2014. Since it will contain some changes from 2013, States are requested to review this file carefully to verify the accuracy and completeness of its contents. Note that “discontinued” areas from past years are included in the file.

 No metropolitan area, micropolitan area, or other changes are expected to be made by the Office of Management and Budget (OMB) this year, but up to 9 new cities and minor civil divisions will be added to the LAUS database. (See LAUS Technical Memorandum S-14-04.)

C. Monthly and quarterly BLS-supplied substate inputs will be loaded into LAUSOne by BLS according to the schedule in attachment 2. BLS-supplied inputs include (1) monthly agricultural employment estimation factors, (2) statewide unemployed new entrants and reentrants, (3) Railroad Retirement Board (RRB) claims, (4) all-other employment Step-3 ratios, and (5) survival rates and unemployment rate ranges for unemployed exhaustee estimation. Of those, only RRB claims counts will be revised each month. Inputs that are provided by BLS once each year for annual revisions and 2014 production will be discussed in separate memoranda. Details and methodology for BLS-supplied inputs can be found in Chapter 7 of the *LAUS Program Manual*.

D. With the number and complexity of interstate areas as part of the Census 2000-based geography, combined with the use of Dynamic Residency Ratios (DRRs), the State-to-State exchange of data continues to be critical. LAUSOne is designed to facilitate this exchange. Attachment 3 contains a schedule of dates for the exchange of various data items, generally within the system.

E. The reference periods for the continued claims counts used in the models, Handbook estimation, and disaggregation, plus final payments data used in Handbook estimation, are provided in attachment 4.

**3. State finalization and due dates**:

LAUS due dates for 2014 are similar to those of recent years. Additionally, due dates for January statewide and substate estimates will be relatively later than for other months, due to the time required to perform annual processing. The due dates for February and later estimates will be based on the “regular” schedule, that is, the Friday after the *Employment Situation* release for statewide estimates and the Friday two weeks after the *Employment Situation* release for substate estimates.

The January due date will pertain to January preliminary data only. Revised data for the prior month, December 2013, will be included as part of annual processing. Due dates for February through December will pertain to preliminary data for the “current” month and revised data for the prior month.

States are reminded that timely completion of LAUS data is a requirement in the Labor Market Information (LMI) Cooperative Agreement. Therefore, States are required to finalize their statewide inputs in STARS and finalize area estimates in LAUSOne by the due dates—and are encouraged to do so earlier whenever possible. Inputs and estimates should not be finalized early unless they have been thoroughly reviewed.

1. Model-based estimates:

States will use STARS to enter monthly inputs for statewide models no later than the dates specified in column 3 of attachment 1. The due dates for the Los Angeles-Long Beach-Glendale Metropolitan Division, New York City, the Balance of California, the Balance of New York, the District of Columbia, and the Commonwealth of Puerto Rico will be the same as those for statewide estimates. Estimates for Puerto Rico are developed from a household survey and not through STARS, although the Commonwealth will transmit estimates by entering them into STARS.

The deadline for entering model inputs via STARS is 12:00 noon ET on the due date. Because of the compressed publication schedule for statewide estimates, States are asked to complete entry of inputs by the noon deadline. States should alert their regional offices if the availability of their CES inputs has been delayed. Given the interdependence of estimation within census divisions, timely entry of model inputs is critical. States should be aware of the status of other States in their census division. If all the other States have entered inputs, the last State in the division should try to enter inputs as soon as possible.

The due dates for CES, striker, UI, and UCFE inputs for the five modeled areas other than New York City and the Los Angeles-Long Beach-Glendale Metropolitan Division and their respective Balance-of-State areas will be the same as the due dates for substate LAUS estimates, as shown in column 4 of attachment 1.

Monthly DEMECON files containing demographic and economic characteristic data will be available to each State shortly after the *Employment Situation* news release at 8:30 a.m. ET.  In addition, 12-month moving-average data for the same components will be made available to each State at the same time.  On the day of the *Employment Situation*, each State will receive data for that State only.  Shortly after the corresponding *Regional and State* news release, all 12-month moving-average tables will be made available to all States.

 B. Substate estimates:

For all reference months, substate estimates are due on the Friday five weekdays after the statewide estimates are due, as shown in column 4 of attachment 1. Estimates should be finalized by 4:45 ET.

States will need to have effective communication with nearby States in order to ensure timely data finalization. The schedule in attachment 3 should help in this regard, as should the data exchange functionality in LAUSOne. It should be noted that the dates in attachment 3 are generally the latest dates that will allow States to meet the BLS due date. States may want to share data items with neighboring States earlier than those dates, especially if a State has an early publication schedule.

States will not be able to finalize estimates unless they have run all the required edits. Additionally, in response to QDE failures, comments continue to be required. As always, clear and meaningful comments should be provided regarding any potentially questionable data, not just those that fail the QDEs. In addition to overall failures, States should examine data values that fail both over-the-month or both over-the-year tests by large margins and provide comments. These results, which are shown in yellow on the screen, also may indicate erroneous data. Edits are to be run on preliminary data for January-December and revised data for January-November.

C. Late finalization or corrections:

In the case of statewide estimates, States must notify their regional office if they believe that a correction is necessary. Because of the interdependence of estimation, it is likely that a correction will affect the other States in the census division.

Regarding substate estimates, States should contact their regional offices as early as possible if they know that they will be finalizing substate data after the due date. BLS can extend the processing period in LAUSOne for selected States, if needed. Data correction more than one week after the due date will be submitted using the LAUSOne corrections module.

**BLS publication of LAUS data**: Publication dates for the first two reference months of the year will be relatively later than for other months due to the time required to complete the model-based portion of annual benchmarking. Following publication of February substate data, the schedule becomes much more “regular” for March-December, though it is still affected by holidays and conflicts with other BLS releases.

Both monthly news releases—*Regional and State Employment and Unemployment* and *Metropolitan Area Employment and Unemployment*—will be available via the BLS website on the dates they are issued. (See columns 5 and 6 of attachment 1.) These dates have been approved by the Office of Publications and Special Studies and are final. The LAUS Intranet contains links to the news releases and many of the supplemental items discussed below.

The *Regional and State* news releases contain both smoothed seasonally adjusted and not seasonally adjusted estimates for census regions and divisions, all 50 States, the District of Columbia, Puerto Rico, and seven substate modeled areas. The *Metropolitan Area* news releases will contain estimates for all Metropolitan Statistical Areas outside of New England and Metropolitan New England City and Town Areas (NECTAs). In addition, the release will contain estimates for34Metropolitan and NECTA Divisions. Not seasonally adjusted estimates for all States, the District of Columbia, New York City, and Puerto Rico also will be included. As noted, no changes to OMB areas are expected.

In the January and February *Metropolitan Area* news releases, the prior year’s data will be benchmarked data that have been only partially reviewed and are not yet in LABSTAT. Those data are the most comparable to the 2014 estimates. A note in the release will highlight this.

The national office will update the time series database on the BLS website with preliminary data for the current reference month, revised data for the prior month (except when December is the prior month), and any historical revisions or corrections on the dates listed in columns 5 and 6 of attachment 1. The issuance dates for all-area (also known as “small area”) data will coincide with those for the *Metropolitan Area Employment and Unemployment* news release.

Regional offices and States should access LABSTAT or LAUSOne’s LAUS Estimates (BLS RELEASED) report to obtain published BLS data for areas outside their region/State. For security reasons, LABSTAT may not be available until approximately 10:30 a.m. ET. Once the time series database has been updated, the “At a Glance” and “Latest Numbers” pages on the BLS website are updated. In LAUSOne, data for other States will be available at approximately 10:30 a.m.

The national office will update the BLS website with monthly supplemental data tables and maps according to the schedule in columns 5 and 6 of attachment 1. These include tables of civilian noninstitutional population age 16 and over, employment-population ratios, and labor force participation rates for States, the District of Columbia, the Los Angeles-Long Beach-Glendale Metropolitan Division, and New York City. They also include the county and New England MCD12-month average maps. In addition, a file with the most recent 14 months of county estimates will be loaded. The supplemental items are listed on the LAUS Internet homepage ([www.bls.gov/lau](http://www.bls.gov/lau)) under “Tables and Maps Created by BLS.” Most unemployment tables and maps will be updated shortly after the 10:00 a.m. release. The employment-population ratio and labor force participation rate tables generally will be loaded as part of the 11:00 a.m. web update.

The national office will update tables of State model-based error measures and significance tests at [http://www.bls.gov/lau/lastderr.htm](http://www.bls.gov/lau/lastderr.htm%20) and <http://www.bls.gov/lau/rdscnp16.htm> on the day of the *Regional and State* news release. The error measures pertain to labor force participation rates, employment-population ratios, employment levels, unemployment levels, and unemployment rates. The source data for each State come from STARS. These tables will be loaded as part of the 11:00a.m. web update. Note that some of the items that are currently updated at 11:00 a.m. may be switched to the automated process that updates them shortly after 10:00 a.m.

The national office also will update the files with smoothed seasonally adjusted metropolitan area estimates on the day of the *Metropolitan Area* news release at <http://www.bls.gov/lau/metrossa.htm>. These files will be loaded as part of either the 11 a.m. or 3 p.m. web update.

**Alternative measures of labor underutilization**: The national office will continue its practice of issuing four-quarter moving averages of the alternative measures of labor underutilization, also known as U-1 through U-6, at the State level each quarter. Issuance of those data will occur on the Friday after the *Regional and State* news release is issued for the last month of each quarter. The specific dates are as follows:

Period Release Date

 2Q 2013 – 1Q 2014 April 25, 2014

 3Q 2013 – 2Q 2014 July 25, 2014

 4Q 2013 – 3Q 2014 October 24, 2014

 1Q 2014 – 4Q 2014 January 30, 2015

**State publication of LAUS data**: To assist the national office, States are requested to provide their 2014 publication schedule through the regional offices. That schedule should indicate, for each month, the date on which LAUS estimates are to be released for (1) the State, (2) metropolitan areas, and (3) smaller areas. A calendar of actual dates should be provided if possible. In addition to the dates, States are asked to provide data release times, if available. States should transmit their publication calendar through the regional offices by December 27, 2013, if possible. By mid-December, the national office will provide an Excel template through the regional offices for States to enter release dates and times. In developing their 2014 release calendars, States should keep in mind (1) the requirement that data should not be released before the BLS due date and (2) the annual processing schedule, as well as the attached production and release schedule. If States change any of the dates in their release calendar, they should forward the new dates to regional offices as soon as they become available.

**Actions required**: States should generate and finalize LAUS estimates, including monthly revisions, and provide comments according to the instructions and schedules contained in this memorandum and the attachments. States should transmit their publication calendar through the regional offices by December 27, 2013, if possible.

**Workload impact**: Neutral.

**Inquiries**: All inquiries should be directed to the appropriate regional office.

**Effective date**: These instructions are effective immediately.

Attachments

Attachment 1

**2014 LAUS Due Dates and Publication Dates**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **(1)** | **(2)** | **(3)** | **(4)** | **(5)** | **(6)** |
| **Reference****Month** | ***Employment Situation*** **News Release** **(Friday)** | **Due Date for****LAUS Estimates****———————————————** **Statewide1 All Areas2**  **(Friday) (Friday)** | ***Regional & State*****News Release****(Friday)** | ***Metro Area*****News Release and All-Area Data Issuance****(Wednesday)** |
| **January** | 2/7 | 2/28 | 3/7 | 3/17(Mon.) | 3/21(Fri.) |
| **February** | 3/7 | 3/14 | 3/21 | 3/28 | 4/9 |
| **March** | 4/4 | 4/11 | 4/18 | 4/18 | 4/29(Tues.) |
| **April** | 5/2 | 5/9 | 5/16 | 5/16 | 5/28 |
| **May** | 6/6 | 6/13 | 6/20 | 6/20 | 7/1(Tues.) |
| **June** | 7/3(Thurs.) | 7/11 | 7/18 | 7/18 | 7/30 |
| **July** | 8/1 | 8/8 | 8/15 | 8/18(Mon.) | 8/27 |
| **August** | 9/5 | 9/12 | 9/19 | 9/19 | 10/1 |
| **September** | 10/3 | 10/10 | 10/17 | 10/21(Tues.) | 10/29 |
| **October** | 11/7 | 11/14 | 11/21 | 11/21 | 12/9(Tues.) |
| **November** | 12/5 | 12/12 | 12/19 | 12/19 | 12/30(Tues.) |
| **December** |  1/9/15 | 1/16/15 | 1/23/15 | 1/27/15(Tues.) | 2/4/15 |

1 Model inputs for States, the District of Columbia, the Los Angeles-Long Beach-Glendale Metropolitan Division, New York City, and the respective Balances of State and estimates for Puerto Rico.

2 Includes model inputs for five additional modeled substate areas and their respective Balances of State.

NOTES: Release dates for January-February data do not follow the usual monthly schedule due to longer processing time required for annual benchmarking and the need to spread out LAUS releases. In other months, the dates may vary from the norm due to federal holidays or conflicts with other BLS releases. All nonstandard days of the week are noted.

Attachment 2

**2014 Availability of LAUS Inputs**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **(1)** | **(2)** | **(3)** | **(4)** | **(5)** |
| **Reference****Month** | ***Employment******Situation*****News Release****(Friday)** | **Agricultural Employment****Estimation Factors and Statewide Unemployed Entrant Estimates****Available****(Wednesday)** | **RRB****Claims Data and Step-3 Ratios****Available****(Friday)** | **Quarterly Exhaustee****Survival Rates****Available****(Thursday)** |
| **January** | 2/7 | 2/12 | 2/14 | 1/9 |
| **February** | 3/7 | 3/12 | 3/14 |  |
| **March** | 4/4 | 4/9 | 4/11 |  |
| **April** | 5/2 | 5/7 | 5/9 | 4/10 |
| **May** | 6/6 | 6/11 | 6/13 |  |
| **June** | 7/3(Thurs.) | 7/9 | 7/11 |  |
| **July** | 8/1 | 8/6 | 8/8 | 7/10 |
| **August** | 9/5 | 9/10 | 9/12 |  |
| **September** | 10/3 | 10/8 | 10/10 |  |
| **October** | 11/7 | 11/12 | 11/14 | 10/9 |
| **November** | 12/5 | 12/10 | 12/12 |  |
| **December** | 1/9/2015 | 1/14/2015 | 1/16/2015 |  |

Note: All BLS inputs will be loaded directly into LAUSOne by BLS.

Attachment 3

**2014 Dates for State-to-State Exchange of LAUS Items**

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| **(1)** | **(2)** | **(3)** | **(4)** | **(5)** | **(6)** | **(7)** | **(8)** |
| **Reference****Month** | **Substate Area Estimates Due Date****(Friday)** | **Commuter Claims****(Wednesday)** | **Nonfarm Wage and Salary Employment (Monday)** | **Interstate Area Claims****(Monday)** | **Interstate Area Handbook Estimates****(Tuesday)** | **Interstate Area LAUS Estimates (Wednesday)** | **Combined Area Component LAUS Estimates (Thursday)** |
| **January** | 3/7 | 2/26 | 3/3 | 3/3 | 3/4 | 3/5 | 3/6 |
| **February** | 3/21 | 3/12 | 3/17 | 3/17 | 3/18 | 3/19 | 3/20 |
| **March** | 4/18 | 4/9 | 4/14 | 4/14 | 4/15 | 4/16 | 4/17 |
| **April** | 5/16 | 5/7 | 5/12 | 5/12 | 5/13 | 5/14 | 5/15 |
| **May** | 6/20 | 6/11 | 6/16 | 6/16 | 6/17 | 6/18 | 6/19 |
| **June** | 7/18 | 7/9 | 7/14 | 7/14 | 7/15 | 7/16 | 7/17 |
| **July** | 8/15 | 8/6 | 8/11 | 8/11 | 8/12 | 8/13 | 8/14 |
| **August** | 9/19 | 9/10 | 9/15 | 9/15 | 9/16 | 9/17 | 9/18 |
| **September** | 10/17 | 10/8 | **10/13** | **10/13** | 10/14 | 10/15 | 10/16 |
| **October** | 11/21 | 11/12 | 11/17 | 11/17 | 11/18 | 11/19 | 11/20 |
| **November** | 12/19 | 12/10 | 12/15 | 12/15 | 12/16 | 12/17 | 12/18 |
| **December** | 1/23/2015 | 1/14/2015 | **1/19/2015** | **1/19/2015** | 1/20/2015 | 1/21/2015 | 1/22/2015 |

Note: Date in **bold** is a federal holiday.

Attachment 4

**2014 LAUS UI Claims Reference Periods**

|  |  |  |
| --- | --- | --- |
| **Reference****Month** | **Continued Claims Reference Week** **(Ending Date)** | **Final Payments** **Reference Period****(Week Ending Dates)** |
|  **January** | 1/18 | 12/7/13-1/11/14(6 weeks)  |
|  **February** | 2/15 | 1/18-2/8(4 weeks) |
|  **March** | 3/15 | 2/15-3/8(4 weeks) |
|  **April** | 4/12 | 3/15-4/5(4 weeks) |
|  **May** | 5/17 | 4/12-5/10(5 weeks) |
|  **June** | 6/14 | 5/17-6/7(4 weeks) |
|  **July** | 7/12 | 6/14-7/5(4 weeks)  |
|  **August** | 8/16 | 7/12-8/9(5 weeks) |
|  **September** | 9/13 | 8/16-9/6(4 weeks) |
|  **October** | 10/18 | 9/13-10/11(5 weeks)  |
|  **November** | 11/15 | 10/18-11/8(4 weeks) |
|  **December** | 12/13 | 11/15-12/6(4 weeks) |