

**Unemployment Insurance (UI) Benefit Operations
Self-Assessment Tools:
*Global Instructions***

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Unemployment Insurance (UI) Benefit Operations Overview

Introduction

The U.S. Department of Labor's (USDOL) Employment and Training Administration (ETA) has oversight responsibility for the federal-state Unemployment Insurance (UI) program including routinely monitoring the performance and integrity of the 53 state UI programs. States are responsible for properly administering the program and paying accurate and timely UI (also called unemployment compensation (UC)) benefit payments when due to eligible individuals. Section 303(a)(1), of the Social Security Act (SSA), requires States, as a condition of receiving Federal UI administration grants, to provide in their laws for "[s]uch methods of administration... as are found by the Secretary of Labor to be reasonably calculated to insure full payment of unemployment compensation when due." Section 3304(a)(4) of the Federal Unemployment Tax Act (FUTA) requires, as a condition for employers in a state to receive credit against the Federal tax, that state law provide that "all money withdrawn from the unemployment fund of the State shall be used solely in the payment of unemployment compensation, exclusive of expenses of administration, and for refunds of sums erroneously paid into such fund ...". Section 3306(h) of FUTA, defines compensation as "cash benefits payable to individuals with respect to their unemployment." States must also develop State Quality Service Plans (SQSP), which is the state UI performance management and customer service plan (see [ETA Handbook No 336](#)). The SQSP requires corrective action plans if a state is failing a performance measure and the state must periodically report performance information to ETA. As part of their oversight responsibility, USDOL/ETA Regional and National office staff conduct periodic reviews of states' program operations and activities, including peer reviews that include state participation, to assess state performance and reporting and to help ensure the states are meeting Federal requirements.

Background

Beginning in 2015, ETA initiated an effort to reengineer a variety of processes used by the federal-state UI system for UI benefit program accountability. Additional information about the reengineering effort may be found in the Training and Employment Notices [No. 03-15](#) and [No. 08-14](#). An important part of this reengineering effort is the development of a tool to support states in conducting independent self-assessments for the various functional and program areas of UI benefit operations. ETA designed and developed this self-assessment tool to help ensure program integrity and quality performance and to focus on state UI benefits operations by identifying operational issues that may adversely affect the proper administration of the UI program. Self-assessment can be a cost effective approach to monitoring and continuous improvement and can prove valuable in future monitoring and technical assistance efforts because the state has already evaluated its own performance and assessed and reflected on its

strengths and weaknesses. Self-assessments ensure states are continuously reviewing key administrative components of the program and reinforce performance standards, program integrity, and accountability.

This self-assessment tool is designed to assist states in routinely assessing, monitoring, and improving their own performance. It will also assist USDOL in its oversight and monitoring of the states' UI benefits operations and identify areas where technical assistance may be needed. The federal-state UI partnership supports states' efforts for continuous improvement and helps to strengthen and improve the overall operational performance and quality within the UI system.

The Self-Assessment Review

The self-assessment consists of a set of evaluative questions, some of which require narrative responses. These questions are focused on the key functional benefits operations in a state's UI program, including the following areas:

- Claims intake processes for regular intrastate, interstate, combined wage, and Federal program claims (Federal civilian and military claims), including monetary determinations
- Adjudications
- Appeals
- Continued Claims
- Benefit Payment Control
- Internal Security
- Disaster Unemployment Assistance (DUA)
- Reemployment
- Eligibility Review
- Data Validation
- Short-Time Compensation (STC) for states that operate STC programs
- Trade Readjustment Allowances

For each functional/program area, the self-assessment instrument presents questions intended to help evaluate the following operational elements (as appropriate):

- Procedures, Policies, and Confidentiality

- Training
- Workload Analysis and Management Controls
- Performance Management
- Information Technology
- Claimant and Employer Access and Communication
- Operational Efficiency and Resource Allocation
- Staffing and Merit Staffing
- Fiscal Management

It is essential that the state reviewer(s) be knowledgeable of Federal and state UI laws and administrative rules and regulations covering all facets of UI benefits operations to answer the questions in each functional area. The reviewer(s) must also be able to access the state’s operational manuals, handbooks, and other organizational documents—including organizational charts—for each UI functional/program area.

The self-assessment tool is designed to examine key areas of the agency’s UI program, identifying areas where improvement is needed as well as areas where the state is excelling in its operations. The completed self-assessment is intended to enable the state to formulate strategies to mitigate issues that are identified as problematic or contributing to poor program performance or integrity. This process will allow the state agency’s administrator and its managers to take needed corrective action(s), as appropriate and as soon as feasible. The responses from the self-assessment results will be submitted to USDOL/ETA. The review results will provide critical information to ETA along with other UI data and related information that demonstrates reasonable assurance that the state’s UI benefits operations are in compliance with Federal requirements. Assessment summary data may also be used by Regional and National ETA staff to assess whether a state should be designated as a “high priority” state for monitoring and enhanced technical assistance due to possible compliance issues with Federal requirements and/or for performance and/or integrity-related issues.

The self-assessment examines fifteen (15) program or functional areas, examining specific operational elements for each. While it is expected that the state reviewer will be able to answer many questions based upon their program knowledge, it is imperative that the reviewer has access to and utilize all subject matter experts necessary to complete the self-assessment accurately and thoroughly. Subject matter experts will include UI administrators, managers, and supervisors, and staff for each functional or program area reviewed; and program coordinators including interstate, DUA, Benefits Timeliness and Quality (BTQ) program coordinators, etc. The reviewer will also consult, as needed, with personnel from other agency units, including

Human Resources, Information Technology, Fiscal Management, and Performance Management. The state reviewer is expected to gain insight into the state's UI benefit operations through observation of the program operations and assessment of the functional processes and the performance of activities they are reviewing. Information collected during the self-assessment must be validated/verified and documented. The reviewer should be alert to and document (in the Comments area) discrepancies between what policies say versus what people actually do in relation to a specific work process or what managers may say is being done versus what frontline staff say they are doing.

Regional Office Role

USDOL/ETA Regional Office staff is available to support the state reviewer during all phases of the review process by answering questions and providing technical assistance. In its capacity as liaison between the National Office and the state, the Regional Office is the first point of contact to provide technical assistance and for interpreting policy and procedures regarding the self-assessment.

Regional and National office staff will use the self-assessment results, UI performance measures, and improper payment measures to identify states that may be designated as “high priority” and in need of technical assistance in specific functional or operational areas. Steps to improve the state's performance may include scheduling an on-site operational review by Regional Office staff. The self-assessment results may also point to promising practices in the state that may be useful to share with all states.

General Procedures

Preparing for the Review

Prior to completing the self-assessment, the state reviewer should locate and thoroughly review all operational manuals, handbooks, training materials and any other operational documents regarding the specific functional area being reviewed. The reviewer should also be knowledgeable of and familiar with ETA Handbooks relevant to the functional areas being reviewed. As discussed above, the reviewer should also identify key subject matter experts within the state agency (including program managers and staff), who may serve as resources to be interviewed as the reviewer conducts the review. The reviewer should have access to organizational charts for all UI program areas being reviewed prior to scheduling interviews with management, supervisors, and staff. It is important that the reviewer be familiar with the self-assessment questions prior to conducting interviews with staff. In some cases, the reviewer may know the answer to many of the self-assessment questions after reviewing the state's operational

manuals and handbooks; however, it is important to verify that staff understand the requirements and that the instructions are being followed.

To complete the self-assessment in a timely manner, the reviewer is encouraged to develop a work plan for each functional/program area being reviewed. An initial meeting with UI administrators is recommended to explain the purpose and scope of the self-assessment and the need to utilize management and supervisory staff as resources and to observe operations. It is important that the reviewer be able to communicate the intent of the assessment and the approach. Subsequent meetings will be scheduled, as needed, with program managers and subject matter experts as their functional areas are reviewed. All data that is compiled when conducting the self-assessment must be documented and retained for a period of three (3) years in accordance with [29 CFR 97.42](#). ETA has developed a resource tracker, which the reviewer may use.

Review Scope

The self-assessment is composed of 15 functional/program areas to be reviewed. Each area has specific instructions, including explanation of individual questions that are particularly complex or technical. The 15 functional/program areas are:

- Adjudications/Benefit Timeliness and Quality reviews
- Appeals
- Benefit Payment Control
- Combined Wage Claims
- Continued Claims and Eligibility Review
- Data Validation
- Disaster Unemployment Assistance
- Intake-Initial Claims (including Monetary Determinations)
- Internal Security
- Overarching Operational Matters
- Reemployment
- Short-Time Compensation
- Trade Readjustment Allowances

- Unemployment Compensation for Federal Employees
- Unemployment Compensation for Ex-Servicemembers

Review Period

The review period for the self-assessment review will generally be the most recent twelve months prior to the time the self-assessment begins. More details about the review period will be provided in ETA guidance.

The Term “State”

When used in the state self-assessment tool, the term “state” usually refers to the state unemployment insurance agency, unless the context of the term’s usage clearly indicates otherwise.

Completing the Self-Assessment

The state reviewer will access the self-assessment tool at the ETA website pursuant to the guidance issued by ETA. The self-assessment consists of “Yes/No” questions and questions that require narrative explanations. In general, the state reviewer should provide “high level” information in providing narrative explanations. Detailed information is generally not needed. Also, some questions allow the reviewer to select “N/A” when “not applicable;” however, others do not, and in such case, the “comments” section may be used to explain why a question does not apply to the state.

A key objective for the self-assessment is to allow states to focus on improving operations that are associated with administering their programs with the ultimate goal of performance improvement. By design, the self-assessment tool has a number of similar questions that are repeated in the various functional and/or program areas. These questions serve as a means of support for the state reviewer(s) in identifying operational issues and to help ensure that intentional or unintentional differences in program operations are not overlooked. Delving into each of the functional and program areas and corresponding activities can help pinpoint areas of concern and/or areas of success.

All the designated “other” response fields have a 1,200 character limit so that text entered in the field is visible when the document is printed. It is recommended that the reviewer regularly save entries when they exit the self-assessment instrument.

Hardware/Software Requirements

The state Unemployment Insurance (UI) Benefit Operations Self-Assessment Tool is in fillable PDF format. It is necessary that the state reviewers have Adobe Acrobat on their computers to download and complete the self-assessment. A copy of Adobe Acrobat can be downloaded [here](#).

Recording and Retaining Information

The state reviewer must document all data that is used for the self-assessment review and the state must retain the supporting documents/information for a period of three years. This information must be available to Federal reviewers during their review of state activities.

Responding to “Yes/No” Questions

The state self-assessment tool is predominately composed of questions that will require a “yes” or “no” response. An example of this type of question can be found in *Question 11* of the Procedures, Policies, and Confidentiality section of the **Intake-Initial Claims** functional area, which states:

Do the state’s policies and procedures conform to the child support intercept requirements of Section [303\(e\)\(2\)\(A\)\(iii\)\(III\)](#) of the Social Security Act?

The state reviewer will identify the correct response to these types of questions based on research conducted and/or information made available to the reviewer. Sources of such information may include written policies, procedures, handbooks, operational manuals, interviews with appropriate staff/subject matter experts within the agency, and information available to the public in material produced by the agency or located on the agency’s website.

The reviewer must keep records that document the source of the information supporting the response provided in answering the question posed in the self-assessment tool. The record may be a citation to the relevant document used by the reviewer or a notation to an interview conducted by the reviewer, indicating the name and title/role of the person interviewed and the date of the interview. For some “no” responses, the reviewer may simply note that there is no information available to support an affirmative response to the question.

Responding to Questions Dealing With More Than One Program in an Operational Element

Some functional areas deal with more than one program, such as the Appeals functional area which addresses both lower and higher authority appeals. In such functional areas, some questions combine both areas commonly. There may be questions in certain operational elements that are distinct and specific to either program. An example of the combined type of question can be found in *Question 1* of the Procedures, Policies, and Confidentiality section of the **Lower Authority Appeals/Higher Authority Appeals** functional area, which states:

Does the state have written policies and procedures for its Appeals operations?

Lower Authority Appeals

Yes No

Higher Authority Appeals

Yes No

The reviewer should enter the correct response for each program based on research conducted and/or information made available during the review. Sources of such information may include written policies, procedures, handbooks, operational manuals, interviews with appropriate staff/subject matter experts within the agency, and published information available to the public or located on the agency's website.

The reviewer must keep records that document the source of the information supporting the responses provided to the self-assessment questions. For some questions, an appropriate response may be "not applicable" or "not available". In such circumstances, the reviewer may simply document in the record(s) that there is no information available to support a response for the requested information or that the question is not applicable to the state's operation. For some "no" responses, the reviewer may simply note that there is no information available to support an affirmative response to the question.

Responding to Request for Detailed Information Questions

The state self-assessment tool also contains some questions that require direct responses with detailed information. Many of these types of questions offer a list of possible responses from which the reviewer may select. An example of this type of question can be found in *Question 16* of the Procedures, Policies, and Confidentiality section of the **Intake-Initial Claims** functional area, which states:

Do the state's policies and procedures provide staff guidance regarding the identification of the following issues that affect a claimant's eligibility for benefits? (check all that apply)

The state reviewer will identify the correct response based on research conducted and/or information made available during the review. Sources of such information may include written policies, procedures, handbooks, operational manuals, interviews with appropriate staff/subject matter experts within the agency, and published information available to the public or located on the agency's website.

The reviewer must keep records that document the source of the information supporting the responses provided to the self-assessment questions. For some questions, an appropriate response may be "not applicable" or "not available". In such circumstances, the reviewer may simply document in the record(s) that there is no information available to support a response for the requested information or that the selection is not applicable to their state.

Responding to the Narrative Questions in Each Operational Element Sections

Throughout each Operational Element section of a particular functional or program area the state self-assessment tool includes questions that require detailed and narrative answers. This type of question will usually ask for a description of or details in regards to processes, practices, or procedures that are in place and may be an extension to some of the yes/no questions. An example of this type of narrative question is *Question 23a* of the Procedures, Policies and Confidentiality section of the **Intake-Initial Claims** functional area, which states:

If yes, how does the state monitor its practices to ensure compliance with the policies and

Many questions have an “other” option to allow the reviewer to enter information that is not provided in the list of possible responses. The reviewer will add detailed narrative when selecting the “other” option. An example of this type of question can be found in *Question 6b* of the Workload Analysis/Management Controls section of the **Intake-Initial Claims** functional area, which states:

*At what levels is the state’s reporting system capable of providing performance data?
(check all that apply)*

- Statewide*
- Office*
- Claimstaker*
- Other (explain)*

The reviewer will enter the correct response for each narrative question based on research conducted and/or information made available during the review. Sources of such information may include written policies, procedures, handbooks, operational manuals, interviews with appropriate staff/subject matter experts within the agency, and published information available to the public or located on the agency’s website.

The reviewer must keep records that document the source of the information supporting the responses provided to the self-assessment questions. For some questions, an appropriate response may be “not applicable” or “not available”. In such circumstances, the reviewer may simply document in the record(s) that there is no information available to support a response for the requested information or that the question is not applicable to the state’s operations.

Responding to the Comments at the End of Each Operational Element Section

A “comments” area is provided at the end of each operational element section within a functional area review. The reviewer should use this “comments” area to document any issues detected when completing that specific section of the self-assessment instrument. The reviewer may also use this comments section to provide additional information relating to specific questions in a particular section. In doing so, the reviewer should reference the specific question by number and insert the additional information related to that question in the “comments” area.

Responding to Concluding Summary Comments at the End of Each Functional Area Review

There is also an opportunity for the reviewer to provide concluding summary comments at the end of each functional area making up the state self-assessment tool. This area is intended to capture the reviewer’s general comments or observations about a functional or program area.

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The reviewer can provide information that the state UI administrators and managers can use to assess program operations and the state's effectiveness in providing quality services in this functional area. Federal reviewers may also use this information to provide technical assistance to the state. For each functional/program area, there are three concluding comment topics to be covered by the reviewer:

1. *Provide any observations of good and/or exemplary performance in the state's area under review related to policies, procedures, or operations that would constitute Successful Practices to share with other states.*

The reviewer is required to include their observations of the state's good and/or exemplary operations in the specific functional/program area that would constitute Successful Practices to share with other states. In responding to this narrative question, the reviewer should review all of the operational elements for this specific functional/program area to determine and document any areas where the state's operations are determined to be exemplary during the review period.

2. *Document any issues detected in the area being assessed that adversely affects the state's performance, its ability to meet performance standards/measures, or customer service. Identify any corrective action measures that should be taken to improve the state's performance in regards to any weaknesses identified.*

The reviewer should consider the review of each operational element and summarize any weaknesses identified in the completed functional or program area that requires corrective action measures be taken. Then the reviewer will identify any corrective action measures that should be taken to improve the state's performance in regard to any weaknesses identified.

3. *Add any additional comments, concerns, or observations regarding the state's performance or operations in this area that have not been addressed elsewhere and should be noted.*

In the last concluding comment section, the reviewer is provided the opportunity to add any additional comments, concerns, or observations regarding the state's performance or practices related to the functional/program area that should be noted. This is an open-ended opportunity for the reviewer to share any observation(s) that may be helpful for which there was no opportunity to provide the information elsewhere in the tool. The reviewer should consider the completed tool and use this opportunity to document any observations that may raise questions or concerns regarding the specific functional/program area related to the state's performance or practices and/or programmatic/functional priorities, goals or objectives.

Concluding the Review

After completing the review of each functional or program area of the self-assessment, the reviewer should share the results with the state UI agency administrator, UI Director and appropriate program managers and explain key findings and recommendations. Managers and staff can be consulted when developing recommendations since reviewers may benefit from testing the recommendations for validity and feasibility. The recommendations may be designated as either essential or optional. Results can be used to validate work efforts, promote dialog with management, and devise strategies for the future. The final step to conclude the self-assessment will be for state UI staff to develop and implement appropriate strategic plans for program improvements and/or recommended corrective actions based on the review findings. The states should develop a process to follow-up on recommendations. The state's plan of action may include staff training, development and implementation of policy or procedural changes, and technology or programming changes, as appropriate.

The state agency leadership should also use the self-assessment review results to identify any successful or promising practices occurring in their state UI operations that they may wish to share with other states. Such identified practices can be shared on the UI Community of Practice maintained by ETA.

When finished, the reviewer will upload the responses pursuant to the guidance issued by ETA and following the instructions on the ETA's website. The results for each functional area of the self-assessment instrument should be submitted as each fundamental area is completed.

Reporting

State Use of Self-Assessment Data for Program Improvement

At the conclusion of the self-assessment review, the results will be shared with the State Workforce Administrator, the UI Director, and appropriate program managers. The state's practices in all functional and program areas should be reviewed thoroughly to identify areas of poor performance as well as areas where the state is performing well. The state should develop an action plan to address any areas where performance and operational issues have been identified as a result of the self-assessment. If training needs are identified, appropriate training curriculum should be developed and delivered to staff. Policies and procedures that are outdated should be brought up-to-date and published for appropriate staff to use. Processes that are impeding performance should be reviewed and reengineered. Use of self-assessment data can help to create a culture that supports both positive and negative feedback in planning and managing change. The review provides state leaders overseeing the UI program a means to routinely confirm the state's proper use of merit staff, its management of administrative grant

funds, its processes for sharing confidential UI data in accordance with Federal and state laws, its continuity of operations plans, and other related business practices that are essential to the state's benefits operations.

National Office and Regional Office Use of Self-Assessment Data

The state self-assessment responses will support periodic reviews conducted by ETA's Regional and National Office staff, by which they gauge the state's activities in relation to Federal law and regulations, including the state's compliance with Federal requirements. The depth of the self-assessments will allow ETA Regional Office staff to work with the state to identify opportunities to improve its operations by capitalizing on its own successful practices as well as those of other states. The self-assessment results will also identify areas where performance improvements are needed. Information on states' operational issues gleaned from the states' self-assessment responses, as well as information on the states' timeliness and quality performance measures, improper payment rates, and information from other ETA Regional Office monitoring and/or technical assistance efforts, will be used by ETA in identifying "high priority" states. States that are deemed to be "high priority" will be provided more intensive technical assistance and oversight from USDOL/ETA related to its benefits operations and the state will be required to address identified issues in corrective measures as part of the State's Quality Service Plan (see [ETA Handbook No 336](#)).

Unemployment Insurance Acronyms

ABP	Alternative Base Period
AJC	American Job Center
ALP	Acceptable Levels of Performance
ATAA	Alternative Trade Adjustment Assistance
BAM	Benefit Accuracy Measures
BP	Base Period
BPC	Benefit Payment Control
BRI	Benefit Rights Information
BTQ	Benefits Timeliness and Quality
BY	Benefit Year

CC	Continued Claim
CAP	Corrective Action Plan
CFR	Code of Federal Regulations
CWC	Combined Wage Claim
CY	Calendar Year
DA	Dependents Allowance
DOL	Department of Labor (USDOL)
DQ	Disqualification
DUA	Disaster Unemployment Assistance
DUIO	Division of Unemployment Insurance Operations (USDOL/OUI)
DV	Data Validation
EB	Extended Benefits
EBP	Extended Base Period
EFT	Electronic Funds Transfer (Direct Deposit)
ER	Eligibility Review
ETA	Employment and Training Administration (USDOL/ETA)
EUC	Emergency Unemployment Compensation
FCCC	Federal Claims Control Center
FEDES	Federal Employer Data Exchange System
FEMA	Federal Emergency Management Agency
FSC	Federal Supplemental Compensation
FTE	Full-Time Equivalent
FUTA	Federal Unemployment Tax Act
FY	Fiscal Year
GPRA	Government Performance and Results Act

HAA	Higher Authority Appeal
IB	Interstate Benefits
IB 8608	Interstate Request for Overpayment Recovery
IB Hand	Interstate Benefits Handbook (online)
IBIQ	Interstate Benefits Inquiry system
IBWI	Interstate Benefit Withdrawal of Invalid Claim
ICON	Interstate Connection Network
IRORA	Interstate Reciprocal Overpayment Recovery Arrangement
IRS	Internal Revenue Service
IS	Internal Security
IT	Information Technology
IVR	Interactive Voice Response
LAA	Lower Authority Appeal
LADT	Liable/Agent Data Transfer
MBA	Maximum Benefit Amount
MOU	Memorandum of Understanding
MSDEB	Military State Data Exchange Billing
MSDEC	Military State Data Exchange Claims
MSDES	Military State Data Exchange System
MWBA	Maximum Weekly Benefit Amount
NDNH	National Directory of New Hires
OP	Overpayment
OUI	Office of Unemployment Insurance (USDOL/ETA)
PII	Personally identifiable information
PIN	Personal Identification Number

QC	Quality Control
RESEA	Reemployment Services and Eligibility Assessment
RJM	Resource Justification Mode
RTAA	Reemployment Trade Adjustment Assistance
SAVE	Systematic Alien Verification for Entitlement
SBR	Supplemental Budget Request
SDNH	State Directory of New Hires
SEA	Self Employment Assistance
SID	State Identification Inquiry
SF	Standard Form
SIDES	State Information Data Exchange System
SQSP	State Quality Service Plan
SSA	Social Security Act
STC	Short-Time Compensation
SUTA	State Unemployment Tax Act
SWA	State Workforce Agency
TAA	Trade Adjustment Assistance
TOP	Treasury Offset Program
TRA	Trade Readjustment Allowance
UC	Unemployment Compensation
UCFE	Unemployment Compensation for Federal Employees
UCX	Unemployment Compensation for Ex-Servicemembers
UI	Unemployment Insurance
UIPL	Unemployment Insurance Program Letter
U.S.C.	United States Code

USDOL	United States Department of Labor
WARN	Worker Adjustment and Retraining Notification
WBA	Weekly Benefit Amount
WIA	Workforce Investment Act
WIC2	Withdrawal of Invalid Claim
WIOA	Workforce Innovation and Opportunity Act
WPRS	Worker Profiling and Reemployment Services
WRIS	Wage Record Interchange System