

Supporting Statement

Employment, Wages, and Contributions Report (QCEW Program)

**B. COLLECTION OF DATA EMPLOYING STATISTICAL METHODS**

**1. Describe (including a numerical estimate) the potential respondent universe and any sampling or other respondent selection method to be used.**

As described in Attachment A of the LEHD Paperwork Reduction Act package, the LEHD program develops public use data products from already gathered administrative data. These data sets provide various specific types of information such as details on employment and wages reported by employers available at the county, Metropolitan Statistical Area (MSA), state and national levels by industry. Additionally, other administrative data provides information on wages, employment status, and details on firm age and size. The following table provides a list of the administrative data used to generate our public use data products.

<b>File</b>	<b>Source</b>	<b>Delivery Schedule</b>
American Housing Survey (AHS)	Census Bureau	Yearly
Business Dynamics Statistics (BDS)	Census Bureau	Quarterly
Quarterly Census of Employment and Wages (QCEW)	Bureau of Labor Statistics	Quarterly
Current Population Survey (CPS)	Census Bureau	Yearly
Federal Workers	Office of Personnel Management	Quarterly
Geographic Reference File	Census Bureau	Yearly
Master Address File Extract	Census Bureau	Yearly
New Business Register	Census Bureau	Yearly
Geographic Database*	Pitney Bowes Corporation	Quarterly
Composite Person Record	Census Bureau	Yearly
Master Address File Auxiliary Reference File	Census Bureau	Yearly
Residence Candidate File	Census Bureau	Yearly

<b>File</b>	<b>Source</b>	<b>Delivery Schedule</b>
Survey of Income and Program Participation	Census Bureau	Yearly
Topologically Integrated Geographic Encoding and Referencing	Census Bureau	Yearly
Unemployment Insurance Wage File	State Partners	Quarterly
Quarterly Census of Employment and Wages (ES-202)	State Partners	Quarterly
WIB Definitions files	State Partners	Acquired as needed

\*Note: Database is included with application used for generating data products

**2. Describe the procedures for the collection**

The collection of data occurs in accordance with the rules established by a Memorandum of Understanding (MOU) with each member of the Local Employment Dynamics (LED) partnership. These MOUs are based on a standard template that clearly defines the boundaries of how this data is to be used, stored, and retained by the Census Bureau and provide an option for who can use this data for research (i.e., does or does not require state approval). This partnership was established to allow for the collection of required data from each of the states and the governance of how is to be sent and used.

For state partners, their data is submitted directly using security File Transfer Protocol (FTP) to the Census secure servers where Personally Identifiable Information (PII) goes through a process to replace it with Protected Identification Keys (PIK). This “PIKing” process also applies to all other administrative data that are used by the LEHD program. For all other required administration data, they are transferred or referenced by the QWI production system. Data collection also includes activities such as validation of data quality.

**3. Describe the methods used to maximize response rates and to deal with nonresponse.**

To ensure maximum response (i.e., gaining access to required data sets), the LEHD program enters into MOUs with the state partners as well as data sharing agreements for use of other administrative data. It is through these agreements that the LEHD program gains access to as much of the required data as possible. States are encouraged to join this partnership as a means to gain access to additional information on the dynamics of employers and employees without the need to develop these products on their own (i.e., no cost).

Recognizing the critical nature of the data provided by the state partners, the LEHD program actively promotes and participates in the LED partnership. This includes facilitating the monthly LED Steering Committee and hosting an annual workshop to promote use of the data and to provide a forum to educate others on its use.

**4. Describe any tests of procedures or methods to be undertaken (as a means to refine collection)**

We believe that the methods employed by the LEHD program are the most efficient to gather all required data. The program employs a relative straight forward process for the gathering of the data identified in Section 1 of this document. Data that is publically available is secured by the supplying agency's method for downloading. Data that contains Personally Identifiable Information (PII) is first transferred to the Census Bureau via a secure File Transfer Protocol (FTP) application and is then processed to remove the PII data from the files. For example an employee's social security number is replaced by a unique identification key. Once the data begins its processing the LEHD program initiates a series of quality assurance steps to verify that data is provided in the format agreed upon by the MOUs. States are engaged when provided data does not meet this standard. Additionally, further issues from the LEHD quality assurance processes may required the help of a data source provider in determining a solution. The program continues to review and work to improve all processes followed in the gathering of required data.

**5. Provide the name and telephone number of individuals consulted on the statistical aspects of the design.**

Erika McEntarfer – LEHD Economics Research Group (LERG) Team Lead - 301-763-8555