SUPPORTING STATEMENT
Pre-Implementation Planning Checklist Report for State Unemployment Insurance (UI)
Information Technology (IT) Modernization Projects
OMB Control No. 1205-0527

A.   Justification.

The Department of Labor, Employment and Training Administration (ETA) is proposing a revision to the Pre-Implementation Planning Checklist Report for State Unemployment Insurance (UI) Information Technology (IT) Modernization Projects. Following the issuance of prior version of the ETA 9177 Report, ETA received comments from the State Workforce Agencies (SWAs), and other entities recommending enhancements to the report. ETA has enhanced the report to address the comments received. The updated ETA 9177 Report - Pre-Implementation Planning Checklist improves the document's structure; provides additional clarity on the verification steps for the ten existing project categories; and adds a new category to address verification steps for labor market information (LMI) Federal reporting functions.

1.   *Explain the circumstances that make the collection of information necessary. Identify*
        any legal or administrative requirements that necessitate the collection. Attach a copy of
        the appropriate section of each statute and regulation mandating or authorizing the
        collection of information.

        Building on lessons learned from previous state implementations of modernized UI IT systems, the U.S. Department of Labor's Employment and Training Administration (ETA) facilitated the development of the ETA 9177 - Pre-Implementation Planning Checklist for SWAs to use prior to "going live" with a modernized UI IT system. This comprehensive report denotes critical functional areas that SWAs should verify prior to launching a new UI IT system including, but not limited to, technical IT functions and UI business processes that interface with the new system.

        The list of critical areas identified in the checklist comprises eleven (11) distinct topics:

        1.   Functionality (Fully Available or Workaround in Place)
        2.   External Alternate Access Options and Usability Issues Addressed
        3.   Policies/Procedures Development and Dissemination
        4.   Technical Preparation
        5.   Call Center/Customer Service Operations
        6.   Staffing/Staff Training on New System Operations
        7.   Staff and Customer Help Desk Support
        8.   Management Oversight
        9.   Vendor Support
        10.   Communications
        11.   LMI Federal Reporting Functions

        This collection is authorized under the Social Security Act, Title III, Section 303(a)(6).

2. *Indicate how, by whom, and for what purpose the information is to be used. Except for a new collection, indicate the actual use the agency has made of the information received from the current collection.*

SWAs will use the report to verify that all necessary mission critical system functions are available and/or that alternative workarounds are developed prior to the production launch of the UI IT system to help avoid major disruption of services to UI customers and to prevent delays in making UI benefit payments. The collection will also enable ETA to review the SWA's report and identify/provide any appropriate technical assistance to the SWA. To date, SWAs have not submitted any completed ETA 9177 reports to ETA.

This report information includes the UI IT Modernization project title (e.g. Consortium name), Date of Submission, Project name, Contact Information, and a Summary of the Project and the report on each of the associated Pre-Implementation Planning Checklist topic areas. The report is now comprised of eleven (11) distinct topics (listed above) and their associated sub-elements. For every sub-element in the ETA 9177, the SWA will provide supporting content to demonstrate that the SWA has addressed the specific sub-element. For each sub-element, the SWA is expected to address the issue including but not limited to:

- An overall status report;
- A brief report explaining the status of the project as it relates to the particular sub-element;
- Attach explanations of any workarounds of the processes in the sub-element;
- Attach explanations if implementation of the new system concerning processes for the sub-element will be delayed, or deferred;
- Attach explanations for added clarity and/or to support a narrative;
- Mitigation proposals for addressing any problems;
- New project timelines if applicable, and/or
- Any discussion of identified technical assistance needs for the successful completion of the project.

3. *Describe whether, and to what extent, the collection of information involves the use of automated, electronic, mechanical, or other technological collection techniques or other forms of information technology, e.g., permitting electronic submission of responses, and the basis for the decision for adopting this means of collection. Also describe any consideration of using information technology to reduce burden.*

States will use a simple form template (a Microsoft Word 2016 ".docx") provided by ETA to prepare the report, which will be emailed to the appropriate regional office. The use of a simple form which can be submitted electronically is compatible with the report which will be a narrative, not a statistical, submission.

4. *Describe efforts to identify duplication. Show specifically why any similar information already available cannot be used or modified for use for the purposes described in Item 2 above.*

The information collected in this report is not available from other sources in the detail needed to determine any technical assistance needs of the state prior to implementing a new UI IT system.

5. *If the collection of information impacts small businesses or other small entities describe any methods used to minimize burden.*

There is no impact on small businesses.

6. *Describe the consequence to Federal program or policy activities if the collection is not conducted or is conducted less frequently, as well as any technical or legal obstacles to reducing burden.*

The collection is a detailed narrative report, provided by the SWA, as part of the pre-implementation preparation of a state's new UI IT system. Without this information, ETA is unable to effectively and consistently monitor states' progress in implementing the UI IT Modernization projects for which the funds were provided.

Many states are addressing antiquated UI IT systems and are developing much needed modernized systems. However, recent efforts by states in launching new UI IT systems have resulted in unexpected disruptions of service to customers, delays in the payments of benefits, and the creation of processing backlogs. ETA designed this report in an effort to avoid future reoccurrences of similar experiences, as an increasing number of states will be implementing new systems.

Not providing the implementation status information as proposed would not allow adequate time for ETA to offer technical assistance on projects if necessary to support the states' implementation. Furthermore, unlike burden on businesses or individuals, states are funded to collect and report data through their annual UI administrative grant.

7. *Explain any special circumstances that would cause an information collection to be conducted in a manner that requires further explanation pursuant to regulations 5 CFR 1320.5:*

No such circumstances exist.

8. *If applicable, provide a copy and identify the date and page number of publication in the Federal Register of the agency's notice, required by 5 CFR 1320.8(d), soliciting comments on the information collection prior to submission to OMB. Summarize public comments received in response to that notice and describe actions taken by the agency in response to these comments. Specifically address comments received on cost and hour burden.*

Describe efforts to consult with persons outside the agency to obtain their views on the availability of data, frequency of collection, the clarity of instructions and recordkeeping, disclosure, or reporting format (if any), and on the data elements to be recorded, disclosed, or reported.

Consultation with representatives of those from whom information is to be obtained or those who must compile records should occur at least once every 3 years - even if the collection of information activity is the same as in prior periods. There may be circumstances that may preclude consultation in a specific situation. These circumstances should be explained.

In accordance with the Paperwork Reduction Act of 1995, the public was allowed 60 days to comment through the Federal Register Notice posted on November 7, 2019 (84 FR 60114). No comments were received.

9. *Explain any decision to provide any payment or gift to respondents, other than remuneration of contractors or grantees.*

    There are no payments made to respondents.

10. *Describe any assurance of confidentiality provided to respondents and the basis for the assurance in statute, regulation, or agency policy.*

    No assurance of confidentiality is provided. The ETA 9177 reports contain no personal or confidential data.

11. *Provide additional justification for any questions of a sensitive nature, such as sexual behavior and attitudes, religious beliefs, and other matters that are commonly considered private. This justification should include the reasons why the agency considers the questions necessary, the specific uses to be made of the information, the explanation to be given to persons from whom the information is requested, and any steps to be taken to obtain their consent.*

    There are no questions of a sensitive nature.

12. *Provide estimates of the hour burden of the collection of information.*

    The burden of the collection of information can be divided into three intervals:
    a. Issuance (1st Year)
    b. Planning (2nd Year)
    c. Reporting (2nd Year and beyond)

    <u>Issuance</u>:

    Upon issuance, in the first year, there is a level of burden to all states to understand and review the ETA 9177 Report - Pre-Implementation Planning Checklist as it is a comprehensive and detailed report. ETA estimates a 2-hour burden per SWA to review the documentation. However, the SWAs are not responding to the collection of information, but taking the time to review and understand the requirements of the ETA 9177 report. (53 total responses / 3 years = 18 responses per year, rounded.)

<u>Planning</u>:

Beginning the second year after issuance, ETA anticipates that each year, three of the States (i.e. eight over the term of this clearance) who are in some states of UI Modernization will begin a planning to report phase. The ETA 9177 report will require coordination and interactions among many of the State's UI Modernization entities (e.g. configuration management, quality assurance, system architecture, system administration, software development, UI staff, UI management, etc.) ETA estimates a 20 hour burden per SWA to review the report and begin planning or collecting the necessary information to develop the ETA 9177 report. (8 total responses / 3 years = 3 responses, rounded.)

<u>Reporting</u>:

All states conducting UI IT Modernization will provide this report 180 days (6 months) prior to implementing their associated UI IT Modernization project. Beginning the second year after issuance, ETA anticipates that each year, three of the States (i.e. approximately eight over the term of this clearance) will report. (8 total responses / 3 years = 3 responses, rounded.)

Based on previous issuance of the ETA 9177 Report with ten categories, it was estimated that an SWA could provide this information through the planned reporting format in 120 hours. With the addition of a new category, LMI Federal Reporting Functions, it is estimated that it will take an SWA an additional 40 hours in address verification steps for labor market information. Therefore, the total burden for an ETA 9177 report submission is estimated to be 160 hours per SWA.

The following table can be used as a guide to calculate the total burden of an information collection.

Activity	Number of Respondents (Rounded)	Frequency	Total Annual Responses	Time Per Response	Total Annual Burden (Hours)	Hourly Rate*	Monetized Value of Respondent Time
Issuance	18	1	18	2 hrs.	36 hrs.	$50.62	$1,822.32
Planning	3	1	3	20 hrs.	60 hrs.	$50.62	$3,037.20

Reporting	3	1	3	160 hrs.	480 hrs.	$50.62	$24,297.60
Unduplicated Totals ◊	**24**			**182**	**576**		**$29,157.12**

Source: The hourly rate is computed by dividing the FY 2020 national average PS/PB annual salary for state staff as provided for through the distribution of state UI administrative grants (https://wdr.doleta.gov/directives/attach/UIPL/UIPL_16-19.pdf)by the average number of hours worked in a year (1,711). For FY 2020, this calculation is: $86,609 / 1,711= $50.62

Unduplicated Totals are calculated by utilizing the fact that only 3 – 5 states per year will participate in all three stages (Issuance, Planning and Reporting) of the UI Modernization process. Thus, the summation totals are based upon these 3 – 5 states per year.

13. *Provide an estimate for the total annual cost burden to respondents or record keepers resulting from the collection of information. (Do not include the cost of any hour burden already reflected on the burden worksheet).*

The agency associates no burden with this collection beyond the value of respondent time.

14. *Provide estimates of annualized costs to the Federal government. Also, provide a description of the method used to estimate cost, which should include quantification of hours, operational expenses (such as equipment, overhead, printing, and support staff), and any other expense that would not have been incurred without this collection of information.*

The SWA will submit the report via email to the appropriate regional office, which will be shared with the National Office via email.

Federal Oversight GS-12 Grade step1 Inc / Locality Pay	Federal Staff	Current 5% of time oversight
$85,428	Boston	$4,271.40
$83,397	Philadelphia	$4,169.85
$80,830	Atlanta	$4,041.50
$82,696	Dallas	$4,134.80
$85,084	Chicago	$4,254.20
$93,587	San Francisco	$4,679.35
$86,335	National Office	$4,316.75
	Total	**$29,867.85**
Federal Oversight GS-15 Grade step 1 Inc / Locality Pay	Federal Management	Current 5% of time oversight
$141,202	Boston	$7,060.10
$137,845	Philadelphia	$6,892.25

$133,602	Atlanta	$6,680.10
$136,686	Dallas	$6,834.30
$140,634	Chicago	$7,031.70
$154,687	San Francisco	$7,734.35
$142,701	National Office	$7,135.05
	Total	$49,367.85
	Grand Total	$79,235.70

Source: https://www.opm.gov/policy-data-oversight/pay-leave/salaries-wages/2020/general-schedule/

Federal costs for oversight and management review are estimated to be approximately $79,236 annually

15. *Explain the reasons for any program changes or adjustments reported on the burden worksheet.*

There are no program changes. Following the issuance of prior version of the ETA 9177 Report, ETA received comments from the SWAs, and other entities recommending enhancements to the report. ETA has enhanced the report to address the comments received. The updated ETA 9177 Report - Pre-Implementation Planning Checklist improves the document's structure; provides additional clarity on the verification steps for the ten existing project categories; and adds a new category to address verification steps for labor market information (LMI) Federal reporting functions. The revised ETA 9177 report adds a new category to address verification steps for LMI Federal reporting functions. This accounts for additional 40 hours burden in reporting per SWA.

Following the issuance of prior versions of the ETA 9177 Report, ETA received comments from the SWAs, and other entities recommending enhancements to the report. ETA has enhanced the report to address the comments received. The updated ETA 9177 - Pre-Implementation Planning Checklist Report Version 1 improves the document's structure, provides additional clarity on the verification steps for the ten existing project categories, and adds a new category to address verification steps for labor market information (LMI) Federal reporting functions.

16. *For collections of information whose results will be published, outline plans for tabulation and publication. Address any complex analytical techniques that will be used. Provide the time schedule for the entire project, including beginning and ending dates of the collection of information, completion of report, publication dates, and other actions.*

The results of the checklist will not be published.

17. *If seeking approval to not display the expiration date for OMB approval of the information collection, explain the reasons that display would be inappropriate.*

The OMB control number and expiration date are displayed on the ETA 9177 hard copy form. A menu option has been incorporated into the UI electronic reporting system which provides access to a complete listing of OMB control numbers and expiration dates for all required reports, including the new ETA 9177. In addition, ETA will disseminate OMB control number and expiration date information for this report through a UI program letter shortly after OMB action.

18.   *Explain each exception to the topics of the certification statement identified in "Certification for Paperwork Reduction Act Submissions."*

There are no exceptions.

B.   Collections of Information Employing Statistical Methods.

This collection of information does not employ statistical methods.