

Employment and Training Administration Advisory System U.S. Department of Labor Washington, D.C. 20210	CLASSIFICATION UI
	CORRESPONDENCE SYMBOL OWS DUIO
	DATE July 31, 2006

ADVISORY: ET HANDBOOK NO. 407, 4th EDITION, CHANGE 2

TO: STATE WORKFORCE AGENCIES

FROM: *for* CHERYL ATKINSON 
 Administrator
 Office of Workforce Security

SUBJECT: Tax Performance System Handbook Updates

1. Purpose. To provide updated pages for the Unemployment Insurance (UI) Tax Performance System (TPS) Handbook, ET Handbook No. 407, 4th Edition.
2. References. ET Handbook No. 407, 4th Edition, Change 1, December 9, 2004, and ET Handbook No. 407, 4th Edition, November 20, 2003.
3. Background. TPS is part of the comprehensive UI performance management system "UI Performs." ET Handbook No. 407, Edition 4, provides standard instructions for operating TPS in each state. This advisory transmits a number of modifications, clarifications, and replacement pages for the Handbook.
4. Handbook Modifications Summary.
 - Chapter II, General Procedures: reference numbers and dates for the Standards for Internal Control in the Federal Government have been updated.
 - Chapter II, General Procedures: the Program Review Findings Chart has an added column for identifying any outside authority that has an impact on UI tax operations. This column was mistakenly omitted in Change 1.
 - Chapter II, General Procedures: instructions have been clarified to stress that randomized files are to be used for sample selection.
 - Chapter II, General Procedures: sampling instructions have been modified to clarify that, when two or more sets of source documents cannot be located, the entire sample fails, and further, that this failure is added to the total number of sample failures.
 - Chapter V, Report Delinquency: missing column 4f was added to the coding sheet.
 - Chapter VI, Collections: sampling instructions requiring examination of all collections actions taken in the past two years have been modified to limit the review to actions taken for the ten most recently established receivables.

RESCISSIONS None	EXPIRATION DATE July 31, 2007
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- Chapter VII, Field Audit: Systems Review instructions for Training have been corrected to add space for further description and for a Verification Source.
 - Chapter VII, Field Audit: Sampling instructions have been updated to reference the updated Employment and Training 581 report data cell (from “Change Audit” to “Total Audits”).
5. OMB Approval. ET Handbook No. 407 has been approved by the Office of Management and Budget (OMB) in accordance with the Paperwork Reduction Act of 1995, OMB Approval No. 1205-0332, expiration date: January 31, 2009.
 6. Action Required. Administrators are requested to distribute this directive and the attached replacement pages to the TPS reviewer(s) and appropriate tax staff. These updates are also available electronically at: http://wdr.doleta.gov/directives/ETA_Handbook.cfm
 7. Handbook Maintenance. ET Handbook 407, 4th Edition, Change 1 should have the following pages removed and replaced with the attached pages.

Remove Pages

Insert Pages

Chapter II

Pg. 17 R 04/03 and 18 R 04/03
 Pg. 31 and 32 (undated Figure II-4)
 Pg. 33 and 34 R 04/03
 Pg. 35 and 36 R 04/03

Pg. 17 R 07/06 and 18 R 04/03
 Pg. 31 and 32 (undated Figure II-4)
 Pg. 33 R 07/06 and 34 R 04/03
 Pg. 35 R 07/06 and 36 R 04/03

Chapter V

Pg. 67 and 68 (undated Coding Sheet)

Pg. 67 and 68 (undated Coding Sheet)

Chapter VI

Pg. 67 and 68 R 04/03

Pg. 67 R 07/06 and 68 R 04/03

Chapter VII

Pg. 29 and 30 R 04/03
 Pg. 57 and 58 R 04/03
 Pg. 59 and 60 R 04/03

Pg. 29 R 04/03 and 30 R 07/06
 Pg. 57 R 04/03 and 58 R 07/06
 Pg. 59 R 07/06 and 60 R 04/03

8. Inquiries. Address all inquiries to the appropriate Regional Office.
9. Attachment. Replacement pages for Handbook 407, Edition 4, Change 2.