

EMPLOYMENT AND TRAINING ADMINISTRATION ADVISORY SYSTEM U. S. Department of Labor Washington, D.C. 20210	CLASSIFICATION UI
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	DATE September 20, 2007

ADVISORY: TRAINING AND EMPLOYMENT GUIDANCE LETTER NO. 6-07

**TO: STATE WORKFORCE AGENCIES
 STATE WORKFORCE LIAISONS**

**FROM: EMILY STOVER DeROCCO /s/
 Assistant Secretary**

SUBJECT: Government Performance and Results Act (GPRA) Unemployment Insurance (UI) Program Goals: Fiscal Year (FY) 2006 Performance, FY 2007 Performance Targets, and FY 2008 Performance Targets

1. **Purpose.** To summarize the UI program's GPRA performance for FY 2006 and announce the FY 2007 and FY 2008 GPRA goals and targets.
2. **References.** Unemployment Insurance Program Letter (UIPL) No. 25-06, "Call Memo for the Fiscal Year (FY) 2007 Unemployment Insurance (UI) State Quality Service Plan (SQSP);" Training and Employment Guidance Letter (TEGL) No. 24-05, "Government Performance and Results Act (GPRA) Unemployment Insurance (UI) Program Goals: Fiscal Year (FY) 2005 Performance and FY 2006 Performance Targets;" TEGL No. 24-05, Change 1, "Baseline Value and the Fiscal Year (FY) 2007 Target for the Indicator Used for the Government Performance and Results Act (GPRA) Goal to Facilitate the Reemployment of Unemployment Insurance (UI) Beneficiaries;" UIPL No. 33-02, "Development of an Unemployment Insurance Payment Accuracy/Integrity Measure;" UIPL No. 15-03, "Government Performance and Results Act (GPRA) Fiscal Year (FY) 2004 Unemployment Insurance (UI) Program Goals;" TEGL No. 04-04, "Government Performance and Results Act (GPRA) Unemployment Insurance (UI) Program Goals: Fiscal Year (FY) 2003 Performance and FY 2004 Performance Targets;" UIPL No. 1-06, Collection of Data on the Facilitation of Reemployment of Unemployment Insurance (UI) Benefit Recipients."

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3. **Background.** The Employment and Training Administration (ETA) includes five performance goals for the UI program as part of its GPRA plan for FY 2007. Four of these performance goals have been in place since 2003; the fifth, an efficiency measure, was introduced in FY 2005. Data were available to compute measured performance against targets for four of the goals in FY 2006. Three performance targets were met and performance declined from FY 2005 for the one target that was not attained. The Department began receiving the first data for the “Facilitate Reemployment” measure during FY 2006, and used these first results to establish a performance baseline and set a FY Target for 2007.
4. **FY 2006 Performance and Targets for FY 2007 and FY 2008.** The table below gives the goals and targets for FYs 2006 – 2008 and FY 2006 performance.

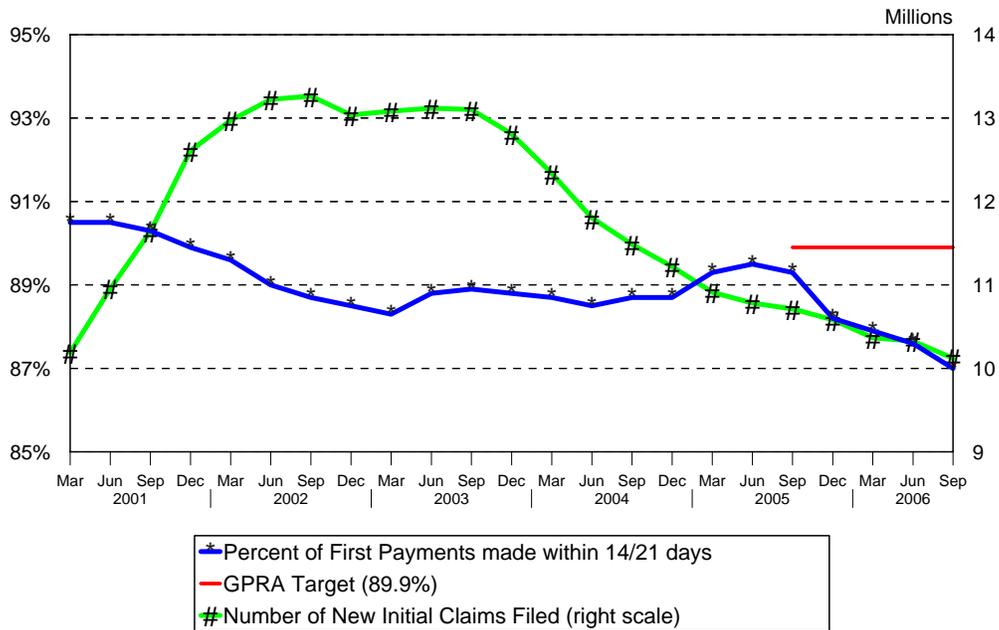
FY 2006 GPRA Targets and Performance and FY 2007 and FY 2008 Targets				
Goal and Indicator	FY 2006 Target	FY 2006 Actual	FY 2007 Target	FY 2008 Target
<i>Payment Timeliness:</i> Percent of Intrastate First Payments Made Within 14/21 Days	89.9	87.5	90.0	90.1
<i>Establish Tax Accounts Promptly:</i> Percent of New Employer Liability Determinations made within 90 days of the end of the first quarter in which they become liable	82.5	83.6	82.8	83.0
<i>Detect Overpayments:</i> Establish for recovery a percent of the amount of estimated overpayments that states can detect and recover	59.5	61.9	60.0	60.5
<i>Facilitate Reemployment:</i> Percent of UI claimants who were reemployed by the end of the first quarter after the quarter in which they received their first payment. * Baseline	62.4*	65.1	65.0	TBD
<i>Efficiency:</i> Quality-weighted initial claims per \$1,000 of inflation- adjusted base grant funds	8.7	8.9	8.8	8.9

The FY 2007 and FY 2008 targets are in the Department’s FY 2008 Performance Budget Overview. The FY 2007 targets can be found at http://www.dol.gov/_sec/Budget2008/overview-pb.htm#app1, and the FY 2008 at http://www.dol.gov/_sec/Budget2008/overview-pb.htm#sg4.

The goals and performance during FY 2006 were as follows:

- *Payment Timeliness.* Target: 89.9% of all intrastate first payments will be made within 14/21 days.
 - Actual performance for FY 2006: 87.5% were made within 14/21 days. States’ first payment timeliness declined sharply from the previous year, from 89.3 to 87.5%. Two thirds of the decline is estimated to be due to the effects of Hurricanes Katrina and Rita on timeliness in the Gulf states, especially Louisiana, Mississippi, and Texas.

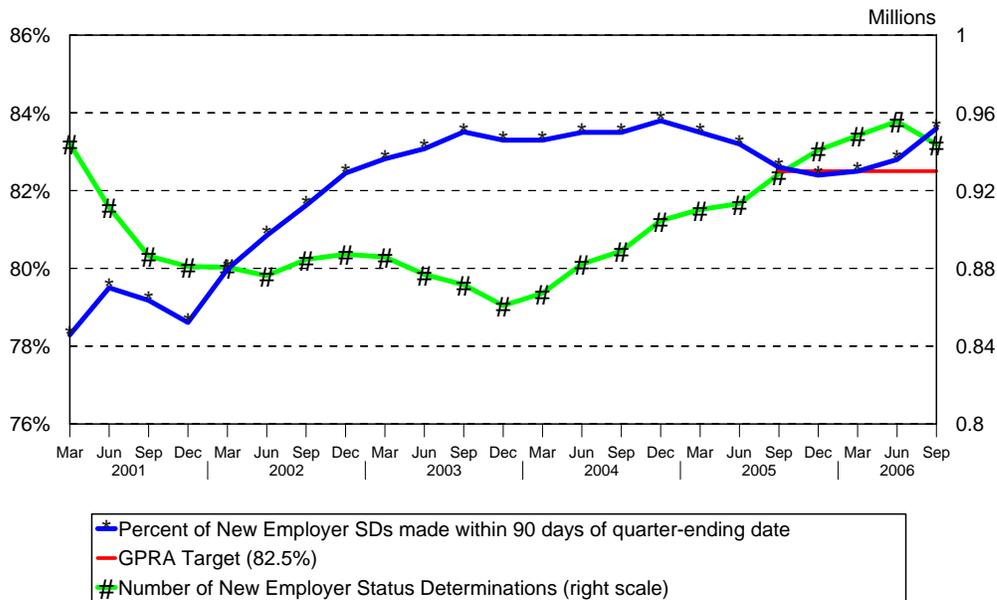
First Payment Timeliness



Each data point represents the one year period up to and including the given month.

- *Establish Tax Accounts Promptly.* Target: 82.5% of new-employer status determinations will be made within 90 days of the end of the first quarter in which liability occurred.
 - Actual performance for FY 2006: 83.6% were made within 90 days. The target was met, and performance rose sharply from 82.4 to 83.6% as the new status determination workload declined.

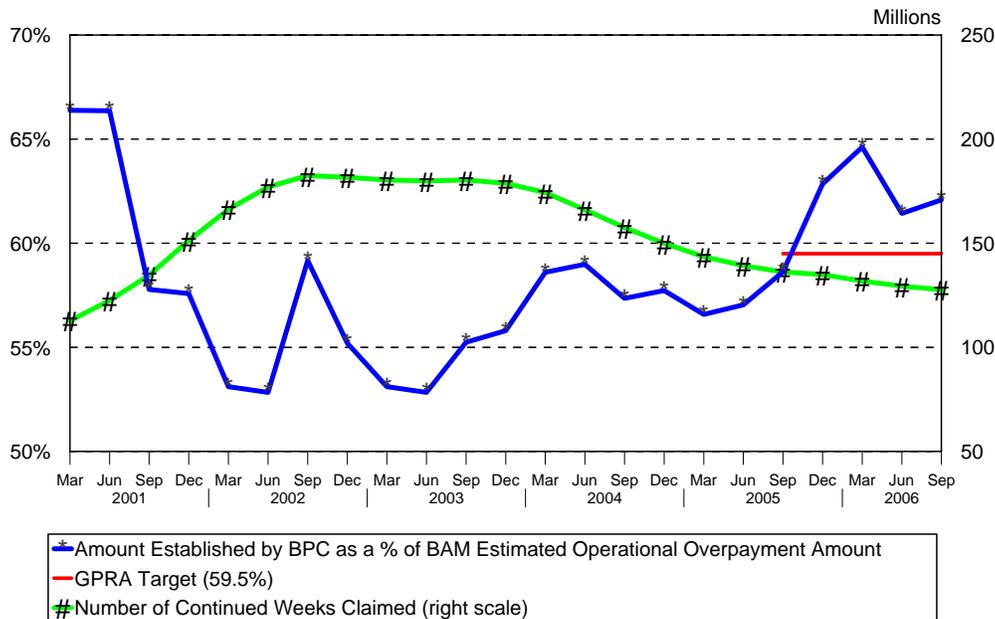
Timeliness of New Employer Status Determinations



Each data point represents the one year period up to and including the given month.

- *Detect Benefit Overpayments.* Target: Establish for recovery 59.5% of the Benefit Accuracy Measurement estimate of recoverable dollar overpayments most detectable through state operations.
 - Actual performance for FY 2006: 61.9% were established. The target was met, and performance rose sharply from 58.8% in FY 2005.

Detection of Overpayments



Each data point represents the one year period up to and including the given month.

- *Facilitate Claimant Reemployment.* Target: Begin collecting data and establish a performance baseline.
 - States began reporting reemployment data in March 2006. A performance baseline of 62.4%, and a target of 65% for FY 2007, were established. The FY 2006 reemployment rate was 65.1%.
- *Efficiency.* Target: Make at least 8.7 quality-weighted initial claims per \$1,000 of inflation-adjusted base grant funds.
 - Actual performance for FY 2006: During FY 2006, 8.9 quality-weighted claims were made per \$1,000 of inflation-adjusted base grants. The quality dimension of this measure, first developed in FY 2004, is a weighted average of the percentages of timely and accurate payments. This measure is only computed as an aggregate figure. However, every State can contribute to attaining the target by making more timely and accurate payments.

The Department's Performance and Accountability Report includes the FY 2006 results. It can be found at http://www.dol.gov/_sec/media/reports/annual2006/PDF/2006annualreport.pdf.

5. **Actions**. State Workforce Agency administrators and liaisons are requested to:
 - a. Distribute this advisory to appropriate staff;
 - b. Review state performance on each performance goal;
 - 1) If performance is below the 2007 target, focus management attention on improvement; seek technical assistance from the ETA Regional Office as appropriate; or
 - 2) If state performance meets or exceeds the goal, ensure that performance is sustained or improved.
6. **Inquiries**. Direct questions to the appropriate Regional Office.
7. **Attachment**: Performance on GPRA Indicators by State, FY 2006.