

**IV. CAP/CIP.** These plans consist of a narrative section and milestone summary completed and submitted in the format in Appendix I. Each CAP/CIP must be titled and numbered as indicated in Section V below.

**A. Mandatory CAPs.** SESAs must complete and submit CAPs for:

**1. Performance Deficiencies.** Performance that did not meet criteria established for Tier I measures for the annual measurement period and remains uncorrected prior to the preparation of the SQSP.

In many instances, performance deficiencies will have been identified prior to the annual assessment with a CAP already in existence to remedy the problem. Accordingly, the SQSP will not, in many instances, require development of a new CAP unless progress on an existing plan is not on target, does not adequately address milestones for the plan year, or is determined by the Regional Office to be no longer adequate to address the extent of the deficiency as revealed by the annual assessment. Such CAPs (i.e., adequate, existing CAPs) will be incorporated into the SQSP submission along with revised CAPs and CAPs addressing newly identified deficiencies.

**2. Egregious Poor Performance.** Conspicuously bad performance identified by an analysis of Tier II measures.

**3. Reporting Deficiencies.** Consistent failure to timely or accurately submit any Federally-required reports.

**4. Program Review Deficiencies.** Uncorrected deficiencies identified in program reviews conducted by the State, or ETA. Examples of such program reviews include Federal programs (UCFE, UCX, etc.), Data Validation, BPC, Internal Security, UI Automation Support Account (UIASA) monitoring, and State Audits.

**5. BAM Requirement Deficiencies.** Failure to meet Federal requirements identified in BAM which remain uncorrected. The Regional Office will notify the SESAs when, based on the annual BAM administrative determination, States must prepare a CAP covering any failure to meet Federal BAM requirements. The CAP must specify measures to be taken for correcting the problem(s) in question and provide projected dates for the completion of each step in the plan. The BAM requirements are contained at 20 CFR Part 602 and in the Benefits Accuracy Measurement State Operations Handbook (ET Handbook 395).

**6. TPS Requirement Deficiencies.** A CAP is required for a SESA that has not fully completed all parts of the TPS as required in ET Handbook 407, Revenue Quality Control.

**B. CIPs.** Supportive of a continuous improvement environment, the SQSP allows for the submission of CIPs which focus on performance that meets or exceeds minimum criteria, but for which a SESA and Regional Office see the opportunity to attain an enhanced goal in service delivery. States, on their own initiative, or due to negotiations initiated by the Regional Office,

are encouraged to prepare CIPs for Tier II measures, or Tier I measures above base requirements. The preparation of such plans may be useful to indicate new goals or SESA program emphasis. CIPs are part of the SQSP, and must reference the number and title of the measure as found in section V of this Chapter.

**C. CAP/CIP Format Completion.** When developing a CAP/CIP for deficient performance or continuous improvement, the prescribed format includes the data elements listed below. Sample formats are contained in Appendix I.

**1. Narrative.** The narrative section must address items a-e below.

**a.** An explanation of the reason(s) for the deficiency. For CIPs, this explanation may be omitted.

**b.** The performance goal target expressed as a percentage.

**c.** A description of the actions/activities which will be undertaken to improve performance.

**d.** If a plan was in place the previous fiscal year and performance has not improved as specified in the plan, an explanation of why the actions contained in that plan were not successful in improving performance, and an explanation of why the actions now specified will be more successful.

**e.** A brief description of plans for monitoring and assessing accomplishment of planned actions and for controlling quality after achieving performance goals.

If the desired improvement will not be accomplished by the end of the fiscal year for which the plan is submitted, the SESA must provide: (1) an estimate of where performance will be at the end of the fiscal year; (2) major actions remaining to be taken in subsequent fiscal years; and (3) a projection as to when the performance goal will be achieved, or the program review deficiency or Federal BAM or TPS deficiency will be corrected.

**2. Milestones.** The SESA must list both specific milestones (key corrective action or improvement activities) and the completion date for each milestone in the space provided. Milestones must be established for each core element of the SESA's corrective action/improvement plan and be of sufficient number and frequency to facilitate State and Regional plan oversight and assessment during the fiscal year. It is anticipated that one or more milestones for each quarter would permit such progress tracking and assessment during the fiscal year through State and Regional follow-up schedules.

**NOTE:** Milestones should be concise and specify key actions necessary to be accomplished throughout the planning year to implement the SESA's proposals for achieving its corrective action/improvement goals. SESAs also may wish to identify performance milestones that reflect the performance level they anticipate will result from completion of planned activities.

**3. Assembly.** CAPs/CIPs must be arrayed in the same order in which they appear in the following list of Tier I/Tier II measures.