

THE UNEMPLOYMENT INSURANCE DATA VALIDATION PROGRAM

Background

The Unemployment Insurance Data Validation (UI DV) program is a systematic means for assessing the accuracy of key UI reports required by the Employment and Training Administration (ETA). Its purpose is to ensure accurate reporting. Since 2003, all states have been required to implement the UI DV program in order to ensure that the data used by the Department of Labor and important UI stakeholders are accurate and can be compared equitably across states. These data are used for key performance reports, including those used for the Government Performance and Results Act (GPRA); as workload elements for establishing and allocating the UI administrative funds; for assessing program integrity; and as economic indicators. Through UI DV, state staff are required to validate 333 key report elements on 12 UI required reports (11 Benefits, one Tax). It also assesses whether two benefits and four tax quality samples are drawn properly, and whether wage items are reported accurately.

The UI DV Process

States conduct the core UI DV activity--the validation of the 12 reports--by comparing the reported count with an independently reconstructed count called a validation count. States prepare validation counts by building extract files from their UI databases; these files consist of the individual records that should constitute the reported counts. These files are loaded to DV software on the UI Sun computers used for reporting, where they are subjected to various tests to ensure their integrity. Samples of individual records (and arrays in Tax called sorts) are examined to assess whether the underlying data conform to UI reporting guidance. The extract files comprise transactions or statuses of the same kind, called Populations. There are 15 Benefits and five Tax populations. Many of the Benefits populations are used to validate cells on more than one report. Passing or Failing validation is also by population. To pass, a population must have passed all integrity tests and all elements or key groups of elements must be within applicable tolerances of the validation count ($\pm 1\%$ for GPRA elements, $\pm 2\%$ for all others). A passing population does not need to be revalidated for three years unless it includes GPRA elements or the underlying reporting software has changed, in which case validation is due the following year.

Quality samples are validated by assessing whether the samples are of the correct size, and are drawn randomly from the correct universe of transactions. Wage items are validated by recounting samples of wage records for each mode by which the state receives them from employers to ensure that the state is correctly processing them into its database.

Status

On the June 10, 2009, submission deadline for the validation year ending March 31, 2009, 59% of benefits populations had been submitted and 37% passed within the past three years. This compared with 68% submitted and 45% passed of Tax populations and 77% submitted and 60% passed for quality samples and wage items.