Verification Results Work Opportunity and Welfare-to-Work Tax Credits Report No. 3

U. S. Department of Labor
Employment and Training Administration

State | Quarter Ending | OMB Approval No. Expires:

A. CERTIFICATIONS ISSUED

1. Universe Size . . . . . _____
2. Sample Size . . . . . _____
3. Number Invalid . . . . . _____
4. Percent Invalid (Complete Line Nos. 5 & 6 ONLY if the entry for Line No. 4 is 5 percent or greater.) _____
5. Number Invalid - 2nd Sample . . . . . _____
6. Percent Invalid - 2nd Sample . . . . . _____

B. ECONOMIC DETERMINATIONS (Ex-Felon ONLY)

7. Universe Size . . . . . _____
8. Sample Size . . . . . _____
9. Number Invalid . . . . . _____
10. Percent Invalid (Complete Line Nos. 11 & 12 ONLY if the entry for Line No. 10 is 5 percent or greater.) _____
11. Percent Invalid - 2nd Sample . . . . . _____
12. Number Invalid - 2nd Sample . . . . . _____

Comments

Persons are not required to respond to this collection of information unless it displays a currently valid OMB control number. Respondents obligation to reply to these requirements are Mandatory (P.L. 104-188). Public reporting burden for this collection of information is estimated to average 8 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the U.S. Department of Labor, U.S. Employment Service, Room N-4470, Washington, D.C. 20210 (Paperwork Reduction Project 1205-0371).

Name and Title of Responsible Official | **Signature** | **Date Signed (Mo., Day, Yr.)**

Instructions for Preparing and Completing ETA Form 9059 - Report No. 3.

Background: The Tax Equity and Fiscal Responsibility Act of 1982 (P.L. 97-248), reemphasized the **"testing"** of "TJTC Certifications," which was mandated by the Economic Recovery Tax Act of 1981 (P.L. 97-34). Besides specifying that funds "be used to test whether individuals certified as members of targeted groups...are eligible for such certification, (including the use of statistical sampling techniques)," the Act requires the Secretary of Labor to annually, report the results of these tests to the Congress. These provisions apply in full force to the certification process under the WOTC and WtW Tax Credits.

Note. Verification activities require **testing the validity** of all the certifications issued by the SESAs, including the Conditional Certifications and other documentation which results in a Certification. **Quality Reviews** and **Audits** are both parts of the verification activities. A General Accounting Office (GAO) report recommended that verifications activities by done by..."other than the person who originally processed," the ICF or Conditional Certification.

ETA Form 9059 was designed to report the results of the quarterly audit of a **randomly chosen sample** (See Table - Sample Sizes, Chapter VII-64 in the Handbook) of all of the certifications issued for that quarter as described in this chapter. Pursuant to P.L. 105-34, as of October 1, 1997, the universe of certifications to be audited includes all Welfare-to-Work and dual (WOTC/WtW) certifications as well as all individual WOTC certifications issued for the reporting quarter.

(1) Line 1 - Universe Size. Enter the total number of Certifications issued during the reporting period. This number should be the same as the total number of certifications reported in Part I., Certification Actions (System Outputs), Column D of the ETA Form 9058 (Report No. 2) for the same quarter.

(2) Line 2 - Sample Size. Enter the number of Certifications in the audit sample for which verification data was acquired for the audits. This number must equal or exceed the appropriate number shown in the table on sample size in Chapter VII in the Handbook.

(3) Line 3 - Number Invalid. Enter the number of certifications in the sample which, after verification, were determined to be invalid.

(4) Line 4 - Percent Invalid. Calculate and enter the percentage of the sample determined to be invalid using the following formula:

$$\frac{\text{Number of Invalidations}}{\text{Sample Size}} \times 100$$

Note: If the percentage is less than 5 percent, do not complete lines 5 and 6. If the perecentage of Line 4 is 5 percent or more, a second sample equal in size to the first must be drawn and verified in the same manner. The Number Invalid and Percent Invalid from the second sample shall be entered in Lines 5 and 6. If the Percent Invalid in the second sample is 5 percent or more, corrective action shall be initiated according to instructions in Chapter VII of the Handbook.

(5) Lines 7-12 must be completed to perform a separate quarterly verification for economic determinations. (Ex-Felon only)

(6) Line 7 - Universe Size. Enter the total number of Certifications issued for the Ex-Felon target group during the reporting period. This number should be the same as the total number of certifications reported in Part II, Sec. (1), Line 3, of ETA Form 9058 (Report No. 2) for the same quarter.

(7) Line 8 - Sample Size. Enter the total number of certifications in the audit sample for which verification data was acquired for the audits. This number must equal or exceed the appropriate number shown in the table (p. VII-64) on sample size in this Handbook.

(8) Line 9 - Number Invalid. Enter the number of certifications in the sample which, after verification, were determined to be invalid.

(9) Line 10 - Percent Invalid. Calculate and enter the percentage of the sample determined to be invalid using the following formula noted above. If this percentage is less than 5 percent, do not complete lines 11 and 12. If the percentage of Line 10 is 5 percent or more, a second sample, equal in size to the first must be drawn and verified in the same manner.

Note: If the Percent Invalid in the second sample is 5 percent or more, corrective action shall be initiated according to instructions in Chapter VII of the Handbook.

(10) Lines 11 & 12 - Percent Invalid & Number Invalid. Enter corresponding number from the second sample.

(11) Lines 13 - Name and Title of Responsible Official; Signature and Date Signed. Print or type complete name of official reporting the verification results; Signature, sign your name, legibly and enter the date (month, day, year) in which report was completed and signed.