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| <b>TRAINING AND EMPLOYMENT<br/>NOTICE</b> | <b>NO.</b><br>07-24            |
|   | <b>DATE</b><br>August 30, 2024 |

**TO:** STATE WORKFORCE AGENCIES

**FROM:** JOSÉ JAVIER RODRÍGUEZ  
Assistant Secretary



**SUBJECT:** Tax Performance System (TPS) Online Training

1. **Purpose.** To announce the availability of TPS Reviewer Online Training
2. **Action Requested.** ETA requests that Administrators of State Workforce Agencies (SWAs) provide the information in this Training and Employment Notice (TEN) to appropriate Unemployment Insurance (UI) program staff, especially to UI TPS staff.
3. **Summary and Background.**
  - a. Summary – The US Department of Labor’s (Department) Employment and Training Administration (ETA) has partnered with the National Association of State Workforce Agencies (NASWA), through ETA’s cooperative agreement with Utah for UI-related training, to develop training for TPS reviewers. The training is available through the NASWA Learning Management System (LMS).
  - b. Background – The TPS program is designed to assist state administrators in improving and maintaining the quality of their Unemployment Insurance (UI) programs by testing the accuracy, timeliness, and completeness of UI revenue operations. The TPS Review also helps ETA carry out its oversight, technical assistance, and policy development responsibilities. The TPS review produces factual and unbiased information about the quality of a state’s UI revenue operations. The program uses two methodologies to assess the strengths and weaknesses of each tax function: Computed Measures and Program Reviews. The review is conducted annually by state TPS reviewers.

Computed Measures are state reported data related to UI Tax Operations and are comprised of information from the ETA 581, ETA 2112, and ES202 reports. The TPS reviewer uses this data to identify trends of timeliness and completeness of UI tax activities. Program Reviews are designed to make the TPS reviewer aware of any tax functions that are producing inaccurate, untimely, or incomplete outputs. The process is twofold: System Reviews and Acceptance Sampling. System Reviews examine tax systems for the existence of internal controls and are conducted to ensure that tax functions are performed accurately and timely. Acceptance Sampling studies a small number of transactions to prove the effectiveness of the internal controls in creating accurate outputs. The TPS reviewer forms an opinion from Computed Measures, System Reviews and Acceptance Sampling and provides recommendations or suggestions for improvement.

TPS training is an integral part of ensuring the quality and integrity of the tax system. In recent years, many states have reported turnover of key tax staff which has created knowledge gaps across the tax program. To help address these gaps, ETA has partnered with NASWA to develop online training lessons for state TPS reviewers.

**4. Virtual Training for TPS reviewers.**

ETA is collaborating with NASWA to develop several online training lessons for state TPS reviewers. In this training, participants will receive an overview of the TPS program and detailed instructions on how to conduct the reviews required for each major tax function. TPS training will be released on the NASWA Learning platform as each module is completed. Module 1, which consists of the first four lessons, was released on August 28, 2024, and has been posted on NASWA's Learning Management System (LMS). NASWA will send out announcements to states via email as additional lessons are completed and added to the LMS. These training lessons are only available to state agency staff.

State administrators should strongly encourage TPS staff members to register for the trainings to gain a greater or refreshed understanding of the TPS program and insight on conducting high quality TPS reviews. To enroll in the TPS training course, visit the NASWA Learning Management System (LMS) at <https://www.naswa.org/learning>.

**5. Inquiries.** Please direct inquiries to the appropriate ETA Regional Office. Direct any questions regarding this training (including how to access the LMS) to [learning@naswa.org](mailto:learning@naswa.org).

**6. References.**

- Revised ET Handbook No. 407, 4th Edition, Tax Performance System Handbook, issued February 10, 2010, <https://www.dol.gov/agencies/eta/advisories/handbooks/et-handbook-no-407>; and
- National Association of State Workforce Agencies Learning, <https://www.naswa.org/learning>.

**7. Attachment(s).** None