



April 27, 2026

MEMORANDUM FOR: HENRY MACK
Assistant Secretary
for Employment and Training

A handwritten signature in blue ink that reads "Laura B. Nicolosi".

FROM: LAURA B. NICOLOSI
Assistant Inspector General
for Audit

SUBJECT: Audit of Unemployment Insurance Information
Technology Modernization,
Project No. 04-P26-002-03-315

Please be advised that the Office of Inspector General is initiating an audit with the objective of determining if the Employment and Training Administration (ETA) ensured states used Unemployment Insurance (UI) Information Technology (IT) modernization funds to improve their UI systems. Specifically, this audit will focus on whether states' used UI IT modernization funds to upgrade their IT systems, and the extent to which states are prepared to handle emergency situations in the future. We will contact your audit liaison to schedule an entrance conference to discuss the audit objectives, scope, and methodology.

We plan to begin work immediately after the entrance conference and would appreciate your notifying appropriate agency officials of our plans. To facilitate the start of the audit, we have attached an initial document and information request, and we would appreciate these items being provided at the meeting.

If you have any questions, please contact Christy Powell, Acting Audit Director, at powell.christy@oig.dol.gov or Chaze Williams-Bey, Acting Audit Manager, at Williams-bey.chaze@oig.dol.gov.

Attachment

cc: Greg Hitchcock
Acting Deputy Administrator, Office of Grants Management, ETA

Chantel Sollers, Senior Liaison, Office of Grants Management, ETA

We are requesting written responses with supporting documentation for each of the following items:

Item No.	Description	Date Request Made	Expected Due Date
1	ETA 9178-ARPA report for Kentucky, New Jersey, and West Virginia	4/27/2026	5/18/2026
2	ETA 9177 UI IT Modernization Pre-Implementation Planning Checklist Reports for Kentucky, New Jersey, and West Virginia	4/27/2026	5/18/2026
3	UI IT Modernization grant applications for Kentucky, New Jersey, and West Virginia	4/27/2026	5/18/2026
4	States' Full Project Plans for Kentucky, New Jersey, and West Virginia, including SF-424, SF-424A, and Negotiated Indirect Cost Rate Agreements (NICRA)	4/27/2026	5/18/2026
5	DOL guidance for UI IT Modernization oversight	4/27/2026	5/18/2026
6	DOL standards for UI IT Modernization to measure state performance	4/27/2026	5/18/2026
7	DOL grant monitoring reports for Kentucky, New Jersey, and West Virginia from July 2023 through March 2026	4/27/2026	5/18/2026