



For Immediate Release.  
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## **Iowa Workforce Development Offers Mixed Reaction to the Unemployment Insurance Tax Redesign Project Audit**

DES MOINES – After a year and a half in development, Iowa Workforce Development (IWD) received the results of the state’s official audit of the Unemployment Insurance Tax Redesign Project audit. While IWD is relieved the findings were minimal and support the overall success of the project, there are a few pieces of concern within the report.

“Iowa Workforce Development cooperated fully with the Auditor of State’s Office in regards to the current project audit,” indicated Iowa Workforce Development Director Elisabeth Buck. “Of the seven findings listed in the report, all revolve around record keeping and contracting procedures, most of which had been fixed prior to the release of the report.”

Prior to the release of the audit, IWD had put in place heightened and enhanced tracking mechanisms for the project reporting and budgetary concerns.

IWD has two prominent areas of concern regarding the report, including an insinuation that the \$4.8 million spent on the project up to the launch of the current UITS system and prior to the development of the My Iowa UI system was wasted, and that IWD did not follow prescribed contracting practices for the project.

IWD worked proactively with the business community, to solicit input into the development of a system that would benefit all involved parties, through direct conversations and multiple statewide focus groups. The initial development led to the creation of UITS, a quarterly reporting feature. UITS has been migrated into the My Iowa UI system and all of the features within the current system will remain. The new system will be supported by existing hardware and software configurations purchased and developed prior to the development of My Iowa UI.

Iowa Workforce Development believes to be in full compliance with prescribed contract bidding and purchasing practices including the use of state negotiated contracts and appropriate vendor selection processes.

Iowa Unemployment Insurance Tax Redesign project is nearing completion. The new system is online and currently being tested by a group of Iowa employers well ahead of the January 2010 deadline. All Iowa employers will have the option to utilize the enhanced system when filing their first quarter reports for 2010.

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