

Arizona Department of Economic Security

Unemployment Insurance Program

Initial Followup of Performance Audit Report 25-101

The June 2025 Arizona Department of Economic Security performance audit was the first of 4 audit reports we issued as part of the Department’s Sunset Review.¹ Our June 2025 performance audit on the Unemployment Insurance (UI) Program found that the Department provided inconsistent customer service to some UI claimants and has not analyzed UI Program data to identify potential access barriers or systemic discrimination, potentially causing claimant hardships and frustration and impacting its ability to implement UI Program improvements. We made **22** recommendations to the Department.

Department’s status in implementing 22 recommendations

Implementation status	Number of recommendations
 Implemented	5 recommendations
 In process	9 recommendations
 No longer applicable	1 recommendation
 No longer applicable—superseded by new recommendation	7 recommendations

We will conduct another followup with the Department in calendar year 2027 on the status of the recommendations that have not yet been implemented.

¹ The second audit assessed the Department’s Division of Developmental Disabilities’ compliance with requirements for quality-of-care concern triage and investigations pursuant to its contract with the Arizona Health Care Cost Containment System. The third audit assessed whether the Department provided sufficient oversight of Arizona’s 8 Area Agencies on Aging, consistent with the Department’s State Plan. The fourth audit assessed whether the Department complied with the State’s conflict-of-interest requirements and provided responses to the 10 statutory sunset factors. For more information on these audits, including any applicable followup reports, see reports 25-114, 25-115, and 25-116.

Recommendations to the Department

Finding 1: Department provided quality customer service to some UI claimants, but service quality, accuracy, and timeliness problems exist, potentially causing claimant hardships and frustration and increasing staff workload

1. Develop or continue to develop and implement written policies and procedures that outline the number of calls UI call center and BPC supervisors should review each month, including time frames for completing the reviews.

► Status: **Implementation in process.**

The Department developed UI and Benefit Payment Control (BPC) call center policies and procedures for supervisory monitoring of call quality by reviewing and scoring call recordings against Department criteria to identify and correct customer service quality issues. Additionally, beginning in February 2026, BPC supervisors became responsible for taking calls as part of their duties. As a result, these supervisors are now subject to call reviews from their managers while continuing to be responsible for conducting call reviews of the other staff members they supervise. The Department's call quality review policies and procedures require supervisors and managers to:

- Review a minimum of 2 calls each week for each UI and BPC call center staff member they oversee by selecting every fifth call the staff member answered within the previous 10 business days until the minimum 2 calls per week has been met (see page 3 for information about changes the Department made to the selection process for UI call center calls during our review). These reviews must be completed by Friday of each week.
- Review and score call recordings against Department customer service criteria and provide the call-review results to the staff member along with feedback for improving performance. Further, the procedures require supervisors and managers to meet with the staff member within 24 hours if the call review results in a failing score.
- Take followup steps, as outlined in its procedures, for staff members with failing scores. These followup steps include increased weekly call reviews, increased coaching sessions, and a performance-improvement plan, depending on the staff members' failing score frequency.

We assessed the Department's implementation of its UI and BPC call-review policies and procedures and found it had fully implemented its policy requirements for the BPC call center but was still in the process of doing so for its UI call center.

Specifically:

- Our review of 2 call reviews completed in the first week of March 2026 for 1 of 4 randomly selected BPC staff members and 2 call reviews completed in the last week of March 2026 for 1 of 2 randomly selected BPC supervisory staff members found that the corresponding supervisor or manager completed BPC call reviews consistent with the Department's policies and procedures. Specifically, the BPC supervisor and manager who completed these call reviews followed all call-review steps, including timely completing at least 2 weekly call reviews per staff member and adhering to call-selection procedures as described in the above bullets, sharing the call-review results with the staff, and evaluating the calls against customer service criteria as outlined in policy (see recommendation 5 for more information about BPC customer service procedures).²
- Our review of a sample of 4 call reviews that were completed in the last week of January 2026 for 2 of 5 randomly selected staff members responsible for answering inbound adjudication calls to the UI call center found that supervisors followed some but not all policies and procedures when completing UI call center reviews.^{3,4} Specifically, although UI call center supervisors timely completed at least 2 call reviews per staff member per week and provided call-review results as required by policy for all 4 calls we reviewed, our review found the following inconsistencies with Department policy.
 - ▷ The UI supervisor did not take the required followup action of meeting with the staff member within 24 hours for the 1 call in which a staff member received a failed score.⁵ According to the Department, the supervisor did not meet with the staff member within 24 hours because the issue identified was not considered a critical failure; however, its policy does not include any definition of critical failures and instead requires all failures to be discussed within 24 hours.
 - ▷ UI call center supervisors did not follow its call-selection process in all 4 call reviews by selecting every fifth call for each staff member. Instead, the supervisors randomly selected calls on nonconsecutive dates because high call volumes often caused every staff member's fifth call to come from the same day, limiting review variation. During our review, the Department revised its UI call-review policies and procedures to reflect this random selection process.

² All 4 completed call reviews received a passing score with no customer service deficiencies identified.

³ Our sample consisted of 2 call reviews for each randomly selected staff member, resulting in a total of 4 completed call reviews that we reviewed.

⁴ Our sample included only inbound adjudication calls handled by UI call center staff because the Department entered into an agreement with a contractor in February 2026 for handling inbound UI call center general inquiry calls (see recommendation 6 for additional information about the Department's decision to contract for these services). Additionally, at the time of our April 2026 review, January was the most recent month for which call reviews were completed for UI call center staff. In May 2026, the Department reported that UI call center supervisors had not completed any call reviews since January because of ongoing training of and process improvements for the general inquiry contractor. The Department reported that it continued completing call reviews starting in June 2026 after a new supervisor was hired.

⁵ Although the UI call center supervisor provided written feedback to the staff member on the customer service deficiencies identified immediately after completing the call review, the supervisor did not meet with the staff member within 24 hours to discuss the call review and instead waited until the staff member's next monthly 1-on-1 meeting.

- Additionally, we found that although most adjudicators are not assigned to the UI call center, they routinely conduct outbound calls with claimants and employers to adjudicate eligibility issues. However, these outbound adjudicators were not initially included in the call-review process. In April 2026, the Department reported it planned to expand its call-review process to review outbound calls.
- Our review found that the Department had not yet implemented call-monitoring procedures for inbound general inquiry calls to the UI call center. Effective February 2026, the Department entered an agreement with a contractor to handle inbound general inquiry calls to the UI call center (see recommendation 6 for additional information about the Department's decision to contract for these services). According to the contract, the contractor is required to complete call reviews to monitor call quality using the Department's quality scoresheet and meet Department-established performance metrics and report performance information to the Department on a daily, weekly, and monthly basis (see recommendation 6 for additional information on these reporting requirements). As of April 2026, the Department was also developing a process for conducting weekly independent call reviews of the contractor's general inquiry calls and anticipated developing an additional process to review the call reviews completed by contractor supervisors. The Department reported it planned to begin this process by reviewing calls from the first week of May 2026 but did not specify when it would complete these reviews.

We will further assess the Department's implementation of its UI call review policies and procedures during our next followup.

2. Develop or continue to develop and implement written policies and procedures that outline methods for selecting staff calls for review, such as randomly selecting calls, using a risk-based and/or judgmental selection, or using a combination of selection methods.

▶ Status: **Implementation in process.**

See explanation for recommendation 1.

3. Develop or continue to develop and implement written policies and procedures that outline requirements and time frames for following up with staff to correct identified deficiencies, including guidance for when to provide coaching, additional training, and/or discipline, as appropriate.

▶ Status: **Implementation in process.**

See explanation for recommendation 1.

4. Develop or continue to develop and implement written policies and procedures that outline requirements, time frames, and guidance for UI and BPC call center staff to perform callbacks, including when calls disconnect midconversation and when callers request a callback.

► Status: **Implementation in process.**

The Department has developed written policies and procedures that outline requirements, time frames, and guidance for UI and BPC call center staff to perform callbacks when calls disconnect midconversation and when callers request a callback. Specifically, the Department has developed policies and procedures for UI and BPC call center customer callbacks, requiring staff to make 1 callback immediately following a disconnected call. Additionally, these policies and procedures require staff to provide callers with an estimated time frame for when to expect a callback, to schedule the callback within that promised time frame, to document the initial call with the reason the staff member was unable to assist during that call, and to update case notes when staff are unable to assist the caller during the initial conversation and a callback is requested.

Our review of a random sample of 4 outbound calls Department staff made in March 2026 found that UI call center and BPC staff followed Department policies and procedures for disconnected calls and for calls where they could not assist the caller during the initial conversation and a callback was requested.⁶ Additionally, the Department's general inquiry contract requires its contractor to follow Department call center policies and procedures, including for performing callbacks when calls are disconnected or requested; however, as discussed in recommendation 1, as of our April 2026 review, the Department was still developing a process to monitor the contractor's general inquiry calls. We will further assess the Department's implementation of its UI call center callback policies and procedures for its general inquiry contractor calls during our next followup.

5. Develop or continue to develop and implement written policies and procedures that outline customer service steps and guidance for BPC call center staff when answering BPC calls that are consistent with UI Program customer service procedures.

► Status: **Implemented at 6 months.**

As of January 2025, the Department has developed and implemented written policies and procedures that outline customer service steps and guidance for BPC call center staff consistent with UI Program customer service procedures. Specifically, both BPC and UI Program call center policies and procedures include the same customer service guidance, such as using a friendly tone and active listening, keeping calls focused and professional, providing updates such as hold times or next steps, managing difficult callers, and requesting support from a supervisor when needed. Additionally, as discussed in recommendation 1, the Department developed policies and procedures requiring BPC supervisors and managers to monitor call quality against such customer service criteria and our review of a random sample of 4 call reviews found that the

⁶ We reviewed a stratified random sample of 4 outbound calls from March 2026, consisting of 2 calls made by UI call center staff and 2 calls made by BPC staff. This included reviewing 1 disconnected call and 1 requested callback in each call center we reviewed.

1 BPC manager and 1 BPC supervisor from our review conducted call reviews as required by policy and did not identify any customer service deficiencies in the calls they reviewed.

6. Evaluate customer service quality by continuing to review, analyze, and take steps to improve its call center customer service metrics, such as call wait times and the number of calls answered or transferred, including investigating and correcting issues that are hindering improvement.

► Status: **Implementation in process.**

The Department continues to review, analyze, and take steps to improve both UI and BPC call center performance by monitoring customer service performance metrics, such as call wait times and the number of calls answered and/or transferred, on a daily and weekly basis.⁷ In July 2025, the Department laid off approximately 5% of its workforce because of federal funding cuts, including cuts to federal grants supporting state UI programs. Our review of UI call center data found that after the Department's July 2025 layoffs, the average percentage of calls that staff answered decreased substantially. Specifically, UI call center staff answered 10% of calls the UI call center received from July 2025 through February 2026 on average, compared to an average of 55% answered between January 2025 and June 2025.

As discussed in recommendation 1, effective February 2026, the Department entered an agreement with a contractor for answering inbound general inquiry calls to the UI call center after it determined that call volumes exceeded the Department's capacity in 2025. The Department reported that although it had identified the substantial decrease in calls answered immediately following the Department's July 2025 layoffs, it was not until the Department received confirmation of additional funding from the Governor's Office in December 2025 that it was able to initiate this process for contracting for additional UI call center resources. According to the contract, the Department is required to oversee the contractor's performance against Department-established customer service metrics by reviewing daily, weekly, and monthly reports from the contractor, including information on call wait and handle times and the number of calls received and answered. Additionally, as discussed in recommendation 1, the Department has begun developing a process to review and monitor contractor calls. We will further assess the Department's efforts to improve its call center customer service metrics during our next followup.

⁷ We attended 1 UI and 2 BPC daily call center supervisor meetings in April 2026 and observed supervisors reviewing performance metrics from the prior week to evaluate call center performance and, when needed, discussed possible improvements. For example, during the UI supervisor meeting we attended, UI supervisors discussed that although the UI call center had accepted a higher number of calls before having to cap the number of inbound calls on Monday of that week than it had for the previous Monday, the UI call center has needed to continue using a call cap to manage its call volume. UI supervisors also discussed some ongoing efforts to mitigate call volumes and escalations to supervisors, including training additional staff to complete adjudications and needing to clarify expectations for how staff should be assisting claimants with certain issues that are commonly escalated, such as advising claimants to upload documents directly into the UI Program claim system to facilitate staff assistance. Conversely, in the BPC supervisor meeting we attended, BPC supervisors found that the BPC call center had continued to meet or exceed its performance metric goals, which was also consistent with our review of BPC's call center metrics for calendar year 2025.

7. Evaluate customer service quality by continuing to identify, revise, and implement UI call center call-routing system changes for reducing caller wait times and assisting more callers.

► Status: **Implementation in process.**

As discussed in our June 2025 report, the Department had started making changes to its UI call center automated call-routing system to reduce caller wait times and assist more callers. In September 2025, the Department launched its new UI Program information technology (IT) system, CACTUS, which allows claimants to view their benefits, respond to notices, and file appeals online without having to go through the UI call center. Further, as discussed in recommendation 6, our review of UI call center data found that the UI call center's average percentage of calls answered declined substantially after the Department's July 2025 layoffs, and our review found that this percentage continued to decline to as low as 3% in November 2025 after the Department launched CACTUS. Although the Department entered an agreement with a contractor to operate its UI call center general inquiry queue, effective February 2026, the Department reported that it is in the early stages of reviewing CACTUS and its call-routing system to evaluate the feasibility of making additional enhancements such as a self-service chat function in CACTUS to reduce the need for claimants to use the call center, and incorporating artificial intelligence into its call routing system to reduce caller wait times and assist more callers. We will assess the Department's continued efforts to evaluate and implement UI call center call-routing system changes in our next followup.

8. Evaluate customer service quality by continuing to revise and implement BPC call center staff training to include new staff listening to recorded inbound calls independently and shadowing experienced BPC call center staff as they answer phone calls, and requiring BPC supervisors to listen to calls that new call center staff answer during their first 2 weeks of taking calls.

► Status: **Implemented at 6 months.**

As of October 2025, the Department revised its BPC call center staff training to include specific customer service instruction and guidance, such as job-shadowing opportunities with a subject matter expert, listening to prerecorded examples of both effective and ineffective calls, instructor-led customer service skills training within 6 months from the hire date, and requiring BPC supervisors to review calls that new staff answer during their first 2 weeks of taking calls. Additionally, the Department developed a training checklist to monitor completion of these training guidelines. As of March 2026, the Department provided new-hire staff training to the 1 and only staff member onboarded to the BPC call center since revising its training process. According to the staff member's training checklist, the staff member completed several training activities within 4 months, including walking through call-handling procedures and supervisor call-monitoring processes with BPC supervisors, reviewing examples of effective and ineffective calls both independently and with supervisors, and receiving call-quality-review feedback from supervisors during the first 2 weeks of taking calls.

9. Develop and implement a documented process, including written policies, procedures, and/or guidance, for analyzing data to inform staff-allocation decisions, such as analyzing data on staff experience levels and number of staff vacancies, to help ensure the UI call center maintains sufficient experience and staffing levels.

► Status: **Implementation in process.**

The Department has started to develop a draft document outlining written guidance on analyzing data to inform staff allocation decisions for maintaining minimum call center staffing levels, which it plans to finalize and implement by August 31, 2026. Although it has not yet developed the specific steps and guidance for maintaining minimum call center staffing levels, the Department's draft document includes placeholders where it intends to establish criteria for various factors it plans to consider when making staff-allocation decisions. For example, the Department's draft document includes placeholders to establish:

- The minimum staffing levels required for UI call center queues.
- The process to assign additional staff to queues to meet expected call center performance goals.
- The consideration of staff experience through minimum training requirements for staff to complete.
- The minimum call quality levels that staff must maintain (see recommendation 1 for more information about the Department's call-quality-review process for monitoring call quality and staff's provision of customer service).

We will further assess the Department's implementation of this recommendation during our next followup.

10. Continue to revise the Department website, UI Program materials, and other relevant information to use consistent terminology when directing claimants to Arizona@Work offices and clearly explain the types of assistance available at the Arizona@Work offices, including explaining that Arizona@Work office staff do not provide assistance with UI Program questions or concerns.

► Status: **Implemented at 6 months.**

Our April 2026 review of the Department's website and other UI Program materials found that the Department has revised its website and materials to use consistent terminology and provide clearer explanations regarding the services available at Arizona@Work offices. These revisions include explaining that Arizona@Work offices provide employment and workforce services to assist individuals seeking reemployment and computer access for individuals to file UI claims. These materials further direct claimants to call the UI call center for all UI benefits-eligibility questions and concerns that are not addressed on the Department's website.

- 11.** Revise the Department website and wage statements to provide consistent information and direction to claimants about the time frames for submitting a wage protest.

► Status: **Implemented at 6 months.**

As of our April 2026 review, the Department had revised its website, monetary determination letters (formerly known as wage statements), and informational UI benefits guide to provide consistent information and direction to claimants regarding the time frames for submitting a wage protest. Revisions to its website, monetary determination letters, and UI benefits guide consistently specify that although claimants may file a wage protest at any time before the expiration of the benefit year, the Department recommends that claimants submit a wage protest within 10 working days of the date on the monetary determination letter.

Finding 2: Inconsistent with federal regulation and recommendations, Department has not analyzed UI Program data and information to identify potential access barriers and discrimination, impacting its ability to implement UI Program improvements, including planned modernization, and increasing risks to claimant

- 12.** Analyze claimant demographic data to identify and investigate possible indications of systemic discrimination, as required by federal regulation, and take action to address any deficiencies identified by such analysis.

► Status: **Implementation in process.**

As of April 2026, the Department was in the early stages of developing a comprehensive analysis framework for implementing federal requirements and U.S. Department of Labor (DOL) recommendations to analyze claimant demographic data for possible indications of systemic discrimination. Specifically, the Department was in the process of identifying the available data sources within each stage of a claimant's journey through the UI Program for analysis. The Department was also in process of drafting a report to summarize its preliminary findings and anticipated completing this report in September 2026. We will further assess the Department's implementation of this recommendation during our next followup.

- 13.** Conduct the required assessment of the UI Program to identify existing access barriers or systemic discrimination and incorporate corrective actions to address any identified deficiencies into Department modernization efforts, including the development of the new UI Program IT system, as required by the federal grant award received in 2022.

► Status: **No longer applicable.**

Effective May 22, 2025, DOL terminated the federal grant award that the Department received in 2022.^{8,9} Therefore, this recommendation is no longer applicable.

⁸ As of May 2025, DOL reported that it was in process of reviewing the uses of the federal grant monies made available through the American Rescue Plan Act (ARPA) to ensure that such monies are used in a manner that aligns with ARPA's objectives—detecting and preventing fraud, promoting UI program access, and ensuring timely payment of UI benefits—and with DOL and federal administration priorities. DOL further reported that after completing its review, it may consider new funding opportunities in the future to achieve those objectives.

⁹ At the time DOL terminated the award, the Department had not expended any of the \$400,000 it had been awarded and thus had no obligation for repaying any federal monies related to the grant award.

- 14.** To identify existing access barriers or systemic discrimination when implementing recommendation 13, review and evaluate various areas of the UI Program including, but not limited to continuing to evaluate the number and characteristics of individuals who seek in-person assistance with various aspects of the UI Program at Arizona@Work offices to identify and implement corrective actions necessary to address potential UI Program access barriers that these individuals experience.

► Status: **No longer applicable—superseded by new recommendation.**

As discussed in our June 2025 report, the Department's failure to analyze UI Program data for potential access barriers and systemic discrimination as required by federal regulations hindered its ability to identify and correct potential customer service deficiencies, increasing the risk of perpetuating some potential UI Program access barriers and associated claimant impacts we identified through our work. During the audit, the Department reported that it planned to comply with the federal regulations by conducting an assessment required as part of a federal grant award it received for modernizing the UI Program; however, DOL terminated the federal grant award in May 2025 (see recommendation 13 for additional information about this assessment and federal grant award, including the award's May 2025 termination). In addition, in December 2025, DOL rescinded UI Program Letter (UIPL) 01-24, which outlined guidance for states to provide equitable access in their UI programs and which we cited in our June 2025 report as the source for the definition of UI Program access. As a result, the Department reported it believes it no longer has the authority to implement recommendations 14 through 20.

However, DOL confirmed in April 2026 that state UI agencies, such as the Department, are still required to provide access in their UI programs to ensure timely eligibility determinations and benefit payments, consistent with federal law and as outlined in active DOL guidance from UIPL 02-16.^{10,11} According to UIPL 02-16, state UI agencies are required to provide appropriate assistance to individuals who have challenges accessing the UI program and its benefits, even if they are not necessarily in a protected class, such as individuals with low literacy levels or living in rural areas.¹² Further, recommendations 14 through 20 address several potential access challenges and associated claimant impacts we identified during the audit, including claimant misconceptions and frustrations related to the type of assistance available at Arizona@Work offices and issues with some translated materials, which remain outstanding issues the Department should address as part of its responsibility to ensure it provides access to the UI Program. As a result, we reviewed and revised recommendations 14 through 20 to be consistent with the requirements in UIPL 02-16 (see Table 1, page 11). Because we shared these revised recommendations with the Department in August 2026, we will assess the Department's implementation of these revised recommendations during our next followup.

¹⁰ 42 U.S. Code 503 requires that state UI agencies ensure they provide full payment of UI benefits to eligible claimants "when due."

¹¹ UIPL 02-16 was issued in October 2015 and precedes the guidance provided in rescinded UIPL 01-24.

¹² U.S. Department of Labor (U.S. DOL). (2015). *State responsibilities for ensuring access to Unemployment Insurance benefits*. (Unemployment Insurance Program Letter No. 02-16). Retrieved 4/19/2026 from <https://www.dol.gov/agencies/eta/advisories/unemployment-insurance-program-letter-no-02-16>

Table 1

Revisions to recommendations 14 through 20 for consistency with UIPL 02-16

Recommendation number	Prior recommendation	New recommendation
14	To identify existing access barriers or systemic discrimination when implementing recommendation 13, review and evaluate various areas of the UI Program including, but not limited to continuing to evaluate the number and characteristics of individuals who seek in-person assistance with various aspects of the UI Program at Arizona@Work offices to identify and implement corrective actions necessary to address potential UI Program access barriers that these individuals experience.	To help ensure individuals who have challenges accessing the UI Program and its benefits receive appropriate assistance consistent with UIPL 02-16, continue to evaluate information on individuals who seek in-person UI Program assistance at Arizona@Work offices and implement corrective actions necessary to ensure such individuals receive appropriate assistance.
15	To identify existing access barriers or systemic discrimination when implementing recommendation 13, review and evaluate various areas of the UI Program including, but not limited to evaluating translated documents and information, including Spanish-translated materials and planned work for translating documents and information into the top 5 languages spoken in Arizona, to ensure that translated materials are accurate and clear.	To help ensure individuals who have challenges accessing the UI Program and its benefits receive appropriate assistance consistent with UIPL 02-16, evaluate translated documents and information, including Spanish-translated materials, to ensure that translated materials are accurate and clear.

Table 1 continued

Recommendation number	Prior recommendation	New recommendation
16	To identify existing access barriers or systemic discrimination when implementing recommendation 13, review and evaluate various areas of the UI Program including, but not limited to evaluating the timeliness of UI benefit eligibility determinations, in particular the reasons for untimely eligibility issue adjudication, to identify and implement corrective actions.	To help ensure individuals who have challenges accessing the UI Program and its benefits receive appropriate assistance consistent with UIPL 02-16, evaluate the timeliness of UI benefit-eligibility determinations, in particular the reasons for untimely eligibility issue adjudication, to identify and implement corrective actions for ensuring that eligible claimants receive benefit payments “when due” as required by federal law.
17	To identify existing access barriers or systemic discrimination when implementing recommendation 13, review and evaluate various areas of the UI Program including, but not limited to developing and implementing a documented process, including written policies, procedures, and/or guidance, for systematically tracking UI Client Advocate complaint data, including receipt and resolution dates, complaint source, complaint topics and/or categories, and action(s) taken to resolve complaints, in a format that facilitates analysis.	To help ensure individuals who have challenges accessing the UI Program and its benefits receive appropriate assistance consistent with UIPL 02-16, evaluate UI Client Advocate processes for receiving and addressing complaints and implement methods to monitor and track that complainants receive appropriate assistance, including ensuring that such processes facilitate data analysis and identification of common challenges individuals face in accessing the UI Program and its benefits.

Table 1 continued

Recommendation number	Prior recommendation	New recommendation
18	To identify existing access barriers or systemic discrimination when implementing recommendation 13, review and evaluate various areas of the UI Program including, but not limited to developing and implementing a documented process, including written policies, procedures, and/or guidance, for regularly and systematically analyzing UI Client Advocate complaint data to identify and address potential UI Program access barriers or potential discrimination.	To help ensure individuals who have challenges accessing the UI Program and its benefits receive appropriate assistance consistent with UIPL 02-16, evaluate data on UI Client Advocate complaints to identify common challenges individuals are facing accessing the UI Program and its benefits, including those related to delayed or denied services, and implement corrective actions necessary to address the identified challenges.
19	To identify existing access barriers or systemic discrimination when implementing recommendation 13, review and evaluate various areas of the UI Program including, but not limited to evaluating methods for collecting UI call center data to identify and implement performance metrics necessary for assessing the extent of UI Program access barriers within the UI call center, such as tracking and analyzing data on the frequency and prevalence of callers experiencing long call wait times.	To help ensure individuals who have challenges accessing the UI Program and its benefits receive appropriate assistance consistent with UIPL 02-16, revise UI call center performance metrics to include information for identifying the extent of potential challenges individuals may face when using the UI call center, such as the frequency and prevalence of callers experiencing long call wait times, and implement corrective actions necessary to address challenges individuals face in accessing the UI Program and its benefits.

Table 1 continued

Recommendation number	Prior recommendation	New recommendation
20	To identify existing access barriers or systemic discrimination when implementing recommendation 13, review and evaluate various areas of the UI Program including, but not limited to evaluating planned methods for communicating important/time-sensitive UI Program information to claimants and incorporate necessary corrective actions when implementing the new UI Program IT system to ensure that claimants receive information timely, such as requiring claimants to select a secondary preferred notification method in alignment with DOL recommendations for using multiple methods for corresponding with claimants.	To help ensure individuals who have challenges accessing the UI Program and its benefits receive appropriate assistance consistent with UIPL 02-16, evaluate its methods for communicating important/time-sensitive UI Program information through the new UI Program IT system to ensure that communication is most likely to be successful for claimants with UI Program access barriers.

Source: Auditor General staff review of U.S. DOL, 2015.

- 15.** To identify existing access barriers or systemic discrimination when implementing recommendation 13, review and evaluate various areas of the UI Program including, but not limited to evaluating translated documents and information, including Spanish-translated materials and planned work for translating documents and information into the top 5 languages spoken in Arizona, to ensure that translated materials are accurate and clear.

▶ Status: **No longer applicable—superseded by new recommendation.**

See explanation for recommendation 14.

- 16.** To identify existing access barriers or systemic discrimination when implementing recommendation 13, review and evaluate various areas of the UI Program including, but not limited to evaluating the timeliness of UI benefit eligibility determinations, in particular the reasons for untimely eligibility issue adjudication, to identify and implement corrective actions.

▶ Status: **No longer applicable—superseded by new recommendation.**

See explanation for recommendation 14.

- 17.** To identify existing access barriers or systemic discrimination when implementing recommendation 13, review and evaluate various areas of the UI Program including, but not limited to developing and implementing a documented process, including written policies, procedures, and/or guidance, for systematically tracking UI Client Advocate complaint data, including receipt and resolution dates, complaint source, complaint topics and/or categories, and action(s) taken to resolve complaints, in a format that facilitates analysis.

▶ Status: **No longer applicable—superseded by new recommendation.**

See explanation for recommendation 14.

- 18.** To identify existing access barriers or systemic discrimination when implementing recommendation 13, review and evaluate various areas of the UI Program including, but not limited to developing and implementing a documented process, including written policies, procedures, and/or guidance, for regularly and systematically analyzing UI Client Advocate complaint data to identify and address potential UI Program access barriers or potential discrimination.

▶ Status: **No longer applicable—superseded by new recommendation.**

See explanation for recommendation 14.

- 19.** To identify existing access barriers or systemic discrimination when implementing recommendation 13, review and evaluate various areas of the UI Program including, but not limited to evaluating methods for collecting UI call center data to identify and implement performance metrics necessary for assessing the extent of UI Program access barriers within the UI call center, such as tracking and analyzing data on the frequency and prevalence of callers experiencing long call wait times.

▶ Status: **No longer applicable—superseded by new recommendation.**

See explanation for recommendation 14.

- 20.** To identify existing access barriers or systemic discrimination when implementing recommendation 13, review and evaluate various areas of the UI Program including, but not limited to evaluating planned methods for communicating important/time-sensitive UI Program information to claimants and incorporate necessary corrective actions when implementing the new UI Program IT system to ensure that claimants receive information timely, such as requiring claimants to select a secondary preferred notification method in alignment with DOL recommendations for using multiple methods for corresponding with claimants.

▶ Status: **No longer applicable—superseded by new recommendation.**

See explanation for recommendation 14.

- 21.** Conduct a review of relevant federal and State laws and regulations impacting the UI Program to ensure that all UI Program requirements have been identified.

▶ Status: **Implemented at 6 months.**

Since we issued our initial report in June 2025, the Department has developed and implemented policies and procedures to track, review, and implement relevant federal and State laws and regulations that impact the UI Program.

Our review of Department trackers used to monitor federal and State laws and regulations found that:

- As of August 2026, the Department completed a comprehensive review of all active UIPLs and identified 572 with requirements impacting the UI Program.
- Consistent with its policy, the Department was tracking 6 bills that were introduced during the 2026 legislative session. Although the Governor signed 2 of these bills, only 1 of the signed bills directly impacts the UI Program by establishing the Unemployment Insurance Operating Fund to pay for expenses associated with administering the fund and the UI Program. As of August 2026, the Department reported that it was in process of planning for this bill's implementation, which has a general effective date of September 12, 2026.

- 22.** Develop and implement processes to comply with all UI Program requirements, including any requirements it identifies when implementing recommendation 21.

▶ Status: **Implementation in process.**

As discussed in recommendation 21, the Department completed reviews of federal and State laws and regulations to ensure all UI Program requirements have been identified as of August 2026; however, the Department is still in process of implementing some of these requirements. We will further assess the Department's implementation of its processes for complying with all UI Program requirements during our next followup.