

<b>U.S. DEPARTMENT OF LABOR</b> <b>Employment and Training Administration</b> <b>Washington, D. C. 20210</b>	<b>CLASSIFICATION</b> UI
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DIRECTIVE: UNEMPLOYMENT INSURANCE PROGRAM LETTER 54-86

TO: ALL STATE EMPLOYMENT SECURITY AGENCIES

FROM: DONALD J. KULICK, Administrator for Regional Management

SUBJECT: Desired Levels of Achievement for Transferring Deposits to the Unemployment Trust Fund and Withdrawing Funds for Benefit Payments

1. Purpose. To clarify and restate the desired levels of achievement (DLA) for transferring deposits in the Clearing Account to the Unemployment Trust Fund (UTF ) and withdrawing funds for the Benefit Payment Account from such Fund.
2. Background. Each calendar quarter , the National Office monitors SESA performance in key areas of Unemployment Trust Fund management based on data submitted in the monthly fund management reports, ETA B41J . Income-Expense Analysis - UC Fund Benefit Payment Account and ETA 8414, Income-Expense Analysis - UC Fund Clearing -Account. The basis for evaluating SESAs' performance are Desired Level s of Achievement which have been in place since July 1981.

The National Office has received inquiries from SESA and ETA Regional staff about apparent differences in the description of the DLA for withdrawal of funds from the UTF Fund to pay benefits. The description of the DLA as displayed in the UIS quarterly cash management analysis essentially paraphrased the complete definition for brevity, and apparently invites different interpretations of the DLA.

3. Desired Levels of Achievement. Effective immediately, the description of the DLA for administration of a benefit payment account in a State unemployment fund is:

Withdraw from the State account in the Unemployment Trust Fund an amount sufficient to maintain in the benefit payment account a balance equivalent to not more than one day's benefit payment requirement from the account.

Drawdowns should be reviewed and adjusted monthly to maintain a balance in the benefit payment account approximating the average of daily disbursements from the account.

The DLA for transferring money from a State's Clearing Account to its account in the UTF is :

Transfer of funds within 7 days after the date of deposit.

4. Action Required. SESAs should continue to direct their efforts toward meeting the DLAs indicated above.

5. Inquiries. Direct questions to the appropriate Regional Office.