

UCFE INSTRUCTIONS FOR STATE AGENCIES

CHAPTER XI - UCFE FUNDING and BILLING

1. UCFE Funding.

Public Law 96-499, the omnibus Reconciliation Act of 1980, amended the UCFE law (5 U.S.C. 8509) and requires Federal agencies to reimburse the cost of UCFE for their former employees. One of the primary reasons for passage of this Act was to encourage Federal agencies to assume more responsibility for managing its UCFE expenditures. P.L. 96-499 also established within the Unemployment Trust Fund the "Federal Employees Compensation (FEC) Account." The FEC Account operates as a revolving account.

State agencies are required to requisition funds from the FEC Account to cover anticipated benefit payment needs for all UCFE claimants and reporting such payments for subsequent billing to Federal agencies. Refer to UIPL 17-81 for more detailed procedures on requisitioning UCFE funds.

2. UCFE Billing.

a. Form ETA 191, Statement of Expenditures of Federal Funds for Unemployment Compensation for Federal Employees and Ex-servicemembers (UCFE/UCX). Form ETA 191 is used by each SWA to report to the National Office (NO):

(1) the quarterly summary UCFE expenditures and adjustments (Section A); and

(2) the total amount of benefits paid by the SWA to claimants of specific agencies. Section B of the ETA 191 is the only source document used to bill agencies for the recovery of UCFE benefit expenditures.

Submitting the ETA 191 report timely has a major impact on maintaining the solvency of the FEC Account. In order that the Account operates successfully, it is dependent upon two of its major components--the SWA and the Federal agency. Each SWA withdraws resources from the FEC Account to cover the necessary UCFE benefit payments. Quarterly, UIS bills those Federal agencies based on the data contained in Section B of the ETA 191 report. Each Federal agency deposits into the FEC Account, on a quarterly basis, reimbursements of benefits that have been paid to their employees or former employees. After receipt of each quarterly ETA 191 report, the UIS/NO aggregates the benefit payments by individual Federal agencies and bills

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each accordingly. Quarterly, the NO certifies to the U. S. Department of the Treasury the total amounts due from each Federal agency.

b. **Due Date and Transmittal**

(1) Within 25 days after the close of each quarter, Form ETA 191 is to be transmitted electronically to the DOL, Employment and Training Administration. If a SWA unable to transmit the Form ETA 191 electronically, it may be sent to the following address:

U. S. Department of Labor
Employment and Training Administration
Attn: TEURA--Reports
200 Constitution Avenue, N.W.
Rm. 4519
Washington, D.C. 20210

c. **Use of Computer Printouts.** A computer printed output may be used in place of supplied report forms if they are arranged in the same format and data items are clearly labeled. A computer printout page size of 8 1/2" x 11" is preferred, but sizes up to 11" x 14 3/4" are acceptable.

d. **General Instructions**

(1) **Requisitioning Funds from the Federal Employees Compensation Account.** State agencies are required to requisition funds from the FEC Account to cover anticipated benefit payment needs for all UCFE claimants. These electronic requests are received by the Financial Management Services, Funds Accounting Branch, U.S. Department of the Treasury. To prevent the build up of excessive balances in local banks, requisitions and transfers of funds should be made on a daily basis.

(2) **Providing Information to Federal Agencies.** Pursuant to the Secretary's authority in 5 USC 8509 (f), State agencies will continue to, for purposes of this Act, provide appropriate personnel/payroll offices of Federal agencies with a copy of all determination notices, including appeals, that are now provided to a private employer, as instructed by Sections 6662 and 8692, Part V of the ES Manual. The SWA should be prepared to furnish the Federal agencies, upon their request, with detailed benefit payment data, which supports the charges contained in section B of Form ETA 191. State agencies will provide the certified documentation directly to those Federal agencies that have requested the benefit payment data. These

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agencies are listed in the unemployment insurance program letter entitled, "Directory of Federal (Civilian) and Military Agencies Requesting Quarterly UCFE and UCX Detailed Benefit Payment Data."

(3) **Correcting Errors Made in a Prior Quarter.** Corrections should be reported on the ETA 191 to UIS as soon as possible. A timeframe of 2 years, from the time that the error occurred, has been established as sufficient time for adjustments to be made. State agencies are to correct improper charges made to Federal agencies by increasing or decreasing the agency's charges in a subsequent ETA 191 report. In cases where there may not be charges in a following quarter, only the corrective entry should be reported. State agencies are not to submit more than one Form ETA 191 report per quarter.

e. **Item by Item Instructions**

(1) **Section A. Summary Statement of Expenditures and Adjustments**

(a) **Item 1. Benefit Expenditures.** Include in the appropriate columns all UCFE unemployment compensation benefits paid to eligible (as based on title 5 U. S. Code) former employees during the reported quarter. These expenditures should include "pure" UCFE (exclude State UI), joint, and supplemental benefit payments.

(b) **Item 2. Adjustments Assigned to Agencies**

(1) **(a) Cancellations.** Enter in the appropriate UCFE column the total amount of any checks canceled during the quarter which were reported as expenditures in prior quarters. Cancellations of checks drawn in the current quarter are to be reflected in Item 1. All check cancellations are to be reported as negative figures.

(2) **(b) Restoration of Overpayments.** Enter in the appropriate UCFE column the total amount of restorations made during the quarter of overpayment made in prior quarters. Restorations of overpayment received during this quarter and based on expenditures in the current quarter should be reflected in Item 1. All restorations of overpayment should be reported in as a negative figure.

(3) **(c) Other.** Enter the total of other adjustments in UCFE payments, such as over or understatement of UCFE expenditures reported in prior quarters. Submit

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an explanation of items in the appropriate section of the Form ETA 191.

(c) **Item 3. Total Assigned Expenditures and Adjustments.** Enter in the appropriate columns, the total amounts of UCFE expenditures and adjustments that are being charged to Federal agencies during this reporting period. The figures entered in this item for UCFE are the results of items 1, 2(a), 2(b), and 2(c). These totals must match the totals reported in Section B. The report cannot be sent electronically if the totals do not match.

(d) **Item 4. Expenditures and Adjustments Not Assigned to Agencies.**

(1) **(a) Penalties and Interest.** Enter the total amount of penalty and interest (P&I's) received by the SWA which results from any prior UCFE payments. These are to be shown as a negative figure. All recoupment resulting from P&I's, are to be returned to the FEC Account. If the P&I's are based on an overpayment of benefits that was drawn from the Federal Unemployment Benefits and Allowances Account, such amounts are to be returned to the DOL.

(2) **Other--Explain in comments.** Enter in the appropriate UCFE column any adjustments that were not included in Item 4(a). For example, list adjustments to a UCFE charge that occurred more than 2 years after the quarter in which the initial payment was made or an agency for which a 3-Digit Federal Agency Code has not been assigned. In the latter case, include in the comments section both, the agency name, and total amount of benefits for each agency.

(e) **Item 5. Total Expenditures and Adjustments Not Assigned to Agencies.** In the UCFE column, enter the results of Items 4(a) and 4(b).

(f) **Item 6. Grand Total -Expenditures and Adjustments.** Enter total expenditures for the quarter by calculating Item 3 and Item 5.

(2) Section B. Statement of Expenditures

(a) Enter in Column 1 the 3-Digit Federal Agency Code which has been assigned to each Federal agency. For each agency, being charged during the reporting quarter, there should be a separate entry in this column. If the 3-Digit Federal Agency Code is unknown, report the benefits under Section A, Item 4 (b) .

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Since the 3-Digit Federal Agency Codes are the major element used in billing Federal agencies, accuracy in this area is of paramount importance.

(b) Enter in Column 2 the name of the agency being charged. The name of the agency should correspond with the 3-Digit Federal Agency Code in Column 1.

(c) Enter in Column 4, the total amount of UCFE benefits being charged to the Federal agencies listed in Column 1. Charges to Federal agencies will include adjustments for restoration of Federal funds resulting from cancellation of checks, recoupment of overpayment, etc. Therefore, the sum of UCFE benefit charges must be equal the amount found in the UCFE column of Section A, Item 3 (UCFE).

f. **Certification.** The provision of part IV, section 7003, with respect to the certification of financial reports, applies equally to Form ETA 191. Pursuant to that provision, financial reports should be certified by an individual whose certificate of authorization is on file with the national office. Therefore, each SWA should provide UIS with amended or additional certifications as required in accordance with part IV, sections 0640-0649.

g. **3-Digit Federal Agency Codes.** 3-Digit Federal Agency codes identifying each Federal agency are listed on the following pages. Additional agencies with their corresponding 3-Digit Federal Agency Code will be added to the list as necessary. State agencies will use these 3-Digit Federal Agency Codes to identify all claim records and claim forms of claimants who performed Federal service in his/her base period. If, after using The United States Government Manual, and an agency cannot be identified with a code, the total amount of these expenditures should be reported as "not assigned," and included in the appropriate column of Item 4 (b). The name of the agency, and the total amount of benefits paid should be provided in the comments section.

NOTE: Refer to Part V, ES Manual, Section 9336, for more detailed reporting instructions for the ETA 191 Report.

