QC ANNUAL REPORT
(New Version)
CY 1994

Run as of MM-DD-YY
State: ZZ

Unemployment Insurance Quality Control
Annual Report for Calendar Year 1994

Total Dollars Paid in Population $x,xxx,xxx,xxx
Sample Size x,xxx

<table>
<thead>
<tr>
<th>Percentage of Dollars</th>
<th>95% Confidence Interval</th>
</tr>
</thead>
<tbody>
<tr>
<td>Proper Payments</td>
<td>xx.x%</td>
</tr>
<tr>
<td>Overpayments</td>
<td>xx.x%</td>
</tr>
<tr>
<td></td>
<td>100.0%</td>
</tr>
<tr>
<td>Underpayments</td>
<td>xx.x%</td>
</tr>
</tbody>
</table>

Footnotes
An explanation of the footnotes follows on the next two pages.

Narrative Comments
See Attachment 2 for an explanation of the narrative preparation and transmittal procedures.
Footnote 1: Claimants failing to conduct required work search were given formal warnings and no overpayment was established. The proper payment rate would be lower and the overpayment rate would be higher if these cases were counted as erroneous payments.

Condition: Any CY 1994 BQC case with key week action code '14' in field ei2 of the b_errisu table of the UI database.

Footnote 2: Percentages apply to less than a complete year of UI payments due to the State not pulling a sample for xx weeks.

Condition: There is no record in the b_comparison table of the UI database for one or more BQC batches 9401 through 9453.

Footnote 3: The State selected samples that were below the minimum prescribed levels for xx weeks.

Condition: State selected one or more BQC weekly samples below the minimum level prescribed in Benefits Quality Control State Operations Handbook, ET Handbook No. 395, chapter III, p. 27. EUC program option cases and cases sampled which fail to meet the BQC population definition are counted toward meeting the minimum weekly sample.

Footnote 4: Percentages based on data collection procedures that were not completely in accordance with QC methodology prescribed in ET Handbook No. 395.

Condition: Based on QC monitoring conducted by the Department of Labor Regional Offices and National Office.

Footnote 5: The State completed xx% of the cases within 90 days. The QC program standard is 95% completed within 90 days.

Condition: State failed to meet case completion objectives established in Benefits Quality Control State Operations Handbook, ET Handbook No. 395, chapter VI, p. 6. EUC program option cases and cases not meeting the BQC population definition are not counted in calculating State time lapse rates.
Footnote 6:  x.x% of the sample cases were not completed when this report was prepared. This exceeded the QC program requirement that no more than 2% of the cases for the year remain incomplete.

Condition:  The percentage is based on the number of BQC cases that were not completed (QC supervisor sign-off) by c.o.b. April 30, 1995, divided by the number of valid cases selected for BQC weekly samples during CY 1994 (BQC batches 9401 through 9453). Incomplete EUC program option cases and cases that do not meet the BQC population definition are not counted in calculating State case completion rates. Reporting the number of sample cases that were not completed is a generally accepted procedure in reporting the results of a statistical survey.

Footnote 7:  The annual sample for [State] is [#] cases below the allocated annual sample for the State. The precision of the data might be reduced due to the failure to sample at the prescribed level.

Condition:  The State's annual sample selection is 50 or more cases below its allocated annual sample (with alternative method, one staff year equals 120 cases). EUC program option cases and cases that do not meet the BQC population definition are counted toward meeting the annual sample allocation.

Footnote 8:  The population from which the BQC sample was selected did not include all of the UI benefits paid. This limits the degree to which inferences about the population can be made from BQC data.

Condition:  The dollars paid in the BQC population for CY 1994 vary from the dollars paid reported in the State's ETA 5159 Claims and Payment Activities reports by more than the statistical control limit.