

UI REPORTS HANDBOOK NO. 401

ETA 2112 UI Financial Transaction Summary

U. S. Department of Labor Employment and Training Administration Washington, D.C. 20210	CLASSIFICATION UI
	CORRESPONDENCE SYMBOL OWS
	DATE November 2, 2001

DIRECTIVE: ET HANDBOOK NO. 401, 3RD EDITION, CHANGE 4

TO: ALL STATE WORKFORCE AGENCIES
/s/

FROM: EMILY STOVER DeROCCO
Assistant Secretary

SUBJECT: Clarification of Instructions for the ETA 2112, UI Financial Transaction Summary

1. Purpose. To transmit reporting instructions for the ETA 2112 that clarify where to include deposit and disbursement activity for reimbursable Indian Tribal units, and to explain how to report amounts of Federal income taxes withheld from benefit payments.
2. Background. There has been some confusion on which lines to report financial activity by reimbursable Indian Tribal units. This change to Handbook 401 specifies that deposits by Indian Tribal units be reported on line 19 and disbursements on line 33. This change also incorporates instructions which were issued in Reports and Analysis Letter No. 1-01 for reporting Federal income tax withholding amounts.
3. Office of Management and Budget (OMB) Approval. These reporting requirements have been approved by the OMB under the Paperwork Reduction Act of 1995, OMB Approval No. 1205-0154, expiration date August 4, 2002. Persons are not required to respond to this collection of information unless it displays a current valid OMB control number. Respondents' obligation to reply to this reporting requirement is mandatory under the Social Security Act, Section 303(a)(6). Public reporting burden for this collection of information is estimated to average 14 hours per response, including gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the U.S. Department of Labor, Office of Workforce Security, Room S-4231, 200 Constitution Avenue, NW, Washington, DC 20210 (Paperwork Reduction Project 1205-0154).
4. Handbook Maintenance. Remove and destroy section II-1 of the handbook and replace it with the attached.
5. Action Required. State administrators are requested to provide this information to all appropriate parties.
6. Inquiries. Address all inquiries to the appropriate Regional Office.

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7. Attachment. HB 401, Section II-1

RESCISSIONS None	EXPIRATION DATE Continuing
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A. Facsimile of Form

ETA 2112, UI Financial Transaction Summary, Unemployment Fund				U.S. Department of labor Employment and Training Administration		
A. REPORT PERIOD ENDED (Month, Day, Year)		B. STATE		OMB Approval No. 1205-0154 Expiration Date: 01/03/03		
ITEM	LN NO	NET TOTALS (Sum of cols. D, E, & F)	CLEARING ACCOUNT	UNEMPLOYMENT TRUST FUND ACCOUNT	BENEFIT PAYMENT ACCOUNT	
A	B	C	D	E	F	
BALANCE BROUGHT FORWARD		01				
DEPOSITS						
Total Deposits (Lines 11-26)		10				
Net UI Contributions		11				
Penalty/Interest		12				
U.S. Treasury Interest Credits		13				
Title IX Funds(Reed Act amortization)		14				
Title IX Funds (Reed Act Distribution)		15				
Intra-Account Transfer		16				
From Other States--Interstate Benefits		17				
FECA Advances/Reimbursements - UCX		18				
Reimbursable Benefit Payments	Loc.Govt. & Other Pol. Subdivisions	19				
	State Govt. including State Hospitals and State institutions of Higher Ed.	20				
	From Other Sources (Explain in Comments)	21				
Federal Share Extended Benefits		22				
Federal Emergency Compensation		23				
FECA Advances/Reimbursements--UCFE		24				
From Other Sources (Explain in Comments)		25				
From Other Sources (Explain in Comments)		26				
DISBURSEMENTS						
Total Disbursements		30				
Net UI Benefits		31				
Net State Share Extended Benefits		32				
Reimbursable Benefit Payments	Loc.Govt. & Other Pol. Subdivisions	33				
	State Govt. including State Hospitals and State institutions of Higher Education	34				
	From Other Sources (Explain in Comments)	35				
FECA Net Benefit payments--UCX		36				
Net Fed. Benefits	Federal Share--Regular	37				
	Federal Share--Extended	38				
Federal Emergency Compensation		39				
To Other States--Interstate Benefits		40				
Title IX Funds--withdrawn (Reed Act)		41				
To Special Funds (Explain in Comments)		42				
FECA Net Benefit Payments--UCFE		43				
Intra- Account Transfer		44				
Other (Explain in Comments)		45				
BALANCE AT CLOSE OF MONTH (Line 01 plus line 10 minus line 30)		46				
OTHER INFORMATION						
Withholding		50				
COMMENTS						
CERTIFICATION: I HEREBY CERTIFY THAT THE REPORT AND THE SUPPORTING SCHEDULES ATTACHED HERETO REPRESENTS A TRUE SUMMARY OF ALL FINANCIAL TRANSACTIONS MADE IN THE ACCOUNTS OF THE UNEMPLOYMENT FUND DURING THE ABOVE MONTH						
TYPED NAME AND TITLE			SIGNATURE		DATE SIGNED	
<small>Public reporting burden for this collection of information is estimated to average 30 minutes per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden to the Office of Information Management, Department of Labor, Rm N-1301, 200 Constitution Avenue, N.W., Washington, D.C. 20210; and to the Office of Management and Budget, Paperwork Reduction Project (1205-0154), Washington, D.D. 20503</small>						

B. Purpose

Form ETA 2112 is a monthly summary of transactions in a state unemployment fund which includes the Clearing Account, Unemployment Trust Fund Account, and Benefit Payment Account. All payments by employers (and employees where applicable) into a state unemployment fund for contributions, payments in lieu of contributions, penalty and interest, or special assessments should be accounted for in the report. Funds received from the Federal Employees Compensation Account (FECA) and the Extended Unemployment Compensation Account (EUCA) as advances or reimbursements for Federal benefit obligations paid through the benefit payment account, should be identified and reported in appropriate line items. All funds deposited into, transferred, or paid from the state unemployment fund (the state clearing account, the Unemployment Trust Fund, and the state benefit payment account) should be reflected on the ETA 2112. Form ETA 2112 provides a summary of data pertaining to state UI tax collections, regular benefits paid, Federal and state shares of extended benefits paid, third tier program benefits paid, and other transactions affecting the unemployment trust fund. In addition, it reflects specific areas where adjustments are indicated to determine the adequacy of resources available for regular unemployment benefit payments. Data from this form are also used with data from other statistical reports to study trends in financial aspects of the UI program and as a basis for solvency studies.

C. Due Date and Transmittal

This report is due the 1st day of the second month following the month of reference and will be transmitted electronically.

D. General Reporting Instructions

The data used in preparing the ETA 2112 must be obtained from the books of the state employment security agency. A properly completed ETA 2112 will accurately show the net result of all transactions in the three accounts comprising the state unemployment fund as they appear in the agency's records.

Edit checks can be found in Handbook 402, Unemployment Insurance Required Reports User's Manual, Appendix C.

E. Item by Item Instructions

1. Line 1. Balance Brought Forward. Enter in the appropriate column the balance at the beginning of the month. The amounts will be those reported as Balance at the Close of the Month, line 46, on the previous month's report.

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2. Deposits.

- a. Line 10. Total Deposits. Enter the sum of lines 11 through 26 for each column.
- b. Line 11. Net UI Contributions. Enter in columns C and D, the net contribution collections for the month. Net contribution collections are the amount of total remittances deposited for the month including employee contributions used for unemployment compensation (ETA 8405 - total of column III) less the amounts for refunds to employers, dishonored checks, and amounts received during the month for reimbursable benefit payments, penalty and interest, and Title IX (Reed Act) Funds.
- c. Line 12. Penalty/Interest. Enter in columns C and D the net collections of penalty, interest, and fines deposited during the month.
- d. Line 13. U.S. Treasury Interest Credits. Enter in columns C and E the amount of interest earned on the state's account in the Unemployment Trust Fund and credited quarterly by the U.S. Treasury. Report actual credits, not monthly accrued interest.
- e. Line 14. Title IX Funds (Reed Act Amortization). Enter in columns C and D the amount of Reed Act expenditures recovered during the month through amortization with Title III grant funds or other means, to be redeposited in the Unemployment Trust Fund.
- f. Line 15. Title IX Funds (Reed Act Distribution).
Enter in columns C and E the amount received through a standard Reed Act distribution (from the ESAA to the state account in the UTF) or under a special distribution such as under the Balanced Budget Act.
- g. Line 16. Intra-Account Transfer. Enter in column E the amount transferred during the month to the Unemployment Trust Fund from the Clearing Account. Enter in column F the amount transferred during the month from the Unemployment Trust Fund to the Benefit Payment Account. Enter in column C the sum of the entries made in columns E and F. These entries should correspond with the entries made on line 44 of Disbursements. Include on line 16F all amounts transferred to the IRS for withholding on benefits *regardless whether that transfer was made from the State account in the UTF or from the State benefit payment account.* **Line 16F must equal line 44E.**

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- h. Line 17. From Other States-Interstate Benefits. Enter in columns C, E and F the total amount received from other states as reimbursement of benefits paid under combined wage plans.
- i. Line 18. FECA Advances/Reimbursements-UCX. Enter in columns C, and E amounts received as advances or reimbursements from FECA for benefit payments made under applicable Federal provisions to Ex-service Members (UCX).
- j. Line 19. Reimbursable Benefit Payments (Local Government and Other Political Subdivisions). Enter in columns C and D the amount received as reimbursement for benefit payments made to former employees of local governments and political subdivisions including those to former employees of Indian tribes.
- k. Line 20. Reimbursable Benefit Payments (State Government Including State Hospitals and State Institutions of Higher Learning). Enter in columns C and D the amount received as reimbursement for benefit payments made to former employees of state governments, including state hospitals and state institutions of higher education.
- l. Line 21. Reimbursable Benefit Payments (Nonprofit Organizations). Enter in columns C and D the amount received as reimbursement for benefit payments made to former employees of reimbursing nonprofit organizations.
- m. Line 22. Federal Share Extended Benefits. Enter in columns C and E Federal funds received as advances or reimbursements for the 50 percent Federal share of extended benefit payments under PL 91-373.
- n. Line 23. Federal Emergency Compensation. Enter in columns C and E Federal funds received as advances or reimbursements for emergency compensation.
- o. Line 24. FECA Advances/Reimbursements - UCFE. Enter in columns C and E amounts which have been received as advances or reimbursements from FECA for payment of benefits to Federal civilians (including Postal employees).
- p. Lines 25-26. From Other Sources. Enter in columns D, E, and F, as applicable, receipts from other sources (i.e., Title XII loans, reimbursements from EUCA and recovery of FSB overpayments). Enter in column D, penalties, fines, and/or interest collected resulting from the recovery of UCFE/UCX

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overpayments. Enter in column C the sum of such transactions. Identify the source and indicate the amount received from each in the "Comments" section.

3. Disbursements.

- a. Line 30. Total Disbursements. Enter the sum of lines 31 through 45, inclusive, for each column.
- b. Line 31. Net UI Benefits. Enter in column C and F the amount of regular unemployment benefits paid to claimants during the month, including the net state portion of benefits paid former Federal employees, and ex-Service personnel. Include benefit checks issued and cash benefits paid to all regular claimants eligible under state law. In computing the net amount of regular unemployment benefits paid, reduce the total benefits paid by the amount of benefit refunds received from claimants during the month, also, adjustment for credit or recharge of checks by banks, or for cancellation or reissuance of benefit checks previously issued. *NOTE: Amounts withheld from benefits and transferred to the IRS are not netted.* Report in column F all benefits paid, including amounts transferred to the IRS for Federal income tax withholding, regardless whether paid from the state account in the UTF of the state benefit payment account.
- c. Line 32. Net State Share-Extended Benefits. Enter in columns C and F the net state share of extended benefits paid. This represents (plus or minus adjustments) 50 percent of any sharable extended benefits including combined wage claims, 50 percent of sharable regular benefits, and 50 percent of EB attributable to the state portion of joint UI/UCFE/UCX extended payments. Include EB payments attributable to former employees of state and local governments for which the employer is not liable for reimbursement to the state unemployment fund. On combined wage claims, an adjustment will be made on charges to transferring states to omit the Federal share of amounts attributed to transferred wages. Report in column F all benefits paid, including amounts transferred to the IRS for Federal income tax withholding, regardless whether paid from the state account in the UTF or the state benefit payment account.
- d. Line 33. Net Reimbursable Benefit Payments (Local Government and Other Political Subdivisions). Enter in columns C, E, and F the net amount of benefits paid which were attributable to local governments and political subdivisions subject to reimbursement. Benefits attributable to Indian tribes are included in this section. In computing the net amount, include any extended benefits for which the employer is liable for reimbursement to the state unemployment fund. Report in column F all benefits paid, including amounts transferred to the IRS for Federal income tax withholding, regardless

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whether paid from the state account in the UTF or the state benefit payment account.

- e. Line 34. Net Reimbursable Benefit Payments (State Government Including State Hospitals and State Institutions of Higher Education). Enter in columns C, E, and F the net amount of benefits paid former employees of state government including state hospitals and state institutions of higher learning subject to reimbursement. In computing the net amount, include any extended benefits paid for which the employer is liable for reimbursement to the state unemployment fund. Report in column F all benefits paid, including amounts transferred to the IRS for Federal income tax withholding, regardless whether paid from the state account in the UTF or the state benefit payment account.
- f. Line 35. Net Reimbursable Benefit Payments (Nonprofit Organizations). Enter in columns C, E and F the net amount of benefits paid former employees of reimbursing nonprofit organizations. In computing the net amount, do not include the 50 percent Federal share of any extended benefits paid. The 50 percent Federal sharable portion should be included in line 38. Report in column F all benefits paid, including amounts transferred to the IRS for Federal income tax withholding, regardless whether paid from the state account in the UTF or the state benefit payment account.
- g. Line 36. FECA Net Federal Benefits - UCX. Enter in columns C and F the net Federal portion of unemployment compensation paid to former members of the armed services from funds in the benefit payment account. The total payments should be adjusted for refunds deposited during the month, credits and recharges, and cancellations and reissuances. Report in column F all benefits paid, including amounts transferred to the IRS for Federal income tax withholding, regardless whether paid from the state account in the UTF or the state benefit payment account.
- h. Line 37. Net Federal Benefits (Federal Share Regular Benefits). Enter in columns C and F the net Federal share of regular compensation paid, including combined wage claims and benefit payments subject to reimbursement by nonprofit employers. This applies to those states whose regular duration of benefits exceeds 26 weeks. Report in column F all benefits paid, including amounts transferred to the IRS for Federal income tax withholding, regardless whether paid from the state account in the UTF or the state benefit payment account.
- i. Line 38. Net Federal Benefits (Federal Share Extended Benefits). Enter in columns C and F the net Federal share of extended compensation paid, including combined wage claims and payments subject to reimbursement by nonprofit employers. States without a noncompensable waiting week for

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regular benefits should not include the first week of the Federal share of extended benefit payments on this line. The first week of the Federal share of extended benefits should be reported on line 45, columns C and F. Do not include any other transactions on this line. Report in column F all benefits paid, including amounts transferred to the IRS for Federal income tax withholding, regardless whether paid from the state account in the UTF or the state benefit payment account.

- j. Line 39. Federal Emergency Compensation. Enter in column C and F the net Federal Emergency Compensation, paid for which the Federal government is liable. Examples are benefits authorized and financed by Congress during extended periods of high unemployment rates, such as the former TC, SUA, FSB, FSC and EUC programs. Identify the payment by program and amount in the "Comments" section. Report in column F all benefits paid, including amounts transferred to the IRS for Federal income tax withholding, regardless whether paid from the state account in the UTF or the state benefit payment account.
- k. Line 40. To Other States-Interstate Benefits. Enter in columns C, E and F the amount transferred to other states as reimbursement for benefits paid under combined wage plans. Report in column F all benefits paid, including amounts transferred to the IRS for Federal income tax withholding, regardless whether paid from the state account in the UTF or the state benefit payment account.
- l. Line 41. Title IX Funds - Withdrawn (Reed Act). Enter in columns C and E the total amount of Title IX funds withdrawn from the UTF pursuant to Section 903(c)(2) of the Social Security Act, as amended, and/or under special legislation such as under the Balanced Budget Act. Report in column F all benefits paid, including amounts transferred to the IRS for Federal income tax withholding, regardless whether paid from the state account in the UTF or the state benefit payment account.
- m. Line 42. To Special Funds. Enter in columns C and D the amount transferred from the clearing account to special administration or contingent funds established under state law, and explain in the "Comments" section. Report in column F all benefits paid, including amounts transferred to the IRS for Federal income tax withholding, regardless whether paid from the state account in the UTF or the state benefit payment account.
- n. Line 43. FECA Net Benefit Payments-UCFE. Enter in columns C and F net benefit payments made during the month to former Federal civilian (including Postal) employees with funds from the FEC account. Report in column F all benefits paid, including amounts transferred to the IRS for Federal income

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tax withholding, regardless whether paid from the state account in the UTF or the state benefit payment account.

- o. Line 44. Intra-Account Transfer. Enter in column D the amount transferred during the month to the Unemployment Trust Fund from the Clearing Account. Enter in column E the amount transferred during the month from the Unemployment Trust Fund to the Benefit Payment Account. Enter in column C the sum of the entries made in columns D and E. These entries should correspond with the entries made on line 16 in the "Deposits" section. Report in column F all benefits paid, including amounts transferred to the IRS for Federal income tax withholding, regardless whether paid from the state account in the UTF or the state benefit payment account. *NOTE: Line 44E must equal line 16F.*

- p. Line 45. Other (Explain). Enter in columns D, E, and F, as applicable, amounts disbursed for other purposes not included in lines 31 through 44 and explain in the "Comments" section (i.e., repayments of Title XII loans, return of outstanding Extended and Federal Supplemental Benefits balances to EUCA, CETA/PSE and non-reimbursable Federal share of extended benefits). Enter in column E, transfers to FECA of penalties, fines, and/or interest collected resulting from the recovery of overpayments of UCFE/UCX claims.

Transfers of amounts collected as principal, penalties, fines, and/or interest resulting from the recovery of UCFE/UCX overpayments from the state's accounts in the Unemployment Trust Fund to FECA should be executed through the Treasury Automated Standard Application for Payments (ASAP).

The Department of Labor, ETA should be notified of any of those transfers.

Column C is the sum of columns D, E, and F.

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4. Line 46. Balance at the Close of the Month. Enter in the appropriate column the balance at the close of the month. The amount to be entered for each column will be the sum of item 1 plus item 10 minus item 30. The amount entered in column D should agree with the clearing account balance at the end of the month as reported on form ETA 8405. The amount entered in column F should agree with the benefit payment account balance at the end of the month as reported on form ETA 8401.

5. Line 50. Withholding. Enter in columns C, E and F the amount withheld from benefits sent to the IRS for Federal income tax liabilities.