

I. INTRODUCTION

A. Background. The Resource Justification Model (RJM) is a budget formulation and allocation system that will allow state agencies to request the administrative resources they need to operate their respective Unemployment Insurance (UI) programs. The RJM software will assist states in compiling information needed as input for the model. The system will also provide the National and Regional Offices a compatible automated process to review and analyze the states' information in order to formulate the annual budget request. Finally, the RJM will provide the National Office with a rational capability to allocate the funds appropriated by Congress.

States will play an integral role in submitting annual budget justifications for their projected operating costs. These submissions will be collected in a relational database to enable Regional Office review through comparative analysis, final National Office review, and report generation to produce UI program budget requests. RJM also has analytical procedures to allocate appropriated funds, using pre-determined decision rules that are applied to the data. Like the current system, RJM is workload-based, but with a capacity for annual updates of each state's data and review by the National and Regional Offices.

The objective of RJM was to develop a system that would: determine resource needs for budget requests and have credibility with all stakeholders; reflect all required activities; ensure service with acceptable quality; allow for use of technology and technological change; address capital investment needs; and tie budget formulation with allocation.

B. Concept. Each state will submit sufficiently detailed data, which may be subject to audit, in a structured format to develop a credible budget. States will use their accounting data to insert information into RJM worksheets that will cumulate the information to build the budget request. The RJM has separate worksheets for each workload function for claims and employer activities, and each non-workload function (e.g., Benefit Payment Control, UI PERFORMS, and Support). For each of these activities, the RJM will calculate the number of staff years needed and the cost per staff year, which includes personal services (PS) and personnel benefits (PB). This cost will be multiplied by the staff years from appropriate workload and non-workload categories and summed over categories to arrive at total personnel compensation costs.

The RJM also addresses non-personal services (NPS) by including forms to display recent requirements and to request and justify enhancements. The NPS categories are communications, facilities, computer services, travel, non-ADP (automated data processing) office equipment, supplies, state indirect costs, and miscellaneous.

Each year, states will enter four years worth of information on the RJM worksheets: the previous year, the current year, the next year (the year following the current year) and the request year (the year for which the budget is being developed). This is necessary to show the resource path leading up to the year for which the budget is being developed.

States will submit their data in mid-February for the fiscal year to begin 20 months later to allow for inclusion in the federal budget formulation process. The states' submissions will also be used as input for the planning targets based on the President's budget request and the final allocations after Congress appropriates funds.

C. Guiding Principles. The following principles will help ensure consistency of the data.

1. Include only those costs allowable under OMB Circular A-87.
2. Include only expenditures associated with the operation of the regular UI program for 12-month periods ending September 30th. Include expenditures for UI PERFORMS and exclude expenditures for SAVE, TRA, and NAFTA. Include those costs that are being funded by state funds that would have been appropriately charged to the UI program if sufficient federal dollars had been available.
3. Include items reportable on a W-2, except educational grants and meal allowances, under **PERSONAL SERVICES**.
4. Include educational grants and meal allowances reported on a W-2 under **PERSONAL SERVICE CONTRACTS** and **TRAVEL**, respectively.
5. Include costs reportable on a SF 1099 under an **NPS** category.
6. Provide supporting documentation for requests for **PS\PB** increases.
7. Provide supporting documentation for any NPS category that exceeds the allowable confidence interval determined by DOL.
8. If the state's functional activity codes differ from the RJM categories, include those costs in the RJM category in accordance with the definitions.
9. If an item is purchased for a primary purpose and has other applications, include it in the RJM category for the primary purpose.
10. If an item can be classified in more than one NPS category, include it in the first category according to the order specified by the definitions.
11. Include charges from other state agencies due to a request for service under **PERSONAL SERVICE CONTRACTS**.
12. Include purchases made from other state agencies under the appropriate NPS category.
13. State Indirect costs are those charges that all programs receive from outside the agency. This principle applies when there are multiple layers of State Indirect costs.

14. If more than one item is being combined in an agency's accounting system (either by category or minor object code) and they should be split between two or more RJM categories, make the best estimate as to how to split those costs.

15. When costs are split, the sum of the parts must equal the whole.

16. If multiple taxes are collected, reduce costs in accordance with General Administration Letter 4-91, prior to entering the RJM data. Attach a table that shows the reductions.

17. Convert costs for personal service contracts used to provide workload-related staff functions to MPU values and add them to the appropriate functional activity code. Convert costs for personal service contracts for non-workload staff functions to staff years and add them to the appropriate functional activity code.

18. Exclude from Performance and Capital Investment (PCI) requests the amount of state agency funding that has historically been used for that activity.

19. Include ICON programmers and Internal Security under Support.

20. Exclude staff years and dollars earned for multi-claimant nonmonetary determinations and appeals. These are funded from above-base dollars.

21. The deciding factor for whether a project should be included in the RJM as a PCI request or in base is the level of the state's commitment to fund the project. If the state intends to proceed with the project irrespective of federal funding, the project should be included in base and should not be submitted as a PCI request.

D. Modules. The RJM system has six process modules:

- Module I Data Collection
- Module II Data Review
- Module III Analysis and Evaluation
- Module IV Budget Formulation
- Module V Allocation
- Module VI Monitoring

1. Module I - Data Collection. The states will prepare the request for resources using their current operating costs and project these costs for the balance of the current year, as well as the next two fiscal years. These projections will be based on known operating costs, projected workload, and any known increases such as legislated compensation increases. States may also request additional funding for enhancements. Module I consists of three major tasks:

- a. Prepare the PCI requests for additional dollars to improve program operation.

b. Enter data into the RJM Microsoft Excel® worksheets that determine the amount of dollars required to operate the UI program. The worksheets provide a standard format for the submission of data. The worksheets are designed to calculate the total state needs based on the entry of specific data.

c. Compile the notebook that includes the narrative description of the budget request and the conversion of accounting data, and copies of the accounting documents that were used to prepare the request.

2. Module II - Data Review. The National and Regional Offices will conduct a detailed review of states' requests for resources. The data from all states' submissions will be imported into a relational database maintained by the National Office. The Regional Offices will ensure that submitted data is accurate through comparisons with cost accounting data and that states' submissions are treated equitably. They will be responsible for determining if a state has a unique requirement that should be given special consideration and for entering that data into the RJM model. Regional Offices will also be responsible for ensuring the accuracy of requests for increases.

3. Module III - Analysis and Evaluation. The National Office will analyze the RJM data to determine the acceptable norms for the formulation process and decide which requests for special requirements and enhancements to incorporate into the budget request. The RJM uses Brio® queries and report generating capabilities to provide reports in the required budget submission format. In addition to the required reports, a set of detailed reports will be produced showing the requested funding for each state.

4. Module IV - Budget Formulation. Output from the three previous modules will be used to formulate a budget request. The National Office can adjust variable parameters as a method of review and analysis to build the reports. The relational database provides flexibility and quick turn-around for analysis and evaluation.

5. Module V – Allocation. To distribute the available funds, the National Office will use an appropriately modified version of the Workload Allocation System (WAS), which came into use with the Cost Model system. If state requests exceed the funding availability, the National Office will first reduce PCI requests according to their scores; if state requests still exceed the funding availability, the National Office will use the current MPU reduction algorithm in WAS to reduce staff years.

6. Module VI - Monitoring. Monitoring is a National Office-directed continuing review process focused on data integrity. The analysis and evaluation resulting from Module III of the RJM will provide indicators of areas that are a priority for external review.

II- PERFORMANCE AND CAPITAL INVESTMENTS

A. Introduction. Performance and Capital Investment (PCI) requests are optional. States may submit PCI requests for additional resources to:

- Improve performance
- Invest in long term needs such as new technology
- Respond to special emphases that are not otherwise provided for in the budget request
- Respond to state-enacted law changes or mandated organizational changes that affect costs
- Address other cost contingencies that are not covered in the base budget process.

Budget increase requests that are not for performance and capital investments include salary and benefit increases, workload mix changes, inflationary cost increases, hours worked changes, and other necessary cost increases. In addition, states should not submit PCI requests for building purchases since they cannot use UI grant funds for this purpose; however, states may use other funds to purchase buildings, and charge the interest and depreciation to the UI grant.

B. Impact of Performance and Capital Investments. It is recognized that PCI changes may affect costs differently in the short and long-term. Many investments increase costs early on but realize savings later. Given the short-term nature of fiscal year appropriations, budgeting for long-term capital investments has presented many challenges, some insurmountable, to state agencies in the past. It may be extremely difficult to accumulate sufficient resources in one fiscal year's budget to finance a new computer acquisition, for example. Additionally, there is no guarantee of sufficient funding in ensuing fiscal years to cover the additional costs, even if they are amortized. Moreover, reduction of costs (savings) resulting from long-term capital investments would be applied in the budget period in which the savings were realized so that there has been little incentive to make such changes.

Approval of a PCI request will include approval of request year costs as well as costs in ensuing years. In other words, when a state requests a long-term capital improvement (i.e., a new computer acquisition), there will be two methods of funding it based on availability in the appropriation. It can be funded completely in the request year or, if the costs can be spread over several years, the "out-year costs" will become part of the state's base to account for subsequent year costs.

C. Process.

1. Submission Date. States should submit PCI requests via a Microsoft Word® file attachment to e-mail in the format shown in Appendix C to the Regional Offices by the fourth Tuesday of January. More complex PCI requests with several attachments may also require mailing of hard copies.

2. Procedure for Developing a PCI Request. PCI requests should be developed for the request year. Requests should specify the amount requested for PCI funding, and may also specify the amount for the project that will be financed from base budget resources, the amount to be financed from other state funds, and the amount to be financed by other programs.

a. Complete a PCI request form as a Word® document for each PCI requested. Appendix C displays the PCI request format, as described more fully below.

b. Number each PCI request according to the following schema: the state's 2-letter abbreviation, FY, and number of PCI request for that fiscal year (e.g., NY-2004-15). The number should reflect the priority that the state gives the request, with 1 being the highest priority.

c. Submit the PCI request files separately from the Excel® workbook, but include the value of the PCI request in the Excel® worksheets. This can take several forms:

(1) Increases in MPU values above the prior year's level.

(2) Increases in NPS costs above the prior year's level.

(3) Increases in non-workload staff years above the prior year's level.

D. Format and Evaluation Criteria. In Module II, Regional Offices will screen the PCI requests and the National Office staff will score them according to the criteria below:

1. Project Summary (0-15 points). Briefly describe the proposal and address the following items:

a. Provide a concise executive summary of the proposal in 1-2 paragraphs, including a general description of the desired results. (0-5 points)

b. Provide a description of proposed expenditures and a projected schedule for significant project activities. These expenditures should be classified according to needs for staff, hardware, software, and other costs (e.g., contracts). (0-5 points)

c. Explain how the proposal complements the agency's or ETA's strategic plan (at www.doleta.gov/etainfo.asp). (0-5 points)

2. Performance Improvement (0-15 points). Address the following areas:

a. Indicate the performance improvement area and whether this is a Tier I or a Tier II measure. (0-5 points)

b. Explain how the proposal will improve performance and quantify the expected improvement. (0-5 points)

c. Delineate a project time line. (0-5 points)

3. Customer Service Improvement (0-15 points). Discuss the potential effect on customer service levels and any other benefits resulting from this change.

a. Describe how the proposal will improve customer service. (0-5 points)

b. Show the number and percentage of customers (claimants and employers) affected by the change. (0-5 points)

c. Show how other states can adopt this customer service improvement. (0-5 points)

4. Project Cost (0-15 points). Describe the total cost of the project and explain whether the state agency staff estimated the cost or there were specific proposals from vendors.

a. Indicate the total cost and duration of the project, and show cost calculations for each year for multi-year projects. (0-5 points)

b. Explain whether the project has a one-time cost or on-going costs. Explain how the agency intends to fund the cost in future years. (0-5 points)

c. Explain why the project cannot be funded from current operating funds or other sources, such as Reed Act money. (0-5 points)

5. Capital Investments (0-20 points). Describe the specific capital investment and address the following areas:

a. Explain the need for this capital investment. (0-5 points)

b. Describe how the project will address the need. (0-5 points)

c. Explain the operational consequences of not making this investment. (0-5 points)

d. Present the strategic design and/or how it fits with the state automation plan. (0-5 points)

6. Cost Benefit, Cost Avoidance Analysis (0-15 points). Show how the project creates trust fund savings, revenues, or cost avoidance and convert these to dollars. One of the most straightforward approaches to presenting the cost benefit analysis is to convert annual investments and benefits over the life cycle of the acquisition along with

any salvage value to their present values. The results would then be compared. Those projects whose present value benefit stream plus salvage value exceeds the investment stream would be considered as viable projects. The formula for the present value is given below:

$$PV = \sum_{i=1}^n (A_i / (1+r)^i) + SV / (1+r)^n$$

where PV = present value

A_i = the cost of the project in the i^{th} year if calculating the PV of the cost

A_i = the value of the benefit in the i^{th} year if calculating the PV of the benefit

r = the discount rate

n = the number of years in the project's life cycle

SV = the salvage value of the investment, if any, in year n and used only in computing the PV of the benefit

The National Office will annually provide the discount rate, which will be set at the interest rate earned by trust fund balances for the last quarter of the fiscal year preceding release of the guidance. The discount rate for the FY 2004 PCI submissions is 0.064.

The score for the cost/benefit analysis will depend largely on the documentation supporting the validity of the variables in the analysis, i.e., the number of years in the life cycle of the investment, the cost stream, the benefit stream, and the salvage value. Thus, great care should be taken in developing and clearly presenting the supporting documentation. Calculation of the savings/cost avoidance must be shown to receive the full score.

7. Multi-State Projects (0-5 points). States are encouraged to develop projects that involve other states. Up to 5 points will be given for PCI requests that propose a multi-state investment. Each participating state that submits a PCI request for the project will be awarded the same amount of points up to 5 points.

E. Federal Review.

1. Regional Office Review. Regional Offices will review the PCI requests and return them with recommended revisions to the states (if necessary). Revised requests will be due in the Regional Offices by the third Friday of February. Regional Offices will send PCI requests they recommend for approval to the National Office by a date established by OWS. Because this is a competitive grant process, the Regional Offices will not accept any PCI request that does not meet the required submission deadlines. The PCI submission date will be determined by the postmark or date electronically transmitted. The Regional Offices also will not accept PCI requests that are less than \$100,000 or less than 5% of a state's total NPS dollars.

2. National Office Review. A National Office panel will review and score all PCI requests. The National Office will alter the Microsoft Word® files before review by the panel to disguise the states' names. The scores established in the evaluation process will be used to rank the PCI requests in terms of funding.

F. Accountability. States may use PCI funds only for the purpose specified in the request; however, states may modify the original proposal later if necessary to take into account unforeseen technological advances. The modifications must meet or exceed the purpose and goals of the original request. If the modifications result in additional cost, states must use their base grant or state funds for the additional cost. If the modifications result in a total savings for the project, the savings can only be used to improve the specific system for which the grant was requested. States must return the balance of funds received for the PCI that are not used for the specific request with modifications. Funds returned during the same fiscal year as the award will be distributed to the next state on the PCI ranking list; funds returned after the end of the fiscal year will revert to the Treasury. States are encouraged to develop their own internal system to track each project separately for accountability and monitoring and to combine the cost in the assigned fund ledger.

III-USING THE WORKSHEETS

A. Introduction. The RJM worksheets capture historical costs for the previous fiscal year (FY), actual costs to date for the current FY as well as projected costs for the remainder of the current FY, and projected costs for the next FY, as well as for the budget request FY. Completing previous, current, next, and request fiscal year data in sequential order on each form enables built-in calculations to carry some data forward from one fiscal year to the next. The following paragraphs will explain the structure of the workbooks and how to load and use them. Examples of the worksheets are in Appendix A. Instructions for completion of specific worksheets are contained in Appendix B. It may be useful to view the worksheets side-by-side with their corresponding instruction.

B. Preparations for Completing the RJM Worksheets.

1. Compile the summary accounting reports for the UI grant (fund ledger codes 210 and 213) and any other reports for fund ledgers that could have been charged to the grant if funding had been available. Include reports for state funds and penalty and interest (P&I) funds that were used for UI administration. Exclude Trade claims activity reports (fund ledger code 219). The accounting reports for the previous fiscal year should cover a twelve-month period from October 1 to September 30. Also include reports from fiscal years prior to the previous and current fiscal years if prior year obligations were liquidated during the previous and current fiscal year.

2. If P&I funds or other state funds were used, determine if these were used solely for the UI program or for combined functions. Exclude funds that were not used for the UI program.

3. Develop a crosswalk sheet that combines all UI costs from all sources. The document should show only expenditures that were made during that period, including obligations from previous fiscal years that were liquidated during the period; the document should exclude unliquidated obligations.

4. Allocate the accounting system direct charges to the RJM codes.

5. Allocate agency indirect charges to the appropriate RJM codes. Agency indirect includes department indirect and cabinet indirect. Exclude state indirect costs.

C. General Information. This section provides general information for the file structure and using the files.

1. File Structure. The file contains worksheets that collect the RJM data and calculations in a format that can be imported to a National Office database. The database

will generate summary and statistical reports for data analysis. The diagram below shows the purpose of and the relationships between the RJM files.

2. Loading and Using the RJM Files

a. System Requirements. The system configuration needed to use the RJM efficiently is as follows:

- MS Windows® 95 or later
- Microsoft Excel® 97 (NOTE: For Microsoft Excel® 2000 users, save and transmit all files in Microsoft Excel® 97 format).
- 16MB RAM
- 2MB hard drive for RJM files (minimum)

b. Workbook Proficiency Requirements. The procedures for loading and using the workbooks assume an intermediate level of proficiency. It is necessary to understand the concept of cell references and how the value entered in one cell can change the contents of another cell in the same or different worksheets.

c. RJM File Location. The web site at www.ows.doleta.gov/rjm has a current set of the Microsoft Excel® file and the Microsoft Word® file for PCI requests for downloading.

d. Loading the RJM Excel® Files . Load the Excel® files from the web site and copy them to the hard drive and change the file name. For example, use a file name such as RJMXX.xls, where “XX” is the two-digit state abbreviation. It may be useful to keep an unmodified version of the workbook in case it should become necessary to start over completely or if specific worksheets become corrupted and must be rebuilt. In addition, save the data periodically and create backup copies of the files, including the unmodified RJM file.

e. Data Entry. The RJM worksheets are designed so that data entries are used in formulae to calculate values in other cells or used in cell references to copy the values into other cells. Because data elements are linked to elements in other worksheets and all data elements are required for the Data Export, data entry should occur in a specific order. Worksheets should be completed in the order of the worksheet tabs from left to right, starting with the STARTUP worksheet.

(1) STARTUP Worksheet. Data entry for the STARTUP worksheet should occur first because key elements from it are linked to every other worksheet. To enter the initial key elements:

Select the state’s name from the pull down list.

Enter the “Request Year.”

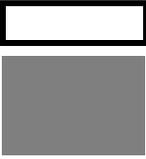
Enter the number of months for which actual current fiscal year data are available in “No. Months Reported Current YTD.”

From the value in “Request Year,” the worksheet calculates the values for the Previous, Current, Next, and Request Fiscal Years. The file uses elements entered or calculated in the STARTUP worksheet to fill headings in the other RJM worksheets.

(2) Completing the RJM Worksheets. After entering the key elements into the STARTUP worksheet, data entry can begin on the rest of the worksheets. Areas where data entry is required have a cyan background color and a dark border.

3. Worksheet Formats and Conventions

a. Cell Formats. The Microsoft Excel® worksheets contain cell border and shading formats that help identify the type of action that is required. Presented below are the formats used in the RJM forms. The examples are from 1-UI, UI Program, found in Section B, File RJM.xls, Worksheet 1-UI, page 1.

Item Name from RJM-1 Form	Cell Format	Description of Format	Action Taken to Populate Cell With a Value
TOTAL PERSONAL SERVICE COST		Heavy border, cyan shading.	Requires typing in a value. [Col. B] You enter correct value as whole number, Excel displays as currency.
TOTAL POSITIONS PAID		Heavy border, cyan shading.	Requires typing in a value. [Col. B] Value entered and displayed in two decimal places.
MONTHS REPORTED YTD	12	No border, no shading.	An Excel formula obtains the value through a link to another cell. [Col. C] Excel retrieves the value of No. Months Reported Current YTD from the STARTUP Worksheet.
STRAIGHT LINE PROJECTED PS COST PER POSITION	#DIV/0!	No border, no shading.	An Excel formula calculates the value. [Col. C] System calculates RESULT OF (Total Personal Service Cost divided by Total Positions Paid) divided by RESULT OF (Months Reported YTD times 12 Months Per Year)
DOCUMENTED INCREASES PER POSITION 1.		No border, gray shading.	No value is placed in the cell. {Col. B} Gray shading indicates no data entry or Excel formulae.

b. Number of Decimal Places. The worksheet cells are formatted to round data to a specific number of decimal places. The table below shows the rounding convention for the cells and the degree of numerical precision needed for data entry.

Data Element	Decimal Places
Dollars	Whole dollars
Positions	2 decimal places
MPU	3 decimal places
Work hours	2 decimal places
Workload	Whole numbers

c. Pre-Entered Values. Information that applies to the entire budget request package is entered in the STARTUP worksheet. These key data elements are transferred to all worksheets where appropriate and will not have to be entered on each individual worksheet.

Each key RJM element in the STARTUP Worksheet has a *defined name*. For example, the defined name for the value of State Name is STATENAME, and for Budget Year is BUDGETYR. The means by which the key elements are forwarded from the STARTUP Worksheet to all other worksheets is by use of the defined name in a formula. For example, if a user selects **YOURSTATE** with the state abbreviation of YS on the STARTUP worksheet, then “YOURSTATE” will appear on the left near the top of each of the other worksheets in the workbook. The formula in those cells is = STATENAME

d. Worksheet Row Numbers and Column Letters. The data element cells in the worksheets are identified by row numbers and column letters. These are referenced in the instructions in Appendix B. For most of the RJM forms, worksheet columns B through E designate the years for which data elements are captured.

Column	Fiscal Year
B	PREVIOUS
C	CURRENT
D	NEXT
E	REQUEST

4. General Instructions. Data in the worksheets are to include charges to the UI grant, as well as those that were made against state funds, but could have been charged to the UI grant if sufficient resources had been available. The general instructions below pertain to filling out the forms.

a. Cells for Data Entry. Enter data only in cells with a heavy border and cyan background.

b. Cells with Formulae. Data validation checks have been incorporated into the workbooks that will not allow data entry in cells containing formulae. This is to ensure that the integrity of the data is preserved throughout all the worksheets, and that the way the data elements are prepared is standardized for all states.

c. Adding or Deleting Rows. Do not add or delete rows in the worksheets. Do not modify any cell in the worksheets unless it is surrounded by a heavy border and has a cyan background color.

d. Copying Worksheets. Accidents can happen even when the greatest care is taken in filling out the forms. Data elements can be inadvertently deleted, data entry errors can accumulate, or the file can be damaged somehow. If these occur, delete the affected worksheet and copy and paste in the corresponding worksheet from the unmodified workbook. To do this, perform these steps:

Open the unmodified RJM file or download a new file.

Click on the tab of the sheet you wish to copy.

Click on **Edit**.

Click on **Move or Copy Sheet**.

At the bottom of the dialog box, click on the check box **Create a copy**.

WARNING! The default setting for this check box is blank. Failure to click on the check box to create a copy will remove the blank sheet from the unmodified RJM workbook entirely. Should this happen accidentally, use the backup copy of the unmodified RJM files to restore the unmodified RJM file.

Click on the arrow beside the **To book** combo box to pull down the list of open workbooks. Click on your state's data workbook into which the worksheet is to be inserted.

In the **Before sheet** list box, click on the name of the worksheet that the new worksheet should be copied in front of. You will now be in the copied worksheet. You will need to change the source of the links from the template workbook to your data workbook.

Click on **Edit**.

Click on **Links**.

Click on the name of your state's data workbook file. Click on **Change Source**.

In the **Links** list box, click on your state's data workbook file name, and then click **OK**.

NOTE: If you do not find the required file in the list, you do not have it open. In this event, click **Cancel** and open the file. Change the source of the links in the manner described above.

e. Checking Cell Values. When finished with entering data in a worksheet, ensure the values in the linked cells are correct. The instruction worksheets indicate which cells contain links to other cells. The instruction will state, "system imports from." Find the referenced cell in the appropriate worksheet and see if the value contained in it copied over correctly. Check the calculations to ensure that the results are correct and reconcile in summary to source documents. For worksheets with no data entry cells,

check calculations and links as described above. Lastly, ensure that the bottom line numbers make sense.

f. Using the Worksheet Checklist. The RJM 6-List Worksheet is a checklist of all the worksheets. Some worksheets do not require data entry, but contain information that is referenced in other worksheets or is needed in the Data Export. Use this checklist to verify that all the data entry is complete.

5. Glossary for Worksheets.

\$	Cost or Expenditures
AB	Above Base
APP	Appeals
AST	AS&T (Indirect Costs such as the cost of Personnel, Fiscal, etc.)
BPC	Benefit Payment Control
CMP	Comparison
COM	Communications
DP	Data Processing or Information Systems
F	Funded or Funding
IC	Initial Claims
LIST	Listing of RJM Worksheets
LV	Leave
MPU	Minutes Per Unit
NMD	Nonmonetary Determinations
OE	Office Equipment
P	Positions
Rates	Cost per Hour
RQ	Requested (Normally requested by USDOL)
S	Studied (Refers to Cost Model Study MPU's)
SUB	Subcategory
SUM	Summary
SUP	Support
TAX	Tax
UI	Unemployment Insurance
UIP	Unemployment Insurance PERFORMS
WK	Weeks Claimed
WR	Wage Records

IV- NOTEBOOK

A. Description. The RJM notebook should include a narrative that describes the budget request and attachments that include the accounting reports used and documents that show how calculations were made to convert accounting data into the RJM format. The instructions in Appendix B discuss the accounting reports needed.

B. Format and Instructions. All RJM data are subject to review. The notebook should be organized in a manner that will allow the review process to proceed efficiently. The notebook should consist of the following parts:

1. Narrative. The narrative should describe the budget request in terms of the increases requested and any items to which the state would like to call attention.

2. RJM-1. Include copies of the following:

- a. Source documents used for completing the RJM-1 worksheets.
- b. Crosswalk sheets that combine functional activity codes from multi-fund ledgers.
- c. Calculations for splitting costs of functional activity codes.
- d. Law, regulations or other documents that authorize an increase for personal services or personnel benefits.
- e. Calculations that show the effective date of the PS/PB increase and how the calculations were adjusted for the effective date.

3. RJM-2. Include copies of the following:

- a. Source documents used for completing the RJM-2 worksheets.
- b. Crosswalk sheets that combine non-personal service codes from multi-fund ledgers.
- c. Calculations to convert NPS minor object codes from the state accounting system's code structure to the RJM code structure.
- d. Calculations and any supporting documentation that shows the basis for any budget increase.

4. RJM-4. Include copies of the following:

- a. Source documents used for completing the RJM-4 worksheets.

- b. Crosswalk sheets that combine functional activity codes from multi-fund ledgers.
- c. Calculations for splitting costs of functional activity codes.
- d. Calculations that show the total value of each contract for contracted personal services that are included in the functional activities and how those dollars were allocated to each functional activity code.
- e. Calculations that show any supplemental budget request (SBR) dollars that are included in the functional activities and how those dollars were allocated to each functional activity code.

5. RJM-5. Include copies of the following:

- a. Source documents used for completing the RJM-5-LV worksheets.
- b. Law, regulations or other document that authorizes any increase or decrease in work hours or leave hours.
- c. Calculations that show the effective date of the increase or decrease and how the calculations were adjusted for the effective date.

6. RJM-6. Include copies of the following:

- a. SBRs (except postage).
- b. Source documents for automation funding.
- c. Documentation of state funds used for UI program activities including penalty and interest, general fund appropriations, administrative tax revenue and any other sources outside federal funding.

7. Standard Form 269. Include a copy of the previous year's SF 269 report for the UI program for the period ending September 30.

8. Other. Include a copy of all summary fund ledger reports for each fund ledger used in the RJM. Examples are: Reports 02B, 61, 94B, and 95 from CAS; GA 12A and GA-17 from FARS; and equivalent reports from other types of state accounting systems. If applicable, include a copy of the cost allocation plan that is required by GAL 4-91 and the adjustments to the fund ledger codes that were made prior to completing the RJM forms.

C. Accounting Records. ETA does not prescribe the type of time distribution and accounting systems that state agencies should use to generate the required data; however, the systems used must be capable of providing accurate data in the required detail. With

states having the latitude to use the systems of their choice, this presents problems in compiling data at the national level and comparing states' data. In order for OWS to receive data in a uniform manner, the RJM system was developed with standardized worksheets. In order for states to complete the RJM, they must convert their existing accounting data to conform to the categories that have been established for the RJM.