

JH DECISION/ACTION REQUEST

SUBJECT : PA delegation letter to Secretary Dole concerning a UI dispute between DOL and the Commonwealth.

DATE : Friday, 23 June 1989 STAFF : Mary Hayter

Hayter RB

SUMMARY : In July 1988 DOL audited PA's automatic program for UI. The audit disallowed \$491,286 because the Commonwealth used a Federal UI Automation Support Account, loan to purchase a mainframe computer.

The Commonwealth concurred with the DOL audit and paid the \$491,286 with general funds with an understanding that DOL would reduce the amount of the Commonwealth's loan by \$491,286.

DOL, however, will not reduce the Commonwealth's loan obligation by the paid amount, \$491,286 - thus holding the Commonwealth liable for a double payment.

The letter goes on to request the Secretary order DOL to increase the Commonwealth's UI allocation by \$491,286 to compensate for this situation.

BACKGROUND : See attached copy of the letter and insert.

DECISION/ACTION REQUESTED :

JH agree to sign PA delegation letter. Yes *JH 7/10*
No _____

LA RECOMMENDATION : Please sign. Appears to be straight forward issue for the Commonwealth.

LD/AA COMMENTS :

CL/ approve

JH REACTION/COMMENTS: