


TRAINING AND EMPLOYMENT NOTICE	NO. 12-18
	DATE January 18, 2019

TO: STATE WORKFORCE AGENCIES
STATE WORKFORCE LIAISONS

FROM: MOLLY E. CONWAY 
Acting Assistant Secretary

SUBJECT: New State Unemployment Insurance (UI) Forecasting Model Available

1. **Purpose.** Notification of the availability of a new state UI program forecasting model (UNIS-X) and the cessation of support for the existing Benefit Financing Forecasting Model (BFM).
2. **Action Requested.** The new UNIS-X forecasting model is now available to all State Workforce Agencies (SWAs) upon request. Priority for distribution is given to states that have been users of the BFM in the past and second priority to states with an immediate need of forecasting UI program variables. States wishing to receive the new model should send an email to Katrina Baskfield at Baskfield.Katrina.d@dol.gov, with the following information: Name of person who will be responsible for model operation, contact information, previous use of the BFM and/or a state forecasting model, and planned use of the UNIS-X model. Since the model requires state-specific programming, which will take several weeks to complete, only states that envision a near-term need for the new modeling capability should apply for the model at this time.
3. **Summary and Background.**
 - a. Summary - For the past 40 years, the Employment and Training Administration's Office of Unemployment Insurance (OUI) has made the BFM available to states upon request. The BFM has been housed on the computer systems of the National Office and maintained by OUI. This model has now become increasingly cumbersome to maintain, antiquated in many respects, and faces innumerable time constraints in meeting the documentation and security requirements necessary to maintain a program on the computers at the National Office.
 - b. Background - Faced with these hurdles, OUI developed the UNIS-X model to replace the BFM. The new model is built as a menu-driven Excel spreadsheet program that is available to each state for use on its own laptop computers.
4. **New Model Specifications.** States can operate the UNIS-X model using the Microsoft Office Excel software. It was constructed to be exceptionally user friendly. The model provides forecasts for 12 quarters into the future of a state's total benefits, contributions, and

trust fund balances, as well as many additional UI variables. The forecasts are based on the user's economic scenario inputs together with 15 years of state historical data. In addition to program forecasting, the model's primary strength is in quickly deriving impact forecasts for changes in a state's taxable wage base, maximum potential benefit duration, maximum weekly benefit, tax rates, or economic conditions.

The UNIS-X model is available to each state and will be programmed according to an individual state's current law and loaded with the most recent data available. Each state will be responsible for updating the UNIS-X model each year with new historical data, including any unique state law variables.

The existing BFM will cease to be supported as of January 31, 2019.

5. **Inquiries.** Please direct any questions concerning the UNIS-X model to Robert Pavosevich at Pavosevich.robert@dol.gov or (202) 693-2935.