



**WISCONSIN LEGISLATIVE AUDIT BUREAU
AUDIT SUMMARY**

Report 00-14

December 2000

UNEMPLOYMENT RESERVE FUND

The Unemployment Reserve Fund, which is administered by the Department of Workforce Development, accounts for unemployment taxes paid by employers and subsequent benefits paid to unemployed workers. As requested by the Department of Workforce Development, we performed an audit of the Fund's financial statements for fiscal years 1999-2000 and 1998-99.

As necessary parts of the financial audit, we reviewed the Fund's control procedures, assessed the fair presentation of its financial statements, and reviewed compliance with applicable laws and regulations. We were able to provide an unqualified auditor's report on the Fund's financial statements, and we found no instances of material weaknesses in the internal control structure or material instances of noncompliance.

The Unemployment Reserve Fund's cash balance related to taxable employers increased \$83 million during the past fiscal year, to nearly \$1.8 billion as of June 30, 2000. This cash balance is used to determine the tax rate schedule to apply to taxable employers. Since the cash reserves exceed the amount that allows employers to be taxed under the lowest rate schedule, the Fund is able to charge employers the lowest authorized tax rates.

[full report, PDF file \(64KB\)](#)