

## Client Training HQ

# Wage Audit Frequently Asked Questions

### What is a Wage Audit?

Wage audits are a critical tool for states looking to help reduce improper payments. For many employers, responding to wage audit requests is becoming more cumbersome. The Wage Audit Solution from Equifax® delivers assistance to employers to help reduce the burden of response and meet the wage audit obligations of the state agencies.

### What are the Different Wage Audit Solutions?

Once contracted for the Wage Audit Solution, you can choose between two different options:

1. **Tier One** - The Tier One Solution is an automated, virtually no-touch solution. This option requires the creation of a 221 file. This is a completely separate file from any other file you may currently be sending to Equifax. When the wage audit is received, it is matched to the payroll on file and the response is sent to the state automatically. If a wage audit is received that cannot be fulfilled by the 221 file, a request for wage information will be sent to your established wage audit contact(s) through CaseBuilder™.
2. **Tier Two** - The Tier Two Solution is a solution that involves the completion of wage audits inside of CaseBuilder. This is considered a more manual solution if you do not have the resources or capabilities to create a 221 file or if you are not contracted for The Work Number® Social Services Verifications. When a wage audit is received, a request for wage information will be sent to your established wage audit contact(s) through CaseBuilder.

### What are the Requirements for the Automated Solution?

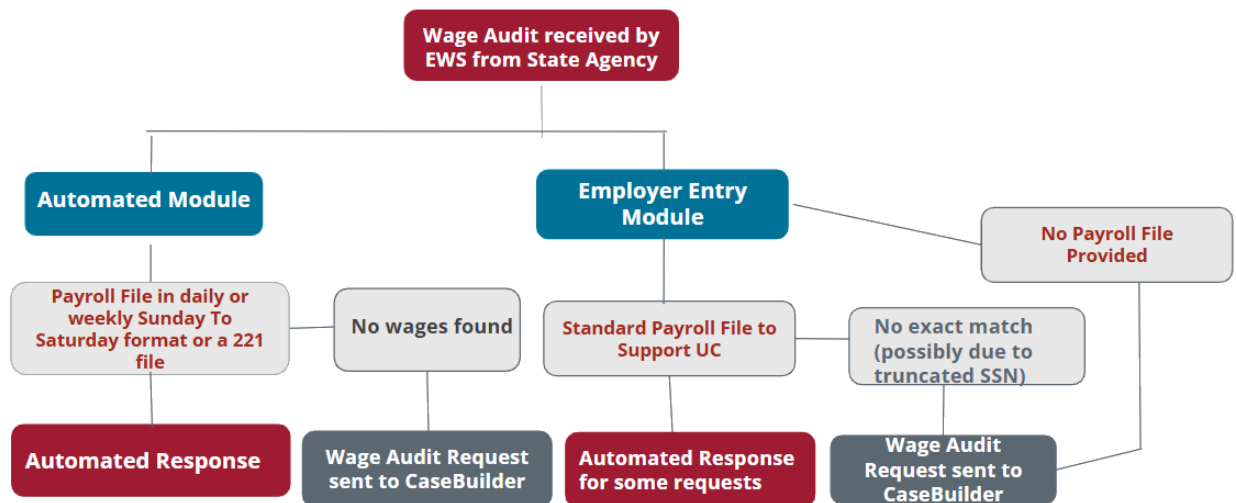
To utilize the automated solution, you will need to send a **separate** wage file (221 file). A technical resource on your side will work alongside one of our payroll implementation specialists to get the 221 file built, tested, and into Production. If you are able/willing to build a separate wage audit file, you must pass the wage dates in one of the following specific date formats regardless of the employee's actual pay frequency:

- Sunday-Saturday; most states
- Daily

### What Additional File Elements Will Need to be Added in the 221 File?

The additional fields in the 221 file include: Wage Period Indicator, Wage Period End Date, Wage Period Begin Date, Date Wages Earned, and Café Plan Deductions.

## Wage Audit Flow Chart



## Have Additional Questions?

Please direct any additional questions to your UC Service Team or Account Executive.

*The information provided is intended as general guidance and is not intended to convey any tax, benefits, or legal advice. For information pertaining to your company and its specific facts and needs, please consult your own tax advisor or legal counsel.*