



2024 Offboarding Palooza!

Unemployment 101:
Claims, Requirements and Tax
Optimization

EQUIFAX®

Workforce
Solutions

Thanks for joining our webinar



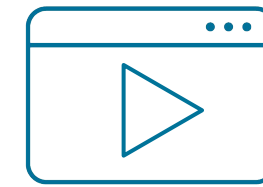
Welcome!

Thank you for joining our webinar. Stay tuned for more from Equifax Workforce Solutions!



Questions?

Please enter your questions in the chat box on your screen at any point during the presentation.



Recording

This webinar is being recorded. You will receive an email with a link to view all the recordings the week of October 21.

To Keep Our Lawyers Happy



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Today's Speakers



Dan Pongonis

Solutions Engineer, UCM &
Offboarding
Equifax Workforce Solutions



Dan Tienes

Offboarding Leader
Equifax Workforce Solutions

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Agenda

- UI Integrity
- Requirements to Qualify for Unemployment Benefits
- Determining the Base Period
- Life of an Unemployment Claim
- Handling Benefit Charges
- The Impact on Tax Rates
- How TPAs Can Help

2008 Recession Leads to Change

2008 US Experienced Major Recession

- Recession peaked in 2009 and 2010
- Unemployment skyrocketed due to economic downturn
- Unemployment programs became insolvent

2011 Trade Adjustment Assistance Extension Act

States establish legislation to prevent an employer's account from being non-charged if responses to state inquiries are inadequate and/or untimely and the employer has established a pattern of not responding timely and adequately.

2013 UI Integrity

October 21, 2013 required to be in compliance or face loss of federal tax credit

- Legislation known as UI Integrity

UI Integrity

Adequate

- Answer all questions regarding the separation
- Be detailed and concise
- Supply supporting documentation
- Avoid vague statements

Timely

- Deadlines vary from state to state
- Average response time 7-10 days
- Loss of of rights
- Occurrence against state's pattern clause

Establishing a pattern

Once a pattern is established:

- Employer could lose future non-charging on claims for a period of time
- Lose further appeal rights
- Assessed monetary per claim penalty

Two or more instances or 2% of claims in the prior year that don't meet required standards

Before

Only considered if you wanted to protest the claim or not

May have not even responded to the state

If required, only provided limited information

“We do not wish to contest unemployment”

After

Think in terms of being more compliant

State must adjudicate the claim

Must have detailed information from claimant and employer

Unemployment Benefits Improperly Paid Out



Recouping money is time consuming and costly



Claims approved due to lack of information on the employers part and later overturned



Government took action to mitigate the situation



Importance of Documentation

Document Events As They Occur

Best defense
**against paying
out benefits**

Document both
the **good and
the bad**

Protect your
unemployment
tax account

Burden of Proof on a **Quit**

A Claimant Must Show:

- A compelling and necessitous reason existed (work related or personal)
- Every reasonable attempt was made to preserve the employer/employee relationship
- There was no other alternative but to quit

Burden of Proof on a **Discharge**

The Employer Must Show:

- Gross Misconduct vs Deliberate Disregard of employer's best interest
- A reasonable policy exists
- The claimant was made aware of the policy
- The claimant did not live up to the expectations as an employee

Provide the Policy

Include the exact policy the claimant violated, with signed acknowledgment.

Consequences & Action Plans

Any time you create a warning regarding a policy violation include:

- Consequences (as outlined by your policy)
- Action Plan to move forward

Get Signed Documents

- Get any corrective action documents signed by the claimant and witness (where applicable).
- Having a witness will help increase credibility even if the claimant refuses to sign it.

Document the Final Incident

The Five W's:

Who

What

Where

When

Why



Requirements to Qualify for Unemployment Benefits

Claimant Requirements

1. Able to Work
2. Available for Work
3. Actively Seeking Work
4. Meet State Monetary Requirements
5. No Fault of Their Own

- Claimants must meet **all eligibility requirements** to collect benefits
- Claimants may be temporarily disqualified and can overcome those disqualifications

Determining the Base Period

Claim Form Types

Last Employer Claim

- Sent to the last employer directly preceding the filing of the claim.

Base Period Claim

- Sent to any employer or employers who paid wages to the claimant during the base period.

What is a Base Period?

Base Period				Lag Quarter	Claim Filed	Benefit Year
Q4	Q1	Q2	Q3	Q4	Q1	March 3, 2024 to March 2, 2025
2023	2023	2023	2023	2023	2024	

EMPLOYER A/B/C/D

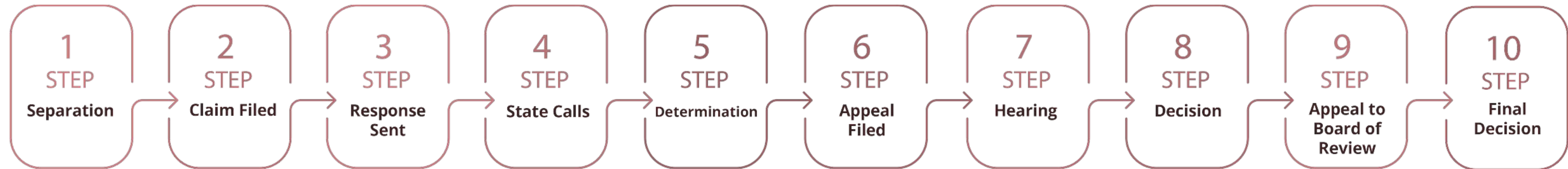
EMPLOYER A



Life of an Unemployment Claim

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The Claim Process



Types of Separations

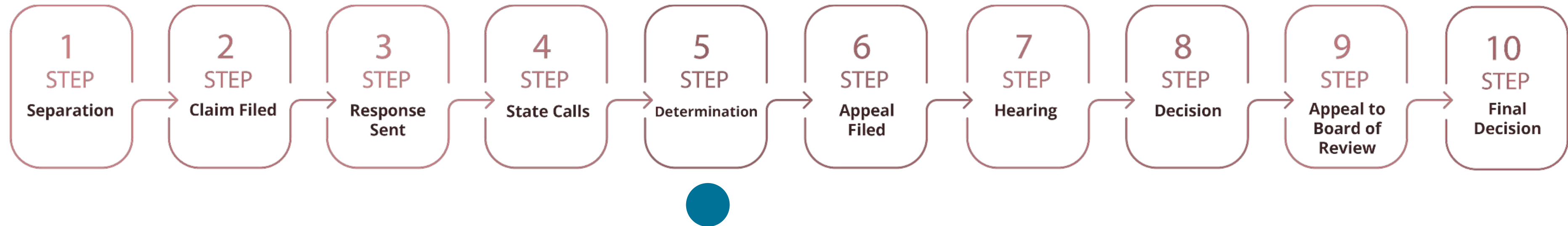
1 Voluntary Quit

2 Discharge

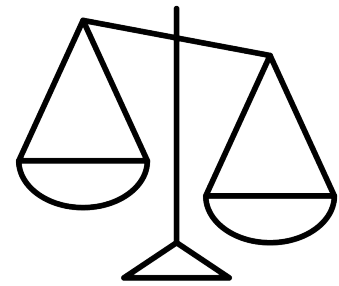
3 Lack of Work

4 Still Employed

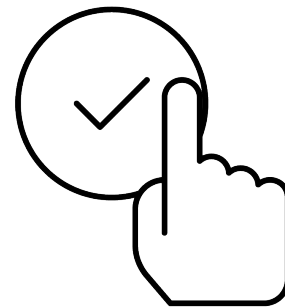
Determinations



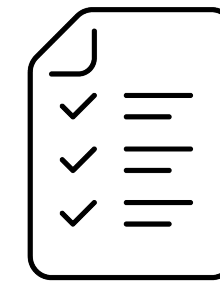
To Appeal or Not Appeal? What Should We Look For?



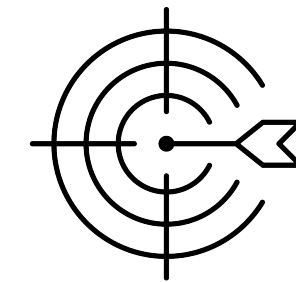
**Potential
Liability**



**Merits of
the Case**



**All the
Details**



**Timely &
Adequate
Response**

Discharge Separations - Recommend No Appeal

01

Attendance - Final
Incident Was Illness

- Illness is beyond the claimant's control
- Were there attendance occurrences you can prove were within the claimant's control?

02

Discharge- Minimal or
No Documentation

- The claimant did not know his/her job was in jeopardy
- No proof without documentation

03

Discharge - Isolated
Incident

- An isolated incident is seen as a good faith error or lack in judgement
- It was simply a mistake

04

Discharge - Delay in
Termination

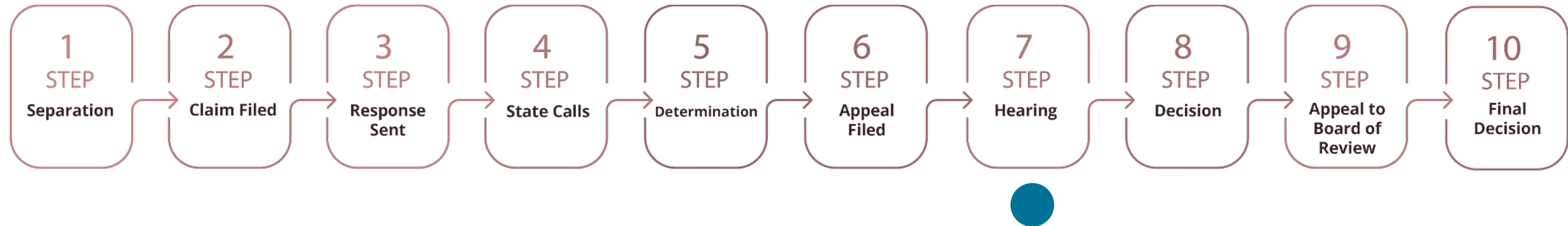
- State requires termination to happen immediately following the final incident
- Was this a discharge at the employer's convenience?

05

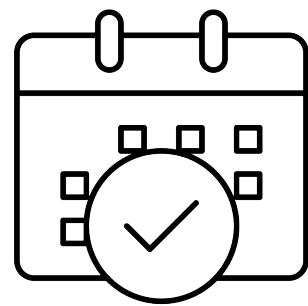
Performance - Inability

- The claimant was not a good fit for the role
- No wilful misconduct

Hearings

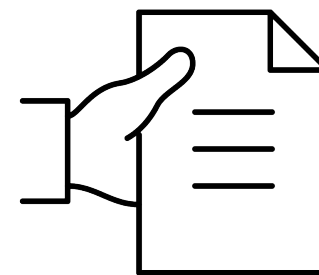


How to Handle Your Case

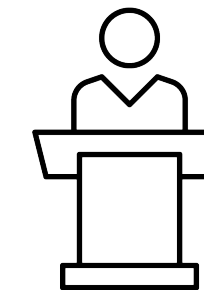


**Know the
Date, Time, &
Location**

(phone, in person?)



**Documents
to all
applicable
parties**



**Ensure all
witnesses are
prepared to
participate**



Handling Benefit Charges

Recouping Benefits

- The claimant must pay back benefits
- Very time consuming
- Details up front are crucial

Recouping Benefits- How We Help

- Watch all charges coming in against your account
- Will investigate charges received when a favorable decision is on file
- Erroneous charges will be protested

How to Create Change?



Understand a high total charge amount



How to react to high charges

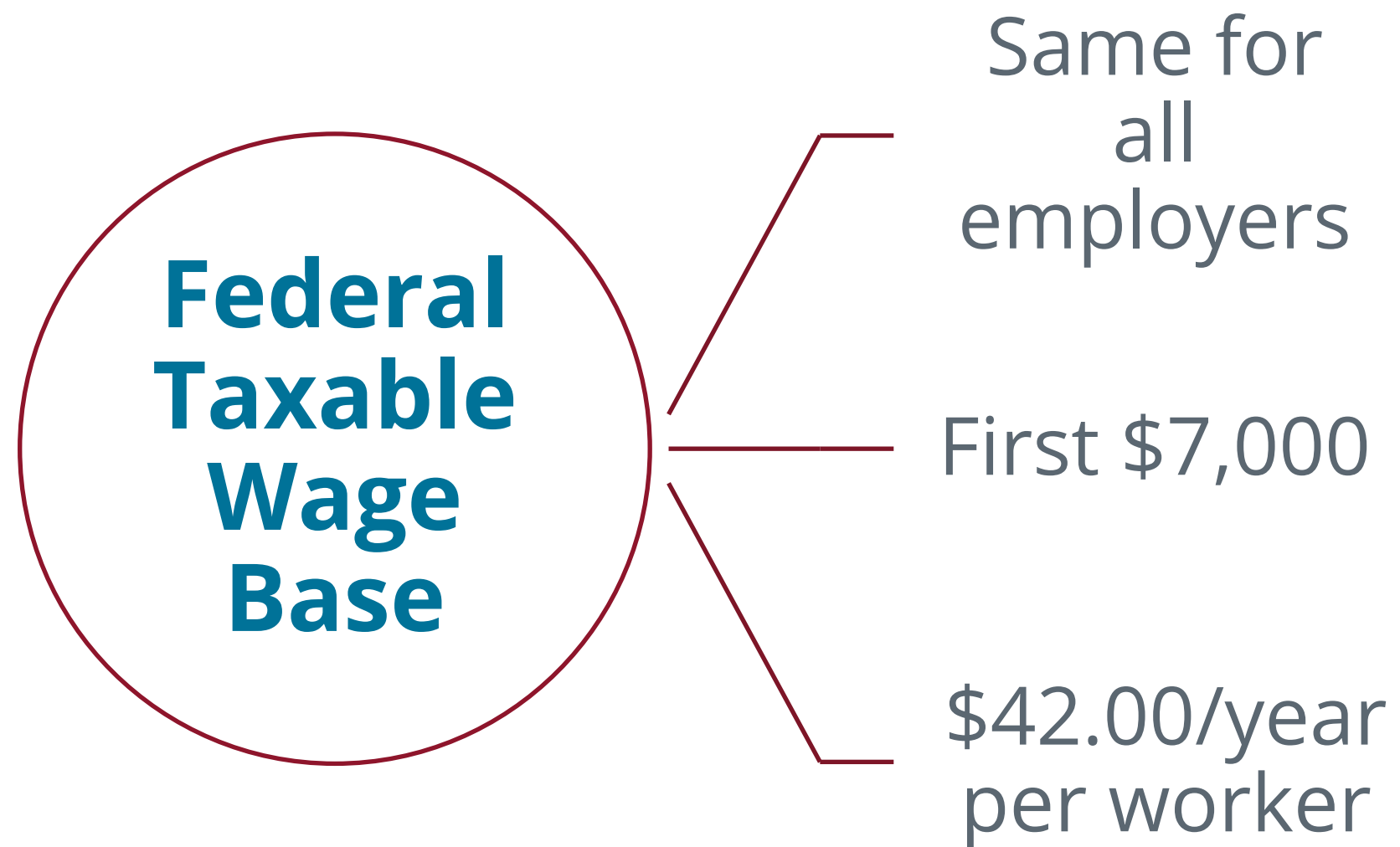


Know what changes can be made



Understanding UI Tax

Financing Unemployment – Federal Taxes



Purposes:

- Provide administrative costs of the program
- Loans to state agencies
- Partial funding for extended benefits

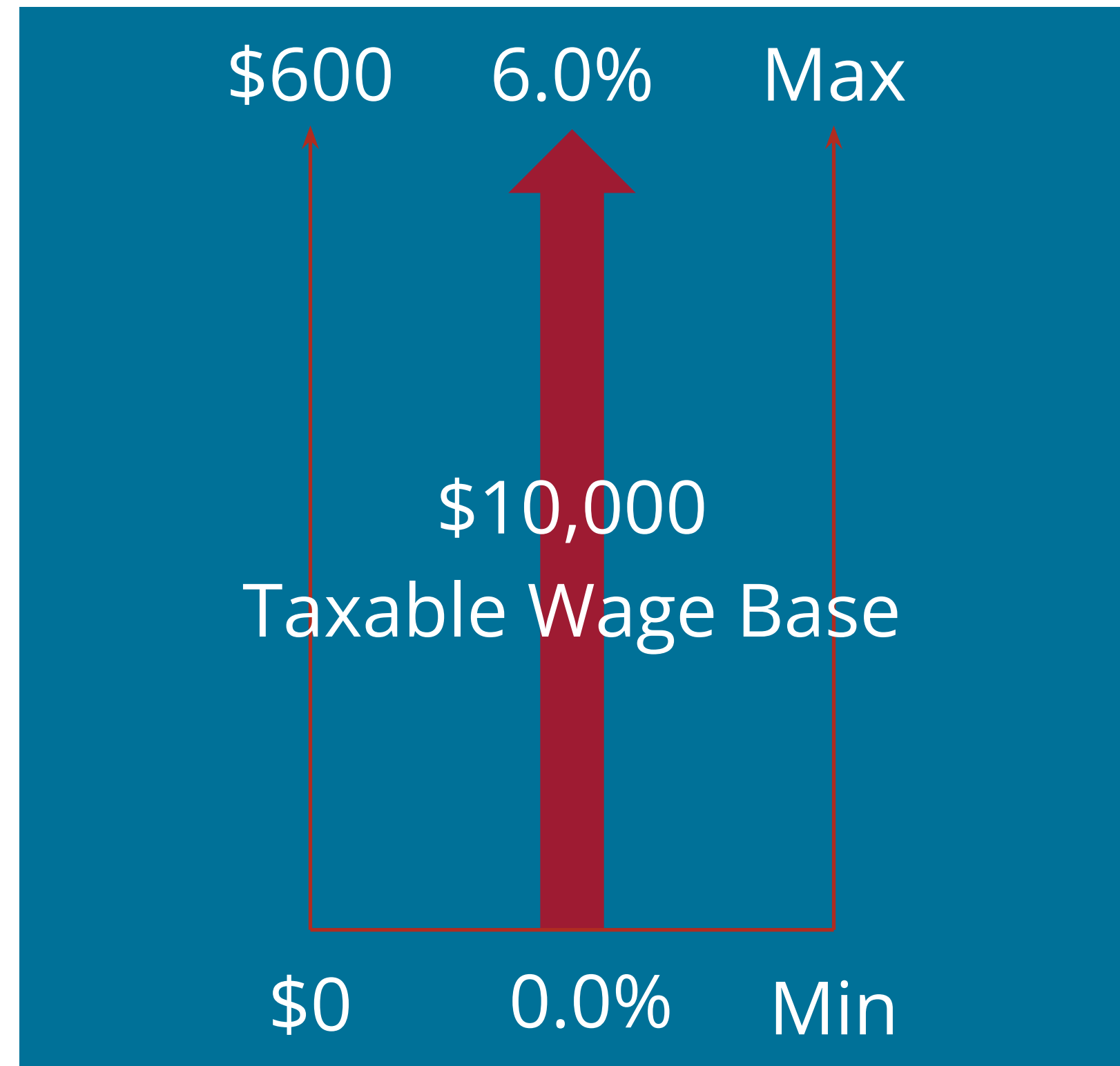
So How Do State Taxes Work?

- Every state has a different taxable wage base
- A taxable wage base is the amount of employee earnings in which an employer pays taxes
- For example: California employers pay taxes on the first \$7,000 an employee earns in a calendar year

Taxable Earnings x Tax Rate = Quarterly Contribution

State Tax rates

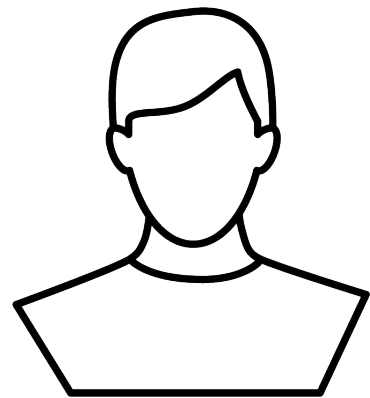
- Rate minimums and maximums **vary by state**
- States have **new** employer rates
- **Controllable and uncontrollable factors** can influence client tax rates



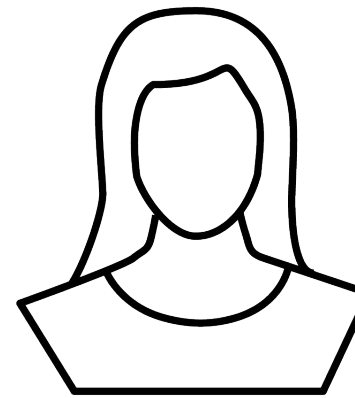
Effect of turnover on unemployment taxes

\$10,000 wage base state/2% tax rate for client

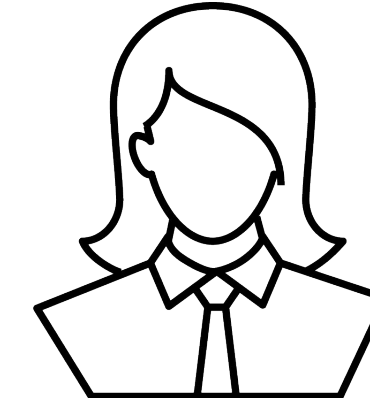
Johnny



Sally



Susie



Quit 3/31: earned
\$10K in Q1:E/R
paid \$200 in taxes
due to wage base

Sally replaced
Johnny on 4/1:
earned \$10K in
Q2: E/R paid \$200
in taxes

Susie replaced
Sally on 7/1:
earned \$10k in
Q3:E/R paid \$200
in taxes

Instead of paying **\$200** in taxes in a year by keeping Johnny the employer paid **\$600** due to lack of employee retention



How TPAs can help
you manage your
unemployment claims
process

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Over 80 Years of Industry Experience and Partnership

More than 500 unemployment account service personnel with **70 team members** dedicated specifically to UI tax

Dedicated Unemployment Insurance Program Relationship (UIPR) team laser-focused on ever-changing unemployment laws, regulations, issues and trends at the federal and state level

Highly-valued partner to industry and government organizations such as:



Founding member of the State Information Data Exchange System



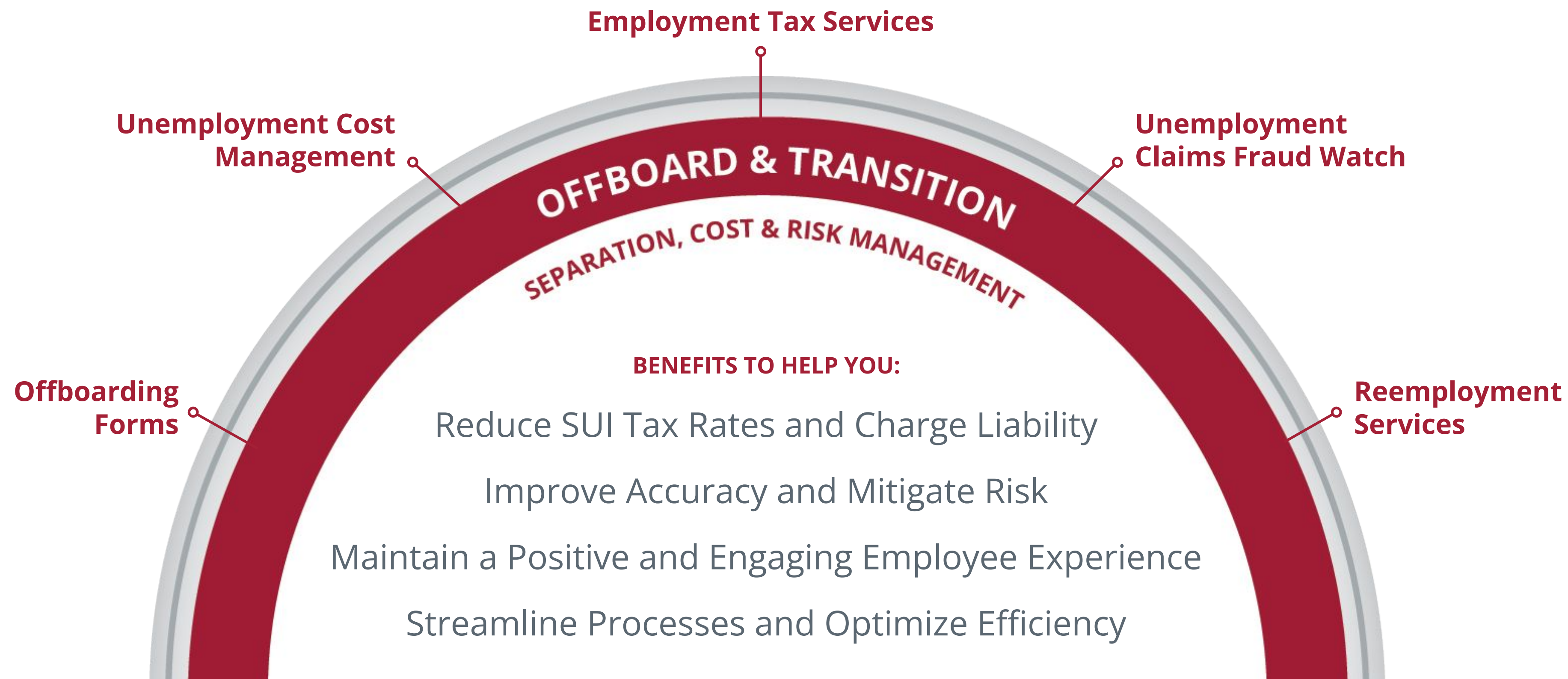
Scaled to support a **278% increase** in unemployment claims when the COVID-19 pandemic began — managing as many claims in one month as we typically manage in an entire year

We partner with industry, state and federal organizations on process improvements that affect employers, states and third-party administrators

We have invested **over \$9 million** in the development of technology solutions focused exclusively on expedited and efficient claims response, enhanced determination results, and compliance with UI Integrity legislation.

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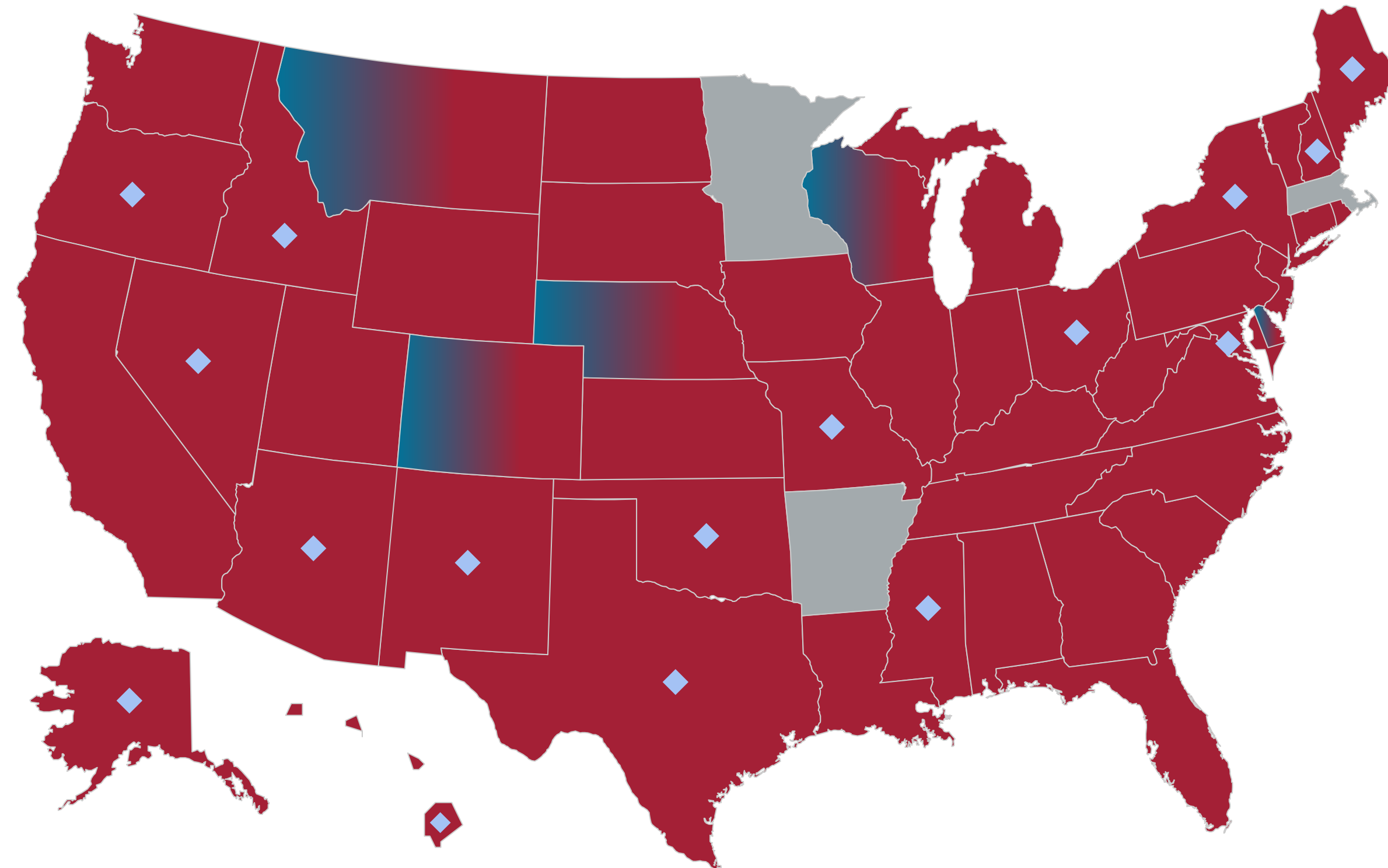
A More Holistic Approach to Completing the Employee Journey



Key Takeaway: We are redefining what unemployment cost control means. Our investments in innovation and improvement support the entire offboarding process.

SIDES Integration

Our extensive integrations receive and respond in a standard electronic format that improves the user experience and provides operational efficiencies.



Enables existing file review, online submissions, “response ready” notifications and more secure response retrieval

Addresses key challenges:

- Access to Information
- Timely Responses
- Improved Accuracy
- Data Security
- 24x7x365 Access
- Audit Trail

- Live: Separations and Monetary Determinations
- Live: Decisions and Determinations Exchange
- ◆ In Planning: Decisions and Determinations Exchange
- Have Not Committed
(We utilize bots to retrieve information)

Key Takeaway: Our investments in SIDES allow us to receive all claim activity electronically and in real-time — maintaining higher levels of security and reducing the time to respond.

More Transparent, Proactive On-demand Reporting

Helping provide you with the insights you need, when you need them.

Our proprietary web-based Reports Application system provides clients with actionable insights and a comprehensive view of your UCM program, with reports including:

Claim Status

A consolidated view of claim activity during a selected report period

Compliance Analysis

Quickly identify opportunities to improve controllable situations that have resulted in potentially avoidable liability

Period Charges

Keep a close eye on charges and charge credits that are crucial to your business with immediate access to forecast the real financial impact

UI Integrity Status

See the status of your claims responses tied to Unemployment Insurance Integrity requirements for each state

Unit Performance Analysis

Help uncover opportunities for additional training and attention within your organization

Unemployment Summary

Summary of specific performance metrics you can easily share

Key Takeaway: Our more transparent, robust reporting application helps you to identify key performance indicators and actionable insights that can help you uncover improvement and educational opportunities to help drive overall cost reductions.

Unemployment Claims Fraud Watch

Connecting unemployment claims and the alerting capability of our identity theft protection solution to proactively monitor for unemployment claims filed using your associates' identities and rapidly notifying them if we identify a claim submitted in their name.

Unemployment Claims Monitoring and Alerts

Proactive monitoring for claims filed using associates' identities

Direct notifications when a claim is submitted in their name

Helps reduce administrative tasks of identifying fraud and notifying associates

Dedicated Resolution Specialists

Direct personalized support from identity experts

Helps associate victims of UI fraud report and resolve the fraud

Helps save time, provides greater peace of mind when resolving fraud and helps reduce losses in productivity

Ongoing Identity Protection

Associates enroll in ID Watchdog as a voluntary benefit

Award-winning solution with advanced monitoring, protection, and resolution for the whole family

Unemployment claims monitoring across your workforce

UCM and Identity Protection integrated under one company

Access to live support 24/7/365 from U.S.-based agents

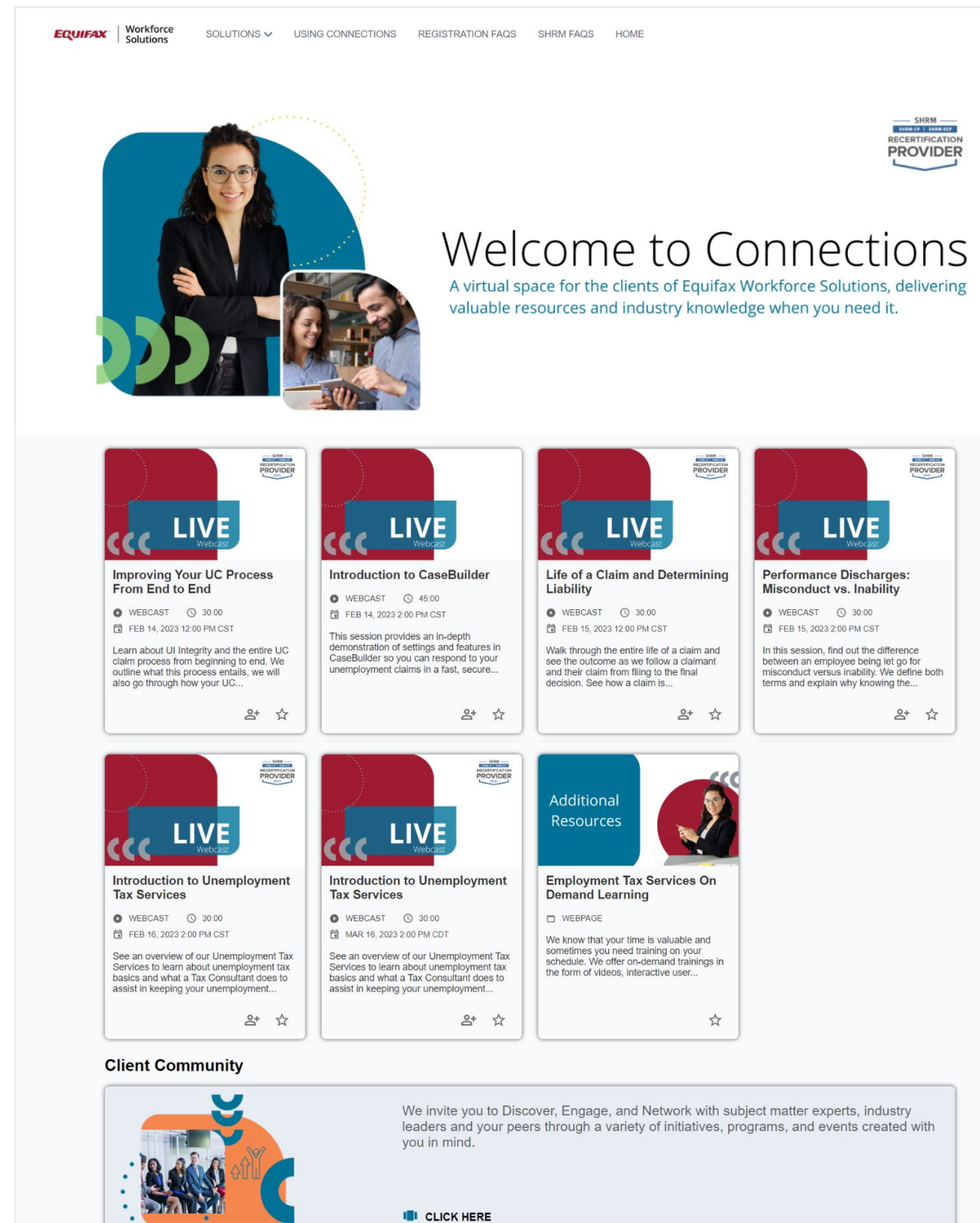
More features to help protect against identity fraud for associates and their families

Key Takeaway: Expanding claim filing notifications can increase the chances of catching fraud and stopping payments sooner — helping reduce costs and providing an important benefit to associates.

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Enabling Improvement with Training

Our goal is to help you optimize your program and maximize your investment by helping ensure you have everything you need to follow proper procedures and streamline your processes.



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SHRM
RE-CERTIFICATION
PROVIDER

Welcome to Connections

A virtual space for the clients of Equifax Workforce Solutions, delivering valuable resources and industry knowledge when you need it.

LIVE
Webcast

Improving Your UC Process From End to End

● WEBCAST ⌚ 30:00
📅 FEB 14, 2023 12:00 PM CST

Learn about UI Integrity and the entire UC claim process from beginning to end. We outline what this process entails, we will also go through how your UC...

👤+ ☆

LIVE
Webcast

Introduction to CaseBuilder

● WEBCAST ⌚ 45:00
📅 FEB 14, 2023 2:00 PM CST

This session provides an in-depth demonstration of settings and features in CaseBuilder so you can respond to your unemployment claims in a fast, secure...

👤+ ☆

LIVE
Webcast

Life of a Claim and Determining Liability

● WEBCAST ⌚ 30:00
📅 FEB 15, 2023 12:00 PM CST

Walk through the entire life of a claim and see the outcome as we follow a claimant and their claim from filing to the final decision. See how a claim is...

👤+ ☆

LIVE
Webcast

Performance Discharges: Misconduct vs. Inability

● WEBCAST ⌚ 30:00
📅 FEB 15, 2023 2:00 PM CST

In this session, find out the difference between an employee being let go for misconduct versus inability. We define both terms and explain why knowing the...

👤+ ☆

LIVE
Webcast

Introduction to Unemployment Tax Services

● WEBCAST ⌚ 30:00
📅 FEB 16, 2023 2:00 PM CST

See an overview of our Unemployment Tax Services to learn about unemployment tax basics and what a Tax Consultant does to assist in keeping your unemployment...

👤+ ☆

LIVE
Webcast

Introduction to Unemployment Tax Services

● WEBCAST ⌚ 30:00
📅 MAR 16, 2023 2:00 PM CDT

See an overview of our Unemployment Tax Services to learn about unemployment tax basics and what a Tax Consultant does to assist in keeping your unemployment...

👤+ ☆

Additional Resources

Employment Tax Services On Demand Learning

📄 WEBPAGE

We know that your time is valuable and sometimes you need training on your schedule. We offer on-demand trainings in the form of videos, interactive user...

☆

Client Community

We invite you to Discover, Engage, and Network with subject matter experts, industry leaders and your peers through a variety of initiatives, programs, and events created with you in mind.

🖱️ [CLICK HERE](#)

Visit the Connections Training Website here:
<https://gateway.on24.com/wcc/eh/3589033/connection>
S

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Employer Unemployment
Insurance Resource Center

Workforce Wise™ Blog

Unemployment Cost Management Blogs

Unemployment Tax Rate Blog

- FUTA credit reduction updates
- State trust fund balances
- Annual taxable wage bases
- Correlation of state trust fund balances to SUI tax rates
- State actions potentially impacting unemployment tax rates

SUI Tax Guide

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Q & A Session

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workforce.equifax.com/contact



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