

Welcome

**Unemployment Compensation
Seminar for Employers**

**Alabama Department of
Industrial Relations**

MANAGING YOUR UNEMPLOYMENT INSURANCE (U. I.)



Website: <http://dir.alabama.gov/>

OUTLINE

- **Brief History of U.I.**
- **Today's U.I. Purpose & Goals**
- **Understanding the Law – Benefits & Contributions**
- **7 Helpful Tips to Manage Your Contribution Rate**



**HAPPY 74th BIRTHDAY
UI!**

TODAY'S U. I. & GOALS

- PRIMARY OBJECTIVE
- FEDERAL / STATE PARTNERSHIP
- CONTRIBUTIONS PAID TO STATE - FUND BENEFITS

GOALS

- PAY BENEFITS TIMELY WHEN DUE
- COLLECT MINIMUM CONTRIBUTIONS

UNDERSTANDING UI LAW

BENEFITS

- **Min. \$45 per week for Max. 26 weeks**
Prior to 07/05/09
- **Max. \$255 per week for Max. 26 weeks**
- **Max. Benefit charge \$6,630**

After 07/05/09

- **Max. \$265 per week for Max. 26 weeks**
- **Max. Benefit charge \$6,890**

Eligibility for Benefits

- Employed by a covered employer
- Earned wages in at least 2 quarters of **base period** (first 4 of the last 5 completed calendar quarters)
- Avg. wages for 2 highest quarters must equal at least \$1,068.01
- Registered with Employment Service (ES)
- Physically & mentally able to work
- Making an effort to secure work

UNDERSTANDING UI LAW

EXPERIENCE RATING

- **Fair allocation of cost**
- **Promotes employment stability**
- **Encourages employer participation**

UNDERSTANDING UI LAW

Experience Rating

NEW EMPLOYER RATE

- Rate = 2.70% on first \$8,000
- Est. length of time it takes before rate based on experience = from 8 to 11 calendar qtrs

UNDERSTANDING UI LAW

www.dir.alabama.gov

Contribution Rate For Experience – Rated Employers



UNDERSTANDING UI LAW

NEW UI LAW

SUTA DUMPING PREVENTION ACT

UNDERSTANDING UI LAW

U. I. CONTRIBUTIONS

- Rate Schedule declared by Dec. 1 of each year (A, B, C & D)
- Alabama U I - from 0.20% to 6.80% of 1st \$8,000
- \$16.00 vs. \$544.00 per EE per calendar year

* Above figures without shared cost

UNDERSTANDING UI LAW

Rate Computation

BENEFIT RATIO:

- 3 previous fiscal years* of **benefit charges**
3 previous fiscal years of **timely paid on payroll**
- **Benefit Ratio** factor applied to Rate Table using the appropriate schedule = Employer Rate

*Fiscal year – period beginning July 1 and ending following June 30

UNDERSTANDING UI LAW

Shared Costs

- "Costs" which cannot be effectively charged to a specific employer
- 2009 shared cost applies to all experience-rated employers
- 2009 shared cost = .30%
2010 shared cost = .60% Estimated

UNDERSTANDING UI LAW

Current Cost Per Employee for 2009 & The Shift to Schedule D

<u>YEAR</u>	<u>SCHEDULE</u>	<u>MIN.</u>	<u>MAX.</u>	<u>RANGE OF COST PER EE *</u>
2009	C	.80%	6.40%	\$ 64.00 - \$512.00
2010	D	1.25%	7.40%	\$100.00 - \$592.00

*Range of cost per employee figured on the first \$8,000 of wages and estimated shared cost of .60

What's New on the Internet?

Alabama Department of Industrial Relations - Windows Internet Explorer

https://dir.alabama.gov/eGov/Default.aspx

File Edit View Favorites Tools Help

Alabama Department of Industrial Relations

processed. The system will notify the user how many jobs in combinations and provides a confirmation number for each processed return. For more information, please [click here](#) for file format specifications.

Approved for > **Employer Account Status**
Register for a state unemployment insurance (SUI) account number or change your UC mailing address and/or telephone number.

Approved for > **Quarterly Reporting / EFT**
File your quarterly unemployment compensation report. Use this [link](#) for hand-key, upload and EFT applications.

Approved for > **Tax Rate / Advanced Payment Rate Notice**
Coming Soon The 2010 Unemployment Tax Rate Notice will soon be available for download with an anticipated availability date of December 3, 2009, and no later than January 31, 2010; you may view/download your 2009 Unemployment Tax Rate Notice now.

Governmental employers may download their Advance Payment Rate Notice for Fiscal Year beginning October 1, 2010, no later than April 1, 2010; you may view/download your Advance Payment Rate Notice for Fiscal Year beginning October 1, 2009, on October 1, 2009.

Approved for > **UC Electronic Correspondence**
Respond to requests for information on unemployment compensation claims. [Ben241 instructions \(pdf\)](#)
The UC10C tax form is also available [here](#).

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Internet 100%

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7 HELPFUL TIPS TO MANAGE UI CONTRIBUTION RATE

1. Keep track of your former employees
2. Maintain good employee records
3. Help combat fraud: 1-800-392-8019
4. New Hire Program
Internet Access to
report new-hires



www.dir.alabama.gov

Alabama Department of Industrial Relations - Windows Internet Explorer

http://dir.alabama.gov/

File Edit View Favorites Tools Help

Alabama Department of Industrial Relations



Alabama Department of
INDUSTRIAL RELATIONS



DIRECTOR THOMAS SURTEES

Tuesday, July 07, 2009

Contact Us | About Us | Site Map | Search

DIR PRESS RELEASES

Unemployment Compensation
Maximum Weekly Benefit Amount
Rises - 7/2/2009 (more)

Mobile Resident Arrested and Convicted
of Unemployment Compensation Fraud
- 6/30/2009 (more)

Birmingham Resident Arrested and
Convicted of Unemployment
Compensation Fraud - 6/30/2009 (more)

All Press Releases

NEWS YOU CAN USE

Things you might want to know -
Articles for Business - updated
monthly

Alabama Unemployment Rate
Information

**IMPORTANT NEWS ABOUT THE EMERGENCY
UNEMPLOYMENT COMPENSATION EXTENSION**

1099 G Tax Document Available Here

Unemployed Workers
File new claims, Weekly certifications, Emergency
Unemployment Compensation claims (EUC08) or obtain information

Welcome
From the Director

Citizen
Employees and Job
Seekers start here!

Help!
Common Questions

Downloads
Guides, Forms & Posters

Business
For Employer
Services start here!

egov
For Internet
Applications start here!

Department Quick Links

HOT LINKS TO:

- Work Opportunity Tax Credit (WOTC)
- Alabama Business Resource
- Veteran Services/"Operation Grateful Heart"
- Alabama Job Fairs
- PEO Registration
- DIR Phone Directory
- Search for new Job
- UC Phone Numbers
- Report Fraud
- New-Hire Program
- UC Partials Program
- Foreign Labor Certification
- Career Centers

Mission Statement

The mission of the Alabama Department of Industrial Relations is to effectively use tax dollars to

start 2 Micr... 1: LT-1... Notes f... My Doc... Microso... Alabam... Internet 100% 5:07 PM

Start here to file your New Hire

The screenshot shows a Windows Internet Explorer browser window displaying the Alabama Department of Industrial Relations New Hire homepage. The browser's address bar shows the URL <http://dir.alabama.gov/nh/>. The page features a header with the Alabama Department of Industrial Relations logo and navigation links for [Contact Us](#), [About Us](#), and [Site Map](#). A search bar is also present. The main content area is titled "Alabama New-Hire Homepage" and lists several key services:

- New-Hire Quick Facts**: General information to help you better understand the Alabama New-Hire program.
- Reporting Requirements**: Information to employers on reporting requirements, including time frames and documentation.
- New Hire Electronic Filing**: Report New-Hires electronically through our New-Hire reporting program or you can upload your ASCII text file (that conforms to the [New-Hire file format](#)) directly from your web browser.
- Registration**: How to register with Alabama New-Hire.
- Frequently Asked Questions**: Your guide to frequently asked questions regarding the New-Hire program.
- Social Security Number Verification**: The Social Security Administration now has an online option for verifying Social Security Numbers. Once registered with this SSA online service you will be able to receive immediate verification of a SSN. Using this tool at the time-of-hire, as part of the intake process will ensure that correct wage information is provided. Register and access this tool at: <http://ssa.gov/employer/ssnv.htm>
- Contact Information**: Information on how to contact Alabama New-Hire, including address, phone/FAX numbers and e-mail address.

At the bottom of the page, there is a section titled "New-Hire Quick Facts". The Windows taskbar at the bottom shows the Start button, several open applications (including Microsoft Office Word and Excel), and the system tray with the time 5:12 PM.

HELPFUL TIPS CONTINUED

5. Respond Timely to UI Forms

Examples:

Form Ben-241	(6 days to respond)
Form Ben-8	(15 days to respond)
Form Ben-8A	(15 days to respond)
Form UC-212	(30 days to respond)
Form UC-216	(30 days to respond)

HELPFUL TIPS CONTINUED

6. Be Prompt Filing Contribution & Wage Reports via electronic filing

a. Internet Access to File Report

Effective June 2009 electronic filing is mandatory for all employers

b. Interactive Voice Response (IVR) System

1-877-581-5880 (toll free)

c. Paid tax preparers are required to file electronically and should file Power of Attorney forms with the Experience Rating Section of this agency. Ms Jo Doyal Supervisor, Telephone 334-242-8888 or Fax 334-242-2068

Helpful Tips Continued

7. Notify Status Unit of Change in Mailing Address:

Via e-Gov/Employer Account Status you can Change an Address and Register a New Employer

Status Section contact information:

Ms Marcia Pemberton, Supervisor

Telephone - 334-242-8830

Fax - 334-242-2067

Website <http://dir.alabama.gov>
Click <egov> button to log in to the eGov (Internet) site.

The screenshot shows a Windows Internet Explorer browser window displaying the Alabama Department of Industrial Relations website. The browser's address bar shows the URL <http://dir.alabama.gov/>. The website header features the Alabama state seal and the text "Alabama Department of INDUSTRIAL RELATIONS". A portrait of Director Thomas Surtees is visible in the top right corner. The main content area is divided into several sections:

- DIR PRESS RELEASES:** Includes news items such as "Unemployment Compensation Maximum Weekly Benefit Amount Rises - 7/2/2009" and "Mobile Resident Arrested and Convicted of Unemployment Compensation Fraud - 6/30/2009".
- IMPORTANT NEWS ABOUT THE EMERGENCY UNEMPLOYMENT COMPENSATION EXTENSION:** A central banner for "1099 G Tax Document Available Here" and "Unemployed Workers" with a button to "File new claims, Weekly certifications, Emergency Unemployment Compensation claims (EUC08) or obtain information".
- Navigation Buttons:** "Welcome From the Director", "Citizen Employees and Job Seekers start here!", "Help! Common Questions", "Downloads Guides, Forms & Posters", and "Business For Employer Services start here!".
- egov Button:** A prominent "egov" button with the text "For Internet Applications start here!".
- Department Quick Links:** A dropdown menu listing various services like "Work Opportunity Tax Credit (WOTC)", "Alabama Business Resource", "Veteran Services/'Operation Grateful Heart'", "Alabama Job Fairs", "PEO Registration", "DIR Phone Directory", "Search for new Job", "UC Phone Numbers", "Report Fraud", "New-Hire Program", "UC Partial Program", "Foreign Labor Certification", and "Career Centers".

The footer contains a "Mission Statement" and the text: "The mission of the Alabama Department of Industrial Relations is to effectively use tax dollars to...". The Windows taskbar at the bottom shows the Start button, several open applications (including Microsoft Office Word and PowerPoint), and the system clock showing 1:52 PM on 7/6/2009.

OUTLINE

- **Brief History of U.I.**
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U. I. Benefits & Contributions**
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CONCLUSION

As always in life, some things are out of our control. However, your level of participation in the U.I. Program is directly reflected in your rate.

Website: <http://dir.alabama.gov/>