



CLAIMS MANAGEMENT HANDBOOK for School Employers

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FOR SCHOOL EMPLOYERS**

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FOREWORD

The purpose of this handbook is to provide information to assist School Employees Fund (SEF) employers in managing their Unemployment Insurance (UI) costs.

In 1978, the California Unemployment Insurance Code (CUIC) Section 822 was amended to establish the SEF. The SEF is a joint, pooled risk unemployment insurance (UI) fund, administered by the Employment Development Department (EDD). The CUIC Section 821.3 states that “administrator” means the Director of the EDD. The SEF is funded by quarterly contributions from school employers based on a percentage of total wages paid by school employers to their employees (the percentage is the same for all SEF participants). The contributions deposited in the SEF are used to reimburse the UI Trust Fund for the actual costs of UI benefits paid to former employees of the school employers.

Public school districts (kindergarten through 12th grade) and community colleges may elect to participate in the SEF instead of selecting the experience rating method that most commercial (private for-profit) employers use, or the reimbursable method which is used by many nonprofit and public employers to finance their UI contributions. The experience rating and reimbursable methods are generally more costly for school employers than participating in the SEF. As of June 30, 2007, 72 California community colleges and 1,251 public schools participate in the SEF.

Each county superintendent of schools has the responsibility of establishing, coordinating, and maintaining an unemployment insurance management system for each school employer participating in the SEF. This is mandated by Section 1330 of the California Education Code (EC). This responsibility may be delegated to another county superintendent, any other district, a third party administrator, or to a combination of these entities.

The CUIC, Section 826, also mandates that each year the administrator of the SEF shall transfer two dollars (\$2.00) per covered school employee to the Superintendent of Public Instruction (SSPI) or Chancellor of the California Community Colleges (CCCC), as appropriate, to cover the administrative costs set forth in Section 1330 of the EC. In other words, school employers participating in the SEF receive monies from the SEF to administer their UI management system.

The two dollars per covered school employee is provided from interest earnings from the SEF (less state administrative costs which cannot exceed \$0.05 per covered employee), and is annually apportioned to the SSPI and the CCCC for administration of their UI management systems.

The contribution rate for SEF participants may be adjusted based on estimated liabilities and the balance of the fund. The CUIC, Section 823(c) states if the administrator of the SEF finds the ability to meet its estimated obligations of paying UI benefits promptly when due will become endangered, the SEF contribution rate may be increased to a level

estimated to be needed to protect the solvency of the fund. This means that if the SEF appears to be unable to meet all its estimated liabilities (i.e., a reduction in the fund balance due to an increase in UI benefits paid to former school employees who are laid off), the SEF UI contribution rate may be increased in order to protect the solvency of the fund to meet the estimated increase UI benefit payments. The CUIIC Section 823(c) also allows for the administrator to lower the contribution rate if the SEF reserve balance is estimated to be greater than is needed to meet UI benefit payment obligations. The School Employer Advisory Committee (SEAC) is a participant in considerations of a change to the contribution rate.

In order for school employers to minimize their own UI Costs and to keep the joint-pooled SEF sound for all employers participating in the SEF, it is important that all school employers have an efficient UI management system in place. This handbook is published to assist school employers meet the solvency goal on an ongoing basis.

CHAPTER I

INTRODUCTION

A. HISTORY OF UNEMPLOYMENT INSURANCE

The Unemployment Insurance (UI) program was included in legislation passed by the U.S. Congress as part of the Social Security Act of 1935. The intent of the UI program is to assist workers, who have lost their jobs through no fault of their own, by providing UI benefits and assistance finding new work in order to reduce the economic impact of unemployment to the individuals and the community.

The Employment Development Department (EDD) administers California's UI program based on federal and state law and pursuant to the guidelines established by U.S. Department of Labor. The California Unemployment Insurance Code (CUIC) is the legal basis used in the administration of California's UI program.

B. PUBLIC SCHOOL COVERAGE

In 1972, legislation added Section 1253.3 to the CUIC to conform to federal unemployment law regarding school employees. In 1976, federal legislation modified how UI benefits were administered for school employees. California legislation followed in order to conform to federal law. Over the years, federal law has changed regarding school employees and as a result, separate state legislation was enacted to modify or add to the CUIC sections that pertain to school employees.

The CUIC Section 1253.3 is the statute that provides, in general, that individuals whose UI benefits are based on work performed for an educational institution are ineligible for UI benefits when the school is in a recess period, and the individual has reasonable assurance to return to work with the school employer in the same or similar capacity following the recess period.

The Classified School Employees Fund was established in 1972 for public school (kindergarten through 12th grade) and community college district employers to finance UI for classified employees only. Legislation passed in 1978 expanded UI coverage to all school employees and changed the name of the fund to the School Employees Fund (SEF). Unemployment Insurance coverage for school employees is established in the CUIC Sections 821 through 832. The provisions of these sections in part are:

1. School district employers reimburse the UI Fund for the cost of benefits paid via membership in the SEF.
2. School district employers remit a percentage of total wages to pay for UI benefits.

3. The establishment of the SEF in the State Treasury to both receive contributions from school district employers and reimburse the UI Fund for benefits paid to school employees.
4. The establishment of a Local Experience Charge (LEC) for each school employer based on the employer's reserve ratio. The LEC is calculated annually.

Excluded from UI coverage are students and students' spouses working where they or their spouses are enrolled, as well as elected officials, and employees in work training or work-relief programs.

All public school districts may elect to be in the SEF. If school employers choose not to participate in the SEF, the school employer may choose to finance UI costs in the same manner as other public entities, or non-profit or private employers by either directly reimbursing the total benefits costs, or paying a payroll tax to the UI Fund. All school districts in the SEF receive a UI tax employer account number which identifies specific charges to employers in the SEF.

The California Education Code Section 1330 requires each county superintendent of schools to operate directly, or by contract, a UI management system for each school employer in the fund, or optionally to delegate these duties to any district or other county superintendent of schools.

The SEF is required to transfer two dollars per covered employee annually to the State Superintendent of Public Instruction or the Chancellor of the California Community Colleges, as appropriate, to apportion to each county superintendent of schools to pay the administrative costs of the UI management system.

The Local Experience Charge (LEC) levied on each school employer is based on the employer's reserve ratio. The ratio is calculated annually by dividing the reserve balance at the end of the fiscal year (cumulative from the beginning of the employer's participation in the SEF), which began 24 months prior to the fiscal year for which the rate is being calculated, by benefits paid during that same prior fiscal year. The number of times the reserve balance exceeds the benefit charges determines the employer's LEC rate at 0, 5, 10, or 15 percent.

As part of the UI management system, the five member School Employer Advisory Committee (SEAC) was created to meet to consider and recommend improvements concerning the administration of the SEF. The creation of the committee is legislatively mandated by Section 831 of the CUIC. The SEAC is required to meet at least semi-annually with the administrator of the EDD (Director of the EDD). The committee consists of one (1) appointee from each of the following:

- State Superintendent of Public Instruction (SSPI)
- Chancellor of the California Community Colleges (CCCC)

- Association of California School Administrators (ACSA)
- California Association of School Business Officials (CASBO)
- California School Boards Association (CSBA)

C. RESOURCES

This publication is available on the EDD Web site at:

 http://www.edd.ca.gov/pdf_pub_ctr/de3450sef.pdf

The Web site address for information regarding the SEF is:

 http://www.edd.ca.gov/Payroll_Taxes/School_Employees_Fund.htm

For a better understanding of UI law and regulations, and the UI program in general, there are numerous publications and web sites available, including the resources listed below.

1. California Unemployment Insurance Code (CUIC)

The CUIC is the legal basis for the California UI program. The CUIC section is always referenced in the Notice of Determination, DE1080EZ. The CUIC is available on the Internet at:

 <http://www.leginfo.ca.gov/calaw.html>

The CUIC may be purchased by calling or sending a written request to:

Employment Development Department
Subscriptions and Publications, MIC 62-1
P. O. Box 826880
Sacramento, CA 94280-0001
(916) 654-7638

2. California Code of Regulations, Title 22

The California Code of Regulations is maintained by the California Office of Administrative Law. There are a total of 28 Titles in the California Code of Regulations; UI is under Title 22, Social Security. It is available in public law libraries, many private law offices or you may access the California Code of Regulations through the Internet at:

 <http://www.oal.ca.gov>

The California Code of Regulations, Title 22, may be purchased by contacting:

Barclays Law Publishers
P. O. Box 95767
Chicago, IL 60694-5767
(800) 888-3600
Fax: (650) 244-0408

3. Benefit Determination Guides (BDGs)

The UI Benefit Determination Guides (BDGs) consist of eight references used by EDD personnel to make eligibility determinations for all UI issues. School Employee issues are specifically addressed in the Miscellaneous volume, Section 65. The BDGs may be accessed through the Internet at:

 <http://www.edd.ca.gov/UIBDG/>

The Benefit Determination Guides may be purchased by sending a written request to:

Employment Development Department
Subscriptions and Publications Unit, MIC 62-1
P.O. Box 826880
Sacramento, CA 94280-0001

4. Employer's Guide (DE 44)

Published by the EDD, and provided to employers at no charge, the Employer's Guide is a brief comprehensive booklet, updated annually, which provides guidance and serves as a quick reference. It covers both the UI and State Disability Insurance (SDI) programs, along with descriptions of the taxing provisions associated with each program. Additional information can be obtained from the EDD staff at any Employment Tax Customer Service Office. The DE 44 may be viewed on the Internet at:

 http://www.edd.ca.gov/pdf_pub_ctr/de44.pdf

5. Managing Unemployment Insurance Costs (DE 4527)

This booklet is also published by the EDD and provided to employers at no charge. The DE 4527 is an employer's guide to the UI program and controlling UI costs.

The DE 4527 may be viewed on the Internet at:

 http://www.edd.ca.gov/pdf_pub_ctr/de4527.pdf

NOTE: The DE 44 and the DE 4527 may be ordered, at no charge, from the EDD Web site at:

 <http://www.edd.ca.gov/forms/default.asp>

6. Precedent Decisions

Precedent Benefit (P-B), Precedent Tax (P-T) and Precedent Ruling (P-R) decisions are rendered and published by the California Unemployment Insurance Appeals Board (CUIAB). The precedent decisions apply to tax, disability, and UI cases. These decisions are binding on the EDD and on the CUIAB's Administrative Law Judges (ALJs).

Precedent decisions are published individually and as bound volumes. An Index Digest is published to provide both an index and cross-reference. The bound volumes and Index Digest provide the most comprehensive and detailed reviews of the PB decisions and the CUIAB interpretations of the applicable Section.

You may also access the precedent decisions on the Internet at:

 http://www.cuiab.ca.gov/precedent_decisions.shtm

Printed precedent decisions may be obtained by mail request at:

Office of Chief Administrative Law Judge
P.O. Box 944275
Sacramento, CA 94244 - 2750

7. Unemployment Appeals - A Guide for Claimants, Employers, and Their Representatives (DE 1434), Appeals Procedure (DE 1433)

These are two publications provided by the CUIAB to help prepare for UI appeal hearings. The publications may be obtained by mail request at:

Office of Chief Administrative Law Judge
P.O. Box 944275
Sacramento, CA 94244 - 2750

8. California Employer

The newsletter is distributed by the EDD and contains information regarding legislative changes, regulation changes, and reporting requirements for California employers.

9. Additional information

For further information please visit the EDD Web site at:

 <http://www.edd.ca.gov/>

10. SEF Questions

Questions regarding employer status, registration, UI financing, and payment of contributions should be directed to the SEF Unit at:

School Employees Fund Unit
Employment Development Department
800 Capitol Mall, MIC 19
Sacramento, CA 95814
(916) 653-5380

Other SEF information (annual report, contribution rate, annual seminar and forms) is accessible on the Internet at:

 http://www.edd.ca.gov/Payroll_Taxes/School_Employees_Fund.htm

Other inquiries regarding the withholding of SDI premiums or Personal Income Tax (PIT) can be directed to the nearest Employment Tax Customer Service Office at 888-745-3886.

11. Forms and Publications

Most forms discussed throughout this publication may be accessed on the EDD Web site at:

 <http://www.edd.ca.gov/Forms/>

12. UI Fraud Prevention and Reporting

 http://www.edd.ca.gov/Payroll_Taxes/underground_Economy_Operations.htm

CHAPTER II

UNEMPLOYMENT INSURANCE ELIGIBILITY DETERMINATIONS AND MANAGING COSTS

This chapter is intended to provide employers and Unemployment Insurance (UI) specialists with a guide to good business practices that can help manage UI costs. Also, this chapter provides information regarding Employment Development Department (EDD) telephone eligibility interviews and the calculation of UI benefits.

UI benefits are paid to individuals who have lost their jobs through no fault of their own, and who meet all other eligibility requirements for the payment of benefits. Any individual who is unemployed (including working less than full-time) may file a claim for UI benefits. The individual must meet UI eligibility requirements initially and for each week for which he/she requests benefits, and must request benefits by mailing a bi-weekly claim form to the EDD for each period benefits are requested.

Good business practices can help reduce UI costs to the employer by ensuring the EDD has the information needed to appropriately allow or deny UI benefit payments to those filing a claim. Good record-keeping, responding to the EDD notices and requests for information, and making sure employees are aware of employer policies and expectations are essential elements of good business practices that can help manage UI costs.

A. EMPLOYMENT RECORDS

Employers reduce UI costs by keeping accurate and up-to-date employee records. Having accurate written information provides a non-subjective, factual account of an employee's work history. Good record-keeping allows an employer to provide the EDD with specific details (i.e., names, dates), which allows the EDD to accurately assess how the information may affect the claimant's eligibility for UI benefits. The following is information an employer may wish to include in an employment record for each employee:

- Job Description and Duty Statement.
- Qualifications, educational background, required to perform the duties.
- Compensation paid to individuals.
- Work History.
- Performance Evaluations.
- Disciplinary Actions.
- Exit Interview.

B. BUSINESS PRACTICES

Here are some reminders of general business practices employers can use, along with good record-keeping, that may help reduce UI costs:

- Provide employees with written copies of policies and procedures.
- Give written warnings when needed.
- Keep turnover to a minimum.
- Promptly respond to UI claim notices with accurate information and with as much detail as possible.
- Provide copies of appropriate employment records to EDD when requested to do so.
- Answer the Department interviewer's questions with detailed responses.
- Send additional eligibility information, acquired at a later date, to the address provided on Department correspondence.
- Appeal the Department's decision if you believe it is contrary to fact or law.
- Bring witnesses with first-hand knowledge of the facts to the appeal hearing.

C. TELEPHONE ELIGIBILITY INTERVIEW

When it appears that an individual's eligibility for UI benefits may be in question, the EDD conducts a telephone eligibility interview. The EDD eligibility determination staff calls employers and claimants to gather the facts needed to resolve eligibility issues. The EDD eligibility determination interviewer may contact an employer to obtain information regarding any of the following: the reason the claimant is no longer working for the employer, whether the claimant has reasonable assurance to return to work, the claimant's availability for work or ability to work, whether the claimant refused suitable work, and/or wages/compensation paid to the claimant.

If an employer has followed good business and record-keeping practices, the employer will be able to provide the needed information to the EDD interviewer quickly and accurately. This helps the employer manage UI costs by keeping the determination interview time to a minimum, and effectively makes an effort to protect charges to the employer's UI tax account by providing accurate and thorough information needed by the EDD to ensure benefits are allowed or denied appropriately pursuant to UI law.

The EDD interviewer calls the telephone number provided by the employer on the *Notice of Unemployment Insurance Claim Filed*, DE 1101CZ, *Notice of Wages Used for Unemployment Insurance Claim*, DE 1545R, or other correspondence mailed to the EDD by the employer. Employers should ensure that the person shown as the contact on the form has the details concerning the eligibility information provided on the form or in the correspondence. The employer should also ensure that the contact has the authority to release the information to the EDD interviewer.

The determination of eligibility is made by an EDD determination interviewer using the Benefit Determination Guides as a reference, based on the provisions of the California Unemployment Insurance Code (CUIC), Title 22 of the California Code of Regulations, prior Precedent Benefit (PB) Decisions issued by the California Unemployment Insurance Appeals Board (CUIAB), and prior appellate decisions issued by the courts.

The BDGs are available on the Internet at:

 <http://www.edd.ca.gov/UIBDG/>

For more information on preparing for a telephone interview, access the EDD Web site at:

 http://www.edd.ca.gov/unemployment/After_you_Filed.htm

Review these sections listed on the Internet page:

- Benefit Determination Guides (BDG). The section entitled “Fact Finding Guide” within a BDG section lists questions that may be asked regarding a particular issue during a telephone eligibility interview.
- Frequently asked questions.
- Meeting eligibility requirements.

An employer who becomes aware of information regarding issues that may affect a claimant’s eligibility for UI benefits after responding to the initial DE 1101CZ or DE 1545R, should submit the new information to the EDD for investigation. A base period employer, or the claimant’s last employer, will receive a copy of the EDD’s decision regarding the issue being investigated, when the facts are submitted in writing within ten days of the employer acquiring the knowledge.

The employer must submit specific facts regarding the potential issue. For instance the reason(s) the claimant is not able and/or available for work, the specifics of a refused offer of work, and/or payments made to a former employee.

Separations from Work

Based on law, the EDD categorizes an individual's separation from an employer in one of four situations:

- Work ends due to a layoff (lack of work),
- A discharge,
- A voluntary quit, or
- A trade dispute.

The last employer that an individual worked for before filing a UI claim is notified about the claim with a *Notice of Unemployment Insurance Claim Filed*, DE 1101CZ sent to that employer by the EDD.

Layoff Due to Lack of Work

When an employee is laid off, the employee is unemployed, through no fault of his or her own, as the result of a lack of work. Unless there are other eligibility issues that may prevent payment of UI benefits, the claimant who is laid off due to lack of work, is eligible for UI benefits.

When the individual was laid off due to lack of work, the employer does not need to respond to the DE 1101CZ unless the employer wishes to provide other eligibility information (job refusal, separation payments, reasonable assurance, availability or ability to work etc.).

Voluntary Quit – CUIC Section 1256

Voluntarily quitting a job does not disqualify the claimant from receiving benefits if the quit was for "good cause." The California Code of Regulations, Title 22, Section 1256-3 defines good cause as:

"Good cause" exists for leaving work, when a substantial motivating factor in causing the claimant to leave work,...is real, substantial, and compelling and would cause a reasonable person genuinely desirous of retaining employment to leave work under the same circumstances."

The reason for quitting does not have to be work-related, or involve the employer. Quitting for personal reasons may be with good cause if they are of a compelling nature.

It is the claimant's responsibility to prove "good cause" for quitting his/her job. The claimant has a duty to try to preserve his/her job. The Department will interview the claimant and may also contact the employer regarding what efforts the claimant made to try to preserve his/her employment.

Leave of Absence

When considering whether a claimant quit his or her employment with good cause, whether or not a leave of absence was available to an employee, and whether the employee requested a leave of absence is taken into consideration. A leave of absence preserves the employment relationship when certain circumstances require an individual to be absent from the job for a reasonable period of time. The following are some suggestions regarding leaves of absence:

- Permit leaves of absence when possible.
- Discuss your leave policy with employees.
- Document leaves granted, the beginning and ending dates of the leave, and any extensions of the leave.
- Document leaves denied and the reasons for denial.
- Document if a leave of absence is refused and why.
- Document when and why a claimant failed to return from a leave of absence.

Quitting work without good cause will result in a denial of benefits.

The following reasons are generally considered to be good cause for quitting:

- To accept permanent employment at a substantially higher wage (generally more than a ten percent increase is considered “substantially higher”).
- Leaving temporary or part-time work for full-time employment.
- The work constitutes a risk to health or safety.
- Sexual harassment.
- To escape domestic violence.
- To maintain family unity by relocating with spouse or registered domestic partner.

The following reasons are generally considered not to be good cause for quitting:

- Looking for other work (no actual job offer has been made).
- Attending school.
- Becoming self-employed.
- Retirement.

Listed below are examples of some of the questions regarding an eligibility issue for a voluntary quit that may be asked of employers and claimants during the telephone eligibility interview.

- Quit to attend school or training:
 - Was the claimant required by law to attend school or training?
 - Did the claimant have any alternative to quitting?

- Was the claimant attending school under a formal apprenticeship program, or other approved training program?
- Quit due to travel: time, distance, and cost factors:
 - Did the claimant leave the job because of reason related to transportation? If yes, what were the reasons?
 - What did the claimant do to solve the transportation problem prior to quitting?
 - Were there other reasons for leaving the job in addition to the transportation problem?
- Quit due to domestic circumstances:
 - Was a leave of absence available? Was a leave requested? If not, why not?
 - If the claimant moved to care for someone else, was the claimant's presence required, or necessary?
 - If the claimant quit to avoid a domestic violence situation, what actual necessity was there for leaving work?
- Quit due to health and safety:
 - If the quit was because of the claimant's health, did the claimant quit on the advice of a physician?
 - Was the claimant physically unable to work at the time of leaving?
 - If the claimant left work due to a belief of imminent illness or injury: What was the basis for the belief? Was the belief reasonable? Were the risks inherent to the occupation?
- Quit due to personal affairs:
 - Retirement: Why did the claimant elect to retire at the time he/she left work?
 - Self-Employment: Was the employment the claimant quit permanent or temporary?
 - Financial Difficulties: What was the nature of the claimant's financial difficulty?
- Leaving for Other Work:
 - Was the claimant's primary reason for leaving to: Seek other employment or accept other employment?
 - If the job was not initially better, would the job have been better over the long run?
 - What were the days worked, hours worked, and salary of the job the claimant quit, and the new work?

- Quit due to working conditions:
 - Did the claimant have an expressed or implied contract of hire, such as a union collective bargaining agreement?
 - How were the claimant's conditions more difficult than those of other employees?
 - Was the claimant's situation addressed in a written company policy or personnel practice?

Discharge – CUIC Section 1256

Discharging an employee does not disqualify the claimant from receiving benefits if the discharge was not for “misconduct” connected with his/her most recent work. The California Code of Regulations, Title 22, Section 1256-30 states:

“Misconduct connected with his or her most recent work exists for an individual's discharge if all of the following elements are present:

1. The claimant owes a material duty to the employer under the contract of employment.
2. There is a substantial breach of that duty.
3. The breach is willful or wanton disregard of that duty.
4. The breach disregards the employer's interests and injures or tends to injure the employer's interests.”

It is the employer's responsibility to prove the claimant was discharged for “misconduct.” The misconduct must be connected with work. Such as:

- Violation of a company rule: The claimant must have had knowledge of the rule. The rule must be reasonable and lawful.
- Poor attendance, unsatisfactory job performance: May amount to misconduct if it was within the employee's control to meet the requirements of the employer, but the employee willfully or negligently failed to do so.

An employer can better support a contention of misconduct when the employer keeps good records and documents occurrences of an individual's breach of a duty owed to the employer, and warnings given to the individual regarding the individual's conduct. The employer who has documentation which supports misconduct may be better able to protect the employer's UI tax account from charges which will help manage the employer's UI costs.

The EDD determination interviewer generally will begin fact finding with the final event that caused the individual to be discharged. The employer's facts must support a causal relationship between the final incident and the termination of the individual. Once the final act has been established, the interviewer will request information regarding any prior occurrences, and/or warnings that were given to the claimant in order to support that the discharge was for misconduct.

A discharge for misconduct will result in a denial of benefits. The following reasons are generally considered to be misconduct:

- Theft of company property or property of other employees.
- Willfully or negligently damaging company equipment.
- Falsifying expense vouchers.
- Drinking alcohol on the job.
- Engaging in altercations with supervisors or other employees.

The following reasons are not generally considered to be misconduct:

- Inefficiency.
- Failure to meet performance standards as the result of inability or incapacity.
- Inadvertence or ordinary negligence in isolated instances.
- Good faith errors in judgment or discretion.

Listed on the following pages are examples of some of the questions that may be asked of employers and claimants during the telephone eligibility interview.

- Discharge due to attendance:
 - On what dates was the claimant absent or tardy?
 - Did the claimant ask for permission to be absent? If not, why not?
 - What was the date of the final tardy or absence that caused the claimant's discharge?
 - Had the claimant been warned? If so, provide dates and reasons for warnings.
 - Was the claimant aware of the employer's attendance policy? How was the claimant made aware of that policy?
 - Did the claimant notify the employer of absence or the reason for being tardy in accordance with the employer's policy?
- Discharge due to dishonesty:
 - What was the dishonest act?
 - How did the employer learn of the commission of the act?
 - Is there proof the claimant committed the dishonest act?

- Discharge due to health or physical condition:
 - What is the claimant's health or physical condition that resulted in discharge from the job?
 - Did the employer have other types of work, or job duties the claimant could have performed in lieu of being discharged?

- Insubordination:
 - What is the alleged act(s) of insubordination?
 - Disputing authority: When and where did the dispute take place?
 - Disobeying an order: What was the employer's order, instruction, or requirement that was disobeyed?
 - Were there prior instances of insubordination?

- Discharge due to neglect of duty:
 - When and what did the claimant neglect to do that resulted in the claimant's discharge?
 - Did the claimant attempt to conceal his/her neglect of duty?
 - Had the claimant been warned or reprimanded before for similar neglect of duty?

- Discharge due to violation of employer rule:
 - What was the rule allegedly violated by the claimant?
 - What was the purpose of the rule?
 - When did the rule violation occur?

Separation Due to Drug or Alcohol Addiction – CUIC Section 1256.4

CUIC Section 1256.4 provides, in part, that a claimant is disqualified from receiving UI benefits if he or she left his or her most recent employment due to an irresistible compulsion to consume intoxicants. The EDD will rely on the judgment of a competent professional to determine whether or not the claimant was able to abstain from using intoxicants.

Below are some questions an employer may be asked regarding a separation due to drug or alcohol addiction.

- What is the employer's policy or rule regarding the use of intoxicants?
- Does the claimant admit being intoxicated or using intoxicants?

Whether an individual entered into, or is continuing in, or has completed a drug or alcohol treatment program is confidential information. It may not be disclosed to anyone unless the claimant authorizes the information to be released.

A separation due to drug or alcohol addiction will result in a denial of benefits.

Trade Dispute – CUIC Section 1262

CUIC Section 1262 provides that an individual who leaves work voluntarily because of a trade dispute is not eligible for UI benefits. The individual remains ineligible for the period that the trade dispute continues in active progress at the establishment in which the individual was employed.

Employers involved in a trade dispute should contact the EDD at 916-654-7401 to request an investigation of the dispute. The employer should call within ten days of the date the individuals left work due to the trade dispute.

A Trade Dispute Specialist with the EDD Unemployment Insurance Policy and Coordination Division will gather information from the employer(s) and union(s) involved in the dispute. The Trade Dispute Specialist will issue a Trade Dispute Notice based on the facts gathered during the investigation. The Trade Dispute Notice is distributed to the EDD offices throughout the State and provides the results of the investigation and guidelines to the EDD staff to determine UI eligibility for those claimants involved in the trade dispute.

Other Eligibility Issues

Eligibility issues other than separations include:

- Able to work, available for work, and looking for work.
- Refusal of suitable work.
- Wages and other income.
- Reasonable assurance to return to work – see Chapter IV.
- False Statements.

Able and Available to work – CUIC Section 1253(c)

Provides that an individual must be able to work and available to accept suitable work. This issue will arise if an individual indicates that he is not able or available to work due to health, school attendance, domestic circumstances, transportation etc.

Efforts to Seek Work – CUIC Section 1253(e)

An individual may be disqualified from receiving UI benefits if he or she fails to seek suitable work as directed by the Department.

Refusal of Suitable Work – CUIC Section 1257(b)

An individual may be temporarily disqualified from receiving UI benefits if he or she refused suitable work without good cause, or fails to apply for suitable work when

notified by the Department to do so. Section 1258 of the CUIIC defines “suitable employment” as work in the individual’s usual occupation or for which he is reasonably fitted. The EDD will make the determination regarding the suitability of the work.

Pension Offsets – CUIIC Section 1255.3

Under certain circumstances, pension payments are deductible from unemployment insurance benefits. A pension is not deductible if the employee contributed to the pension fund from which the pension is paid. When reporting to the EDD that a claimant is receiving a pension, indicate whether or not the claimant contributed to the pension.

Wages and Other Income

Multiple CUIIC sections govern different wages and income issues. In general, a claimant is required to report any monies earned or received from an employer in a week that he/she also requests to be paid UI benefits. This may include, wages for work performed, wages in lieu of notice, vacation pay, severance pay, sick pay, and/or payment received for attending employer-sponsored training. The employer is also required to report to the EDD the payment of these monies to the claimant.

Reasonable Assurance – CUIIC Section 1253.3

An individual may be disqualified from receiving UI benefits if he or she files a UI claim during a scheduled recess period, and has reasonable assurance of returning to work at the close of said recess. (Refer to Chapter IV for a more detailed discussion of reasonable assurance.)

False Statement – CUIIC Section 1257(a)

An individual may be disqualified from receiving UI benefits if he or she willfully makes a false statement or representation, with knowledge of the falsity thereof, or withholds a material fact in order to obtain benefits.

D. CALCULATION OF UNEMPLOYMENT INSURANCE BENEFITS

The amount of benefits a claimant receives weekly (weekly benefit amount or WBA) and the total amount of benefits in the claim (maximum benefit amount or MBA) are calculated based on earnings during the base period of the claim.

The base period of a claim is a 12-month period consisting of four quarters (each quarter is three months). The base period is established when the claim is filed.

If the claim begins in:	The base period is the twelve months ending the previous:
January, February, March	September 30 th
April, May, June	December 31 st
July, August, September	March 31 st
October, November, December	June 30 th

The quarter with the highest earnings in the base period determines the WBA. The MBA is either 26 times the weekly benefit amount, or half of the total base period wages, whichever is less. A UI claim is effective for one year, the maximum payable weeks on a claim are 26 (if the claimant is paid the full WBA each week for 26 weeks), and the minimum is 12 weeks, during the one-year period of the claim.

To establish a valid claim an individual must have earned at least (1) \$1,300 in one quarter of the base period, or (2) at least \$900 in the highest quarter and a total of 1.25 times the high quarter earnings in the four quarters of the base period (e.g., \$900 X 1.25 = \$1,125. The claimant must have \$900 in one quarter and a total of \$1,125 over all four quarters).

CHAPTER III

WORK SHARING UNEMPLOYMENT INSURANCE PROGRAM

A. INTENT OF THE LAW

Section 1279.5 of the CUIIC provides for the payment of UI benefits to employees whose work hours are reduced because they participate in a work share program, in lieu of layoff. The intent of the law is to reduce the burden of layoffs by promoting the distribution of available work hours among a large number of employees.

If an employer finds it necessary to reduce its workforce by 10 percent or more, the employer may choose to file a work sharing plan with the EDD. Once the plan is approved by the EDD, the affected employees qualify for work sharing UI benefits to temporarily help subsidize their partial loss of income. This way the employer is able to reduce overall work hours, while retaining valuable employees. All workers share in the reduction of work, rather than some employees being totally laid off and others continuing to work their regular hours. When conditions improve, and hours can be increased, the employer has retained trained personnel and does not have to hire new employees to replace those who were laid off.

An employer's work sharing plan:

- ✓ Is voluntary.
- ✓ Must receive the approval of the Director of the EDD.
- ✓ May be terminated by the Director of the EDD if the plan is not being administered according to the terms and intent.
- ✓ Requires the agreement of any affected bargaining units prior to obtaining EDD approval.
- ✓ Shall expire six months after the effective date of the plan.
- ✓ Must involve the participation of at least two employees and include not less than 10 percent of the employer's regular permanent workforce involved in the affected work unit or units in each week, or in at least one week of a two-consecutive-week period.

B. UNEMPLOYMENT INSURANCE BENEFITS

In an authorized plan, the affected employees receive part of the weekly UI benefits for which they would normally qualify proportional to the reduction in their hours and wages. There must be a 10 percent reduction in the workforce to qualify for the plan, and each affected employee's work and wages must be reduced by 10 percent or more in order to qualify for benefits under the program. For example: An employee normally works a five-day workweek and is paid \$200. If this employee's workweek is reduced to four days, the employee's weekly wages would be \$160. This is a 20 percent reduction in wages and hours. The Work Sharing benefits for

this employee are 20 percent of the UI benefits the employee would receive if the employee were totally unemployed. The employee's weekly UI benefits amount is \$91, the employee would qualify for \$18 in Work Sharing benefits. This results in a reduction in gross wages of only \$22 for that week ($\$160 + \$18 = \178).

Claimants receiving extended benefits are not eligible to participate in, or receive benefits under, the Work Sharing program.

C. EFFECT ON EMPLOYER ACCOUNTS

The SEF is charged for any work share benefits under this program and will charge the benefits against individual school district reserves. The SEF will also assess Local Experience Charges (LEC) to the district, if applicable.

Additional Resources

You may access an EDD fact sheet regarding the Work Sharing program at:

 http://www.edd.ca.gov/pdf_pub_ctr/de8714bb.pdf

CHAPTER IV

UNEMPLOYMENT INSURANCE FOR SCHOOL EMPLOYEES

A. SCHOOL EMPLOYEES AND UNEMPLOYMENT INSURANCE BENEFITS

Eligibility for UI benefits for school employees is the same as for all individuals covered by the UI program with the *exception* that school employees may not be eligible for UI benefits during a school recess period if the individual has reasonable assurance to return to work in the year or term following a recess period. This eligibility “exception” applies to persons who are employed by educational institutions, specifically public elementary or secondary schools (including some charter schools), as well as community colleges, higher educational institutions, private nonprofit educational institutions, and some preschool and migrant educational programs. This eligibility requirement is based on federal UI law. While UI eligibility is determined for employees of all types of school employers, State College, University of California, private schools, pre-schools and migrant programs can not participate in the SEF.

The California Unemployment Insurance Code (CUIC) Section 1253.3 is the State statute based on the federal law that provides for a disqualification from receiving UI benefits during a recess period for those individuals whose UI benefits are based on employment with an educational institution.

Section 642 of the CUIC excludes from “employment” students who are enrolled in and regularly attending classes at the school where employed. Earnings for students who continue working for the school when the school is not in session are reportable as covered employees for that period of time. This CUIC Section also includes information about the exclusion from “employment” for the spouses of such students under certain circumstances.

The CUIC Section 646 includes information about exclusion from “employment” regarding individuals under the age of 22 who are enrolled in school and are involved in the work experience program. The CUIC Section 634.5 excludes in part from “employment,” elected officials such as board members.

B. PARTICIPATION IN THE SCHOOL EMPLOYEES FUND (SEF)

Public school employers, grades kindergarten through 12, and community colleges have the option to finance their UI costs by participating in the School Employees Fund (SEF). Money deposited in the SEF is used to reimburse the UI Fund for the cost of UI benefits paid to former school employees of SEF employers.

C. SCHOOL EMPLOYEE RECESS PERIOD DISQUALIFICATION

In addition to meeting the same eligibility requirements as all other claimants, UI eligibility for individuals whose UI benefits are based on work performed for an educational institution is also determined by three additional elements:

- Whether or not the school is in a recess period.
- What kind of work the school employee does.
- Whether or not the individual has reasonable assurance to return to work in a similar capacity in the next year or term.

The disqualifying provisions of CUIC Section 1253.3 apply to:

1. Employees who perform services in instructional, research or principal administrative capacities, provided the individuals performed services in the first academic year or term, and there is reasonable assurance they will perform services in the same or similar capacity for any educational institution in the following year or term. The following year or term need not be successive if there is a contract or agreement that the employee will perform services in two regular but not successive terms, or when a paid sabbatical is provided for in the individual's contract. The EDD refers to employees in this category as Professional school employees.
2. All other employees who performed services for an educational institution provided the individuals performed the services in the period preceding the recess and have reasonable assurance of working in the same or similar capacity in the following year or term. The EDD refers to employees in this category as Nonprofessional employees.

D. DEFINING A RECESS PERIOD FOR UI PURPOSES

In order for the EDD to consider a disqualification of receipt of UI benefits based on CUIC Section 1253.3, a school employee must be requesting payment of UI benefits during a school recess period and have reasonable assurance of returning to work after the recess period ends.

Recess periods can either be "between terms" or "within terms."

"Between terms" recess periods can be: summer recess period for traditional schools, off-track periods for year-round schools, or recess periods between semesters or quarters for colleges.

"Within terms" recess periods are periods within an academic year or term when school is not in session due to a holiday or school break. Examples of "within terms" recess periods are winter or spring break.

See example below for assistance in determining whether the recess is a “between terms” or “within terms.”

Example 1: An employee works the traditional year from September to June and files a UI claim in July. The employee has filed during a “between terms” recess period.

Example 2: An employee works the traditional year from September to June and files a claim in December during the winter recess break. The employee has filed a claim during the “within terms” recess period.

Example 3: An employee works on a semester-to-semester basis and files a claim for UI benefits in early December after the semester ended. The next semester begins in January. During December, there’s the traditional holiday period. However, in this case, the employee is still considered to be filing during a “between term” recess period because the between terms recess started before the holiday.

E. DEFINING THE CLASSIFICATION OF EMPLOYEES PER THE CUIC AND THE CALIFORNIA EDUCATION CODE:

The CUIC Section 1253.3 divides school employees into only two categories: Professional and Nonprofessional employees.

Professional employees as described in CUIC 1253.3 (b) are school employees who instruct, perform research or work in a principal administrative capacity. All other school employees are considered Nonprofessional employees as defined in CUIC 1253.3 (c). **For UI purposes, the duties the individual performs rather than the job title defines whether the employee is a Professional or Nonprofessional employee.**

IMPORTANT: The California Education Code defines educational employees by classifications which are different from the CUIC. For example, the Education-Code defines school employees as “administrative employees,” “classified employees,” pupil services employees,” and “certificated employees.”

It is important to understand the distinction between the Education Code and the CUIC when dealing with the EDD. The EDD will determine the classification of an employee according to the CUIC for purposes of determining eligibility for UI benefits during a recess period. Whether the employee is “Professional” or “Nonprofessional” is determined by their job duties, not by the terms and classifications used by the Education Code such as classified, certificated, paraprofessional etc. While some employees may be classified as “Nonprofessional” employees per the CUIC, the same employee may be considered a “Certificated” (professional) employee by the Education Code. The Education Code requirements are not discussed in this handbook.

It is also important to distinguish between Professional and Nonprofessional employees for UI purposes because of the provisions of CUIC Section 1253.3(c), which states only nonprofessional employees, may be entitled to retroactive payments of UI benefits. When a nonprofessional employee is disqualified from receiving benefits during the recess period because he/she has reasonable assurance of returning to work in the next year or term, and the reasonable assurance is later withdrawn, the nonprofessional employee can request UI benefits to be paid for the period during the recess when he/she was originally disqualified. Professional employees (as defined by CUIC 1253.3[b]) are not entitled to retroactive benefits under the same circumstances. When the EDD disqualifies a claimant from receiving benefits, it is required by federal and state law that the disqualification notice sent to the nonprofessional employee have the information about the right to file for retroactive benefits if the employer's offer of reasonable assurance is withdrawn. When the EDD sends a disqualification notice to the professional employee, the notice will not contain the information about retroactive benefits.

The two charts on the following pages show how sub-sections (b), (c) and (d) of the CUIC Section 1253.3 apply to the different classifications of employees, and the different periods of disqualification for each. The first chart discusses "professional school employees," the second chart "nonprofessional school employees."

PROFESSIONAL SCHOOL EMPLOYEE

PROFESSIONAL SCHOOL EMPLOYEE CUIC Sections 1253.3(b) and 1253.3(d)	
Instructional, Research and Principal Administrative	Disqualification Period
<p>Instructional: Teachers, (including substitute teachers), tutors, home teachers, adult education teachers, hospital teachers, learning disability group teachers and coaches.</p> <p>When the employee “instructs,” the employee is considered a professional.</p> <p>NOTE: Instructional aides are not considered to be professionals, they are considered nonprofessionals for UI purposes.</p>	<p>Any week which begins during:</p> <ol style="list-style-type: none"> 1. The period between two successive academic years or terms. 2. A similar period between two regular, but not successive terms provided for in an agreement. Example: A coach (considered to be an instructor) is hired on a yearly contract to work only the first and third quarter. Since the employee has reasonable assurance to return to work for the third quarter, the employee would be disqualified for UI benefits if he/she filed a claim for UI benefits during a recess period in the second quarter. 3. A period of paid sabbatical leave provided for in the individual’s contract. 4. Any week which begins during an established and customary vacation period or holiday recess, if the employee performs services immediately before the vacation or holiday recess and has reasonable assurance of returning in the period immediately following the vacation or holiday recess period (CUIC 1253.3[d]).
<p>Research: Those who direct research projects, professional or research staff directly gathering, correlating and evaluating information and making findings.</p>	
<p>Principal Administrative: Officials of an educational institution such as the president, principal, vice-principal, dean, controller, chief librarian, head nurse, or public relations director.</p>	

NONPROFESSIONAL SCHOOL EMPLOYEE

NONPROFESSIONAL SCHOOL EMPLOYEES CUIC Section 1253.3(c) and 1253.3(d)	
Nonprofessional School Employee	Disqualification Period
<p>Any school employee who is not a professional school employee. In other words, all employees who do not work in an instructional, research or principally administrative capacity.</p> <p>NOTE: Individuals who might usually be considered professional employees such as librarians, counselors, and nurses, may be considered nonprofessionals for UI purposes if the employee does not teach, does not do research, or does not work in a principal administrative capacity.</p> <p>Nonprofessional employees may be: Teacher’s aides, teacher’s assistants, paraprofessionals, yard duty employee, food service workers, school bus drivers, and janitors.</p>	<p>1. Any week which begins during a period between two successive academic years or terms.</p> <p>NOTE: Nonprofessionals may be eligible for retroactive payment of UI benefits for the recess period when they are offered reasonable assurance, and then they do not return to work due to the employer’s withdrawal of the offer of work in the next year or term.</p> <p>2. Any week which begins during an established and customary vacation period or holiday recess, if the employee performs services immediately before the vacation or holiday recess and has reasonable assurance of returning in the period immediately following the vacation or holiday recess period (CUIC 1253.3[d]).</p>

F. CONCEPT OF REASONABLE ASSURANCE

When schools close for winter, spring, intercession and summer recesses, school employees may file UI claims. In addition to any other eligibility issues, for school employees, the EDD must also consider if the employee is filing a claim during a recess period, and whether or not he or she has “reasonable assurance” of returning to work in the next school term. Good UI management practices dictate that the UI specialist know which employees have reasonable assurance of returning to work after the recess and, understand the concept and application of this term “reasonable assurance.”

Any time a claimant disputes a school employer’s contention that he or she has reasonable assurance of returning to work, or any time the EDD receives information which raises a question about the school employer’s reasonable assurance offer, the

EDD must investigate the matter further. In such cases, the burden of proof is on the school employer to establish that a bona fide commitment of continued employment has been made to the individual.

1. Definition of Reasonable Assurance

Reasonable assurance, as used in conjunction with continuing school employment, means that there is a written, verbal, or implied agreement that the employee will perform services in the same or similar capacity in the following year or term as was performed in the year or term preceding the recess period. The employer must offer to reemploy the individual in the next year or term and the offer must be communicated in an explicit manner to the individual by a person in authority to give assurance of reemployment.

Reasonable assurance is considered to exist when the school employer has indicated to the individual that continued work is expected to be available for the individual and no action has been taken to terminate the employment relationship.

2. Conditions of Reasonable Assurance

For reasonable assurance to exist, the economic terms and conditions of the employment offered to the claimant in the next school year or term must be reasonably the same as those conditions in the previous school year or term. If an employee has been offered a job for the next year and the employee accepted the offer, but the pay or number of hours worked is substantially less (at least 20% less), the claimant may not be considered to have reasonable assurance. If the work to be performed is at a lesser job classification (i.e., from teacher to teacher's aide) the claimant may not have reasonable assurance.

3. Reasonable Assurance Contingent Upon Enrollment, Funding or Program Changes

For reasonable assurance to exist, the offer of employment for the next term or year must NOT be contingent upon enrollment, funding or program changes per CUIB 1253.3 (g) and the California court case, Cervisi v. CUIAB (1989). While the Cervisi case is most often applied to Community College part time instructors, it applies to any school employee whose return to work in the next year or term is contingent on enrollment, funding, or program changes, whether it be in the public school or community college.

4. Substitute Employees Can Have Reasonable Assurance

Substitute employees can have reasonable assurance. The California Superior Court case, Long Beach Unified School District v. CUIAB, (1984) ruled that reasonable assurance does not have to be absolute; only that it is reasonable

that the individual return to work for the employer in the next year or term under the same terms and conditions as the prior year/term. Therefore, substitutes (teachers and other substitute employees), may have reasonable assurance when they will be returning to work under the same terms and conditions in the second year as they worked in the first year.

G. NOTIFICATIONS OF REASONABLE ASSURANCE REQUIRED BY THE CUIC

1. Professional Employees (Instructional, Research or Principal Administrative)

The CUIC does not require a notice of reasonable assurance be given to permanent professional employees. As an element of good UI claims management, an employer may wish to provide a written statement to professional employees indicating that the employee has reasonable assurance.

2. Nonprofessional Employees

The CUIC Section 1253.3(i) does require that employers shall provide all of their employees who are **not** in instructional, research or principal administrative capacities, (i.e., nonprofessionals), a written notice containing the information specified below no later than 30 days prior to the end of the school year or term.

The notice must state:

- A. **Whether or not** the individual has reasonable assurance to return to work.
- B. The individual may file a claim for UI benefits, whether or not they have reasonable assurance.
- C. The determination of eligibility will be made by the EDD and not by the employer.
- D. The individual may be entitled to receive retroactive UI benefits if initially disqualified by the EDD for having reasonable assurance and then not rehired. The claim for retroactive UI benefits must be filed within 30 days of the start of the next academic year or term. The individual must submit UI claim forms for each week benefits are denied due to having reasonable assurance and be otherwise eligible for benefits.

The written notification regarding reasonable assurance provided to school employees may be delivered to them by whatever means the employer chooses to use.

H. NOTICE TO EMPLOYEES

1. Permanent Professional or Nonprofessional Employees (12 month Employees)

Regardless of classification, reasonable assurance letters do not need to be sent to permanent full-time or part-time 12-month employees.

2. 10 or 11 Month Employees

The EDD considers permanent professional 10 or 11 month employees who have a continuing contract with the district, and who have not received a layoff notice to have Reasonable Assurance. Employers may still choose to notify these employees of their specific return-to-work date.

Per CUIIC 1253.3 (i), nonprofessionals are to be sent a written notice at least 30 days prior to the end of the year or term as to whether or not they have reasonable assurance to return to work after the recess period ends. Therefore, all 10 or 11 month nonprofessional employees will require a reasonable assurance letter or notice.

3. Substitutes – Professional and Nonprofessional

Substitutes (regardless of classification) can have reasonable assurance of returning to work if the employer is expecting to use them during the next term or year. Professional substitute employees may be given a letter advising them of whether or not they have reasonable assurance to return to work in the next year or term. If the employee is a nonprofessional substitute, per CUIIC, the 30-day notice is required whether or not the employee has reasonable assurance.

4. Temporary Contract Employees on a Limited Term Contract

When the employee's contract expires at the end of the term or academic year, he/she is considered to be laid off due to lack of work, unless the district offers the employee a new contract or position providing the same or similar economic terms and conditions for the following term or year before the end of the current year or term. The new contract would be sufficient notice of reasonable assurance.

5. Employees Whose Offers of Work or Assignments Are Contingent on Funding, Enrollment or Program Changes (regardless of classification)

These employees do NOT have reasonable assurance, according to the CUIIC 1253.3 (g) and the published court decision, Cervisi et al v. Unemployment Insurance Appeals Board. The EDD may contact the employer to verify the employee's reasonable assurance status.

NOTE: Cervisi applies to any school employee whose offer of work, or assignment is contingent on enrollment, funding or program changes. The Cervisi decision is not limited to Community College temporary instructors.

6. Professional Hourly or Part-time Adult Education Teachers

These employees have reasonable assurance if the employer has notified them of their expected assignment in the next term, provided their reemployment is not contingent on enrollment, funding or program changes, and is in the same or similar capacity as the work performed in the term before the recess period.

I. SUMMER SCHOOL

Individuals (regardless of classification) who will or may work during the summer school session, may be entitled to payment of UI benefits during the summer school session providing they are not working full-time, or earning wages in excess of their UI weekly benefit amount. When these employees have reasonable assurance to return to work in the next year or term, they are not eligible for UI benefits during the recess period between the end of the regular term and the beginning of the summer school session, and the end of the summer school session and the beginning of the new year/term.

Employees, who do not have reasonable assurance to return to work in the next regular term or year, and are signed up to work during summer school, are not considered to have reasonable assurance and are eligible to receive UI benefits for the period before and after summer school (and during summer school if they are not working full-time), providing they are otherwise eligible for benefits.

The EDD will contact the employer to determine summer school session dates and the individual's return to work status and job duties, in order to determine if the individual will be eligible for UI benefits during the summer session and summer recess period.

J. RESPONSES TO THE EDD

Good UI claims management includes responding to the initial filing of a UI claim by returning the *Notice of Unemployment Insurance Claim Filed*, DE 1101CZ to the EDD whenever there is a potential question of the claimant's eligibility for UI benefits. An employer is not required to respond to the DE 1101CZ, but in responding, the employer notifies the EDD that the employer wishes to protect the employer's UI tax account from charges and wishes to be notified of the outcome of an eligibility determination. Responding to the DE 1101CZ also allows the employer to be included as an interested party in any appeal that may be filed. If there are no eligibility issues to be investigated by the EDD (such as a lay off due to lack of work), no response to the DE 1101CZ is needed.

Even if an employer does not respond to the DE 1101CZ, the EDD may contact the employer for eligibility information. However, the employer's UI tax account will only be protected by returning a timely written response to the EDD.

When an employer responds to the DE 1101CZ, the employer should provide any pertinent facts relating to the eligibility issue to which the employer is responding. For example:

- Reasonable assurance: last date worked, return to work date, copy of reasonable assurance letter, date reasonable assurance given, whether or not return to work is contingent upon enrollment, funding or program changes.
- Separations (termination or voluntary quit): last date worked, final incident that caused the separation, dates of warnings or pertinent events leading up to the termination or voluntary quit.
- Other eligibility issues: Dates the claimant refused an offer of work, and the reason given for the refusal. Information regarding a claimant's inability or unavailability for work. Information regarding wages paid to a claimant after the beginning date of a UI claim. When reporting a refusal of work, remember the claimant must know all the particulars of the job (wages, hours, job title, start date work location etc.).

Employer's are notified of charges to their UI tax account with the *Notice of Wages Used for Unemployment Insurance (UI) Claim*, DE 1545R. If there are any eligibility issues that the employer wishes the EDD to investigate, that were not addressed with the DE 1101CZ, the employer should respond to the DE 1545R. If the employer responded to the DE 1101CZ, and did not receive a *Notice of Determination*, DE 1080EZ regarding that issue, the employer may want to respond to the DE 1545R with that information.

1. Laid Off Personnel

The EDD considers an individual to be laid off due to lack of work, when the employer does not continue to employ the individual because the employer has no work for that individual to do, or the individual has completed the last assignment or the terms of the contract.

2. Rehired-Personnel

School employers may inform the EDD when a previously laid off employee is rehired. Employees who are initially determined to be eligible for UI benefits because they did not have “reasonable assurance” when the UI claim was filed, may be subject to denial of UI benefits for the remainder of the recess period, if during the recess period the employer offers the individual work to begin following the recess.

K. PAYMENT OF REDUCED AWARDS BASED ON NON-SCHOOL EMPLOYMENT

The denial provisions of CUIC Section 1253.3 pertain only to the UI benefits based on wages earned while working to provide school services. If a claimant has sufficient non-school employment and earnings in the base period to establish a claim based on the non-school wages, then these benefits would be payable during the between terms denial period if the claimant is otherwise eligible. The school employer is charged only for benefits paid to the claimant that are based on the school employment. The other employers will be charged for the UI payments made to the claimant based on those wages.

CHAPTER V

UNEMPLOYMENT INSURANCE CLAIMS MANAGEMENT

A. WHO CAN FILE

Anyone who is unemployed may file a claim for Unemployment Insurance (UI) benefits. UI benefits may be available to former employees, to part-time employees, to employees who are unemployed temporarily (including intermittent and substitute employees), and to employees whose work during a given week has been reduced. Such employees may be entitled to full or reduced UI benefits provided they:

- Have worked and earned wages sufficient to establish a UI claim;
- Are unemployed (or working part-time) through no fault of their own;
- Are able to work;
- Are available for work;
- Are actively seeking employment and;
- Meet all UI eligibility requirements of the law.

B. UI CLAIM PROCESS

When a UI claim is filed, the claimant's most recent employer is notified about the claim filing by mail. The employer must respond to the Employment Development Department (EDD) within ten days from the date the notice is mailed to the employer with any information the employer wants to provide to the EDD regarding potential eligibility issues for the individual filing the claim. If there are issues which may affect the claimant's eligibility for payment of UI benefits, a telephone eligibility interview is conducted. The EDD will render a decision regarding the claimant's eligibility after gathering information from the claimant and the employer. If the employer responded timely to the initial notice, the employer will receive a *Notice of Determination*, DE 1080EZ, advising the employer of the EDD's eligibility determination decision. If either party disagrees with the decision, an appeal may be filed. (See Chapter VI for information regarding the appeal process.)

After the first payment is made on the claim, all employers for whom the claimant worked during the base period of the claim will receive a *Notice of Wages Used for Unemployment Insurance (UI) Claim*, DE 1545R. This notice explains the charges made to the employer's UI tax account. The employer has 15 days to respond to this notice if the employer wishes to provide the EDD with information regarding this claim. The EDD will provide the employer with a response to this information if the employer responded to the DE 1545R within the 15-day time period.

C. PROCESSING EDD FORMS

This section discusses many of the forms that may be mailed to an employer regarding an UI claim. When processing EDD notices, it is important to respond within the time frame allowed for each form.

REMINDER – FIRST/LAST DAY WORKED: Many of these forms ask the employer to report the claimant's first day worked and/or last day worked. For EDD and UI purposes, the first day/date worked is the first day for which the individual performed services (e.g., the first day the individual actually worked), **not** the individual's hire date if the individual did not perform services on that date.

The claimant's last day of work is relative to when the claimant files a UI claim. When a UI claim is filed, the claimant reports his or her last day of work as of the date the claim is filed. If subsequent to the claim filing date, the claimant performed additional services or is compensated by the employer for services (even if actual services weren't performed by the claimant), the claimant must report these additional earnings on the continued claim form for the week the claimant is claiming UI benefits. The EDD will determine whether the earnings are deductible from the individual's UI benefits.

When reporting the claimant's last day of work to the EDD, the employer must report the last day for which the **claimant actually worked**. Additionally, if the claimant received subsequent compensation after the last day worked, then the employer should report the type of compensation (e.g., regular wages, vacation pay, severance pay, holiday pay, etc.) and the gross amount for each type of compensation. To avoid being assessed an employer false statement penalty, care should be taken in reporting the correct last day worked. Do not simply select the last day of the pay period, or the last day of the term as the last day worked, when the claimant will not be compensated for that day.

1. Notice of Unemployment Insurance Claim Filed, DE 1101CZ

The *Notice of Unemployment Insurance Claim Filed, DE 1101CZ*, is mailed to the claimant's most recent employer at the time the claim is filed, and is the initial notification to the employer that a claim for UI benefits has been filed.

To be timely, the response to the DE 1101CZ must be returned to the EDD within 10 days of the mail date shown on the form. It must be returned to the EDD address printed on the DE 1101CZ. It is important to respond timely to the DE 1101CZ in order to have the potential to protect the employer's UI tax account from charges.

If the employer responds untimely, the employer is not entitled to know the outcome of the eligibility decision and loses appeal rights. Employers should still submit eligibility information even if it is untimely because the EDD will still consider the information when making an eligibility decision. When submitting an untimely response, employers should explain why the response is untimely. If good cause is shown for the late response, a Notice of Determination can be issued.

If the employer contends that the claimant voluntarily quit without good cause, was discharged for misconduct connected with his or her work or may be otherwise ineligible for benefits, the employer response should give brief, specific, factual details to support this contention.

The response to the DE 1101CZ can be written in the space provided on the document, or in a separate letter. If responding by letter, be sure to include:

- The claimant's name and social security number.
- Your business name.
- Your UI tax account number.
- Your contact name, signature, and phone number.

The following are examples of information that may be reported on the DE 1101CZ:

- A. Employee was discharged/dismissed (unexcused absences, tardiness, insubordination, theft, unsatisfactory work, negligence, etc.).
- B. Although the employee states he/she was laid off, the separation was a termination, or due to a voluntary quit.
- C. Employee voluntarily resigned (to move out of state, to go to school, due to health, no reason given etc.).
- D. Employee is not able to work (e.g., unable to work due to illness or injury).
- E. Employee is applying for UI during a recess period. (Provide dates of recess period, return to work date, whether or not the claimant has been offered reasonable assurance to return to work after the recess period, and/or work during the recess period.)
- F. Employee places restrictions on availability for work (e.g., will only work mornings because of child care problems, will only work certain days because attending school, will not work at certain locations, etc.).

- G. Employee declined offers of work: (e.g., the employee declined an offer of (type of work) due to (reason given by claimant for declining the work) on (date[s] work offered and refused).
- H. Claimant worked on (dates) and earned (gross wages). Please confirm that the claimant reported work/wages if claiming UI benefits for the same period.

2. Notice of Wages Used for Unemployment Insurance Claim, DE 1545R

A Notice of Wages Used for Unemployment Insurance (UI) Claim, DE 1545R accompanied by the *Explanations and Instructions for Notice of Wages Used for Unemployment Insurance (UI) Claim, DE 1545RI*, is mailed to base period employers when the EDD makes the first payment on the UI claim. The notice states the claimant's weekly and maximum benefit amount and the employer's potential liability. The EDD mails this notice to the address on file with the EDD for the employer's UI tax account.

The statutory time limit for responding to the DE 1545R is 15 days from the mailing date of the notice. If the employer is entitled to a response from EDD to the information provided by the employer on the DE 1545R, notification will only be sent if the DE 1545R is returned timely to the EDD. An untimely response may be submitted, with an explanation of the reason for the untimeliness. If good cause for the untimely response is established, and the employer is entitled to one, a notice of determination can be issued.

If the employer was sent a DE 1101CZ, and did not respond to that notice, and the information provided in the DE 1545R response should have been reported in a response to the DE 1101CZ, the employer is not entitled to a response to the DE 1545R information.

Employers should review the DE 1545R and:

- A. Verify the employment of the claimant during the quarter or quarters shown, and the wages paid to the claimant by quarter. Also verify that the name and social security number match with the employer's records. Notify the EDD of any errors or differences at once by returning the form with a written explanation. Benefits will be based on the wages reported on the DE 1545R and will be charged to the employer. If the wage, claimant's social security number or claimant's name are incorrect on the DE 1545R, the response should be mailed to:

Employment Development Department
Employers Assistance Unit, MIC 16
P.O. Box 826880
Sacramento, CA 94280

The written response may be provided on the DE 1545R, or in a separate letter. Be sure to include:

- Employer's EDD account number.
- Claimant's name and social security number.
- Beginning date of the claim.
- Correction to the wage information with supporting documentation.
- Name, signature, and telephone number of the employer or employer representative preparing the wage correction.
- Date of the wage correction.

B. To notify the EDD of any circumstances that may affect the claimant's eligibility for benefits. Return the DE 1545R to the address indicated on the form.

When an employer fails to respond to a DE 1101CZ or DE 1545R timely, or is otherwise not entitled to a *Notice of Determination*, DE 1080EZ, after responding to the DE 1101CZ or DE 1545R, the employer may be sent a *Response to Employer Communication*, DE 4614. The DE 4614 will explain why a DE 1080EZ is not being sent. The DE 4614 is appealable.

3. Benefit Audit, DE 1296B

A computerized cross match of benefits paid, against the record of wages paid, is conducted by the EDD every quarter. The *Benefit Audit*, DE 1296B, is mailed to employers when the audit shows a claimant appears to have drawn UI benefits during a period when he or she was also paid wages. Employers are required by law to respond to this form in order to verify the claimant's earnings for the period covered by the benefit audit. Specific instructions for the completion of the DE 1296B are in the *Instructions for Benefit Audit*, DE 1296E. The EDD will conduct follow-up investigations in cases showing earnings concurrent with receipt of UI benefits.

This is an effective way of detecting improper UI benefit payments. Improperly paid UI benefits are charged to the employer, increasing charges to the School Employees Fund (SEF) and may increase the employer's Local Experience Charge (LEC). Improperly drawn payments are credited to the employer or credited against future billings, if recouped in cash.

Review the *Benefit Audit* 1296B form:

- A. Verify that the name and social security number on the audit form match the employee.
- B. Report gross wages earned (if any) for the weeks designated on the form. Also report lump sum vacation pay, holiday pay or sick leave, or any other type of pay, indicating on the form what type of pay is being reported.
- C. Report the work and wages in the week the work was performed and the wages were earned, not when the wages are paid. The EDD pays UI benefits to claimants on a weekly basis, with all weeks beginning on Sunday and ending on Saturday. The claimant is required to report any work performed and wages earned during this weekly period. The work and wages are required to be reported by the claimant in the week the work is performed and the wages are earned, not when the wages are paid. The employer is required to report the wages on the DE 1296B in the same way.
- D. Complete the form with the first date worked, last date worked and any separation information. When reporting first and last date worked, these are the actual dates of the work, not the hire date and final pay date.

4. *New Employee Registry (NER) Benefit Audit, DE 1296NER*

This form is sent to employers when an overlap is identified between a UI claim and an individual's start date as reported on the New Employee Registry. Like the Benefit Audit, DE 1296B form, the employer is required by law to respond within 10 days of receipt of the form. The purpose of this form is to identify potential overlaps in wages earned and UI benefit payments made, in order to help prevent fraudulent or improper payment of benefits and incorrect charges to employers. When the employer completes and returns the DE 1296NER, potential incorrect payments will be discovered much sooner in the life of the claim, which will help protect the employer and SEF accounts. A DE 1296B for the same quarter will not be sent to the employer when the DE 1296NER has been returned to the EDD. As with the DE 1296B, employers should be sure to report the correct first date worked, not hire date, when completing the DE 1296NER, and should report the gross wages in the week the claimant worked, not when the claimant was paid.

Information regarding the DE 1296B and DE 1296NER can be found on the Internet at:

 www.edd.ca.gov/Unemployment/Benefit_Audit.htm

5. Request for Additional Information, DE 1326ER

This form is sent to employers to validate information provided to the EDD by the claimant when filing a UI claim. This form is mailed when there is a question regarding a claimant's identity. The purpose of this form is to prevent the fraudulent filing of a UI claim and collection of UI benefits. By completing and returning this form to the EDD as quickly as possible, you will help ensure against fraudulent payments being made. Receipt of this form does not mean the claimant is an imposter, only that the EDD needs to validate information in order to protect employers and claimants from fraudulent activity.

D. FRAUD

The EDD has instituted several programs in an effort to detect and prevent fraudulent filing of UI claims, and fraudulent payment of UI benefits. The forms noted in the section above are part of these programs.

The EDD actively investigates cases of imposter fraud in order to protect the UI fund. Anyone who knows or suspects that an individual or group is involved in defrauding the EDD, may call the Fraud Tip Hotline at 800-229-6297.

Fraud may be reported, and other questions concerning UI fraud may be addressed by accessing the EDD Internet site at:

 http://www.edd.ca.gov/Unemployment/Fraud_Prevention.htm

The EDD also has several pamphlets available with suggestions and tips for preventing fraud.

- *How You Can Prevent Unemployment Insurance Imposter Fraud*, DE 2360ER.
- *How You Can Protect Your Business Against Fraud*, DE 2360FCB.
- *How To Report Unemployment Insurance Fraud*, DE 2360TF.
- *Help Us Fight Fraud*, DE 2370.

E. NOTICE OF DETERMINATION, DE 1080EZ

This is the notice mailed to employers to advise the employer of the eligibility decision made by the EDD. This notice also advises the employer whether the employer's UI tax account will be charged, and provides instructions for appealing an unfavorable decision. This notice is sent only when the employer responded timely, and in writing, to the DE 1101CZ, the DE 1545R, or by letter. The EDD considers eligibility information whenever it is communicated to the EDD, but the employer is notified of the outcome only when the employer submitted the information timely and in writing.

An appeal to the EDD's determination decision must be made within 20 days of the date the decision was mailed. (Refer to Chapter VI for more details.)

A Notice of Modification, DE 1080M, is issued when the claimant has met the conditions to remove a prior disqualification. As noted on the DE 1080M, the issuing of the DE 1080M does not change the previously issued determination decision.

A DE 1080EZ regarding a separation is mailed to a SEF employer only when that employer is the claimant's most recent employer at the time the UI claim is filed.

F. EMPLOYER FALSE STATEMENT

The California Unemployment Insurance Code (CUIC) Section 1142, provides for the assessment of employer false statement penalties. Under CUIC Section 1142(a), an employer false statement penalty may be assessed when the employer or the employer's agent willfully makes a false statement, or willfully fails to report a material fact, concerning the termination of a claimant's employment.

Under CUIC Section 1142(b), an employer false statement penalty may be assessed when the employer or the employer's agent, willfully makes a false statement or willfully fails to report a material fact when submitting a written statement concerning the reasonable assurance of a claimant's reemployment with an educational institution as provided in CUIC Section 1253.3(g).

Under CUIC Section 1142.1, an employer false statement penalty may be assessed when the employer or any employee, officer, or agent of any employer, in submitting facts concerning the termination of a claimant's employment, where the claimant was performing services for an educational institution, as described in CUIC Section 1253.3, willfully makes a false statement or fails to report a material fact, or if the employer, employee, officer or agent of the employer willfully makes a false statement or representation or willfully fails to report a material fact regarding any week during which the services were performed, as provided in CUIC Section 1253.3, or any time granted to the claimant for professional development during his or her employment with that employer.

The penalty assessment provided for in CUIC Section 1142(a) and (b), and CUIC Section 1142.1, is a monetary penalty of not less than 2, nor more than 10 times the claimant's weekly benefit amount.

In order for the EDD to assess an employer false statement, there are two requirements that must be met:

- The false statement, misrepresentation or withholding of facts must have been willful; **and**
- The false statement, misrepresentation or withholding of facts must be material to the issue.

All penalty assessments collected by the Department are deposited into the Contingent Fund.

CHAPTER VI

APPEALS PROCEDURES

A. PURPOSE

Anyone who receives an unfavorable determination decision from the Employment Development Department (EDD) may appeal that decision. The employer may appeal an unfavorable decision that will result in charges to the employer's UI tax account, and the claimant may appeal a decision to deny payment of UI benefits. The appeal process has several levels: the appeal hearing with the Administrative Law Judge (ALJ), an appeal to the California Unemployment Insurance Appeals Board (CUIAB) if a party disagrees with the decision rendered by the ALJ, a Writ of Mandate to Superior Court if the CUIAB appeal decision is not favorable, and the final step is an appeal to the state Supreme Court. This chapter will focus only on the first two levels.

An appeal hearing is conducted by an ALJ. The ALJ is under the direction of the CUIAB. The CUIAB is an agency that is separate from, and independent of, the EDD. An ALJ conducts the appeal hearing, and renders a decision to uphold, modify, or reverse the EDD's decision. If the claimant, the employer, or the EDD disagrees with the ALJ's decision, a Board Appeal may be filed. The Board will review the record of the appeal hearing and render a decision as to whether to uphold, modify, or reverse the ALJ decision.

B. FILING AN APPEAL

The party filing an appeal to the Department's eligibility decision, must either submit a completed EDD *Appeal Form*, DE 1000M, or a letter of appeal, within 20 calendar days of the mail date the *Notice of Determination*, DE 1080EZ (DE 1080CZ for the claimant). The appeal must be mailed to the return address shown on the Notice of Determination.

An appeal may be filed after the 20-day deadline. However, if the deadline is missed, include in the appeal the reason the appeal is late. The ALJ hearing the appeal will decide if there is good cause for the late filing. An ALJ can dismiss an appeal if the party filing the appeal is not able to show good cause for filing the appeal after the deadline.

The DE 1000M is mailed with each *Notice of Determination*. It is also available in the Forms and Publications section of the EDD home page at:

 http://www.edd.ca.gov/pdf_pub_ctr/de1000m.pdf

1. Appeal Content

A letter of appeal, when not using the DE 1000M should contain:

- Your name and the name of your school or district.
- Your business address and phone number.
- Your UI tax account number and the employee's social security number.
- The specific reason for the appeal.
 - Be sure to include the California Unemployment Insurance Code (CUIC) section of each issue you wish to be addressed in the appeal hearing. The CUIC section is on the *Notice of Determination*, DE 1080EZ.
- A copy of the decision, or the date the decision was mailed.
- Any request for language assistance or special accommodation.

The appeal is reviewed by the EDD and forwarded to the Office of Appeals.

2. Notice of Hearing

The Office of Appeals schedules the appeal hearing date. The employer and the claimant are notified by mail of the time and place of the hearing at least ten days in advance.

The hearing notice states:

- The date, time and place of the scheduled hearing, and the name of the presiding ALJ.
- The CUIC sections under appeal.

Review the notice of hearing in order to verify that the sections of the CUIC that you wish to appeal are listed. If there are omissions, contact the Office of Appeals immediately. In the appeal hearing, an ALJ can only address those CUIC sections listed on the notice of hearing

If a change in the hearing occurs, you will receive a notice advising you of the change.

C. PREPARATION FOR THE APPEAL HEARING

One is not expected to be a legal expert in order to appear before the Administrative Law Judge, however be as prepared as possible to support your case at the hearing. In order to prepare, you may wish to follow the steps outlined on the following page:

1. Review the Appeal Record

This is the documentation of the evidence gathered by the EDD determination interviewer, and the appellant's statement of the reason for the appeal. This record is sent to all interested parties prior to the appeal hearing date. By reviewing the record, each party can be prepared to present an argument for their case to the ALJ. Copies of the record may be obtained at the Appeals Office prior to the hearing.

2. Review the Employee's Employment Record

Pertinent records relating to the issues under appeal should be reviewed. If, for example, the claimant was discharged, gather all information that documents the reasons that led to the discharge. If the matter under appeal is whether the individual has "reasonable assurance," gather all information which supports this. Copies of documentation from the file may be submitted as evidence at the hearing.

3. Interview Witnesses

You may wish to interview the claimant's previous co-workers and supervisor(s) to get information regarding the claimant and the facts pertaining to the issue being appealed. These individuals may appear at the hearing as witnesses if desired. The best witness is one who has first hand knowledge of the facts or who directly witnessed an event. If you are going to have a witness present testimony at the hearing, you may wish to advise the witness prior to the hearing as to what to expect.

4. Research the Law

Researching the law pertaining to the issue being appealed will provide an understanding of the points to be addressed in the appeal hearing.

Review:

- Precedent Benefit (P-B) decisions.
- The CUIC.
- EDD's Benefit Determination Guide (BDG).
- Court cases pertaining to the issue being appealed.

5. Compare the Facts

Compare the facts contained in the Appeal record, the employee's employment record, and the witness statements. This is the information needed to provide the basis for a case to present to the ALJ. This should help to organize the

presentation of the case to the ALJ in a logical sequence with supporting documentation and testimony.

If, after reviewing all the facts the appellant decides that the appeal has no merit, the appeal may be withdrawn.

D. APPEAL HEARING PROCESS

1. The ALJ maintains control of the hearing and determines when it will start and finish. At the beginning of the hearing the ALJ will explain that the hearing will be recorded, what issues will be heard, and explain the hearing process.
2. All persons presenting evidence or testimony are required to be “sworn in” because all testimony is given under oath.
3. Each party will be allowed to present witnesses and exhibits, question parties and witnesses, respond to evidence presented by others, and make closing comments. The ALJ can also question parties and witnesses. The ALJ will moderate the questioning of the parties and witnesses.

E. NOTICE OF DECISION

Within a few weeks from the date of the hearing, the ALJ will render a decision. The decision will be written and mailed to each interested party, and to the EDD. This decision may be appealed to the CUIAB within 20 days of the mailing date of the ALJ’s decision. An appeal of the ALJ decision to the CUIAB is commonly called a Board Appeal.

F. APPEAL TO THE CALIFORNIA UNEMPLOYMENT INSURANCE APPEALS BOARD (CUIAB)

Any interested party may file a Board Appeal. The appellant can be the employer, the claimant, or the EDD. The general rules regarding a Board Appeal are:

1. The appeal must be in writing and timely. To be timely, it must be filed within 20 days of the mailing date of the ALJ’s decision. The Board Appeal is mailed to the return address shown on the ALJ’s decision. A Board Appeal may be filed untimely, but an explanation as to why it is untimely must be presented with the appeal, and the Board will then determine if there is good cause for the late filing of the appeal.
2. Include the appeal case number in the letter of appeal to the Board as well as the information as previously noted when filing the appeal to the ALJ.
3. Parties to the Board Appeal are notified by mail when a Board Appeal has been filed.

4. Arguments for the Board Appeal must be confined to the facts or arguments presented at the appeal hearing, and to the application of the CUIC, P-B and court decisions cited by the ALJ in the appeal decision as applied to those facts.
5. No new facts or evidence may be presented to the CUIAB for the Board Appeal. Information that was available at the time of the hearing with the ALJ, but was not presented to the ALJ will not be taken by the Board unless it is shown that failure to present certain facts at the hearing was caused by conditions or acts above and beyond the control of the appellant or respondent. Individuals may request to present oral or written arguments or new evidence to the Board. The request must be made within 10 days of the date of the letter confirming the receipt of the Board Appeal.
6. A written argument (a brief) may be taken by the CUIAB. A brief is a formal written legal argument which presents the appellant's case to the Board. It must be confined only to the facts presented at the initial hearing with the ALJ.
7. A decision rendered by the CUIAB is generally considered final. The parties are notified by mail when the CUIAB has rendered a decision. If an appeal to the CUIAB's decision is made, it must be made to the Superior Court, by a Writ of Mandate, no later than six months after the CUIAB decision.

The Appeals Board provides the following publications to help prepare for the hearing:

- Appeals Procedure, DE 1433
- Unemployment Appeals – A Guide for Claimants, Employers and Their Representatives, DE 1434

Mail your request for copies of the DE 1433 and DE 1434 to:

Office of the Chief Administrative Law Judge
P.O. Box 944275
Sacramento, CA 94244-2750

CHAPTER VII

EMPLOYER REPORTS AND TAX PAYMENTS

A. COVERAGE

The term "school employer" is defined in the California Unemployment Insurance Code (CUIC) Section 821.4 as follows:

821.4 As used in this article, "employing unit" and "school employer" means the governing board of any school district or community college district, any county board of education, any county superintendent of schools, or any personnel commission of a school district or community college district which has a merit system pursuant to any provision of the Education Code, or any instrumentality of the foregoing, or any instrumentality of more than one of the foregoing, which employs one or more employees.

School employers, as defined above, must provide Unemployment Insurance (UI) and Personal Income Tax (PIT) coverage (CUIC, Division 6, Withholding Tax on Wages, Sections 13000 through 14004) for their employees and may elect State Disability Insurance (SDI) coverage as described in the CUIC Section 710.4.

B. REGISTRATION

Public school employers are required to register with the Employment Development Department (EDD) within 15 days after becoming subject to the CUIC Section 1086. Separate registration forms must be completed for UI, PIT, and elected SDI coverage. CUIC Section 1086 states:

1086(a) Each employing unit within 15 days after becoming an employer as defined in this part shall register with the Department on a form prescribed by the Department.

For registration information and the necessary forms, contact the School Employees Fund (SEF) Unit by telephone, or write to:

School Employees Fund Unit
800 Capitol Mall, MIC 19
Sacramento, CA 95814
(916) 653-5380

C. ADDRESS

The CUIIC Section 806(a) allows non-profit employers and public entity employers, who do not have reserve UI tax accounts, to designate a single mailing address for their UI claim notices. This allows for all correspondence pertaining to the filing of a new or additional UI claim to be mailed to one centralized employer address, which may allow for better management of time sensitive documents.

The EDD uses the address of record for mailing the DE 1101CZ and DE 1545R. Employers should ensure that their address of record with the EDD is up to date. An address may be changed, corrected or updated by completing a *Change of Employer Account Information*, DE 24. The DE 24 should be returned to the EDD address printed on the form.

The DE 24 may be obtained from the EDD Web site at:

 http://www.edd.ca.gov/pdf_pub_ctr/de24.pdf

Requests for designation of a single address may be sent to:

Employment Development Department
Unemployment Insurance Policy and Coordination Division, MIC 40
P.O. Box 826880
Sacramento CA, 94280

D. REPORTING WAGES AND PAYMENT OF UNEMPLOYMENT INSURANCE TAXES

School districts may elect to finance their UI costs by:

- Participating in the SEF, a joint pooled reimbursement method, or
- Electing to reimburse the UI fund for all benefits paid to their former employees, or
- Choosing to participate in the experience rating method (used by commercial employers) by reporting wages quarterly, making payroll tax deposits, and reconciling the account annually.

School districts participating in the SEF to finance their UI taxes are required to report UI covered wages of employees quarterly by paying taxes on those wages to the EDD.

NOTE: The *Quarterly Contribution Return for School Employers*, DE 9423 is used by SEF participants for reporting and paying their quarterly contributions due to the EDD.

WHEN FURNISHED: The DE 9423 is mailed to employers in March, June, September, and December each year. This form can be downloaded from the EDD's Internet site at:
http://www.edd.ca.gov/pdf_pub_ctr/de9423.pdf.

WHEN DUE: The DE 9423 is due on April 1, July 1, October 1, and January 1 and delinquent if not received by the last day of the month following the close of each calendar quarter (April 30, July 31, October 31, and January 31). This **report MUST be** submitted EVEN IF NO WAGES were paid during the calendar quarter.

WHERE TO SEND FORM: Employment Development Department
P.O. Box 2482, MIC 68
Sacramento, CA 95812-2482

Use of Magnetic Tape

School employers may wish to consider the use of magnetic media for reporting the wages of their school districts' employees. Employers with 250 or more California employees are required to file on magnetic media since the current Federal threshold is 250 employees on a return. Magnetic media reporting significantly reduces the processing costs and time needed to record wage and tax information. Magnetic media can be much more accurate than manual processing. Your data processing department can obtain instructions for magnetic media reporting by contacting:

Employment Development Department
Magnetic Media Coordinator, MIC 15
P.O. Box 826880
Sacramento, CA 94280-0001
(916) 654-6845

Non-Computerized Wage Reporting

School employers who do not utilize computers in producing payrolls must complete and send to the EDD a *Quarterly Wage and Withholding Report*, DE 6. The employee's social security number, name, and amount of subject wages paid in a calendar quarter are reported on the form.

NOTE: Regardless of whether the school employer reports UI wages through magnetic media or the DE 6, the payment of the UI contribution must be submitted with the DE 9423 to the EDD each quarter.

How to Complete Form DE 6 – UI Wages

To complete the DE 6, enter your employer account number (942-XXXX-X), business name and address exactly as shown on the *Quarterly Contribution Return for School Employers*, DE 9423. Enter the last date of the quarter in the space provided (this information is required on all pages submitted). Pages should be numbered consecutively to ensure that all data is received and processed. If continuous forms are used, employers must separate (“burst”) the pages before submission.

1. Social Security Account (SSA) Number - SSA Numbers must always contain nine digits. Acceptable methods of reporting the digits are:

123 45 6789

123-45-6789

123456789

Do not separate the digits with slashes or any other special symbol (e.g., 123/45/6789) since computer language symbols have different meanings.

2. Employee Name - Please enter the first name, middle initial (if any), then the full last name, separating each by a blank space (example: Jane J Doe). Do not separate leading letters from the rest of the last name (example “O” in Oconnell or “Mc” in McDonald). Reporting the first name first is the preferred format. However, if you report the last name first, you must place a comma after the last name, followed by a space, first name, space, then middle initial (example: Doe, Jane J). In addition, enter the names in alphabetical order by last name.
3. Total Subject Wages - Enter the total subject wages paid (including cents) to each employee during the quarter (example: enter \$10,000.00 as 10000 00 with no dollar signs, commas, or decimal points). Do not line through the cents or leave it blank. Items considered wages for UI purposes include, but are not limited to: overtime, retroactive pay, out-of-class pay, lottery payment, mentor teacher pay, stipends, holiday pay, health and welfare coverage, differential pay, back pay, and bonus pay. Items **not** considered wages for UI purposes include, but are not limited to: workers’ compensation payments, car allowance, housing allowance, uniform allowance, jury duty pay, mileage reimbursement and payment to students working where regularly enrolled, and attending class. It is important that credit amounts (prior quarter adjustments: i.e., canceled warrants) shown for employees on the wage report be removed and the wages added back to the total wages reported for the current quarter. A *Quarterly Return Adjustment Form for School Employers*, DE 938SEF, should be prepared for reporting prior quarter adjustments to employee wages.
4. PIT Wages / PIT Withheld - Leave these fields blank when completing a DE 6 for UI subject wages.

5. Page Totals - Each page of the DE 6 should have totals for subject wages only on the line indicated, and include only the wages listed on that page.
6. Grand Total - The first DE 6 page should contain the total number of pages and total wages reported. The Grand Total Subject Wages should agree with Line "B" of the DE 9423.

Please Avoid:

- ✓ Using forms from a prior quarter for current quarter reporting.
 - ✓ Using inapplicable forms (e.g., 941-A from the Internal Revenue Service).
 - ✓ Using obsolete forms (e.g., DE 3B, earlier versions of the DE 6).
 - ✓ Using forms other than the original forms supplied by the EDD.
 - ✓ Using special symbols (e.g., dollar signs [\$], pound signs [#]).
7. Third Party Sick Pay - Districts that provide employer-paid income protection, must report as wages all sick pay benefits collected by their employees, and pay the current UI contribution rate on these wages in addition to other wages. The reportable sick leave benefit is the same percentage as the employer contribution to the premium. For example, if the employer pays 40% of the premium for income protection (third party sick pay), the employee only has to report as wages 40% of the benefit paid.

NOTE: Submit a separate DE 6 listing individuals receiving third party sick pay during the quarter as total subject wages. Note "third party sick pay" on the form. Provide a separate grand total which when added to the Grand Total Subject Wages on the first DE 6 page should agree with Line "B" of the DE 9423.

➤ Final Returns

Employers terminating operations are required to file and pay final returns within ten days of such termination (CUIC, Section 1116). If the entity ceases to have employees in covered employment and does not intend to have any in the foreseeable future, the account may be closed upon receipt of such information by the EDD. CUIC Section 1116 states:

1116.(a)(1) Every employing unit except a domestic or foreign corporation or a domestic or foreign limited liability company shall, within 10 days of quitting business, file with the director a final return and report of wages of its workers, in such form and containing such information as the director prescribes.

How to Complete Form DE 6 – SDI Wages

To complete the DE 6, enter your employer account number (776-XXXX-X) and data for those employees whose wages that are subject to SDI (please refer to Pages 50 to 51) with the following difference. A *Tax and Wage Adjustment Form*, DE 678, should be prepared for reporting prior quarter adjustments on employee wages.

How to Complete Form DE 6 – PIT Wages

To complete the DE 6, enter your employer account number (800-XXXX-X) and data for those employees whose wages that are subject to PIT (please refer to Pages 50 to 51) with the following differences.

1. Total Subject Wages – Leave this field blank when completing the DE 6 for PIT Subject Wages.
2. PIT Wages/PIT Withheld – Complete these fields when completing a DE 6 for PIT subject wages. A *Tax and Wage Adjustment Form*, DE 678, should be prepared for reporting prior quarter adjustments to employee wages and PIT withheld.
3. Page Totals – The pages of the DE 6 should have totals for PIT wages and PIT withheld on the line indicated, and includes only the amounts listed on that page.
4. Grand Total – The first DE 6 page should contain the total number of pages, the Grand Total PIT wages, and the Grand Total PIT withheld.

E. STATEMENT OF BENEFIT CHARGES

Each quarter, school districts are mailed a *Statement of Benefit Charges*, DE 428F, detailing the amounts charged to their account for UI benefits. These statements should be checked to ensure that each person was qualified to draw from the school. If any discrepancies appear, request a credit in writing to:

Employment Development Department
Reimbursable Accounting Group, MIC 19
P.O. Box 826880
Sacramento, CA 94280-0001
(916) 653-5846

F. **EMPLOYER ACCOUNT STATEMENT**

The *Employer Account Statement*, DE 2176, is sent by the EDD and shows any unpaid liabilities due to the EDD. This includes unpaid quarterly taxes, penalty and interest on untimely payments, penalty for unreported wage items, and the Local Experience Charge (LEC). It also includes demands for forms not submitted timely by the school districts, such as the DE 9423 and the DE 6 (or magnetic tape).

The LEC is based on the benefits charged to each district in a calendar quarter. Each district has an individual LEC rate that is calculated annually and is set at 0, 5, 10 or 15 percent. The LEC amount is due and payable within 30 days of the statement date of the DE 2176. If additional time is required to make payment, please contact the SEF and request an extension.

G. **EMPLOYEES NOT COVERED BY UNEMPLOYMENT INSURANCE**

The following employees, both certificated and classified, are not covered. Do not report the wages of these employees. For these employees, districts should assign the codes "not covered," so they will not be included on wage reports. **Only** covered employees should be reported:

1. A student regularly attending classes and employed by the same district where they are enrolled (CUIC, Section 642). The CUIC Section 642 states:

642. "Employment" does not include service performed in the employ of a school, college, or university, if such service is performed:

- (a) By a student who is enrolled and is regularly attending classes at such school, college, or university, or
- (b) By the spouse of such a student, if such spouse is advised, at the time such spouse commences to perform such service, that:
 - (1) The employment of such spouse to perform such service is provided under a program to provide financial assistance to such student by such school, college, or university, and
 - (2) Such employment will not be covered by any program of unemployment insurance or disability compensation.

2. Non-tenured policy-making or advisory positions, such as members of Boards of Trustees unless the district has elected to cover these individuals (CUIC Section 634.5). The CUIC Section 634.5 states:

634.5. Notwithstanding any other provision of law, no provision excluding service from "employment" shall apply to any entity defined by Section 605 or to any nonprofit organization described by Section 608, except as provided by this section. With respect to any entity defined by Section 605 or any nonprofit organization

described by Section 608, "employment" does not include service excluded under Sections 629, 631, 635, and 639 to 648, inclusive, or service performed in any of the following:

- (c) In the employ of any entity defined by Section 605, if the service is performed by an individual in the exercise of his or her duties as any of the following:
 - (1) An elected official.
 - (6) An employee in a position that, under or pursuant to state or tribal law, is designated as either of the following:
 - (A) A major nontenured policymaking or advisory position.
 - (B) A policymaking or advisory position, the performance of the duties of which ordinarily does not require more than eight hours per week.

3. Students in approved work-experience programs (CUIC Section 646). The CUIC Section 646 states:

646. "Employment" does not include service performed by an individual under the age of 22 who is enrolled at a nonprofit or public educational institution which normally maintains a regular faculty and curriculum and normally has a regularly organized body of students in attendance at the place where its educational activities are carried on as a student in a full-time program, taken for credit at such institution, which combines academic instruction with work experience, if such service is an integral part of such program, and such institution has so certified to the employer, except that this section shall not apply to service performed in a program established for or on behalf of an employer or group of employers.

H. DETERMINATION OF EMPLOYER-EMPLOYEE RELATIONSHIP

California law defines two types of employees, statutory and common law. A statutory employee as defined in CUIC Section 621(a), is an officer of a corporation, and in CUIC Section 621(c) is certain agent drivers, city salesmen or home-workers. The CUIC Section 621 states:

621. "Employee" means all of the following:
- (a) Any officer of a corporation.
 - (c)(1) Any individual, other than an individual who is an employee under subdivision (a) or (b), who performs services for remuneration for any employing unit if the contract of service contemplates that substantially all of such services are to be performed personally by such individual either:
 - (A) As an agent-driver or commission-driver engaged in distributing meat products, vegetable products, fruit products, bakery

- products, beverages (other than milk), or laundry or dry-cleaning services, for his or her principal.
- (B) As a traveling or city salesperson, other than as an agent-driver or commission-driver, engaged upon a full-time basis in the solicitation on behalf of, and the transmission to, his or her principal (except for sideline sales activities on behalf of some other person) of orders from wholesalers, retailers, contractors, or operators of hotels, restaurants, or other similar establishments for merchandise for resale or supplies for use in their business operations.
 - (C) As a home worker performing work, according to specifications furnished by the person for whom the services are performed, on materials or goods furnished by such person which are required to be returned to such person or a person designated by him or her.

The most difficult definition is in CUIC Section 621(b), which states as follows:

- (b) Any individual, who is under the usual common law rules applicable in determining the employer-employee relationship, has the status of an employee.

In determining under the common law whether someone performs services for the district as an employee or as an independent contractor, the most important factor is the right to control the manner, mode, method and means of accomplishing the work. If the employer has the authority to exercise complete control, whether or not that right is exercised with respect to all details, an employer-employee relationship exists. The control test, called the "principal test," involves existence of a right to control, as distinguished from exercise of control. Strong evidence in support of an employment relationship is the right to discharge at will, without cause.

Secondary factors present in the relationship may include those enumerated in the Restatement of the Law of Agency 2d Section 220, as stated in Tieberg v. Unemployment Insurance Appeals Board (1970), 2 Cal. 3d 943 as follows:

1. Whether or not the one performing service is engaged in a distinct occupation or business;
2. The kind of occupation, with reference to whether, in the locality, the work is usually done under the direction of the principal or by a specialist without supervision;
3. The skill required in the particular occupation;
4. The length of time for which the services are to be performed;

5. Whether the principal or the workman supplies the instrumentalities, tools and the place of work for the person doing the work;
6. The method of payment, whether by the time or by the job;
7. Whether or not the work is a part of the regular business of the principal;
8. Whether or not the parties believe they are creating a relationship of employer-employee;
9. The extent of control; and
10. Whether the principal is or is not in business.

A worker's status is determined from the integrated picture of the entire working relationship or a significant grouping of the above factors, rather than a count of the elements set forth. A written agreement that merely states that the person hired is not an employee is not, itself, proof of the relationship, but is only evidence of intent to be considered along with other significant factors.

Inquiries regarding these guidelines or determinations made by the Department may be referred to the Taxpayer Assistance Center at 1-888-745-3886 or to the SEF at (916) 653-5380.

I. REPORTING REQUIREMENTS (Independent Contractor)

California State Senate Bill 542 was passed during the 1999-2000 legislative session and signed into law and effective January 1, 2001. This law requires businesses and government entities to report specified information to the EDD on independent contractors.

1. Who Must Report

Any business or government entity (defined as a "service-recipient") that is required to file a federal Form 1099-MISC for services performed by an independent contractor (defined as a "service-provider") must complete a report. A service-recipient means any individual, person, corporation, association, or partnership, or agent thereof, doing business in this State, deriving trade or business income from sources within this State, or in any manner in the course of trade or business subject to the laws of this State.

An independent contractor is defined as an individual who is not an employee of the business or government entity for California purposes and who receives compensation or executes a contract for services performed for that business or government entity either in or outside of California.

2. Benefits of the Program

The information provided to the EDD will increase child support collection by helping to locate parents who are delinquent in their child support obligations.

3. When Must the Information Be Reported

You must report to the EDD within 20 days of either making payments totaling \$600 or more; or entering into a contract for \$600 or more with an independent contractor in any calendar year, whichever is earlier.

4. You are required to provide the following information that applies

Business or government entity's (service-recipient):

- Federal employer identification number.
- California employer account number.
- Social Security Number.
- Business name, address, and telephone number.

Independent contractor's (service-provider):

- First name, middle initial, and last name.
- Social Security Number.
- Address.
- Start date of contract (if no contract, date payments equal \$600 or more).
- Amount of contract, including cents (if applicable).
- Contract expiration date (if applicable).
- Ongoing contract (if applicable).

5. General Form Information

Report independent contractor information on the *Report of Independent Contractors*, DE 542. To obtain forms and/or information, call our toll-free number 1-888-745-3886 or access the EDD Internet site at http://www.edd.ca.gov/pdf_pub_ctr/de542.pdf. For magnetic media filing, please call the DE 542T/ICR Coordinator at (916) 651-6945.

6. Where to send forms (DE 542)

Employment Development Department
P.O. Box 997350, Document Management Group, MIC 96
Sacramento CA 95899-7350
Fax: (916) 319-4410

For additional assistance, call 1-888-745-3886.

J. REPORTING REQUIREMENTS (New Employees Reporting)

Children of child support debtors often become dependent on public assistance (welfare) because a parent does not provide financial support as obligated.

Under the New Employee Registry program:

- Employers report their newly hired employees to the Registry. California matches New Employee Registry reports against child support records to help locate parents in order to establish wage withholding orders or enforce existing orders.
- The information is also sent to the National Directory of New Hires to locate delinquent debtors in other states. Nearly 30 percent of child support cases involve parents who do not live in the same state as their children.

1. Reporting Requirements

All California employers must report all their new or rehired employees who work in California to the New Employee Registry no later than twenty (20) days after their start-of-work date. The start-of-work date is the first day services were performed for wages.

2. Who Must Be Reported

NEWLY-HIRED EMPLOYEES are those individuals who have not previously been included on your payroll.

REHIRED EMPLOYEES are those individuals who were previously included on your payroll; left your employment due to furlough, termination, separation, layoff, or unpaid leave of absence; and are now returning to your employment.

An individual is considered a new hire or rehire on the first day they perform service for wages (the first day of work).

3. When To Report

Information on newly hired or rehired employees must be reported within 20 days of their start-of-work date.

Employers who choose to report via electronic or magnetic media must submit two transmissions each month that are not less than 12 or more than 16 days apart.

4. Required Information

The following information must be reported to the EDD:

Employer Information

- Name or business name, and address.
- The EDD employer account number.
- Federal employer identification number.

Employee Information

- First name, middle initial, and last name.
- Social Security Number.
- Home address.
- Start-of-work date.

5. Reporting Methods

Employers may elect any of the following methods to report information to the EDD:

- File a *Report of Employee(s)*, DE 34.
- Submit on magnetic media.

6. Reporting by Magnetic Media

Employers hiring 25 or more employees are encouraged to report this information via magnetic media. If you report by magnetic media, you do not need to send a *Report of Employee(s)*, DE 34. For magnetic media filing, please call the DE 34/NER Coordinator at (916) 651-6945.

7. Where to send form (DE 34)

Employment Development Department
P.O. Box 997016, Document Management Group, MIC 96
West Sacramento, CA 95799-7016
Fax: (916) 319-4400

APPENDIX A

GLOSSARY

A. PURPOSE

The Unemployment Insurance (UI) Code contains certain words and phrases that should be understood by persons assigned to work with UI claims. This Glossary includes an index and definitions of those words and phrases most frequently used.

B. DEFINITION INDEX

- | | |
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| 1. Account Number | 19. DE |
| 2. Additional Claim | 20. Determination |
| 3. Administrative Law Judge (ALJ) | 21. Disqualification |
| 4. Appeal | 22. Employee |
| 5. Appeals Board (CUIAB) | 23. Employer Notices |
| 6. Base Period | 24. Extended Duration Benefits |
| 7. Base Period Employer | 25. Extended Duration Period |
| 8. Benefit Cost Ratio | 26. Financing Method |
| 9. Benefit Year | 27. First Notice of Claim |
| 10. Benefits | 28. Good Cause |
| 11. Calendar Quarter | 29. Independent Contractor |
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- | | |
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| 37. Partially Unemployed Individual | 49. School Recess Period |
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| 39. Quarterly Wage and Withholding Report | 51. Subject Employer |
| 40. Quasi Award | 52. Subsequent Benefit Year |
| 41. Reasonable Assurance | 53. Successor |
| 42. Recomputation (Recomp) | 54. Suitable Employment |
| 43. Registration | 55. Third Party Administrators (TPA) |
| 44. Reopened Claim | 56. Total Wages |
| 45. Ruling | 57. Unemployed |
| 46. Severance Pay | 58. Wage Detail |
| 47. School Employee | 59. Waiting Period |
| 48. School Employee's Fund (SEF) | 60. Weekly Benefit Amount |

C. DEFINITIONS

1. Account Number – A number assigned to each subject registered employer by the Employment Development Department (EDD), which is used throughout the claims process and in the financial accounting in Sacramento.
2. Additional Claim – An application to resume UI benefits during the benefit year when a claimant has not been paid UI benefits for a week or more because he or she has performed services in employment since the last period claimed.
3. Administrative Law Judge (ALJ) – Civil service employee of the State of California hired by the California UI Appeals Board to impartially judge UI benefit appeals, State Disability Insurance (SDI) benefit appeals and employment tax cases.
4. Appeal – A petition or request asking to allow that a determination by the EDD be reviewed in a formal hearing before an ALJ.
5. Appeals Board (California UI Appeals Board) – A seven-member board appointed for staggered terms of four years. The Board has a Chairperson, Secretary, Chief ALJ, a staff of ALJ, hearing reporters and clerical support.

6. Base Period – A 12-month period of wages on which a UI claim is established by considering the first four of the last five completed calendar quarters prior to the date of claim, depending upon the month in which a claim is effective.

The chart below describes how the base period is determined:

<u>If the Claim Starts In:</u>	<u>The Base Period is the 12 Months Which Ended on the Previous:</u>
January, February, or March	September 30
April, May, or June	December 31
July, August, or September	March 31
October, November, or December	June 30

7. Base Period Employer – Any subject employer(s) who paid wages to a claimant during the 12-month base period as described above.
8. Benefit Cost Ratio – The number of times the reserve balance exceeds the benefit charges for the prior fiscal year, which also indicates the Local Experience Charge (LEC) rate for the upcoming fiscal year.
9. Benefit Year – The 52-week period following the filing of a valid claim for UI benefits. The effective beginning date of a UI claim will always be the Sunday at the beginning of the week in which the claim was filed, the ending date is the Saturday date at the end of the 52-week period.
10. Benefits – The compensation payable to an individual, with respect to his or her unemployment, under the unemployment compensation law of any state or the federal government.
11. Calendar Quarter – The four three-month periods between January 1 and December 31 of each year.
12. Calendar Week – The period of seven consecutive days commencing at 12:01 a.m. on Sunday and ending at 12:00 midnight on Saturday.
13. Certification Period – Any consecutive seven days of total or partial unemployment for which a claimant certifies, either for waiting period credits or for benefit payments. For regular claims the certification period is the calendar week beginning on Sunday and ending on Saturday.

14. Charges – Benefit payments allocated to individual employer accounts. The SEF employers receive quarterly Benefit Charge Statements, DE 428F, with a list of charges to the account itemized by the claimant's name and social security number.

NOTE: SEF Participants receive an Employer Account Statement, DE 2176 for LEC.

15. Claim – An application for UI Benefits. When the claim is initially filed it is called a new claim. Requesting UI payment of benefits after a break of one or more weeks is either an additional claim or reopened claim. A continued claim is the certification form used to request payment of benefits each week.
16. Claimant – Any wage earner that files a claim for UI or SDI benefits.
17. Combined Wage Claim – A claim that combines covered earnings from more than one State to determine the total benefits payable.
18. Covered Employment – All employment except that which is specifically excluded from UI coverage under the CUIC.
19. DE – Indicates a form issued from the EDD. This precedes each Department form number. Reference to the DE form number in correspondence can be helpful (e.g., DE 1545).
20. Determination – A formal written decision to pay or deny UI benefits, and the corresponding decision to charge or not charge the employer's UI tax account, which is made by the EDD in regard to a claimant's eligibility for UI benefits.
21. Disqualification – Nonpayment of a claimant's benefits for a definite or indefinite period because he or she did not meet the eligibility requirements to be paid UI benefits during that time, or until certain conditions are met to lift the disqualification.
22. Employee – A wage earner in employment covered by the CUIC.

NOTE: The definition of independent contractor should be referred to if there is a question as to whether the claimant is an "Independent Contractor" or an "Employee."

23. Employer Notices – Forms mailed by the EDD to employers to notify them of matters affecting their interest. This includes, but is not limited to, Notice of Claim Filed, DE 1101CZ, Notice of Determination, DE 1080EZ, Notice of Wages Used for Unemployment Insurance Claim, DE 1545R.

24. Extended Duration Benefits – Benefits paid to a claimant during an extended duration period in an amount equal to the claimant’s regular weekly benefit amount.
25. Extended Duration Period – When insured unemployment equals or exceeds a certain percentage of the work force, a percentage established by either state or federal law, the UI benefit period is extended beyond the initial 26-week period.
26. Financing Method – The three main options a government entity may elect to pay the EDD for their unemployment insurance coverage. These methods are:
 - Experience Rating – Used mostly by commercial employers.
 - Direct Reimbursement – Used mostly by non-profit and public employers.
 - School Employees Fund – Used by public schools and community colleges.
27. First Notice of Claim – The *Notice of Unemployment Insurance Claim Filed*, DE 1101CZ, is the form used to notify the claimant’s last employer that a UI claim has been filed. The employer should respond to the DE 1101CZ within 10 days of its mailing, if the employer wishes to provide the EDD with information regarding the claimant’s eligibility for UI benefits.
28. Good Cause – A substantial reason put forth in good faith that is not unreasonable, arbitrary or irrational.
29. Independent Contractor – See Chapter VII, Section G.
30. In-Lieu-Of-Notice Pay – Payment of wages for a specific period of time, usually given when the employee’s presence is not requested or desired during the last weeks of employment. This is considered wages for a specific period of time and, must be reported to the EDD. Receipt of in-lieu-of-notice pay may delay payment of UI benefits.
31. Institution of Higher Education – Community colleges are considered institutions of higher education as they meet the definition of an institution of higher education under Part 40, Chapter 1, Section 66010 of the California Education Code.
32. Local Experience Charge (LEC) – An assessment levied against school districts based on a maximum of 15 percent of the benefits paid out on their behalf. The bill is issued quarterly and payable within 30 days.
33. Misconduct – Conduct that is deliberate and willful, is a breach of the duty owed to the employer and which disregards and tends to injure the employer’s interests.

34. Most Recent Employer – The last employer for whom a claimant worked immediately preceding the filing of a claim.
35. New Claim – The first claim filed at the beginning of a newly established benefit year.
36. Nonprofessional Employee – For UI purposes this is an individual who does not do research, instruct, or work in a principally administrative capacity.
37. Partially Unemployed Individual – An individual whose wages do not exceed his/her UI weekly benefit amount by more than \$25.00 or 25 percent while employed by his or her regular employer, and who worked less than the normal and customary full-time hours for such regular employer because of a lack of full-time work.
38. Professional Employee – For UI purposes this is an employee whose job duties are to instruct, do research, or work in a principally administrative capacity.
39. Quarterly Wage and Withholding Report – At the end of each calendar quarter, subject employers are required to complete reporting forms detailing the number of employees who worked during the period, the total wages paid and the taxes due.
40. Quasi Award – A UI award based only on wages earned in non-school employment when the claimant also has wages earned in school employment.
41. Reasonable Assurance – As used in conjunction with continuing school employment means, generally, a written, verbal or implied agreement that the employee will perform services in a similar capacity during the ensuing academic year or term as were performed in the academic year or term preceding the school recess period. Refer to Chapter IV.
42. Recomp – A recomputation or recalculation of the UI benefit award.
43. Registration – Employers are required to register with EDD within 15 days after becoming subject to the CUIC.
44. Reopened Claim – An application filed following a period of one or more weeks for which the claimant did not file a continued claim form or partial claim form and during which the claimant did not perform services in employment.
45. Ruling – Only tax-rated employers receive rulings. SEF employers do not receive rulings. The ruling is issued by the EDD and determines whether an employer's reserve account will or will not be charged for benefits paid to a claimant. Rulings are only issued in regard to separations.

46. Severance Pay – A payment that is given to an employee at the termination of employment either under an established plan or at the employer’s option. Severance pay is not considered wages and, therefore, cannot be used for the purposes of establishing a new claim.
47. School Employee – An individual who is employed in a preschool, an elementary or secondary educational institution in the public school system, a private nonprofit school, a church-sponsored school, or an institution of higher education.
48. School Employee’s Fund (SEF) – A pooled risk fund in which public school employers (kindergarten through 12 and community college) may elect to finance their UI taxes.
49. School Recess Period – An all-encompassing term used to describe an identifiable period of time such as summer vacation, special summer school vacation, and holiday periods such as Christmas (winter) and Easter (spring). A school recess period can occur “between terms” e.g., an established and customary vacation period or holiday recess that begins at the end of one year or term, and ends at the beginning of the next year or term, or a “within terms” recess which is a regularly scheduled vacation period such as Christmas or spring break, when those vacation periods or recesses occur within a term.
50. Social Security Account (SSA) Number – A number assigned an individual by the Social Security Administration as a means of identifying social security payments.
51. Subject Employer – Any employer who, by law, is subject to the conditions set forth by the CUIC.
52. Subsequent Benefit Year – A new benefit year, based on a new base period, which follows an exhausted benefit year. A claimant may only file one UI claim in a 52-week period. A claimant must have sufficient wages earned from the end of the base period of the first claim to the beginning date of the subsequent claim in order to qualify for the subsequent benefit year.
53. Successor – A change in ownership, or a new ownership, of a business already registered as an employer. A new registration is required for either situation.
54. Suitable Employment – Work in a claimant’s usual occupation or work for which he or she is reasonably fitted by experience, training, physical fitness, etc.
55. Third Party Administrator (TPA) – A business that contracts with an employer to administer the employer’s unemployment insurance (UI) claims and/or payroll.

56. Total Wages – The gross wages paid to each employee. For reporting and paying contributions under the SEF, the gross (total) payroll of the entity is used.
57. Unemployed – An individual is unemployed for UI purposes if he or she meets the conditions as set forth in CUIC Section 1252.
58. Wage Detail – Each calendar quarter, each covered employer is required to report a list of all employees on the payroll during that quarter, showing social security number, name, and total wages paid during that quarter. This information is asked for on the *Quarterly Wage and Withholding Report*, DE 6. Reporting can be done on the DE 6 form or magnetic tape.
59. Waiting Period – The first potentially payable week following the start of the benefit year. No benefits are payable during the waiting period week, but the claimant must request payment and be otherwise eligible for benefits in order to get credit for serving the waiting period week.
60. Weekly Benefit Amount (WBA) – The amount of benefits payable each week to a claimant, based on his or her highest quarterly earnings in the base period of the claim.

APPENDIX B

EMPLOYMENT DEVELOPMENT DEPARTMENT FORMS

A. PURPOSE

The Employment Development Department (EDD) is required by law to mail specific documents to employers and claimants when former employees file UI claims.

This section contains a listing of important UI program forms mailed to employers. Facsimiles of the forms are included. The facsimiles are provided as samples only, do not complete the forms and submit to the EDD.

This is not a complete listing of all documents mailed by the Department. It is a listing of the forms most frequently seen by employers. Most EDD forms are available either for viewing or completion on the EDD Web site.

C. FORMS INDEX	PAGE
1. DE 6 – <i>Quarterly Wage and Withholding Report</i>	70
2. DE 6 – <i>Quarterly Wage and Withholding Report Instructions</i>	71
3. DE 24 – <i>Change of Employer Account Information</i>	72
4. DE 34 – <i>Report of Employee(s)</i>	73
5. DE 34 – <i>Instructions for Completing the Report of Employee(s)</i>	74
6. DE 428F – <i>Statement of Benefit Charges</i>	75
7. DE 542 – <i>Report of Independent Contractors</i>	77
8. DE 938SEF – <i>Quarterly Return Adjustment Form for School Employers</i>	79
9. DE 1000M – <i>EDD Appeal Form</i>	81
10. DE 1080CZ – <i>Notice of Determination</i>	82
11. DE 1080M – <i>Notice of Modification</i>	84
12. DE 1101CZ – <i>Notice of Unemployment Insurance Claim Filed</i>	85
13. DE 1296B – <i>Benefit Audit</i>	87
14. DE 1296E – <i>Instructions for Benefit Audit</i>	88
15. DE 1296NER – <i>New Employee Registry Benefit Audit</i>	90
16. DE 1326ER – <i>Request for Additional Information</i>	91

17.	DE 1545R – <i>Notice of Wages Used for UI Claim</i>	92
18.	DE 1545RI – <i>Explanations and Instructions and Question and Answers on Notices of Wages Used for UI Claim</i>	93
19.	DE 2176 – <i>Employer Account Statement</i>	95
20.	DE 9423 – <i>Quarterly Contribution Return for School Employers</i>	98

DE 6 Quarterly Wage and Withholding Report



QUARTERLY WAGE AND WITHHOLDING REPORT



PLEASE TYPE THIS FORM PER INSTRUCTIONS ON REVERSE
 You must FILE this report even if you had no payroll. If you had no payroll, complete Items C or D and P.

00060198

YR QTR

Page number _____ of _____

QUARTER ENDED

DUE

DELINQUENT IF NOT POSTMARKED OR RECEIVED BY

EMPLOYER ACCOUNT NO.

DO NOT ALTER THIS AREA

P1 C T S W A
 EFFECTIVE DATE
 Mo. Day Yr. WIC

A. EMPLOYEES full-time and part-time who worked during or received pay subject to UI for the payroll period which includes the 12th of the month.
 1st Mo. 2nd Mo. 3rd Mo.

B. Check this box if you are reporting ONLY Voluntary Plan DI wages on this page. Report PIT Wages and PIT Withheld, if appropriate. (See instructions for Item B.)

C. NO PAYROLL

D. OUT OF BUSINESS/FINAL REPORT
 Date _____

E. SOCIAL SECURITY NUMBER F. EMPLOYEE NAME (FIRST NAME) (M.I.) (LAST NAME)

G. TOTAL SUBJECT WAGES

H. PIT WAGES

I. PIT WITHHELD

E. SOCIAL SECURITY NUMBER F. EMPLOYEE NAME (FIRST NAME) (M.I.) (LAST NAME)

G. TOTAL SUBJECT WAGES

H. PIT WAGES

I. PIT WITHHELD

E. SOCIAL SECURITY NUMBER F. EMPLOYEE NAME (FIRST NAME) (M.I.) (LAST NAME)

G. TOTAL SUBJECT WAGES

H. PIT WAGES

I. PIT WITHHELD

E. SOCIAL SECURITY NUMBER F. EMPLOYEE NAME (FIRST NAME) (M.I.) (LAST NAME)

G. TOTAL SUBJECT WAGES

H. PIT WAGES

I. PIT WITHHELD

E. SOCIAL SECURITY NUMBER F. EMPLOYEE NAME (FIRST NAME) (M.I.) (LAST NAME)

G. TOTAL SUBJECT WAGES

H. PIT WAGES

I. PIT WITHHELD

E. SOCIAL SECURITY NUMBER F. EMPLOYEE NAME (FIRST NAME) (M.I.) (LAST NAME)

G. TOTAL SUBJECT WAGES

H. PIT WAGES

I. PIT WITHHELD

E. SOCIAL SECURITY NUMBER F. EMPLOYEE NAME (FIRST NAME) (M.I.) (LAST NAME)

G. TOTAL SUBJECT WAGES

H. PIT WAGES

I. PIT WITHHELD

J. TOTAL SUBJECT WAGES THIS PAGE

K. TOTAL PIT WAGES THIS PAGE

L. TOTAL PIT WITHHELD THIS PAGE

M. GRAND TOTAL SUBJECT WAGES

N. GRAND TOTAL PIT WAGES

O. GRAND TOTAL PIT WITHHELD

P. I declare that the information herein is true and correct to the best of my knowledge and belief.

Preparer's Signature _____ Title _____ Phone () _____ Date _____
 (Owner, Accountant, Preparer, etc.)

DE 6 Rev. 4 (2-04) MAIL TO: State of California / Employment Development Department / P.O. Box 826288 / Sacramento, CA 94230-6288



DE 6 Quarterly Wage and Withholding Report Instructions

INSTRUCTIONS FOR COMPLETING QUARTERLY WAGE AND WITHHOLDING REPORT PLEASE TYPE ALL INFORMATION - TYPE DOUBLE SPACE ONLY - DO NOT SINGLE SPACE

FOR ASSISTANCE IN COMPLETING THIS FORM, obtaining additional forms, or inquiries regarding reporting wages or the subject status of employees, please contact our Taxpayer Assistance Center at 1-888-745-3886. You may also refer to the California Employer's Guide, DE 44, for additional information.

Please record information in the spaces provided. If you use a typewriter or printer, ignore the boxes and type in UPPER CASE as shown. **When reporting dollar amounts, use DOLLARS AND CENTS.** Do not use dashes or slashes.

EMPLOYEE FIRST NAME	M.I.	EMPLOYEE LAST NAME	TOTAL SUBJECT WAGES
IMOGENE		A SAMPLE	12345.67

If you must hand print this form, write each letter or number in a separate box as shown. Do not write commas or decimal points.

EMPLOYEE FIRST NAME	M.I.	EMPLOYEE LAST NAME	TOTAL SUBJECT WAGES
I M O G E N E		A S A M P L E	1 2 3 4 5 0 0

IF YOU STILL OWE TAXES when preparing this report, submit a Payroll Tax Deposit (DE 88) with your payment to the address on the DE 88.

Retain a copy of the DE 6(s) for your records. If you have more than seven employees, use additional pages or a format approved by the Department. If using more than one page, number the pages consecutively at the top of the form. If the form is not preprinted, enter your account number, business name and address, the year, and quarter the report is for. For information, specifications and approvals of alternate forms, contact the Alternate Forms Coordinator at (916) 255-0649.

ITEM A. NUMBER OF EMPLOYEES: **Page 1 only:** Enter the number of full-time and part-time workers who worked during or received pay subject to Unemployment Insurance for the payroll period **which includes the 12th** of the month. **Please provide a count for each of the three months.** Blank fields will be identified as missing data.

ITEM B. Check this box ONLY if the employees reported are covered by an employer sponsored Voluntary Plan for the payment of disability benefits. If you also have employees covered under the State Plan for disability benefits, report their wages and withholdings separately on another page of the DE 6.

WAGES AND WITHHOLDINGS TO REPORT ON A SEPARATE DE 6

Prepare a DE 6 to report the types of exemptions listed below. All three exemptions can be reported on one DE 6. Write the exemption title(s) at the top of the form (e.g., SOLE SHAREHOLDER), and report only those individuals under these categories. **Report all other employees or individuals without exemptions on a separate DE 6.**

- **Religious Exemption:** Employees who file and are approved by the Department for an exemption from SDI taxes under Section 2902 of the California Unemployment Insurance Code (CUIC).
- **Sole Shareholder:** An individual who elects and is approved by the Department to be excluded from SDI coverage for benefits and taxes under Section 637.1 of the CUIC.
- **Third Party Sick Pay:** Recipients exempt from SDI taxes under Section 931.5 of the CUIC. Refer to the Employer's Guide for detailed instructions on how to report.

ITEM C. NO PAYROLL: Check this box if you had no payroll this quarter. Enter zeroes in each box in Item A and in Items M, N, and O.

ITEM D. OUT OF BUSINESS/FINAL REPORT: Check this box if this is your final report and you will not be reporting wages in any subsequent quarter. You must also complete an Annual Reconciliation Statement (DE 7) and pay any amounts due with a Payroll Tax Deposit (DE 88), within 10 days of quitting business to avoid penalty and interest charges. In the date line, please indicate the date your business closed.

ITEM E. SOCIAL SECURITY NUMBER (SSN): Enter the SSN of each employee or individual to whom you paid wages in subject employment, paid PIT wages, and/or from whom you withheld state income taxes during the quarter. If someone does not have an SSN, report their name, wages and/or withholdings without the SSN and TAKE IMMEDIATE STEPS TO SECURE ONE. Report the correct SSN to EDD as soon as possible on a Tax and Wage Adjustment Form (DE 678).

ITEM F. EMPLOYEE NAME: Enter the name of each employee or individual to whom you paid wages in subject employment, paid PIT wages, and/or from whom you withheld state income taxes during the quarter.

ITEM G. TOTAL SUBJECT WAGES: Enter the total subject wages paid (including cents) to each employee during the quarter. Generally, most wages are considered "subject" wages. For special classes of employment and payments considered subject wages, refer to the California Employer's Guide Appendix under "Types of Employment" and "Types of Payments."

ITEM H. PIT WAGES: Enter the amount of wages paid (including cents) that are subject to California state income taxes, even if you do not withhold PIT from the wages. You must enter PIT wages even if they are the same as total subject wages. For additional information regarding PIT wages, refer to the Information Sheet Personal Income Tax Wages Reported on the Quarterly Wage and Withholding Report (DE 231PIT).

ITEM I. PIT WITHHELD: Enter the amount of PIT withheld from each individual during the quarter.

ITEM J. Enter the total subject wages paid (Item G) for each separate page. Do not carry this total forward from page to page.

ITEM K. Enter the total amount of PIT wages (Item H) for each separate page. Do not carry this total forward from page to page.

ITEM L. Enter the total PIT withheld (Item I) for each separate page. Do not carry this total forward from page to page.

ITEM M. ON PAGE 1 or the last page, enter the grand total of total subject wages paid (Item J) for all pages for the quarter.*

ITEM N. ON PAGE 1 or the last page, enter the grand total of PIT wages (Item K) for all pages for the quarter.*

ITEM O. ON PAGE 1 or the last page, enter the grand total of PIT withheld from all the employees (Item L) for all pages for the quarter.*

*NOTE: Provide separate grand totals for Voluntary Plan DI reporting and special exemption reporting (Religious Exemption, Sole Shareholder, Third Party Sick Pay). Combine all other wage and withholding reports to arrive at the grand totals for Items M, N, and O.

ITEM P. ON PAGE 1 ONLY, please sign, state your title, enter your telephone number, and date the form.

DE 24 Change to Employer Account Information



CHANGE OF EMPLOYER ACCOUNT INFORMATION

Mail to: Employment Development Department
 Account Services Group MIC 28
 PO Box 826880
 Sacramento CA 94280-0001

ENTER YOUR E.D.D. ACCOUNT NUMBER: _____
 Corporation/ Owner's Name: _____
 Business (DBA) Name: _____

PLEASE INDICATE CHANGES/CORRECTIONS THAT APPLY TO YOUR BUSINESS (A-1 BELOW):

A. Address Change / Correction: Date of Change: ___/___/___ (Enter address information in box 1)

1.	NUMBER AND STREET	CITY, STATE, AND ZIP CODE	PHONE NUMBER
			()

B. Business Name (DBA) Change: _____ Date Of Change: ___/___/___

C. Corporation Name Change: _____ Date Of Change: ___/___/___

D. Personal Name Change (i.e.; marriage): _____ Date Of Change: ___/___/___

E. Discontinued Paying Wages. Date last wage payment was made: ___/___/___

F. If your payroll is now being reported by a Professional Employer Organization (PEO), please provide PEO information:
 PEO Name: _____ PEO Address: _____

G. Out Of Business (Without A Successor). Date of Change: ___/___/___ (Provide forwarding address in box 1)
REMINDER: Please submit your final Tax Deposit Coupon (DE 88) with payment, Quarterly Wage and Withholding Report (DE 6), and Annual Reconciliation Statement (DE 7), when discontinuing paying wages or upon going out of business.

H. Change of Ownership – Date Of Change: ___/___/___ (Mark appropriate box below, and complete box 2 if required):

- Partial Sale, Not Out-Of-Business
- Corporation Formed
- Corporation Dissolved
- Entire Business Sold (Enter successor[s] information in box 2)
- Partnership To Sole (Enter sole proprietor's information in box 2)
- Other (Explain): _____

2.	OWNER'S NAME(S) FOLLOWING CHANGE OF OWNERSHIP	TITLE	BUSINESS NAME (DBA) / CORPORATION NAME	MAILING ADDRESS

New FEIN (Tax ID#): _____ OLD FEIN (Tax ID#): _____
 Explain reason for new Tax ID: _____
 SOS Corporation, LLC, LLP, or LP Identification #: _____

I. Change in Partner(s), Officer(s), Member(s), Manager(s), etc. (Mark appropriate box to Add [A], Withdraw [W] or if Not Applicable [N/A] in box 3, and enter the new information as required):

3.	A	W	N/A	DATE OF CHANGE	INDIVIDUAL(S) TO BE ADDED/ WITHDRAWN/NOT APPLICABLE	TITLE	SOCIAL SECURITY #	DRIVER'S LICENSE #
	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	___/___/___				
	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	___/___/___				
	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	___/___/___				

Note: If business corporation/owner is represented by an authorized agent for employment tax purposes, the agent may sign below. A signed and properly executed power of attorney must be attached or on file. THE SIGNATURE OF ANY OTHER PERSON/THIRD PARTY WILL NOT BE ACCEPTED.

"I certify under penalty of perjury that the above information is true and correct, and that these actions are not being taken to receive a more favorable Unemployment Insurance Rate. I further certify that I have the authority to sign on behalf of the above business."

 Signature Phone Number _____ Date _____

 Print Name Title (Officer, Owner, Member, GP, or Authorized Agent)



DE 34 Report of Employee(s)



REPORT OF NEW EMPLOYEE(S)

See detailed instructions on reverse. Please type or print.
NOTE: Report new employees within 20 days of start-of-work date.



00340600

DATE MMDDYY	CA EMPLOYER ACCOUNT NO. L	BRANCH CODE L	FEDERAL ID NO. L
BUSINESS NAME		CONTACT PERSON	TELEPHONE NO.
ADDRESS	STREET	CITY	STATE ZIP

EMPLOYEE FIRST NAME	MI	EMPLOYEE LAST NAME
SOCIAL SECURITY NO.	STREET NO.	STREET NAME UNIT/APT
CITY	STATE	ZIP START-OF-WORK DATE MMDDYY

EMPLOYEE FIRST NAME	MI	EMPLOYEE LAST NAME
SOCIAL SECURITY NO.	STREET NO.	STREET NAME UNIT/APT
CITY	STATE	ZIP START-OF-WORK DATE MMDDYY

EMPLOYEE FIRST NAME	MI	EMPLOYEE LAST NAME
SOCIAL SECURITY NO.	STREET NO.	STREET NAME UNIT/APT
CITY	STATE	ZIP START-OF-WORK DATE MMDDYY

EMPLOYEE FIRST NAME	MI	EMPLOYEE LAST NAME
SOCIAL SECURITY NO.	STREET NO.	STREET NAME UNIT/APT
CITY	STATE	ZIP START-OF-WORK DATE MMDDYY

EMPLOYEE FIRST NAME	MI	EMPLOYEE LAST NAME
SOCIAL SECURITY NO.	STREET NO.	STREET NAME UNIT/APT
CITY	STATE	ZIP START-OF-WORK DATE MMDDYY

EMPLOYEE FIRST NAME	MI	EMPLOYEE LAST NAME
SOCIAL SECURITY NO.	STREET NO.	STREET NAME UNIT/APT
CITY	STATE	ZIP START-OF-WORK DATE MMDDYY

DE 34 Instructions for Completing the Report of Employee(s)

INSTRUCTIONS FOR COMPLETING THE REPORT OF NEW EMPLOYEE(S)

WHO MUST BE REPORTED:

Federal law requires all employers to report all newly hired or rehired workers to EDD within 20 days of their start-of-work date. State and county agencies use this information to assist them in locating parents who are delinquent in their child support obligations.

An individual is considered a **new hire** on the first day in which he/she performs services for wages. An individual is considered a **rehire** if the employer/employee relationship has ended and the returning individual is required to submit a W-4 form to the employer.

WHAT MUST BE REPORTED ON THIS FORM:

Employer's:

- California Employer Account Number **on each form completed**
- Branch Code - Complete only if employer was assigned a Branch Code number
- Federal Employer Identification Number
- Business name and address
- Contact person and telephone number

Employee's

- First name, middle initial, and last name
- Social Security Number
- Home address
- Start-of-work date (hire date)

HOW TO COMPLETE THIS FORM:

Please complete the following information in the spaces provided. If you type the information, ignore the boxes and type in UPPER CASE as shown. Do not use dashes or slashes.

EMPLOYEE FIRST NAME IMOGENE	MI A	EMPLOYEE LAST NAME SAMPLE
SOCIAL SECURITY NO. 123456789	STREET NO. 1234	STREET NAME ANY STREET
		UNIT/APT 312

If you **must hand write this form**, print each letter or number in a separate box as shown. Do not use commas or periods.

EMPLOYEE FIRST NAME I M O G E N E	MI A	EMPLOYEE LAST NAME S A M P L E
SOCIAL SECURITY NO. 1 2 3 4 5 6 7 8 9	STREET NO. 1 2 3 4	STREET NAME A N Y S T R E E T
		UNIT/APT 3 1 2

ADDITIONAL INFORMATION:

For additional DE 34 forms, visit our Internet site at www.edd.ca.gov/taxrep/taxordn.2htm or call (888) 745-3886.

If you have any questions concerning this reporting requirement, you may visit your local Employment Tax Office listed in the *California Employer's Guide* (DE 44) and our Web site at www.edd.ca.gov/taxrep/taxloc.htm. You may also call us at (916) 657-0529.

HOW TO REPORT:

Please complete the information in the spaces provided and mail it to the following address or fax to (916) 319-4400.

EMPLOYMENT DEVELOPMENT DEPARTMENT
Document Management Group, MIC 96
P.O. Box 997016
West Sacramento, CA 95799-7016



You may also report your DE 34 information online using our Internet NER program at <https://eddservices.edd.ca.gov>. To obtain information for submitting DE 34 reports on magnetic media, access EDD's Web site at www.edd.ca.gov/taxrep/de340.pdf or call (916) 651-6945.

DE 428F Statement of Benefit Charges (front)



State of California

Health and Human Services Agency

YOUR ACCOUNT NUMBER: 942-XXXX-X

MAILED ON OR BEFORE 01/25/02

SCHOOL EMPLOYEE'S FUND EMPLOYER
STATEMENT OF BENEFIT CHARGES

CHARGES FROM
10/01/01 THRU 12/31/01

XYZ ELEMENTARY SCHOOL DISTRICT
BX XXXXX
SACRAMENTO CA 95814

**TOTAL CHARGE
(PLEASE DO NOT PAY)**

\$4,877.00

PREDECESSOR ACCOUNT NUMBER:

BRANCH CODE: 000

PAGE

1

CLAIMANT SSA NUMBER	CLAIMANT NAME	CLAIM DATE	CLAIM TYPE	CHG QTR	BENEFIT PMT AMT	EMPLYR CHARGE	CHG CODE	PGM CODE
		02/25/01	A	014		4.00		00
		02/06/00	A	014		10.00		00
		07/01/01	A	014		15.00		00
		07/15/01	A	014		1175.00		00
		08/26/01	A	014		2817.00		00
		10/14/01	A	014		746.00		00
		06/10/01	A	014		42.00		00
		06/17/01	A	014		20.00		00
		07/01/01	A	014		98.00		00

P.O. Box 626880 / MIC 19 / Sacramento, CA 94280-0001 / (916) 653-5846

DE 428F (6-96)

DE 542 Report of Independent Contractors (back)

INSTRUCTIONS FOR COMPLETING THE REPORT OF INDEPENDENT CONTRACTOR(S)

WHO MUST REPORT:

Any business or government entity (defined as a "Service-Recipient") that is required to file a Federal Form 1099-MISC for service performed by an independent contractor (defined as a "Service-Provider") must report. You must report to the Employment Development Department within twenty (20) days of EITHER making payments of \$600 or more OR entering into a contract for \$600 or more with an independent contractor in any calendar year, whichever is earlier. This information is used to assist state and county agencies in locating parents who are delinquent in their child support obligations.

An independent contractor is further defined as an individual who is not an employee of the business or government entity for California purposes and who receives compensation or executes a contract for services performed for that business or government entity either in or outside of California. For further clarification, request *Information Sheet: Employment Work Status Determination* (DE 231ES). See below for additional information on how to obtain forms.

YOU ARE REQUIRED TO PROVIDE THE FOLLOWING INFORMATION THAT APPLIES:

Service-Recipient (Business or Government Entity):

- Federal employer identification number
- California employer account number
- Social security number
- Service-recipient name/business name, address, and telephone number

Service-Provider (Independent Contractor):

- First name, middle initial, and last name
- Social security number
- Address
- Start date of contract (if no contract, date payments equal \$600 or more)
- Amount of contract including cents (if applicable)
- Contract expiration date (if applicable)
- Ongoing contract (check box if applicable)

HOW TO COMPLETE THIS FORM:

If you use a typewriter or printer, ignore the boxes and type in UPPER CASE as shown. Do not use commas or periods.

FIRST NAME	MI	LAST NAME
IMOGENE	A	SAMPLE
SOCIAL SECURITY NO.	STREET NO.	STREET NAME
123456789	12345	MAIN STREET
		UNIT / APT.
		301

If you **handwrite this form**, print each letter or number in a separate box as shown. Do not use commas or periods.

FIRST NAME	MI	LAST NAME
I M O G E N E	A	S A M P L E
SOCIAL SECURITY NO.	STREET NO.	STREET NAME
1 2 3 4 5 6 7 8 9	1 2 3 4 5	M A I N S T R E E T
		UNIT / APT.

GENERAL INFORMATION:

If you have any questions concerning this reporting requirement, please call (916) 657-0529. You may also contact your local Employment Tax Office listed in your telephone directory in the State Government section under "Employment Development Department," or you may access our Internet site at www.edd.ca.gov.

To obtain additional DE 542 forms:

- Visit our Internet site at www.edd.ca.gov; or
- For 25 or more forms, telephone (916) 322-2835
- For less than 25 forms, telephone (916) 657-0529

To obtain information for submitting *Report of Independent Contractors* on magnetic media, call (916) 651-6945.

HOW TO REPORT:

Please record the information in the spaces provided and mail to the following address or fax to (916) 319-4410.

EMPLOYMENT DEVELOPMENT DEPARTMENT
P. O. Box 997350, Document Management Group, MIC 96
Sacramento, CA 95899-7350

DE 938SEF Quarterly Return Adjustment Form for School Employers (front)



QUARTERLY RETURN
ADJUSTMENT FORM
FOR SCHOOL EMPLOYERS

Employer Account No. 942 - -

For Quarter Ended
MO. DAY YR.

Please Follow Instructions on Reverse Side

STATUTE OF LIMITATIONS

A claim for refund or credit must be filed within three years of the last timely filing date of the quarter being adjusted.

For Department Use Only

EFFECTIVE DATE MO. DAY YR.

Name _____
Address _____

	(1)	(2)	(3)
	Previously reported	Should have reported	DIFFERENCES Debit/(Credit)
I. COMPUTATION OF ADJUSTMENT IN CONTRIBUTIONS			
B. TOTAL WAGES IN SUBJECT EMPLOYMENT			
C. EMPLOYER CONTRIBUTIONS (Employer Rate times B)			
I. Penalty (Refer to instructions on reverse side)			
J. Interest (Refer to instructions on reverse side)			
L. TOTAL			

II. REASON FOR ADJUSTMENT

III. I declare that the above information is true and correct to the best of my knowledge and belief. This section must be completed for credit to be allowed.

SIGNATURE TITLE (Administrator, Accountant, Preparer, etc.) Phone () DATE
FAX ()

IV. EMPLOYEE WAGE ADJUSTMENT. Enter the correct total wages which should have been reported for the quarter.

NOTE: If you are adjusting more than four (4) employees, list the items on a separate page with the same format, including employer name and account number and the adjusting quarter.

SOCIAL SECURITY ACCOUNT NUMBER	EMPLOYEE NAME (First, Middle Initial, Last Name)	TOTAL WAGES SHOULD HAVE REPORTED FOR QUARTER
TOTAL of this page OR total for all pages attached.		

FOR DEPARTMENT USE ONLY

EXAMINER	DATE	REVIEWER	DATE	ORIGINATING UNIT
EXAMINER	DATE	REVIEWER	DATE	MIC/ETDO
CD	BN	SN	PMT	OP

DE 938SEF Rev. 8 (6-02)

PO Box 2482, MIC 68 / Sacramento CA 95812-2482

DE 938SEF Quarterly Return Adjustment Form for School Employers (back)

Instructions For Completion of Form DE 938SEF, Quarter Return Adjustment Form for School Employers

Information: Form DE 938SEF is to be used (a) when an adjustment is made to a prior quarter DE 9423, Quarterly Contribution Return; and/or (b) Unemployment Insurance benefits were withheld from a backpay award made to an employee.

To insure timely processing of your document, complete in full your employer account number, name and mailing address in the appropriate areas. Post the date of the quarter which is being adjusted. As an example, adjustments to returns covering the first quarter (January, February and March) should be shown as 03/31/_ _.

Submit a **separate** form DE 938SEF for each quarter to be adjusted.

Item I. Computation of Adjustment in Contributions. This part is used to compute the correct wage differences and the taxes.

Lines B, C:

Column 1 – enter the amounts reported on your quarterly report as filed.

Column 2 – enter the amounts that should have been reported.

Column 3 – enter the differences between Column 1 and Column 2.

Penalty: Add Penalty of ten percent (10%) of the contributions shown on Line C.

Interest: Add Interest computed on the total unpaid contributions plus penalty. The rate and method is prescribed by Section 1113, CUIC and will change based on the date of the quarter you are adjusting.

Total: Compute by adding the total unpaid contributions plus Penalty plus Interest. Submit a check for this amount if balance is due the Department.

Item II. Reason For Adjustment. This item is used to explain the reason for the adjustment in Item I.

Item III. Signature: To be a valid claim form, an authorized representative must sign the adjustment form showing Title, telephone numbers and date.

Item IV. Employee Wage Adjustment. When adjustments are necessary to correctly report an individual employee's wages or social security number, complete as shown in the following examples.

- A. Incorrect Amount of Wages Reported.
Enter Social Security Account Number, Employee Name, and the correct total wages for the quarter.
- B. Wrong Social Security Account Number Reported. Requires two entries.
 1. Enter **incorrect** Social Security Account Number, Employee Name and enter **zero (0)** for amount of wages paid.
 2. Enter **correct** Social Security Account Number, Employee Name and enter the **total wages** paid for the quarter.
- C. No Social Security Account Number Available When Report was Filed. Requires two entries.
 1. Enter **all zeros** (000-00-000) for Social Security Account Number, Employee Name and enter **zero (0)** for amount of wages paid.
 2. Enter **correct** Social Security Account Number, Employee Name and enter the **total wages** paid for the quarter.

NOTE: If additional space is needed, list the items on a separate page using the same format, including employer name and account number and the quarter adjusting.

For assistance in completing this form, or in obtaining additional forms, contact the School Employees Fund.

DE 1000M EDD Appeal Form



EDD Telephone Numbers:
 English 1-800-300-5616
 Spanish 1-800-326-8937
 Cantonese 1-800-547-3506
 Mandarin 1-866-303-0706
 Vietnamese 1-800-547-2058
 TTY (non voice) 1-800 815-9387

EMPLOYMENT DEVELOPMENT DEPARTMENT APPEAL FORM

If you want to appeal a Department determination, please explain why you disagree and return this form to the Department using the office address listed on the enclosed notice. You have 20 days from the date of the notice to file an appeal. The 20-day period may be extended for good cause. Reasons for filing an appeal after 20 days should be explained.

Please note that claimants for Disaster Unemployment Assistance have 60 days to file an appeal. Employers who are appealing the Department's DE 3807 Notice of Determination or Assessment have 30 days to file an appeal.

I disagree with the Department's decision dated _____ because:

(Attach an additional sheet if more space is required)

CLAIMANTS: While your appeal is pending, you must continue to file a continued claim form for the period that you want to claim benefits. If you are found eligible, you can be paid only for periods for which you have filed continued claim forms and have met all other eligibility requirements.

The following information must be provided by the party filing the appeal (Appellant) or an authorized agent of the party filing the appeal. Signature of the appellant or agent is required.

Do you need a translator? Yes No If yes, please give language and dialect: _____

Appellant Telephone No.: (____) _____

Appellant Name: _____ Appellant Fax No.: (____) _____

Appellant Mailing Address: _____
 Street No.; Apt. No., or P.O. Box City State ZIP Code

Claimant Name: _____ Employer Account Number: _____
 Claimant Social Security Number: _____ - _____ - _____ (For employer appeal only)

Agent Name (if applicable): _____
 Mailing Address: _____
 Street No., Apt. No., or P.O. Box City State ZIP Code

Signature
 Appellant or Agent: _____ Date: _____

EDD OFFICE NAME
P.O. BOX
CITY CA ZIP CODE



NOTICE OF DETERMINATION/RULING

DATE MAILED 00 / 00 / 00
BENEFIT YEAR BEGAN 00 / 00 / 00

CLAIMANT'S NAME
CLAIMANT'S ADDRESS
CITY CA ZIP CODE

EDD TELEPHONE NUMBERS:
ENGLISH 1-800-300-5616
SPANISH 1-800-326-8937
CANTONESE 1-800-547-3506
MANDARIN 1-866-303-0706
VIETNAMESE 1-800-547-2058
TTY 1-800-815-9387

SSA NUMBER 000-00-0000

YOU ARE NOT ELIGIBLE TO RECEIVE BENEFITS UNDER CALIFORNIA UNEMPLOYMENT INSURANCE CODE SECTION 1256 BEGINNING 00 / 00 / 00 AND CONTINUING UNTIL YOU RETURN TO WORK AFTER THE DISQUALIFYING ACT AND EARN \$0.00 OR MORE IN BONA FIDE EMPLOYMENT, AND YOU CONTACT THE ABOVE OFFICE TO REOPEN YOUR CLAIM.

YOU QUIT YOUR LAST JOB WITH (EMPLOYER NAME). YOU HAVE NOT SHOWN THAT THE QUIT WAS NECESSARY OR THAT YOU HAD EXPLORED ALL REASONABLE OPTIONS BEFORE QUITTING. AFTER CONSIDERING AVAILABLE INFORMATION, THE DEPARTMENT FINDS THAT YOU DO NOT MEET THE LEGAL REQUIREMENTS FOR PAYMENT OF BENEFITS. SECTION 1256 PROVIDES - AN INDIVIDUAL IS DISQUALIFIED IF THE DEPARTMENT FINDS HE VOLUNTARILY QUIT HIS MOST RECENT WORK WITHOUT GOOD CAUSE OR WAS DISCHARGED FOR MISCONDUCT FROM HIS MOST RECENT WORK. SECTION 1260A PROVIDES - AN INDIVIDUAL DISQUALIFIED UNDER SECTION 1256 IS DISQUALIFIED UNTIL HE/SHE, SUBSEQUENT TO THE DISQUALIFYING ACT, PERFORMS SERVICES IN BONA FIDE EMPLOYMENT FOR WHICH HE/SHE RECEIVES REMUNERATION EQUAL TO OR IN EXCESS OF FIVE TIMES HIS OR HER WEEKLY BENEFIT AMOUNT.

APPEAL:

YOU HAVE THE RIGHT TO FILE AN APPEAL IF YOU DO NOT AGREE WITH ALL OR PART OF THIS DECISION.

TO APPEAL, YOU MUST DO ALL OF THE FOLLOWING:

- A. COMPLETE THE ENCLOSED APPEAL FORM (DE 1000M) OR WRITE A LETTER STATING THAT YOU WANT TO APPEAL THIS DECISION. IF YOU WRITE A LETTER TO APPEAL, EXPLAIN THE REASON WHY YOU DO NOT AGREE WITH THE DEPARTMENT'S DECISION. WRITE YOUR SOCIAL SECURITY NUMBER ON EACH DOCUMENT YOU SUBMIT TO THE DEPARTMENT. (TITLE 26, CALIFORNIA CODE OF REGULATIONS (CCR), SECTION 5008).
- B. MAIL THE DE 1000M OR YOUR LETTER TO THE ADDRESS OF THE OFFICE LISTED ON THE FIRST PAGE OF THIS DECISION.
- C. FILE YOUR APPEAL WITHIN TWENTY (20) DAYS OF THE MAIL DATE OF THIS NOTICE OR NO LATER THAN 00 / 00 / 00.

YOUR HANDBOOK, "A GUIDE TO BENEFITS AND EMPLOYMENT SERVICES," GIVES MORE INFORMATION ABOUT APPEALS. IF YOU DO NOT HAVE A HANDBOOK, CONTACT THE OFFICE LISTED ON THE FIRST PAGE OF THIS NOTICE.



APPEAL INFORMATION:

WHEN YOUR APPEAL IS RECEIVED, YOUR CASE WILL BE REVIEWED. IF THE DECISION REMAINS THE SAME, WE WILL SEND YOUR APPEAL TO THE OFFICE OF APPEALS. IF YOU APPEAL AFTER THE 20 DAYS, YOU MUST INCLUDE THE REASON FOR THE DELAY. THE ADMINISTRATIVE LAW JUDGE WILL DETERMINE WHETHER YOU HAD GOOD CAUSE FOR THE DELAY. IF THE ADMINISTRATIVE LAW JUDGE DETERMINES YOU DID NOT HAVE GOOD CAUSE FOR SUBMITTING YOUR APPEAL LATE, YOUR APPEAL WILL BE DISMISSED.

THE OFFICE OF APPEALS WILL SEND YOU A LETTER WITH THE DATE, PLACE, AND TIME OF YOUR HEARING AND A PAMPHLET EXPLAINING APPEAL HEARING PROCEDURES. AT THE HEARING, THE ADMINISTRATIVE LAW JUDGE WILL LISTEN TO YOU, EXAMINE THE FACTS, AND MAKE A DECISION. YOU MAY HAVE A REPRESENTATIVE OR SOMEONE ELSE HELP YOU.

IF YOU ARE CLAIMING CONTINUING BENEFITS:

WHILE YOU WAIT FOR THE ADMINISTRATIVE LAW JUDGE'S DECISION, YOU MUST CONTINUE TO MAIL YOUR CLAIM FORMS TO THE EDD. IF YOU DO NOT RECEIVE CLAIM FORMS OR A FORM FROM THE OFFICE OF APPEALS, CONTACT THE OFFICE LISTED ON THE FIRST PAGE OF THIS NOTICE. IF THE ADMINISTRATIVE LAW JUDGE DECIDES YOU ARE ELIGIBLE FOR BENEFITS; WE CAN ONLY PAY BENEFITS IF CLAIM FORMS WERE RECEIVED FOR THAT WEEK.

OTHER SERVICES: CONTACT EDD FOR INFORMATION ABOUT (1) JOB REFERRALS, (2) DISABILITY INSURANCE, (3) OTHER EDD SERVICES (4) SERVICES OFFERED BY OTHER AGENCIES.

SAMPLE



Date Mailed / /
Benefit Year Began / /

Employment Development Department

EDD Telephone Numbers:
English 1-800-300-5616
Spanish 1-800-326-8937
Cantonese 1-800-547-3506
Mandarin 1-866-303-0706
Vietnamese 1-800-547-2058
TTY 1-800-815-9387
<http://www.edd.ca.gov>

This refers to the claim for unemployment insurance filed by:

SSA No. ____ - ____

NOTICE OF MODIFICATION

You were previously notified that the person named above was ineligible for benefits under the provisions of Section(s) _____ of the California Unemployment Insurance Code. Effective ___ / ___ / ___, the disqualifying conditions no longer exist because:

- Claimant has earned sufficient wages in subsequent bona fide employment with _____
- Claimant is now able to work and available for work.
- This modification does not change the ruling you previously received.
- Claimant has been permanently replaced.
- Claimant was not returned to work after an unconditional offer to return to work had been made.
- Other: _____

ANY APPEAL FROM THIS NOTICE MUST BE FILED ON OR BEFORE / / TO BE TIMELY.

Department Representative

DE 1101CZ Notice of Unemployment Insurance Claim Filed (front)



THIS NOTICE WAS MAILED TO THE EMPLOYER/ADDRESS LISTED BELOW ON:

New Claim:
Additional Claim:
Inside Calif. (800) 300-5616
Outside Calif. (800) 250-3913

IMPORTANT: NOTICE OF UNEMPLOYMENT INSURANCE CLAIM FILED

This is a notice that a claim for unemployment insurance benefits has been filed. Forward it immediately to persons within your organization who are responsible for handling claims. The time limit for replying is 10 days from the mail date shown above. Failure to respond may result in an increased Employment Tax Rate.

The claimant provided us with the following information and listed you as his/her last employer:
Claimant's Name Social Security Number Effective Date of Claim:
Last Date Worked:

Reason for Separation:

I. EXPLANATION AND INSTRUCTIONS FOR EMPLOYERS

You have received this form because the individual shown above has filed a claim for unemployment insurance benefits and has listed you as his/her most recent employer prior to filing this claim. No reply is required if the claimant was laid off due to lack of work and no other eligibility issue has been identified. For detailed information on employer responsibilities in the unemployment insurance program, our DE 44, California Employer's Guide, is available upon request.

II. REPORTING FACTS - Respond in writing by completing Sections A, B, C on the reverse of this form.

The law requires an employer to submit any facts in his/her possession which may affect a claimant's eligibility for benefits. Furnish information if this claimant:

- Voluntarily quit
Was discharged or fired for reasons other than lack of work.
Left work because of a trade dispute.
Is receiving a pension based on his/her prior work.
Is working on a full-time basis, or has earnings payable over \$25.99, covering any time on or after the effective date of this claim as shown on the reverse side of this form.
Is not able to work, available for, or seeking work.
Has refused employment.
Is not legally entitled to work in the U.S.
Performed services as a sports or athletic participant and has reasonable assurance of performing such services in the next season.
Made false statements or withheld material information in filing for benefits.
If you are a school employer, also furnish information if the claimant has a contract for or reasonable assurance of returning to work.
Important: Make your response as complete as possible; these facts will be used in determining the claimant's eligibility.

A Department representative may contact you for further eligibility information. If a representative is unable to reach you, he/she may leave a message for you to return the telephone call. If after 48 hours no response has been received, the Department is required to make an eligibility decision based on available information.

III. TIME LIMITS FOR REPLYING

Submit facts in writing to the field office shown at the top of this form within 10 days of the mail date shown above. If your mailing is late, explain your reasons for delay as the time limit may be extended only for good cause. You may reply on this form in the space provided in Section IV, on additional sheets as needed, or by separate letter. Always include your State Employer Account Number and include the claimant's Social Security Number as it appears on the claim and in your payroll records.

If you submit facts in a timely manner, a determination will be issued concerning the claimant's eligibility. In addition, if facts are submitted regarding a quit or discharge, a ruling will be issued advising an employer with a reserve account as to whether his/her account will be subject to changes resulting from benefits paid. To obtain a ruling on any prior quit or discharge involving this claimant, you must furnish facts within 10 days of the mail date shown above.

ADDITIONAL INFORMATION ON EMPLOYER RESPONSIBILITIES IS SHOWN ON THE REVERSE
Mail your response to the EDD office shown in the above upper left-hand corner.

(OVER)

DE 1101CZ Notice of Unemployment Insurance Claim Filed (back)

IV. REPORTING ELIGIBILITY INFORMATION: Do not return this form unless Sections A or B are completed. It is necessary complete Section C for all response.

A. REPORTING FACTS:

Claimant Social Security Number _____ Date Last Worked was: _____
(from your payroll records) (Month Day Year)

B. OTHER COMPENSATION:

Complete the following if you paid or will pay any compensation, aside from regular salary, covering any time on or after the effective date of this claim. No entry is required if the claimant has been separated from your employ for any indefinite period and has or will receive only vacation pay.

Amount \$ _____ Type of Payment _____ for period from _____ through _____

C. EMPLOYER CERTIFICATION: THE ABOVE STATEMENTS WERE TAKEN FROM BUSINESS RECORDS OR ARE BASED ON KNOWLEDGE OF THE UNDERSIGNED.

PRINT name of person to contact for further information:

Name of contact: _____ Telephone No. (_____) _____ Ext. _____

Employer _____ Date: _____

STATE EMPLOYER

ACCOUNT NO.: _____ **Signed By:** _____

V. ELIGIBILITY DETERMINATION

It may be necessary to contact you by telephone or letter for eligibility information if an issue is identified by the field office. Regardless of whether such contact is made however, unless you respond to the notice by mail as described in this notice, you will not be entitled to a written notice of the Department's decision.

IMPORTANT:

- Section 1327 of the UI Code provides for an extension of the 10-day response period if, after the 10-day period, you acquire knowledge of facts that may affect the eligibility of the claimant and facts could not reasonably have been known within the period. However, you must provide the Department with these facts within 10 days of acquiring them.
- Section 1142(a) provides that an employer who willfully makes a false statement or representation, or willfully fails to report a material fact in connection with a separation issue may be assessed a penalty of up to 10 times the claimant's weekly benefit amount. Section 1142(b) provides that an employer who willfully makes a false statement or representation or willfully fails to report a material fact in submitting a written statement concerning reasonable assurance of a claimant's reemployment, as defined in Section 1253.3(g), may be assessed a penalty of up to 10 times the claimant's weekly benefit amount.
- Section 2101 of the UI Code provides that it is a misdemeanor to willfully make a false statement or knowingly fail to disclose a material fact to obtain, increase, reduce, or defeat any payment of benefits.

PLEASE MAIL YOUR RESPONSE TO THE EDD OFFICE AND ADDRESS SHOWN IN THE UPPER LEFT-HAND CORNER ON THE REVERSE SIDE OF THIS FORM.

TTY (Non-voice) (800) 815-9387

DE 1296B Benefit Audit (front)



BENEFIT AUDIT

Por favor llamar al (916) 464-2350
si necesita instrucciones en Español

REPLY IS REQUIRED BY LAW

Please return **ALL** Benefit Audit forms.

See enclosed instructions for step-by-step assistance.
For additional clarification, call (916) 464-2350.

1. If this **INDIVIDUAL WORKED** or had earnings, complete Items 2 through 6. For regular earnings, report when actually worked.

If **EARNINGS ARE ZERO** for all of the weeks listed, **CHECK HERE** and complete Item 6. No other entries are necessary.

Social Security No. (SSN): _____
Employee Name: _____

Week Begins	Week Ends	2. Gross Earnings	3. Circle Earnings Type Below	RE=Regular Earnings (includes overtime) V=Vacation Pay H=Holiday Pay S=Severance Pay O=Other (indicate type) _____ R=Residuals C=Commissions P=Piece Work
				4. Provide the following information: Actual First Day Worked: _____ Still Employed <input type="checkbox"/> or Actual Last Day Worked: _____ Additional dates (i.e., laid off, returned to work) and/or reason for separation: _____
				5. Compare the name and SSN shown above with your records. Enter any differences below: SSN: _____ Name: _____ Please complete the audit even if name or SSN is different.
				6. I hereby certify that the information provided is true and correct to the best of my knowledge. SIGNED: _____ Title: _____ Date: _____ Telephone No.: _____ Person (if other than above) to be contacted for additional information: Name: _____ Telephone No.: () _____
Please return ALL Benefit Audits within 10 days of receipt to: EMPLOYMENT DEVELOPMENT DEPARTMENT (EDD) P.O. BOX 3038 SACRAMENTO, CA 95812-3038				



INSTRUCTIONS FOR BENEFIT AUDIT

PURPOSE

The benefit audit process is a joint effort by employers and the Employment Development Department (EDD) to protect the integrity of the Unemployment Insurance (UI) Fund and to detect potential fraud. You previously provided the Department with earnings data regarding this employee on the Quarterly Wage and Withholding Report (DE 6). However, at this time the Department needs more detailed information for the weeks indicated on the Benefit Audit. The Benefit Audit does not mean the employee acted improperly. With the cooperation of the employer community, the benefit audit program leads to the successful detection of benefit overpayments and the reversal of related charges to the employer's reserve or reimbursable account.

INFORMATION

Requirements: Please complete and return all Benefit Audits within 10 days of receipt or obtain approval for an extension as required by Section 1085-4, Title 22 of the California Code of Regulations. It is a violation of Section 2106 of the California Unemployment Insurance Code to willfully neglect to provide this information.

Employer Liability: This Benefit Audit does not mean that a claim has been filed that affects your account. Your response does not entitle you to a determination or ruling.

Assistance: If you have questions or need assistance completing the Benefit Audit, visit the EDD Web site at www.edd.ca.gov or call the Centralized Overpayment Establishment Group at (916) 464-2350.

Address: Return all audits to: **EDD, P.O. Box 3038, Sacramento, CA 95812-3038.**

Please refer to the reverse side of this sheet for **Specific Instructions** on completing the Benefit Audit form.

COMMONLY ASKED QUESTIONS AND ANSWERS

Q: The person listed on the Benefit Audit never worked for me. What should I do?

A: Verify the Social Security Number with your payroll records and report your findings on the audit.

Q: What if the employee's Social Security Number is the same, but the name is different?

A: Please enter your employee's name in the space provided in Item 5 and complete the audit.

Q: What if my work week is different from the Benefit Audit's benefit week?

A: In order to perform a valid audit it is necessary to match earnings for work performed to the benefit weeks listed. Please use records showing dates worked (such as time cards) to adjust or calculate earnings.

Q: What if the employee works on a seasonal or as needed basis?

A: Accurately report earnings (or no earnings) for the weeks listed on the audit. In Item 4, provide any additional dates (laid off, recalled or separation) related to the audit time period.

DE 1296E Instructions for Benefit Audit (back)

SPECIFIC INSTRUCTIONS

- ① Check your records for the actual dates that the employee worked. If the individual had no earnings for **all** weeks listed on the Benefit Audit, mark the box provided and complete Item 6. If the individual had earnings for one or more of the weeks listed, complete Items 2 through 6.
- ② Report gross earnings for the 7 day work weeks indicated on the audit. Please note that earnings must be reported based on the **week when worked or earned, not when paid.**
- ③ For each week with gross earnings, circle the earnings type or types that apply. Please refer to the earning type definitions in Item 3 and see the example shown below.
- ④ Provide the first day and last day the employee actually worked. Provide additional information if relevant to the audit period.
- ⑤ This space allows you to report differences in name or social security number. Please complete the audit even if the name or social security number is different.
- ⑥ The information you provide in Item 6 allows us to contact you if necessary.

Social Security No. (SSN): _____
Employee Name: _____

BENEFIT AUDIT

For favor llamar al (916) 464-2350
si necesita instrucciones en Español

REPLY IS REQUIRED BY LAW

Please return ALL Benefit Audit forms.
See enclosed instructions for step-by-step assistance.
For additional clarification, call (916) 464-2350.

1. If this **INDIVIDUAL WORKED** or had earnings, complete Items 2 through 6. For regular earnings, report when actually worked.

If **EARNINGS ARE ZERO** for all of the weeks listed, CHECK HERE and complete Item 6. No other entries are necessary.

①

④

⑤

⑥

Week Begins	Week Ends	2. Gross Earnings	3. Circle Earnings Type Below	RE=Regular Earnings (includes overtime) V=Vacation Pay H=Holiday Pay S=Severance Pay O=Other (indicate type)
mm/dd/yy	mm/dd/yy	150	RE V H S R C P O	
mm/dd/yy	mm/dd/yy	100	RE V H S R C P O	
mm/dd/yy	mm/dd/yy	0	RE V H S R C P O	
mm/dd/yy	mm/dd/yy	0	RE V H S R C P O	

4. Provide the following information:

Actual First Day Worked: _____

Still Employed or Actual Last Day Worked: _____

Additional dates (i.e., laid off, returned to work) and/or reason for separation: _____

5. Compare the name and SSN shown above with your records. Enter any differences below:

SSN: _____

Name: _____

Please complete the audit even if name or SSN is different.

6. I hereby certify that the information provided is true and correct to the best of my knowledge.

SIGNED: _____

Title: _____

Date: _____

Telephone No.: _____

Person (if other than above) to be contacted for additional information:

Name: _____

Telephone No.: () _____

Please return ALL Benefit Audits within 10 days of receipt to:

EMPLOYMENT DEVELOPMENT DEPARTMENT (EDD)
P.O. BOX 3038
SACRAMENTO, CA 95812-3038

DE 1326ER Request for Additional Information

Office Address:



REQUEST FOR ADDITIONAL INFORMATION

Name and Address of Employer

Mail Date:

EDD TOLL FREE TELEPHONE NUMBER: 1-866-362-8833

Your assistance and cooperation are requested. The Employment Development Department must ensure that all charges made against your account are correct. To do this, we are asking for your help in verifying the validity of information provided by the individual named below when a claim for unemployment insurance benefits was filed. You do not need to respond to this request unless you feel the claim information listed below is potentially fraudulent or the employee is still working for you. The information is requested in accordance with Sections 1085 and 1092 of the Unemployment Insurance Code.

SSA No.:

Claim Effective Date:

Name:

IF THE EMPLOYEE NAMED ABOVE IS STILL WORKING FOR YOU OR YOU HAVE REASON TO BELIEVE THIS MAY BE A POTENTIALLY FRAUDULENT CLAIM, PLEASE COMPLETE AND RETURN THIS FORM IN THE ENCLOSED ENVELOPE WITHIN 10 DAYS FROM THE ABOVE MAIL DATE. In addition, please provide copies of other identity-related documentation (such as a photo ID of the employee; the I-9, Employment Eligibility Verification form, signed by the employee; or a copy of the most recent W-2 that was issued to the employee) that would assist the Department in determining the validity of information provided by the claimant of unemployment insurance benefits. You are not required to provide this information; however, doing so may help to protect your account. Be sure to include the above social security number on each document you submit.

NOTE: DO NOT INCLUDE ANY OTHER DEPARTMENT FORMS IN THIS ENVELOPE AS IT WILL DELAY THE PROCESS.

Please provide the following information as it pertains to the individual named above:

- 1. Other names and/or social security numbers the individual worked under:
2. Dates of most recent employment: Began working on: Still working full-time: Last day of work: Still working part-time:
3. Last known address and telephone number: Residence address: Mailing address: Telephone number: Date this information was last known to be valid:

PLEASE RESPOND TO ANY AND ALL FUTURE NOTICES THAT YOU MAY RECEIVE ON THIS SOCIAL SECURITY NUMBER.

I hereby certify that the information submitted is true and correct to the best of my knowledge.

Completed by: Date: Title: Telephone:

DE 1545R Notice of Wages Used for UI Claim



DE 1545R

NOTICE OF WAGES USED FOR UNEMPLOYMENT INSURANCE (UI) CLAIM

*RESPONSE MUST BE POSTMARKED BY

YOUR ACCOUNT NO. BR. NO.

PREDECESSOR ACCOUNT NO.

CLAIM DATE

***IF WAGES ARE CORRECT AND YOU DO NOT WISH TO SUBMIT ELIGIBILITY INFORMATION,
NO FURTHER ACTION IS NECESSARY. THIS FORM IS FOR YOUR RECORDS.**

THE PERSON NAMED BELOW HAS RECEIVED UI BENEFITS BASED IN TOTAL OR IN PART ON WAGES YOU REPORTED.

CLAIMANT'S NAME NAME WAGES REPORTED UNDER SOCIAL SECURITY NUMBER OTHER SOCIAL SECURITY NUMBER

WAGES YOU REPORTED BY QUARTER USED TO ESTABLISH THIS CLAIM

				TOTAL WAGES REPORTED BY YOU

TOTAL WAGES REPORTED BY YOU AND ALL OTHER EMPLOYERS TO ESTABLISH THIS CLAIM. _____

THE PERCENTAGE OF BENEFITS CHARGEABLE TO YOUR ACCOUNT IS _____

THE CLAIMANT'S WEEKLY BENEFIT AMOUNT IS _____ TO A MAXIMUM BENEFIT AMOUNT OF . _____

TO SUBMIT FACTS AFFECTING THE CLAIMANT'S ELIGIBILITY, SUPPLY INFORMATION BELOW AND MAIL TO THE ADDRESS IN THE UPPER LEFT CORNER.

The above statements were taken from business records or are based on knowledge of the undersigned.

PRINT NAME _____ DATE _____

SIGNATURE _____ PHONE NUMBER (____) _____



**EXPLANATIONS AND INSTRUCTIONS
FOR NOTICE OF WAGES USED FOR UNEMPLOYMENT INSURANCE (UI) CLAIM (DE 1545R - DE 1545TR)**

CLAIM AND WAGE INFORMATION

The Claimant's Name is the name the claim is filed under.

Name Wages Reported Under is the name originally reported by you up to six letters of the surname and one initial.

Social Security Number (SSN) is the number the claim was filed under. If you reported wages for this claimant with a different SSN it will appear under Other Social Security Number.

Wages shown by quarter were wages reported by you and then totaled.

Below your reported wages are the total wages used to establish this claim. If this total is greater than wages you reported, then wages from other employers were also used to establish the claim.

The percentage shown is the total wages reported by you divided by the total wages used to establish the claim. The claimant's weekly and maximum benefit amounts are based on all wages reported during the quarters shown.

If you believe any of the above claim and wage information is incorrect, please advise us in writing:

Employment Development Department
Benefit Claims Section, MIC 16
P.O. Box 826880
Sacramento, CA 94280-0001

Phone: (916) 464-2325 for DE 1545R
(916) 464-2224 for DE 1545TR

DE 1545RI Rev. 4 (1-07)

ELIGIBILITY

The Department investigates the claimant's eligibility to determine if the claimant will continue to receive benefits. It is your responsibility to notify the Employment Development Department if you have information that the claimant:

- Refused work
- Is working full-time
- Is not available for work
- Is physically unable to work
- Left work because of trade dispute
- Made false statements to secure benefits
- Is a current employee of school district/college/university
- Received a pension payment based on prior work

EMPLOYER RESPONSIBILITY

Facts about eligibility must be submitted in writing to the address in the upper left corner of the enclosed DE 1545R form.

If you could not mail the information prior to the postmark date given on the form explain why. The time limit is extended if good cause is shown.

Equal Opportunity Employer/Program. Auxiliary services and assistance available to persons with disabilities.

BILLING METHOD

As a reimbursable employer, you must repay the Unemployment Insurance Fund on a dollar-for-dollar basis for benefits paid to former employees.

You will receive a quarterly billing statement representing the total amount of benefits charged to your account. Payment is due within 30 days from the date of the billing.

As a School Employees Fund employer, you are not billed. The Fund is billed for benefits paid to former school employees.

If this claim is based partly on school wages, the percentage of benefits charged to you may be greater than the amount shown.



CU

DE 1545RI Explanation and Instructions for DE1545R (back)
(Questions and Answers on Notices of Wages Used for UI Claim)

**QUESTIONS AND ANSWERS
ON NOTICE OF WAGES USED FOR
UNEMPLOYMENT INSURANCE (UI) CLAIM**

- 1. Q. Is this notice of wages used, a bill?**
- A. No, this is not a bill. This notice is to inform you that one of your employees is collecting Unemployment Insurance benefits based in total or in part on wages paid by you. Your account will be charged for all or a portion of these benefits.
- 2. Q. Why am I responsible for an ex-employee who has not worked for me in over a year? How far back do the wages used for this claim go?**
- A. Wages paid during the year that started approximately 19 months prior to a claim date may be used to compute a claim.
- 3. Q. I received a Notice of Wages Used for a person that never worked for me. What now?**
- A. The Department's records indicate that this person was employed by you. Therefore, you should check your quarterly wage reports for the quarters shown on the DE 1545R. If the Department's records are in error, return the DE 1545R to the Insurance Recomputation Group and indicate that this person was never in your employ. (Address on the front of the enclosed DE 1545RI)
- 4. Q. Is there a different way to finance my unemployment insurance charges?**
- A. Yes. There are two methods for financing your unemployment insurance charges. These are the tax rated method and the reimbursable method. For additional information refer to your California Employers Guide (DE 44) or contact your local Employment Tax Customer Service Office.
- 5. Q. Can I be charged more than the percentage shown on the DE 1545R/DE 1545TR?**
- A. Yes. The percentage shown on the DE 1545R is calculated on the basis that all base period employers will contribute the same percentage during the life of the claim. When school employers wages are in the base period they will not be charged if the employee is scheduled to return to school employment at the end of the recess period. As a result your percentage/amount charged will be higher than originally calculated.

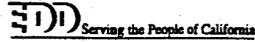
Section 1142 of the UI Code provides that:

- a) if the Director finds any employer or employer representative, in submitting facts concerning the termination of a claimant's employment, willfully makes a false statement or representation or willfully fails to report a material fact concerning such termination, the Director shall assess a cash penalty against the employer in an amount not less than 2 nor more than 10 times the weekly benefit amount of the claim.
- b) if the Director finds any employer or employer representative, in submitting a written statement concerning reasonable assurance of reemployment as defined in UI Code Section 1253.3, willfully makes a false statement or representation or willfully fails to report a material fact concerning the reasonable assurance of the reemployment, the Director shall assess a cash penalty against the employer in an amount not less than 2 nor more than 10 times the weekly benefit amount of the claim.

Section 1142.1 of the UI Code provides that, if the Director finds any employer or employer representative, in submitting facts concerning the termination of a claimant's employment where the claimant was performing services for an educational institution, willfully makes a false statement or representation or willfully fails to report a material fact regarding any week during which the services were performed or any time granted to the claimant for professional development during his or her employment with the employer, the Director shall assess a cash penalty against the employer in an amount not less than 2 nor more than 10 times the weekly benefit amount of the claim.

DE 1545RI Rev. 4 (1-07)

DE 2176 Employer Account Statement (front)



DE 2176 EMPLOYER ACCOUNT STATEMENT
 SEND STATEMENT INQUIRIES TO:
 EMPLOYMENT DEVELOPMENT DEPARTMENT
 PO BOX 826880 MIC 19
 SACRAMENTO, CA 94280-0001
OR CALL: (916) 653-5846

910143162020206000000356096

DEPARTMENT USE ONLY		TOTAL AMOUNT DUE (PAY THIS AMOUNT)
		\$3,560.96
ACCOUNT NUMBER	STATEMENT DATE	CLOSING DATE
942-XXXX-X	02/06/02	01/23/02



XYZ ELEMENTARY SCHOOL DISTRICT
 BX XXXXX
 SACRAMENTO CA 95814

EMPLOYMENT DEVELOPMENT DEPT.
 PO BOX 826219 ATTN: CASHIER-RB
 SACRAMENTO CA 94230-6219

DE 2176 Rev. 4 (8-98)

21760898

0614
 Detach and Return This Portion With Payment
 Make Remittances Payable to EDD and Send to the Above Address:
 Include Account Number on All Checks and Inquiries

TEAR ON PERFORATED LINE

KEEP THIS PORTION FOR YOUR RECORDS

PAGE 1	Account Number	942-XXXX-X	Statement Date	02/06/02
See Last Page For Account Summary			Closing Date	01/23/02

ALL SECTION NUMBERS REFER TO THE CALIFORNIA UNEMPLOYMENT INSURANCE CODE UNLESS OTHERWISE NOTED

NOTICE OF AMOUNT DUE

Explanation: PURSUANT TO GOVERNMENT CODE SECTION 6103.5, A LIEN RELEASE FEE HAS BEEN ADDED TO YOUR ACCOUNT BALANCE. TO AVOID CONTINUED COLLECTION ACTION, PAY THE AMOUNT DUE IMMEDIATELY.

Period Ended: DECEMBER 31, 2000

1. Penalty -----	\$0.00
2. Other Costs -----	\$13.00

Net Amount Due \$13.00

FOR ADDITIONAL INFORMATION ABOUT THIS STATEMENT - SEE REVERSE

DE 2176 Employer Account Statement (back)

PAGE 2	Account Number	942-XXXX-X	Statement Date	02/06/02
			Closing Date	01/23/02

ACCOUNT SUMMARY

Prior Statement Date 11/15/01

-----	1. Prior Statement Balance -----		\$3,483.99
	2. Payments and/or Other Credits -----	\$0.00	
	3. DE938 ADJUSTMENTS -----	\$0.00	
	4. DE938P ADJUSTMENTS -----	\$0.00	
	5. Other Adjustments -----	\$4.54 cr	
	6. Sub Total -----		\$4.54 cr
	7. Amounts Unpaid -----		\$3,479.45
-----	8. Amounts Assessed this Statement -----		\$0.00
-----	9. Amounts Billed this Statement -----		\$13.00
	10. Interest (through 02/09/02) -----		\$68.51
	Total Amount Due -----		\$3,560.96

Daily interest \$0.68 (Add or deduct the daily interest amount for each day you pay before or after the interest through date)

A NOTICE OF STATE TAX LIEN HAS BEEN FILED AGAINST YOU AS A RESULT OF YOUR CONTINUED FAILURE TO PAY YOUR TAX LIABILITY. IF THE AMOUNT DUE IS NOT PAID IMMEDIATELY, ADDITIONAL INVOLUNTARY COLLECTION ACTION MAY BE INITIATED, WHICH INCLUDES SEIZURE AND SALE OF YOUR BUSINESS AND/OR PERSONAL PROPERTY.

FOR ADDITIONAL INFORMATION ABOUT THIS STATEMENT SEE BACK OF PAGE 1

ADDITIONAL INFORMATION ABOUT THIS STATEMENT

OTHER CREDITS - Credits from other quarters, applied to this liability, as a result of one or more of the following circumstances:

- Payment in response to a previous billing or assessment was greater than the amount due.
- Correspondence or other employer contacts resulting in reduction or cancellation of PAID contributions, penalty and/or interest.
- Correction of employer calculation or clerical errors identified by our automated system on a PAID liability.
- Correction of data entry errors on a PAID liability.

DE 938 ADJUSTMENTS - Credits applied or amounts due based on a DE 938, Quarterly Report Adjustment Form, submitted by or on behalf of the employer.

DE 938P ADJUSTMENTS - Credits applied based on a DE 938P, Claim for Adjustment or Refund of Personal Income Tax, submitted by or on behalf of the employer.

OTHER ADJUSTMENTS - Adjustments to the UNPAID liability on your account as a result of one or more of the following circumstances:

- Correspondence or other employer contacts resulting in reduction or cancellation of UNPAID contributions, penalty and/or interest.
NOTE: Some payment reapplication(s) may result in an increase to the previous balance.
- Reduction of UNPAID contributions, penalty and/or interest resulting from transfer of returns to the correct account or quarter.
NOTE: Some return transfers may result in an increase to the previous balance.
- Correction of employer calculation or clerical errors, identified by our automated system, on an unpaid liability.
- Correction of data entry errors on an UNPAID liability.

FORMS DELINQUENCY - If you have previously filed these forms, submit a copy to the inquiry address on this statement.

UI -	Unemployment Insurance	PIT -	Personal Income Tax
ETT -	Employment Training Tax	LEC -	Local Experience Charge
DIEC -	Disability Insurance Elective Coverage	DI -	Disability Insurance

Payments posted and/or adjustments made AFTER THE CLOSING DATE of this statement are not shown in the total amount due.

DE 9423 Quarterly Contribution Return for school Employers



QUARTERLY CONTRIBUTION RETURN FOR SCHOOL EMPLOYERS

PLEASE TYPE THIS FORM - DO NOT ALTER PREPRINTED INFORMATION

Approved Extension To

QUARTER ENDED _____	DUE _____	DELINQUENT IF NOT POSTMARKED OR RECEIVED BY _____	YR <input type="text"/>	QTR <input type="text"/>
			Employer Account No.	
			942 - <input type="text"/>	

DO NOT ALTER THIS AREA										
DEPT. USE ONLY	P1	P2	C	P	U	S	W	A		
	EFFECTIVE DATE			Mo.	Day	Yr.	WIC			

A. NUMBER OF EMPLOYEES earning wages during or receiving pay for the pay periods that include the 12th day of the calendar month (enter numerals only). Please complete all fields. Blank fields will be identified as missing data.

1st Month	<input type="text"/>	2nd Month	<input type="text"/>	3rd Month	<input type="text"/>
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B. TOTAL SUBJECT WAGES PAID THIS QUARTER (Same figure on line M on DE 6)..... (B)

C. EMPLOYER'S UI CONTRIBUTIONS % Times B (C)

D. ADJUSTMENT TO PRIOR QUARTERS
A DE 938SEF, QUARTERLY REPORT ADJUSTMENT FORM, MUST BE ATTACHED (D)

E. TOTAL TAXES DUE (Add items C and D) (E)

Make check payable to EMPLOYMENT DEVELOPMENT DEPARTMENT
INCLUDE EMPLOYER ACCOUNT NUMBER ON CHECK. Do not staple check to return.

HELP US IMPROVE THE QUALITY OF OUR EMPLOYMENT TAX SERVICES. PLEASE RATE OUR CURRENT SERVICES BY ENTERING THE APPROPRIATE NUMBER IN THE BOX: 4 = EXCELLENT 3 = GOOD 2 = FAIR 1 = POOR

BE SURE TO SIGN THIS DECLARATION: I DECLARE that the information herein is true and correct to the best of my knowledge and belief.

Signature: _____ Title: _____ Phone () _____ Date: _____
(Administrator, Accountant, Preparer, etc.) FAX () _____

NOTE: - IMPORTANT Please check the appropriate box: No payroll Enter "0" on line B. Final return

Individual employees wages that are subject to Unemployment Insurance are reported on: Attached DE 6, Quarterly Wage Report Magnetic Media

INSTRUCTIONS

Note: For Items A through E, if the amount is zero, enter 0.

ITEM A. Number of Employees - For each of the three months in the quarter, enter the number of employees earning wages during or receiving pay for the pay period(s) that includes the 12th day of each month. Please complete all fields. Blank fields will be identified as missing data.

ITEM B. Total Wages in Subject Employment - Enter the total of ALL UI subject wages paid (refer to the California Employer's Guide, DE 44, Employment and Coverage Situations).

ITEM C. Employer's UI Contributions - Multiply the amount entered in Item B by the employer's UI contribution rate, and enter this calculated amount in C.

ITEM D. Employers who are making an adjustment to a prior quarter must complete and attach a DE 938SEF, Quarterly Return Adjustment Form. The total debit or credit amount indicated on the DE 938SEF must be entered on line D. If no adjustment is being made enter 0. To expedite an adjustment to a prior DE 9423, use a DE 938SEF instead of an amended DE 9423.

ITEM E. Add items C and D. Enter the sum in E. If the sum is zero, enter "0" in Item E and check the box on the front of the return envelope. Make check payable to EMPLOYMENT DEVELOPMENT DEPARTMENT. If a DE 938SEF is attached, the amount remitted should reflect the adjustment.

(EXAMPLE: Item E shows \$500.00 due for the quarter. A DE 938SEF is attached for a credit of \$200.00. Remittance should be for \$300.00.)

ITEM F. Signature of preparer or responsible individual, including title, phone, Fax numbers and date.

INFORMATION

Employer UI contributions are due and payable on the first day of the calendar month following the close of each calendar quarter. Payment shall be delinquent if not paid on or before the last day of such month.

FILING THE RETURN - This return must report all UI subject California wages paid (refer to California Employer's Guide, DE 44, Employment and Coverage Situations).

PENALTY of ten percent (10%) is added for failure to make payment by the delinquent date of the return. An additional ten percent (10%) is added if the return and report of wages is not filed within 60 days of the delinquent date of the return. Interest accrues from the delinquent date for the return.

NOTE: If you combine schools, you must file and pay the final return within 10 days of merging to avoid penalty and interest.

If your school was merged or if a change in district occurred during the period covered by this Quarterly Contribution Return, each district must file a separate return covering only that part of the quarter (or year for income tax forms) during which the particular district operated.

TOTAL WAGES - Means all remuneration payable for personal services when they meet the criteria of UI subject wages. (Refer to California Employer's Guide, DE 44, Employment and Coverage Situations.)

TAXABLE WAGE LIMITED - Total individual employee wages are taxable. There is no wage limit.

IF YOU NEED ASSISTANCE COMPLETING THIS FORM, CONTACT THE EMPLOYMENT DEVELOPMENT DEPARTMENT, SCHOOL EMPLOYEES FUND AT (916) 653-5380.

APPENDIX C

ROLE OF THE THIRD PARTY ADMINISTRATOR (TPA)

An employer may contract with a third party administrator (TPA) to administer the employer's unemployment insurance (UI) claims and/or payroll. The third party administrator is a private business which is paid for their services by the employer.

The employer provides UI claim, employment, and/or payroll information to the TPA who then provides that information to the EDD. When using a TPA, the employer is ultimately responsible for the information provided to the EDD. The employer should keep accurate employment and/or payroll records, and make timely and accurate responses to the TPA's request for information in order for the TPA to be effective.

A. SERVICES

A TPA may provide the following types of services to an employer:

- Claims Administration
- Payroll
- Hearing Representation
- Actuarial Services
- Statistical Data & Management Reports
- Education & Training Development
- Consultations

B. UI CLAIMS MANAGEMENT AND PAYROLL

The role of the TPA is to:

- Handle the employer's UI claims and/or payroll.
- Respond to any notice mailed to the employer by the EDD.
- Interact directly with the EDD when needed, such as for a telephone interview.
- Provide information to the EDD which is obtained from the employer regarding the claimant.

It is important that the employer respond to the TPA's requests with accurate information in a timely manner.

The TPA notifies the school district regarding eligibility decisions made by the EDD. The TPA *may* review the decision with the school district and recommend whether or not to file and appeal in order to have an appeal hearing before an administrative law judge (ALJ). If the school district chooses to appeal, the TPA will do so.

C. HEARING PROCESS

The appeal hearing process is the same for a TPA as discussed in Chapter VI, except that the TPA files the appeal and represents the employer at the appeal hearing, if the employer chooses for the TPA to do so. It is the employer's responsibility to see that the TPA has the necessary information to present at the appeal hearing. An unfavorable decision of the Appeals Board may be appealed to the superior courts. The TPA's representative may not, under the California Code, represent the school district before the superior courts.



STATE OF CALIFORNIA

LABOR AND WORKFORCE DEVELOPMENT AGENCY

EMPLOYMENT DEVELOPMENT DEPARTMENT

The California State Employment Development Department (EDD) is a recipient of federal and state funds, is an equal opportunity employer/program, and is in compliance with Section 504 of the Rehabilitation Act and the Americans with Disabilities Act (ADA).

The information contained herein is available in alternate formats.