

INSTRUCTIONS FOR THE FEDERALLY MANDATED NEW HIRE BENEFIT AUDIT

PURPOSE

This New Hire Benefit Audit process is a federally-required joint effort between the State of California Employment Development Department (EDD) and employers nationwide. The purpose is to protect the integrity of the Unemployment Insurance (UI) Trust Fund by detecting potential fraud and stopping improper unemployment payments.

You recently submitted information to your respective State Directory of New Hires indicating this individual as a newly hired or re-hired employee, which was reported to the National Directory of New Hires (NDNH). A crossmatch of the California EDD unemployment records with the NDNH shows the individual may have worked for your company while potentially receiving California unemployment benefits. The California EDD now needs more detailed information from you for the weeks indicated on this New Hire Benefit Audit form.

The New Hire Benefit Audit does not mean the employee acted improperly. However, with the cooperation of the employer community, the New Hire Benefit Audit program will lead to the successful prevention and detection of UI benefit overpayments and could potentially reduce improper employer benefit charges.

INFORMATION

Requirements: Please complete and return the information requested within 10 business days from receipt of this audit form. For your convenience, a pre-addressed envelope is enclosed.

Assistance: If you have questions or need assistance completing the New Hire Benefit Audit form, visit the EDD website at www.edd.ca.gov or call the California EDD at **866-401-2849**.

Refer to the reverse side of this sheet for instructions on completing the New Hire Benefit Audit form.

FREQUENTLY ASKED QUESTIONS AND ANSWERS

1. Q: The person listed on the New Hire Benefit Audit never worked for me. What should I do?
A: Write across the form: "Person never worked for me," sign and mail the form back to the EDD.
2. Q: What if the employee's Social Security number is the same, but the name is different?
A: Enter your employee's name in the space provided in Item 2 and complete the audit form.
3. Q: What is the difference if I enter the date of hire rather than the Start-of-Work Date?
A: It is necessary to match UI benefits paid with the Start-of-Work Date (the first day of work) rather than the hire date. The hire date does not provide the necessary information to determine UI benefit entitlement.
4. Q: What if my work week is different from the week indicated on the New Hire Benefit Audit form?
A: It is necessary to match earnings for work performed to the benefit week(s) listed. Enter hours worked (include vacation time or any other paid time off) for each day, provide the total number of hours for each type of earnings and the total earnings for the week(s).
5. Q: What if the weeks listed on the audit are in the future?
A: Report earnings up to the most current date and return the audit form within 10 days of receipt. Do not wait until all the weeks have passed.
6. Q: What if there is not enough space on this New Hire Benefit Audit form to provide all the information?
A: Write any additional pertinent information on the back side of the Benefit Audit form.

Check your records for the actual dates that the employee worked. If the individual did not work and had no earnings for **all** the weeks listed on this New Hire Benefit Audit form, then complete section 1, sign and mail the Benefit Audit form.

- Sign the Benefit Audit form and mail it back using the pre-addressed envelope or to the address shown on the front side of the New Hire Benefit Audit form.

DE 1296NBAE (9-16) (INTERNET)