

Unemployment Benefits Calculation and Distribution

DAC is a reimbursing employer: We do not pay a state unemployment insurance (SUI) tax on payroll wages. We are responsible for 100% of unemployment benefits paid to former employees.

We have chosen to be a reimbursing employer because of the amount of funds saved compared to an employer who pays the SUI on each employee within the agency. Please see below.

2015 DAC System Total FTE 1,117 X \$17,000 = \$18,989,000 X 1.5% = \$284,835 Estimated SUI Amount

2015 Actual 100% Unemployment Benefits Paid, \$179,941 Actual Amount

Total Estimated Savings \$104,894,

Total Estimated Savings over the previous 5 years, \$908,600

There are two types of claims we can be responsible for paying.

1. Separating employer (SER)- Claims made by former employees when we were the last employer on record
2. Non-separating employer (NSE)- Claims made by former employees who left employment with a more recent employer

SER Claims can be protested based on the reason for separation. **NSE Claims cannot be protested.**

How is UE benefit determined?

Weekly benefit is 1/23rd of the highest quarter of taxable wages in the first four of the last five quarters. Benefit cannot exceed a weekly maximum of \$505 in 2016. The total amount allowed is \$10,900 in 2016.

How long can EE draw benefits?

It depends on wages reported, but can receive benefits for a max of 26 weeks. The average number of weeks if receiving the maximum benefit is about 21.5 weeks.

When, after employment ends, will the DAC no longer be responsible for a former employee's benefits?

After six calendar year quarters have elapsed.

1 st Qtr. 2015	2 nd Qtr. 2015	3 rd Qtr. 2015	4 th Qtr. 2015	1 st Qtr. 2016	2 nd Qtr. 2016 Current Qtr.	3 rd Qtr. 2016
EE had wages with DAC. Quit.	DAC could be responsible	DAC would no longer be responsible				