



Boy Scouts of America Unemployment Plan Manual 2009

Your Guide to Maximizing Savings

Administered by:



Helping Councils Save on Unemployment Costs Since 1996

About the Boy Scouts Unemployment Plan

Participants in the Boy Scouts of America Unemployment Plan save money on unemployment costs by reimbursing claims in a secure environment. For over a decade, the Plan has helped councils control unemployment costs and save valuable staff time, supported by a team of experts focused exclusively on helping nonprofits.

Depending on your state, a single unemployment claim can cost as much as \$28,260. We can help you plan ahead to avoid claims, minimize inaccurate and inappropriate claims, and save you staff time in responding to claims. Knowledgeable Plan participants working closely with a proactive claims management team that is supported by a hands-on comprehensive system of services represents the most effective approach to reducing claims.

We encourage you to take full advantage of the resources available through the Plan. Our full-service approach is coordinated by 501(c) Services, a fully-staffed in-house team of professionals. Many of these professionals have background in nonprofit management so we understand the special challenges and issues confronting nonprofits.

Using this manual will help you become a more knowledgeable and proactive partner in the process of controlling costs, leaving your council with more funds for mission-related activities.

501(c) Services

In addition to the Boy Scouts Unemployment Plan, 501(c) Services also manages the 501(c) Agencies Trust which serves member organizations in 47 states. The combined programs include nearly 1,600 members.

Contact Information

If you have questions, we have the answers

For questions on reserve account, annual deposit and other accounting questions, contact:

Plan Admin

(800) 442-4867 phone
(800) 449-8563 fax

For questions about general participant services, contact:

Participant Services

Doug Adams
(800) 442-4867 ext. 166
(800) 449-8563 fax
dadams@501c.com

For general questions relating to unemployment claims, contact:

Claims Manager:

Paul Fountain
(800) 955-4351 ext. 7
(866) 292-0673 Fax
pfountain@talx.com

For questions regarding a specific claim in your state, contact:

Your Claims Consultant

(A listing of claims consultant by state is available on page 7)

Amy Darboe
(800) 955-4351 ext. 3
(866) 229-1320 fax
adarboe@talx.com

Amy Heckler
(800) 848-0287 ext. 3080
(866) 564-5631 fax
aheckler@talx.com

Cynthia Salas
(800) 955-4351 ext. 8
(888) 544-4144 fax
csalas@talx.com

Maile Salas
(800) 955-4351 ext. 5
(866) 226-2359 fax
msalas@talx.com

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Your Responsibilities as a Plan Participant

1. Fax all unemployment claim documents to your claims consultant as soon as you receive them (see page 7 for contact information).
2. If you have multiple locations, designate one contact person within your council to receive all claims. Train staff at all locations on the importance of faxing all claim documents the same day to your designated contact person. Your designated contact person is responsible for getting all the claim documents to the claims consultant immediately. Lateness can jeopardize your right to protest a claim.
3. Fax the [summary page](#) that shows your gross wages of your quarterly payroll report to **Betty Ebere at the Plan at (800) 654-9018**. You will still continue to send the entire report to the state.
4. Inform the Participant Services of changes in your staff who handle any Plan functions (claims, payroll reporting) so we can provide training to the new person.

For AK, CA and HI

Nancy King
(877) 860-4922
nking@501c.com

For all other states

Doris King
(800) 719-8293
dking@501c.com

5. Inform the claims manager or participant services of potential large layoffs within your council, so they can help you forecast if you need to deposit extra funds into your reserve account.

Claims Manager

Paul Fountain
(800) 955-4351 ext. 7
(866) 292-0673 Fax
pfountain@talx.com

or

Participant Services

Doug Adams
(800) 442-4867 ext. 166
(800) 449-8563 fax
dadams@501c.com

6. Call us with any questions, problems, or suggestions as soon as they arise. Getting help right away can prevent major issues.

Your Claims Manager: TALX UC eXpress

Your best defense against high claims cost



Claims are handled by TALX UC eXpress, which has a dedicated team that works exclusively with our programs. This team is overseen by an expert with more than 30 years experience managing unemployment costs. As the industry leader, TALX UC eXpress has the resources to support participants effectively, maximizing savings with cutting-edge communication and technology.

For more information on how you can help control your claims costs, information about a claim, claims activity report, charge activity report or a hearing, to plan for staff reductions or other anticipated claims or if you have any questions about claims management, **please email Paul Fountain at pfountain@talx.com or call him at (800) 955-4351, ext. 7.** You can find the contact information of your individual claims consultant for your state on the next page and can email her directly through the contact section of the website at www.501c.com/boyscouts.

You can speed up the time it takes to get a response by emailing or faxing your request. If your question is about a specific employee, be sure to include the employee's social security number.

On page 8, you will find information on your role in the claims process, followed by pages that chart the process and list the audit procedures that are applied to all benefit charges. You may also want to review the section starting at page 16 for information that can help you with proactive planning steps to reduce unemployment claim costs.

Notify the Claims Consultant

There is a statutory time limit for responding to notices from state agencies. It is extremely important that you fax all claims-related documents immediately to your claims consultant. Especially important are initial or additional claims notices, out-of-state claims, charge-back notices, determinations or rulings, hearing notices, and decisions. Send all documents pertaining to unemployment claims to your claims consultant even if you think the state has already provided copies and even if the documents relate to claims you do not wish to contest or believe are not protestable.

The Claims Consultant in Your State

Helping you through the process



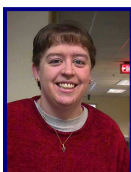
Maile Salas
(800) 955-4351 ext. 5 phone
(866) 226-2359 fax
msalas@talx.com email

Alaska	Mississippi
Arizona	Nebraska
Arkansas	Nevada
California	North Carolina
Delaware	North Dakota
Idaho	Oklahoma
Illinois	South Carolina
Iowa	Tennessee
Kansas	Vermont
Maine	Virginia
Maryland	West Virginia
Massachusetts	Wisconsin
Michigan	
Minnesota	



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Colorado	New Mexico
Dist of Columbia	Ohio
Georgia	Rhode Island
Hawaii	Utah
Kentucky	South Dakota
Louisiana	Washington
Missouri	Wyoming
Montana	



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Connecticut



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csalas@talx.com email

Florida
Indiana
New Jersey
New York
Oregon
Pennsylvania
Texas

Your Role in the Claims Process

Your prompt action is essential

Your claims consultant is responsible for most aspects of the claims process, from processing claims notices and responding to the state agency to reviewing determinations and representing you at hearings. But there are key points in the process where prompt action by you is essential. Timing is important, as most documents will provide a specific time period for action (only 5 to 15 days on initial claims, depending on your state). If your communication is about a specific employee, be sure to include the employee's **social security number**.

You can find the name and extension number of the individual claims consultant for your state on **page 7** and can email her directly through the contact section of the website at www.501c.com/boyscouts.

When a former employee files a claim

The state agency will mail initial claims directly to your claims consultant, or in some states, directly to the employer. Whenever you receive a "Notice of Claim Filed" or a "Separation Request," the claim and all related documents should be faxed immediately to your claims consultant.

If there is a risk of an untimely response or action, call your claims consultant **immediately**, as she can protect your interests by submitting a timely response from phone information.

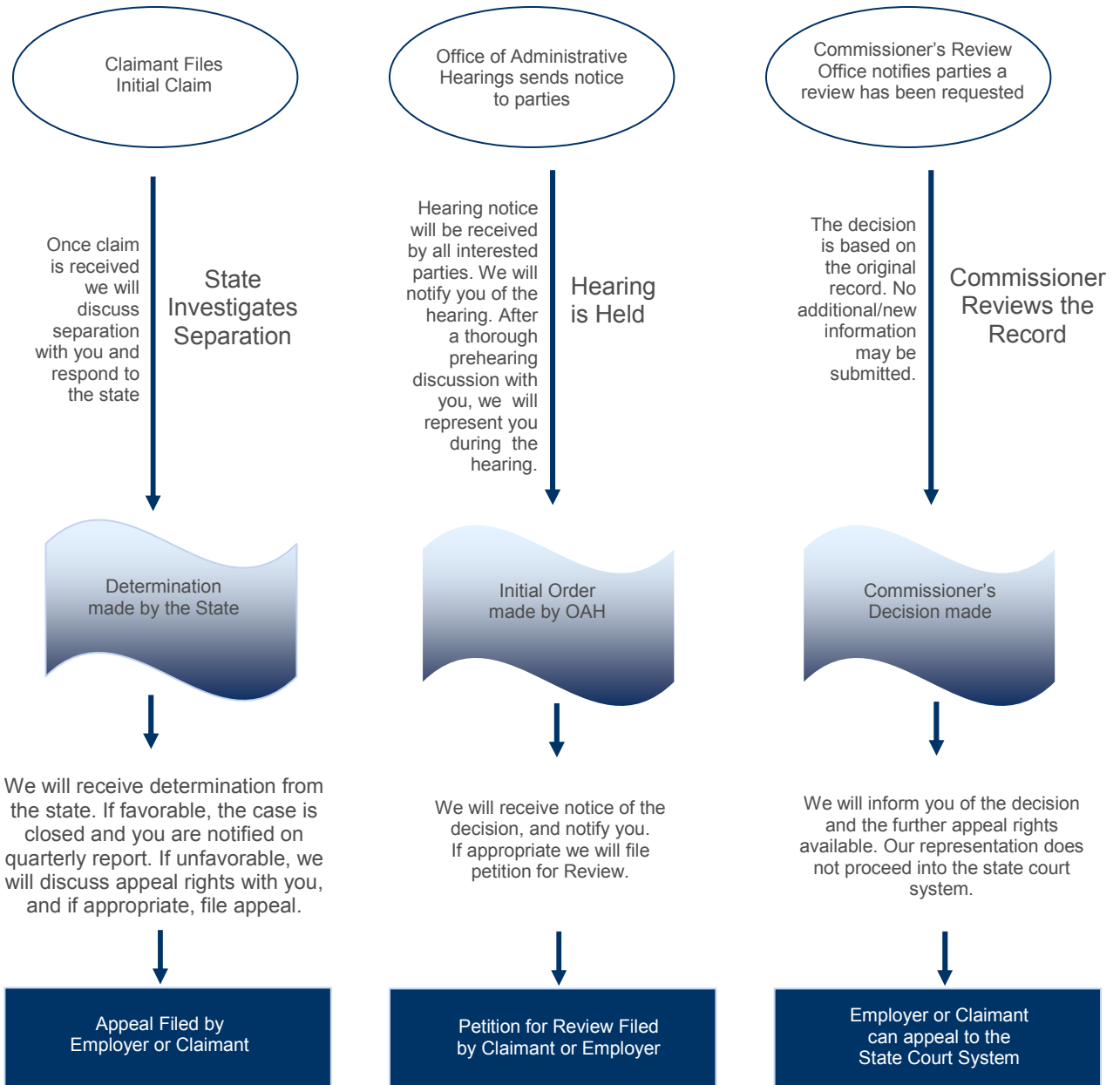
Appeals

Your claims consultant will contact you to identify appeal options available if there is an unfavorable determination. If you decide to appeal the claim, she will contact you when an unemployment hearing is scheduled. A hearing representative will be assigned to your case and will prepare witnesses, determine documentation to be used, and represent you at these hearings.

Your role in the appeals process is to identify first-hand witnesses and provide any additional information your claims consultant/hearing representative might need. The more quickly your claims consultant receives the information, the more effectively she can represent you at the hearing.

Steps in the Claims Process

From initial filings to appeals



Audit of Benefit Charges

Making the right choice

Unemployment benefit charges are audited against values that are established on every claim processed. When the chargeable amounts are exceeded, the software system rejects the overcharge and a protest is filed with the state to request a credit. The Benefit Charge Credit Report reflects the actual credits returned to your unemployment account.

Our audit of benefit charges includes checks for the following:

Unmatched Charges

- claimant never worked for the company
- no determination authorizing benefit payment
- no base period wages appear for the claimant
- benefit liability transferred to another account
- charges applied to an incorrect benefit year
- charges applied to an incorrect account number

Exceeded Liability

- charges exceed the benefit amount noted on the claim decision
- a prior non-charge determination is issued
- charges are received during a pending protest
- a reversal of a previous unfavorable decision is received
- maximum claim liability is exceeded (27 week vs. 26 week entitlement)

Charges and Wages in the Same Period

- charges during a period in which wages appear

Charges During a Flag Period

- claimant refused an offer of suitable work
- subsequent disqualifying decision is received
- charges during a disciplinary suspension
- charges during a period of disqualifying income (i.e., vacation, severance)
- charges during a period when the employee limited his/her availability for work

Conflicting Benefit Year Beginning Dates

- charges in two benefit years with less than 52 weeks between them

Non-compensable Waiting Week

- charges during a statutory waiting period

Dual Benefit Pay Period

- duplicate charges for the same week

Base Year Wages and Employee Eligibility

You may be charged for benefits for a former employee

When individuals file for unemployment benefits, they establish a “benefit year” that extends approximately 52 weeks. Claimant eligibility during a benefit year is determined by the amount of time employed and wages earned during the “base year.” The base year is the twelve month period consisting of the **first four of the last five completed calendar quarters**. Generally speaking, state monetary eligibility is directly related to a claimant’s “usual wage” during the base year and the benefit represents approximately a 50% wage replacement up to the maximum amount.

As an example, for a claim filed on April 1, the base year and employee’s benefit year used by most state agencies would be:

Base Year (2008)					Benefit Year (2009 - 2010)					
Oct	Jan	April	July	Oct	Jan	April	July	Oct	Jan	April
Nov	Feb	May	Aug	Nov	Feb	May	Aug	Nov	Feb	May
Dec	Mar	June	Sept	Dec	Mar	June	Sept	Dec	Mar	June

If an employee returns to work before receiving all their benefits and subsequently becomes unemployed prior to the expiration of their initial 52-week benefit year, they may reopen their initial claim for benefits against the original base year and may be eligible for further benefits. In addition, after the initial 52-week benefit year an individual could file a new claim resulting in the latter part of their new base year having some wages from their previous employment with you. This would result in additional liability but in a reduced amount from the initial claim.

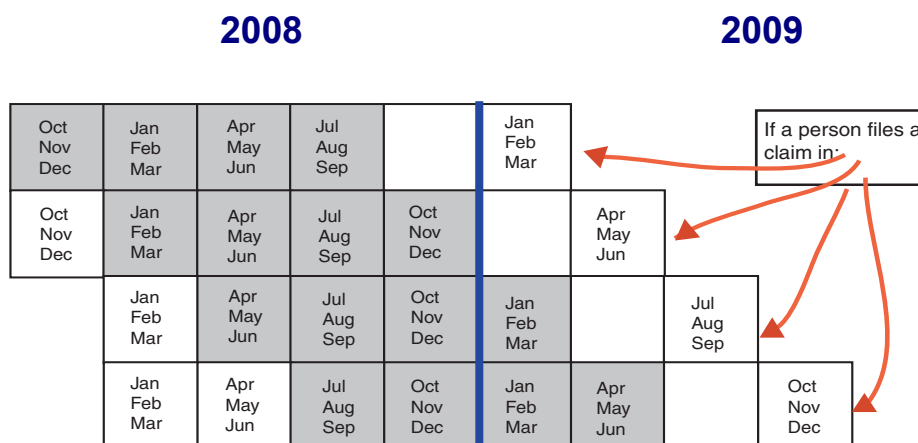
Base Year Wages & Employer Liability

You may be charged for benefits for a former employee

Each state has its own set of requirements that affect how unemployment benefits are charged to reimbursing employers. If you want to know the laws in your state, contact **Paul Fountain, Claims Manager, at 800-955-4351 ext. 7**.

In a few states, all benefits are charged to the claimant's most recent employer, but most states spread the cost according to wages paid during the "base year." **The "base year" is the twelve-month period consisting of the first four of the last five completed calendar quarters.**

The base year used by most state agencies would be:



What this means to you as an employer is that you may be charged for benefits for a prior employee **regardless of how the employee's service with you ended**. Base period claims relate to employees who have worked for a different employer after leaving your council. At the time they left your employment, they may not have been entitled to unemployment benefits. Since then, they have left another employer under circumstances that now make them eligible for unemployment. The benefits they receive will be spread among all prior employers according to the amount of wages paid during the "base year."

You may have experienced the frustration of a base period claim that resulted in your account being charged with benefits despite the fact that the employee was not eligible when they left your employment. Our sense of fair play is violated and it becomes harder to deal with a case on its clinical merits. But if you know the rules, you can focus your time and effort where you can do the most good.

Plan Administration

Timely reports and answers for your account

Terri Oakley and her staff are responsible for the calculation of annual deposits to reserve accounts, providing quarterly reminders of deposits due, reimbursing states for benefits paid, and collecting payroll from participants for use in determining reserve account goals, stop loss insurance deductibles, and operating costs. They maintain the accounting records for the Plan and provide annual account activity statements to all participants. They will also take care of security requirements from states such as surety bonds.

Do you have questions about your account or about how the Plan works? We're here to help. We are happy to provide information on any aspect of the Plan or your participation. We can answer questions about your experience rating, quarterly deposits, account balance and more. Contact us for copies of the Unemployment Plan Manual and anything else we can provide to help you.

For questions regarding the Plan, please call Terri or her staff at **(800) 442-4867**.



Terri Oakley
ext. 168
toakley@501c.com



Brian Allen
ext. 161
ballen@501c.com



Betty Ebere
ext. 169
bebere@501c.com

Participant Services

Taking care of your needs

We want to know how we are doing, and the best way to find out is to ask our participants. The Participant Services department, headed by Doug Adams, does just that. Participant Services Associates provide continuous outreach to get feedback from participants, train new staff on Plan services, address any specific needs including claims issues and notify participants of upcoming workshops. If you are unhappy, we are unhappy so let us know if you have any concerns.



Doug Adams
(800) 442-4867
dadams@501c.com



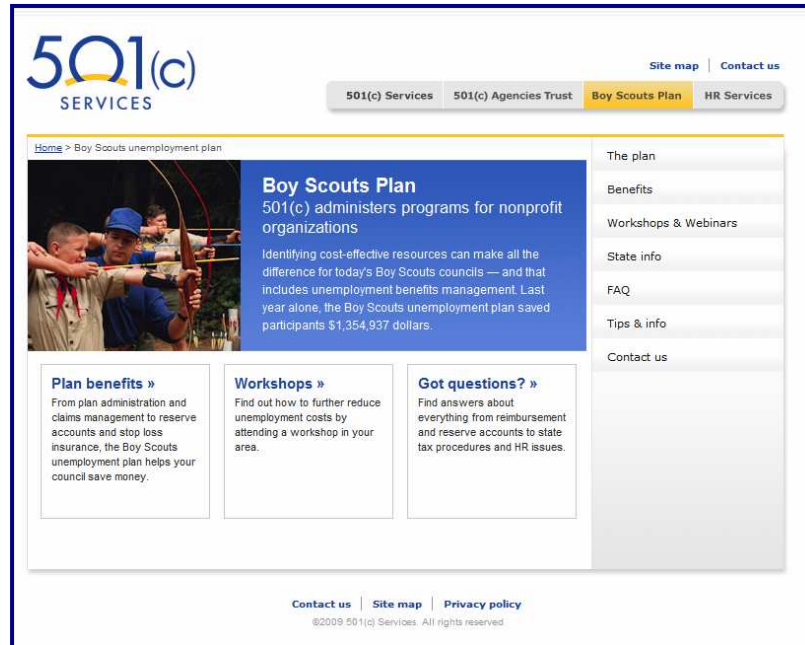
Doris King
(800) 719-8293
dking@501c.com
For all other states



Nancy King
(877) 860-4922
nking@501c.com
For AK, CA and HI

Our outreach programs include:

- Cost-saving webinars offered via the internet, giving participants an opportunity to learn practical approaches to keeping claim costs low while protecting employers from unnecessary exposure.
- Claims tips and updates provided by email, helping our participants control costs and reduce claims.
- User-friendly manual, providing quick answers to questions. The manual is updated each year, keeping it current and responsive to participant needs.
- Website with even more information and easy navigation to get you quickly to the information you want.



Visit our web site for additional information, including:

- Direct email links to many of the Plan's staff you want to reach
- Online registration for regional workshops and webinars around the country
- Tip of the month
- State Information Map: Click on your state for information about your state's claims procedures, 10-year unemployment tax history, overpayment statistics and contact information.

Planning for a Staff Reduction

It can save you thousands of dollars

Presently the news about our national economy has been troubling. The effect the downturn will have on unemployment claims for Plan participants is unknown. However, the good news is that we are here to help you control and project the cost of unemployment claims.

Unemployment costs are an important consideration when making tough choices about terminations. Staff reductions aren't cost free. Eliminating a position with a \$36,000 salary can trigger unemployment benefits of \$10,000 to \$12,000 or more, depending on which state you are in, so your net savings might only be \$24,000. To save \$72,000, you would have to lay off three people, not just two.

Planning six months or more in advance for a staff reduction can save your council thousands of dollars and benefit your employees at the same time. Your employees would prefer to have a job and receive a full paycheck rather than collecting a lesser amount in unemployment benefits. Your council would prefer not to pay unemployment claims. If you anticipate a cutback, these planning steps can help you to achieve both goals:

- Consider whether job positions that become open can be left unfilled for a time and later offered to employees who might otherwise be laid off.
- Help your departing employees find new positions. Some nonprofits help employees prepare resumes, give them paid time off to go to job interviews, and even send notices and recommendations to other organizations about the talent they have available.
- Be aware that the laws vary from state to state, so advance research is important. In some cases, managers have calculated their savings by assuming that if they give severance or vacation pay, the worker will be ineligible for benefits. This may or may not be true, depending on your state, so check with the claims manager, Paul Fountain.

If you have questions, even if you are not entirely sure a layoff will be necessary, don't hesitate to call your claims manager, **Paul Fountain at (800) 955-4351, ext. 7**. He would much rather spend some time planning for a layoff that never occurs than be called after it is too late to help you achieve real savings.

-continued- **Planning for a Staff Reduction**

In addition to the steps you are taking to reduce unemployment costs, the following planning steps will help you to be prepared:

- Begin estimating future unemployment costs so that you can include them in your budgets.
- Stay in touch with the claims manager and let him know your plans for current and future staffing.
- Review your Plan reserve account balance in light of potential predicted layoffs and decide if you need to raise it to cover possible increases in unemployment claims. Call **Terri Oakley at (800) 442-4867** to discuss your reserve account or other issues.

As an alternative to layoffs, some participants have been exploring the option of participating in **Shared Work Programs**. While the details vary by state, an employer can provide employees whose hours are reduced with supplemental unemployment benefits.

For example, an employee whose work week is reduced 20% would generally not be eligible for unemployment benefits because the gross pay would still exceed the benefit amount. But if an employer elects to participate in their state's Shared Work Program, the employee would be eligible for 20% of the benefit amount. It is important to note that the additional unemployment benefit, paid through your Boy Scouts Unemployment Plan account, is a real cost, offsetting some of the savings of the reduced hours.

The Plan is a great benefit for employees and can be an effective way for an employer to retain experienced employees, but it is **important to compare the costs and benefits carefully before making an election, as it is not a reversible decision**. We encourage you to call your claims manager **Paul Fountain at (800) 955-4351, ext. 7** with any questions, prior to electing to participate in a shared work program.

Lack of Work Claims

Where claims begin

What is a lack of work claim?

A lack of work claim may be filed by anyone who is not currently employed at least 40 hours per week because their employer does not have additional work for them.

When do payments begin for a lack of work claim?

Employees that file lack of work claims are eligible for benefits after the standard waiting period or immediately if your state does not have a waiting period.

Does this include employees that are part-time? They knew the hours when I hired them!

Yes, this includes employees hired to work part-time or on-call. As long as an employee continues to seek full-time work, they may be eligible for partial benefits.

So I pay the employee and they collect UI?

Employees who are filing for UI and are part-time or on-call receive partial benefit payments. The State UI Department will subtract gross earnings received each week from the Weekly Benefit Amount for which the employee is determined eligible and pay the remainder to the individual.

For example: You have hired Joe Smith for 20 hours per week. He opens a UI claim and his Weekly Benefit Amount is \$200.00. He makes \$8 per hour with your council totaling \$160 each week. He will receive a check from the state for the remaining \$40 each week.

What if I hire someone for a specific time period on a temporary basis; are they eligible for benefits?

They knew when their job would end. Yes, any time you do not have continuing work for an individual, they can file a lack of work claim. The only exception to this is an Independent Contractor.

How can I control this cost?

If the employee is limiting their hours or availability for work, inform your claims consultant (see page 7). Remember, they must be seeking full-time work to collect UI.

Unemployment Reminders

Summing it up

General Information

“Please sign here”

When completing unemployment claim forms or preparing for hearings, employee signatures are important since they acknowledge receipt of handbooks, policy statements, rules, warnings or notices of voluntary separation. A signed warning, for example, is the best answer at a hearing to a claimant who asserts ignorance of the rules.

No Work = No Pay

Notify your claims consultant if an employee does not return to work at the end of a temporary layoff or refuses a job offer. In most instances a claimant who quits or refuses work without good cause will be denied unemployment benefits.

You can find the name and extension number of the claims consultant for your state on page 7 and can also email her directly through the contact section of the website at www.501c.com/boyscouts.

Reduce Your Unemployment Liability for Unsatisfactory Employees

Lack of skill, inability to perform a job, or poor performance for reasons outside one’s control will not disqualify a claimant from receiving unemployment benefits. However, an early decision to discharge an unsatisfactory employee may reduce or possibly avoid potential liability, depending on state law.

Just the Facts... And the Evidence

Stick with the facts and precise explanations in response to unemployment claims. Avoid ambiguous phrases or personal opinions that are not supported by evidence.

Documentation

Who, What, Where, When, How?

Good documentation (including warnings) must contain dates and times. Should you ever be questioned at an unemployment hearing, proper documentation of dates and time of occurrence helps establish credibility.

-continued- Unemployment Reminders

Discharges

Performance Issues vs. Misconduct Issues

“Unsatisfactory Performance” should only be used to describe conduct or performance that appears to be outside of the person’s control. Misconduct is generally viewed as a deliberate or willful violation of the employer’s rules or policies.

Avoid Ambiguity

“Inability,” “Unsatisfactory Work,” “Poor Performance,” “Inefficiency” and other vague terms should not be used to describe a willful violation of rules or standards. However, do not confuse effect with cause. For example, poor production because of lateness or absenteeism may be misconduct.

Warnings

Straight from the Horse’s Mouth

If an employee refuses to sign or accept a written warning, this action may constitute, under certain circumstances, insubordination. Where possible, obtain a suitable witness. In either case, the refusal to sign or accept a warning should be documented.

Sign on the Dotted Line

Ask employees to sign written warnings to establish receipt. Make note of refusals to sign or accept warnings. If problems are anticipated, consider using a witness.

Voluntary Resignations

Request Signed Letters of Resignation

Use exit interviews to define and document reason(s) for resignation. If applicable, document any alternatives offered.

Get the Right Advice

The consulting services of your claims manager **Paul Fountain at 800-955-4351, ext. 7** are free to you. Before making a decision on a discharge, feel free to call for advice from your claims manager on the unemployment aspects of your decision.

Exemption for Summer Camp Staff

Several states exempt summer camp staff from unemployment coverage. If your council is in one of these states and you wish to take advantage of this exemption, you should be sure to exclude wages for exempt camp staff from wages for unemployment purposes when you file your quarterly employee wage report. Typically the exemption covers full time students who work less than 13 weeks in a calendar year.

The following states presently have such exclusion:

California
Illinois
Maine
Maryland
Massachusetts
Missouri
New Hampshire
New York
North Carolina
Oregon
Puerto Rico
Tennessee
Texas
Vermont
Virginia

We have encountered situations where a payroll service was simply unfamiliar with this exemption and inappropriately reported camp staff wages. In this situation, the state will generally pay benefits for those summer camp employees who file for unemployment and will charge the employer for the benefits paid. Since each state's quarterly report format is different, we suggest that you verify with your payroll department or payroll processing service that summer camp staff are being reported in the manner that you intend.

Security & Reserve Account

Protecting your budget and your peace of mind

Since legitimate unemployment claims can occur at unpredictable times, we protect the budget stability of our participants.

- We work with our participants to build an appropriate reserve account over a period of time.
- We back up participant reserves with stop loss insurance that provides real protection, with the lowest deductibles available.

All of this means that our participants not only save money, they have the sense of security that comes from being a part of the Boy Scouts Unemployment Plan, with a long-term strategy for effective containment of unemployment costs without unnecessary risk.

Being Prepared

The trouble with legitimate unemployment claims is that they're unpredictable. That is why building reserves over time is your best preparation. Your claims volume might be very low for months or years, then suddenly skyrocket. Your reserve account will allow you to ride out the fluctuations.

Your Boy Scouts Unemployment Plan reserve account is owned by you, not the Plan or the state.

Stop Loss Insurance Protection

Protecting you from unexpected claims

Stop loss insurance repays your reserve account if your unemployment claims exceed your deductible. Our highly effective claims management allows us to provide our participants with the lowest stop loss insurance deductibles available. That means lower deposit requirements for you, increasing your available program funds while protecting your budget from unnecessary risk.

The Plan is proud to offer you the protection that our unique insurance coverage provides. Stop loss insurance is not a “standard” coverage offered by insurance companies. In fact, we have been instrumental in its development. Stop loss coverage not only protects our participants from one-time catastrophes, it also prevents the budgetary crises that can result from routine unexpected claims. We work closely with our carrier on an ongoing basis to improve its effectiveness. To be eligible for stop loss, a participant must participate in the Plan for the full calendar year, and only charges incurred during Plan participation will be eligible. Also, the bills for reimbursable charges must be paid in full to the state.

In the later half of 2008, unemployment claims started to increase and expect that the increase will continue throughout 2009. It’s good to know that you have protection if the unexpected should occur.

Would you like more detail on how stop loss works?

When you establish an account with the Boy Scouts Unemployment Plan, we calculate your annual deposit amount based on your council’s size and claims experience. Your deposits go into your own individual reserve account, which is used to reimburse the state for your employees’ unemployment claims.

Your council is also assigned a deductible. When your claims exceed your deductible, Stop Loss insurance repays your reserve account for the difference...

(Actual claims - deductible = stop loss payment)

Example: Let’s say your deductible is \$20,000 per year. Now suppose next year you have claims of \$30,000, which is much higher than usual. The \$30,000 would be paid out from your reserve account, and then Stop Loss insurance would repay your account for \$10,000...

(\$30,000 actual claims - \$20,000 deductible = \$10,000 stop loss payment)

Frequently Asked Questions

1. How does the reimbursement process work?

Each council builds its own reserve account to pay for future claims. The Plan reimburses the state for actual claims with money from this account.

2. How does the Plan calculate how much each participating council deposits into its reserve account?

The experience rating process used by the Plan has been developed and refined over the years to reflect the experience of each council, allowing for maximum control of costs through controlling claims. The calculated deposit includes amounts for estimated claims, operating expenses, and an amount calculated to build the participant's reserve account to the targeted goal over 10 years.

As reimbursing employers in most states have no other reason to calculate taxable payroll for unemployment purposes, we base our calculations on gross payroll. Responding to another preference of our participants, deposit billings are in monthly equal amounts. To stabilize council deposits and simplify the council accounting process, we calculate a net annual deposit.

3. When should we make payments?

You will be billed by the Boy Scouts of America national office. The amount is based on your claims history and the size of your council, and is set to provide adequate funds for your current claims and build reserves to cover future payments. If you expect increased claims for any reason, you should contact us to discuss adjusting your deposits.

4. We received a bill from the state for reimbursement of benefits paid. What should we do?

Do not pay the state. Contact the Plan administrator immediately. We will ask you to **fax us a copy of the bill at (800) 449-8563** so that we can make a timely payment to the state and correct any situation preventing normal processing. The state usually sends these bills directly to the claims manager. Your claims manager then sends approved bills to us for payment.

-continued- Frequently Asked Questions

5. *What is the Plan's Reserving Policy?*

Each participating council has a reserve account. Monthly deposits are added to the reserve account, and benefit claims and expenses are paid from the reserve account. The balance in this account is built up over a period of ten years to an amount approximating 2% of gross payroll. This level is established to provide stability of annual deposit amounts for improved budgetary planning while limiting the size of the reserve to each council's actual risk. The risk, as mentioned elsewhere, is kept at a very low level by our unique stop loss coverage. The reserve account target does not fluctuate with changing patterns of claims activity and no other Plan participant funds are retained for estimated claims. Each participating council owns all the funds in their interest-bearing reserve account.

6. *What if our reserve account balance isn't enough to cover bills from the state for reimbursement?*

The liability for payment of benefit charges up to the level of stop loss attachment is solely the obligation of each council. The Plan acts as an agent in meeting this obligation, establishing deposit reserves based on the historic claims data of each council. Charges in excess of the deposit reserve remain the obligation of the council.

7. *Now that we have joined the Plan, do we still file quarterly wage reports with the state?*

You still need to file these reports with the state, but you will no longer pay unemployment taxes. Please be sure to send a copy of the quarterly wage report to the Plan administrator. To help you remember to send this report, we email reminders to all participating councils.

8. *We received a notice from the state that the amount of our security deposit has changed. What should we do?*

You should notify the Plan administrator of all requests for security deposits and forward any notices of changes in the amounts or expiration dates of bonds. Many states require a security deposit as assurance of payment from reimbursing employers. The amount varies by state, but is typically based on a percentage of payroll. The most common type of assurance is a surety bond, but some states may request a cash deposit or prepayment of estimated claims. If your state requires a security deposit, we will obtain the surety bond for you and deduct the annual fees from your reserve account.

-continued- **Frequently Asked Questions**

9. *What types of reports can we expect to receive regarding our activity with the Plan?*

Clear reports are provided to councils to help them understand their account activity and their claims experience. We send each of our participating councils an annual report of the activity in their individual reserve account, the components of the new experience-rated calculation of their deposit, and a projection of their next year's activity. We encourage questions and discussions that help us to work together to control claims and lower costs.

10. *How do I monitor my claim's activity?*

You can order a password to access your TALX UC eXpress webReports, the online claim inquiry system. Each month you will receive an email reminder from uchelpdesk@ucexpress.com to check your account for claims activity. Enter your password to view your claims. Print the reports from your computer. To order your password, send an email to **Paul Fountain at TALX UC eXpress**, our claims management company, pfountain@talx.com. Include your name, title, agency name, email address, phone and fax number.

11. *When can we get a reserve account activity statement?*

The Plan operates on a calendar year, so you will receive your activity statement after the end of the calendar year. You can also contact the Plan administrator at any time for a statement covering any period you or your auditors require.

12. *We may have to consider layoffs at our council. Is there anything we should do in advance to reduce the unemployment costs resulting from the layoffs?*

Contact the claims manager as soon as possible to begin planning. Email **Paul Fountain at pfountain@talx.com or call him at (800) 955-4351 x7**. Taking steps six months or more in advance can be helpful in reducing costs.

13. *We are considering a merger with another council. How would this affect our participation in the Plan?*

The answer depends on which council will be the surviving council and whether that council has chosen the reimbursement method. Contact the Plan administrator to discuss your options. You may also want the claims manager to help you review the other participating council's unemployment history.

-continued- Frequently Asked Questions

14. As a reimbursing employer, do we pay the federal unemployment tax (FUTA)?

As a 501(c)(3) organization, you are exempt from paying FUTA. If you have been making these payments, you should contact the IRS and request a refund.

15. Who do we call to get information about our reserve account?

Contact the Plan administrator at (800) 442-4867.

16. What can we do to control our unemployment costs?

The claims manager is happy to help you with any concerns regarding potential or existing claims. **Call Paul Fountain at (800) 955-4351, ext. 7.**

Informative webinars on unemployment insurance are scheduled throughout the year. For information, please contact **Doug Adams at (800) 442-4867** or dadams@501c.com or log on to www.501c.com/boyscouts/workshops/.

17. We received an unemployment claim notice from the state. What should we do?

Fax the notice to your claims consultant (see page 7). Always fax claim notices to her even if the notices are for claims that you do not want to contest or that you feel are non-protestable. All unemployment claims have deadlines, so sending notices immediately is important. You should also send them any other unemployment-related documents you receive, including initial, additional or out-of-state claims, chargeback notices, determinations or rulings, hearing notices, and decisions. In some cases, your claims consultant will have already received copies from the state, but it's better that she get redundant copies than none at all.

18. How can we determine who will be eligible for unemployment benefits?

This is a complex question. In some situations, employees who resign voluntarily may be eligible. Contact the claims manager, **Paul Fountain, at (800) 955-4351, ext. 7** to be certain, especially if there are any unusual circumstances.

Did you find the answer to your question?

If not, you can call **Terri Oakley at (800) 442-4867** or use the email link from our web site at www.501c.com/Boyscouts.