

UPDATE

CLIENT INFORMATIONAL SERVICES

UCAC, INC. CORPORATE HEADQUARTERS AT WEST PALM BEACH FLORIDA
REDUCING UC COSTS BY AUDITING BENEFIT CHARGES AND PAYMENT OF CLAIMS

Disaster Unemployment Assistance

The Robert T. Stafford Disaster Relief and Emergency Assistance Act of 1974, as amended, authorizes the President to provide benefit assistance to individuals unemployed as a direct result of a major disaster. The U.S. Department of Labor oversees the DUA program and coordinates with the Federal Emergency Management Agency (FEMA), to provide the funds to the state UI agencies for payment of DUA benefits and payment of state administration costs under agreements with the Secretary of Labor.

Disaster Unemployment Assistance provides financial assistance to individuals whose employment or self-employment has been lost or interrupted as a direct result of a major disaster and who are not eligible for regular unemployment insurance benefits.

When a major disaster has been declared by the President, DUA is generally available to any unemployed worker or self-employed individual who lived, worked, or was scheduled to work in the disaster area at the time of the disaster; and due to the disaster:

- no longer has a job or a place to work; or
- cannot reach the place of work; or
- cannot work due to damage to the place of work; or
- cannot work because of an injury caused by the disaster.

DUA benefits are payable to individuals (whose unemployment continues to be a result of the major disaster) only for weeks of unemployment in the Disaster Assistance Period (DAP). The DAP begins with the first day of the week following the date the major disaster began and continues for up to 26 weeks after the date the disaster was declared by the President.

The maximum weekly benefit amount payable is determined under the provisions of the state law for unemployment compensation in the state where the disaster occurred. However, the minimum weekly benefit amount payable is half (50%) of the average benefit amount in the state.

In the event of a disaster, the affected state will publish announcements about the availability of Disaster Unemployment Assistance. Individuals who have moved or have been evacuated to another state should contact the affected state for claim filing instructions.

Tax Rate Notice Reminder Letters

Notices were mailed to clients as a reminder to send the Tax Rate Notices to UCAC, Inc. as soon as they are received, along with a copy of the completed summary page of the Quarterly Unemployment Contribution Report. This allows UCAC's Research Department to analyze and evaluate the tax rates to verify the calculations are mathematically correct, to confirm that credits to the account were awarded so that the tax rates were calculated correctly, and to determine if a voluntary contribution would be beneficial to provide both immediate and future tax savings. An incorrectly calculated tax rate can add thousands of unnecessary dollars to an employer's tax bill.

**Wishing you a
Very Merry Christmas and a
Prosperous New Year!**



**UCAC, INC. HEADQUARTERS
WEST PALM BEACH, FLORIDA**

Many States are accepting E-sides responses. The State Information Data Exchange System (SIDES) provides an electronic and nationally-standardized format to respond to UC information requests. Due to the continually increasing cases of identity theft and fraud through internet exchange systems, UCAC, Inc.'s IT Department remains committed to upholding the highest level of security for our systems and our clients. We will respond via E-Sides for all registered clients as desired, but registering is not mandatory.

The Burden of Proof is on the Employee for a Voluntary Quit

When an employee voluntarily quits his/her job, the employee must provide evidence that s/he had good reason to resign. The purposes of Unemployment Compensation benefits is to help working people temporarily unemployed due to work-related circumstances beyond their control. When a person voluntarily quits his/her job, presumably, the reason for resignation is within the employee's control. For this reason, generally, a worker who quits voluntarily is not eligible to receive unemployment benefits.

There are, however, circumstances under which a person may quit a job with good cause and collect U.C. benefits. For example, if a worker is subject to sexual harassment, if the paychecks consistently bounce or are not forthcoming, if new work conditions produce an unsafe environment, even if a spouse is transferred to another location necessitating a family move, etc. So the general rule appears simple, but exceptions do exist and are varied. The following section will, therefore, predominantly deal with those exceptions.

The first question to resolve is whether the quit was truly voluntary. This sounds simple, but at times the issue becomes clouded by threats or demands on the part of the employer. For example, if an employer were to deliver this ultimatum: "Quit or get fired!" and the worker subsequently submits a resignation letter, then, is that quit truly voluntary? A quit is voluntary if it is initiated by the employee and is not compelled by the employer. In the above case, compulsion was furnished by the employer's peremptory threat. The mere form of a written resignation does not produce a true voluntary quit. Again: A resignation letter and a voluntary quit can be two different "animals."

"Good cause" may be defined as real, substantial, and reasonable circumstances which would motivate the average person to quit his/her employment. Good cause includes good faith. Purely subjective or personal reasons, or oversensitive reactions to working conditions or circumstances, should not be regarded as good cause. The question of whether an employee resigned for good cause depends upon the reason for leaving the job, not upon the fact that the quit was voluntary.

Generally, an employee will not have good cause to leave a job until s/he has reasonably exhausted other opportunities for resolving employment problems, including available grievance procedures, or discussing the problems with supervisors or management. Quitting without an effort to resolve problems with the employer does not reflect a genuine desire to remain employed. Generally, once a worker has accepted work, knowing the existing terms and conditions, s/he cannot thereafter voluntarily quit the job and allege that the terms and conditions were good cause for leaving.

AN EFFECTIVE, PRO-ACTIVE UC COST CONTROL PROGRAM SHOULD...

1. Stress the importance of providing UC documents and separation information to UCAC to meet agency deadlines.
2. Establish proper control and accountability over all claims.
3. Strive to win each unemployment claim at the initial level.
4. Accept only layoffs, union lock outs, and casual labor, as being non-protestable.
5. Stress to clients the cost and legal issues of making an election not to protest a claim.
6. Audit benefit charge statements, confirm retro-active credits, and appeal any erroneous charges by state agency deadlines.
7. Verify tax rates, appeal erroneous calculations, and make voluntary contribution recommendations, providing immediately and/or future tax savings.

Please direct questions and comments to:

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Attention: Alan Rendall for UPDATE

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UCAC, INC.

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