Michigan Municipal League

Municipal Unemployment Group Account

Procedures Manual
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Introduction

Thank you for being a member of The Michigan Municipal League’s Group Unemployment Program. We enjoy working with you and providing your organization with a comprehensive package of unemployment related services. By being in the MML Program, you are part of what is referred to as a Group Reimbursable Account.

What is a Group Reimbursable Account?

A group reimbursable account is a system whereby the risk is shared but not pooled.

The Group Reimbursing Account removes some of the immediate risks and uncertainties related to unemployment. It allows a governmental entity to better budget for its unemployment expenditures over time, which cannot be done as a direct reimbursrer. It also provides the services of the Michigan Municipal League, the expertise of claims management specialists, Equifax Workforce Solutions, and training and education opportunities.

The account is initially funded by an upfront contribution equal to 2% of your total annual taxable payroll for the previous calendar year (for unemployment purposes). Additionally, for the first year, quarterly contributions will be based on a .06% rating factor applied to the first $9,000 that each employee earns in a calendar year (which is subject to change without notice), and which allows a reserve to be built and drawn upon. A full list of requirements to join the Group Account can be found in section 4.

Member Services

Group Members are entitled to the following services:

- Claims processing and filing of all unemployment related paperwork to the Unemployment Insurance Agency (UIA) in Michigan.
- Consultation and representation at unemployment hearings.
- Verification of benefits paid and charged to your employer account.
- Quarterly activity reports that provide information on claims for unemployment benefits.
- Unemployment cost control training for supervisors and managers.

Unemployment Cost Control Training

An unemployment cost control workshop is available for our members. This seminar is designed to help educate our members’ personnel regarding unemployment cost control policies and procedures. The topics reviewed include the unemployment compensation process, separation issues and concerns, and state employment guidelines.

Additional details and contact information are provided in the following pages.
Contact Information

If you have questions regarding general member services or your member account balance, please contact the Michigan Municipal League at:

Contact Information:  
Michigan Municipal League  
P.O. Box 7409  
Ann Arbor, MI 48107  
Phone: (800) MLEAGUE  
Fax: 734-662-6939

Contact Name:  
Mandy M. Reed, PHR  
Human Resources Specialist  
Phone: 734-669-6361

If you have any questions about the Michigan Employment Security Act, preparing separation forms, processing claims or other unemployment concerns, please contact Equifax Workforce Solutions at:

Contact Information:  
Equifax Workforce Solutions  
20300 Superior Rd.  
Taylor, MI 48180  
Phone: (800) 510-6160  
Fax: (877) 847-1780

Contact Names:  
Mike Pennanen  
Account Manager  
Extension: 2950

Jenise Murray  
Unemployment Insurance Consultant  
Extension: 2533

Marti Bellport  
Administrative Support  
Extension: 2946
When an employee files for unemployment benefits, a notice is sent to Equifax Workforce Solutions as the official mailing address. At this time, an Equifax Workforce Solutions Unemployment Insurance Consultant will call or fax your organization to request separation and special payment (i.e., severance, vacation, pay continuation) information. This request will include a return due date for the information requested. If you receive a notice at your address, call or send the form via fax to the Equifax Workforce Solutions office.

**Basic Separation Information**

When an employee is terminated, you should record the following information and retain it in the employee’s files.

1. Employee’s first and last day of work, including the date removed from payroll. (Last day worked is the last day the employee was physically present at work.)
2. Employee’s social security number.
3. Separation reason, described in detail, along with pertinent documentation.
4. All payments of vacation, holiday, retirement, severance, pay continuation or wages in lieu of notice should be documented.

**Determining Due Dates**

Each unemployment claim, determination and decision has a due date by which a response or appeal must be returned to the Unemployment Insurance Agency (UIA). Time limits must be observed or your organization could lose your rights to contest payments or appeal decisions.

**Appeal Procedures**

If Equifax Workforce Solutions receives an adverse determination or re-determination your organization will be contacted to discuss if the determination will be appealed to an unemployment hearing. As with a claim, if your organization receives a determination, please fax it immediately to the Equifax Workforce Solutions office.

**Claims Processing**

Equifax Workforce Solutions will process all monetary determinations, re-determinations and requests for information from the UIA. They will also appeal any claims that you wish to protest to an unemployment hearing or the Michigan Compensation Appellate Commission.
Unemployment Hearings

If your organization ever needs to participate in an unemployment hearing, Equifax Workforce Solutions will review the case with the individuals involved and prepare them for the hearing. A hearing representative will be assigned to the case who will represent your organization at the hearing.

Employer representatives with first hand knowledge of the events resulting in termination will need to testify. It is important that complete and accurate information be presented at the hearing, including relevant documentation. In the event the former employee has other claims pending (e.g., EEOC, wrongful discharge, etc.) or you anticipate that other claims may be brought, you should alert Equifax Workforce Solutions immediately.

Verification of Benefits

When a claimant has been awarded unemployment compensation benefits, Equifax Workforce Solutions will monitor the charges to verify the amounts, duration and that the employer(s) involved are properly charged. Any invalid or improper charges that Equifax Workforce Solutions finds are protested.

The base period is also calculated to determine if a member is liable for the claim and the member’s portion of charges are verified.

Claims Activity Reports (Samples of these reports can be found in Section 6.)

All of our members receive a series of reports on a quarterly basis to show the unemployment activity for their organization. These reports include the following:

- Unemployment Activity Analysis – Provides a summary on the number of claims filed and protested for your organization. The top half of this report summarizes the number of claims received and protested with pending decisions and appeals on a quarterly basis. The bottom half of the report summarizes the separation reasons broken down by liability. It also includes the number of claims that were appealed to a hearing or the Michigan Compensation Appellate Commission.

- Status of Unemployment Claims – Provides the names of individuals who have filed claims for unemployment benefits, in addition to listing benefit charges. This report provides a more detailed analysis of unemployment claim activity on a quarterly basis. It includes the name of the claimant, a partial social security number, date of the claim and whether or not benefit charges were incurred.

- Summary of Unemployment Charge Errors – Provides information on benefit charges protested and whether or not credit was received from the state. This report summarizes any incorrect charge amounts, incorrect charge periods and/or protested issues where a refund or credit has been received or is due from the state. It will include the name of the claimant, a partial social security number and the total amount of credit received.
Employee Separations

Section 3

Terminating the Working Relationship

Occasionally, despite all efforts to properly hire, train and counsel employees, separations will occur. The terminology used in separating and reporting employee separations is, perhaps, the single most critical element involved in your unemployment cost control program. Regardless of the actual employment record, if the proper language is not used when terminating an employee, you decrease your chances of receiving favorable decisions and can be faced with the possibility of a lengthy, costly unemployment claim process.

You should avoid general statements such as the following when an employee has been terminated for misconduct.

- Unsatisfactory performance
- Inability to perform job duties
- Poor employee
- Poor judgment
- Not a good fit

(See Involuntary Terminations Initiated by Employer (p. 6), #3 (pp. 7-8) and definition of “misconduct” (pp. 15-16).)

Reasons for termination should be supported by well-documented personnel records.

Voluntary Terminations – Initiated by Employee

When an employee leaves an organization voluntarily, he/she is considered to have quit. An employee who voluntarily quits must show good cause attributable to the employer to qualify for unemployment compensation. (See #2, p. 7 and “What is Good Cause Attributable to the Employer?” (p. 15)).

An exit interview, preferably conducted by someone other than the immediate supervisor, is recommended for an employee who has voluntarily quit. Discussing the termination with him/her and preparing a statement of the facts formulates a permanent record for future use. Such a statement should be read and signed by the employee if possible. It is also advisable to have a witness present. Listed below are some reasons why employees may quit:

- To seek other employment
- To accept other employment
- Job dissatisfaction
- To relocate
- Illness
- Personal reasons
- Family obligations
- To attend school
Involuntary Terminations – Initiated by Employer

1. When the employer is the moving party in a separation, it is considered to be involuntary. With layoffs or job eliminations, employees are considered to have been separated through no fault of their own. This automatically makes them eligible for unemployment benefits, presuming they have qualifying wages and are able, available and actively seeking work. Listed below are some examples of a lack of work.

- Reduction in hours and/or pay
- Job/position eliminated
- Facilities temporarily or permanently closed
- Temporary or seasonal job completed
- Part-time hours

2. To render the employee ineligible for unemployment benefits, an employee must be discharged for misconduct connected with work. (Refer to “What is Misconduct?” Under Section 4). Depending on the degree of misconduct, this could be the result of multiple violations of an organization policy, a single violation of multiple policies, or a one-time incident. The documentation in the personnel file will be the basis for the case should the employee file for unemployment compensation. The following are some examples of different degrees of misconduct:

- Violating a dress code policy, smoking in an unauthorized location and an unexcused absence are examples of misconduct that likely would not be considered to be misconduct if termination occurred after only a single incident and the employee had no other rule violations.

- Unauthorized possession of an employer’s property, being under the influence of a controlled substance and embezzling money are examples of violations that likely would be considered to be misconduct even if the employee had no other rule violations.

Controlling Unemployment Costs

One obvious, but sometimes overlooked, way to control unemployment costs is to minimize employee turnover. The inability to perform given job duties will not ordinarily disqualify a terminated employee from receiving unemployment benefits.

In this regard, the control of unemployment compensation costs begins prior to a new employee being hired. Hiring well qualified employees is one way of reducing turnover and consequently, unemployment costs. It is important to check past education and work references to verify a potential employee’s alleged work abilities.

Once a new employee has been hired, either an employee handbook or a list of organization rules and regulations should be given to him/her. Included should be a “tear-out” signature page, which can be placed in the employee’s personnel file after he/she has signed it acknowledging his/her receipt and understanding of organization
policies. This procedure can help control unemployment costs in one of two ways. First, by putting employees on notice of what is expected of them, and what conduct may result in termination, there may be fewer instances of misconduct. Second, if an employee does engage in misconduct, for an employer to successfully challenge a claim for benefits, the employer generally needs to establish that the employee violated an employer rule and the employee was aware of the rule.

Providing frequent encouragement, advice and counseling are other ways to reduce employee turnover. Periodic reviews, especially during the first year of employment, will let employees know you’re interested in his/her job success and also help them meet organization standards.

If it is necessary to terminate an employee, an employer’s chances of successfully challenging a claim for unemployment compensation are improved when an employee who has violated organization policies or failed to meet organization standards, has been warned. Both verbal and written warnings should be documented. Written warnings, as well as performance reviews, should be signed by the employee if possible and kept in his/her personnel file. Proper documentation is a vital part of controlling unemployment costs. The importance of documentation is realized when a terminated employee applies for unemployment benefits. In the case of a protested claim, the burden of proof will fall on the organization. When this occurs, proper documentation can support you and your position.

If you have an established probationary or orientation period, evaluate the employee throughout; do not wait until the end of the period to review the individual. Take appropriate action at the time of any incident.

The Equifax Workforce Solutions staff is available to consult with you during any period of an individual’s employment. They can also provide information as to the potential unemployment cost impact to your organization in advance of action being taken by you.

**Important Issues for Controlling Unemployment Costs**

1. Don’t assume because an employee quits or is discharged, they won’t collect unemployment benefits. Employees who quit with good cause attributable to actions of the employer, and employees terminated for reasons other than misconduct are entitled to benefits.

2. Do conduct exit interviews for employees who voluntarily quit. Where applicable, the information obtained can be used to show that the employee quit without good cause attributable to the employer if he or she files for unemployment benefits.

3. Don’t use the terminology “poor performance” or “unsatisfactory performance” if it can be avoided when terminating an employee if the employee, in fact, engaged in misconduct. For example, unsatisfactory performance would accurately describe an employee who is terminated because he/she is unable to complete assignments on time. On the other hand, if the failure to complete assignments timely is due to
an employee’s refusal to perform an assignment, insubordination would be a more appropriate reason for termination. Likewise, an employee who is unable to timely complete assignments because he/she spends an extensive amount of time making personal calls, citing a rule violation as the reason for performance would be appropriate.

4. Do insist that “leaves of absence” be requested in writing, so there’s no misunderstanding between you and the employee as to the date and time period agreed too.

5. Don’t let a claim form sit on your desk. Fax it to Equifax Workforce Solutions immediately.

6. Do contact Equifax Workforce Solutions at 800-510-6160 for help if you have a question regarding unemployment.

7. Consider making rehire offers to your desirable former employees, especially those who are collecting unemployment benefits.

8. Do notify Equifax Workforce Solutions immediately if a former employee refuses a rehire offer.

9. Don’t believe that if you ask someone to resign and they do so that it is a voluntary quit. It is not…it is a discharge and should be reported to Equifax Workforce Solutions accordingly.

10. Do try to get resignations in writing, including the reason.

11. Don’t underestimate the importance of an appeal hearing when appropriate. If your case isn’t presented at the unemployment hearing, you can almost be assured of losing.

12. Don’t forget to document. Documentation should be done, not only at the time of the separation, but after each incident of misconduct, because the knowledgeable supervisor may be unavailable or details may have been forgotten by the time the information is required. Signed documentation also prevents “the story” from changing at a later date.
What are the requirements to join the Michigan Municipal League Group Unemployment Account?

**MML Requirements:**

- League membership is required to participate in the Unemployment Group Account. If your organization is not currently a Full or Associate member of the Michigan Municipal League, it will be required to join as a Limited Associate member.
- Once League membership is confirmed, a signed MML Unemployment Group Account Membership Agreement must be submitted.
- An initial funding for your account, equal to 2% of the previous year's total taxable payroll (for unemployment purposes), must be received within a timely manner, usually with receipt of the signed membership agreement.

**State of Michigan Requirements:**

- Submit a Power of Attorney letter from your organization authorizing Equifax Workforce Solutions to be its unemployment representative.
- Submit a request for a change to the Group Account.
- Complete the Michigan Business Tax Form 518.
- Agree to a commitment to remain in the group for a minimum of two years.

NOTE: Your organization must pay the State of Michigan any outstanding balance on its current employer account before they may join the Group Account.

**Which Employees are Covered?**

All members must be aware of the employees that are covered under unemployment insurance in order to calculate the total wages or taxable wages.

All employees are covered unless specifically exempt. Employment is defined by law as any service performed for wages or under any contract of hire, written or oral. Only if an individual is free from control or direction over the performance of such services, both under contract and in fact, would the person be considered an “independent contractor.”

The most convenient method of enumerating covered employees is to say that all employees are covered except:

1. An elected official, or a member of a legislative body, or a member of the judiciary;
2. An employee serving on a temporary basis in case of fire, storm, snow, earthquake, flood or similar emergency (including volunteer firefighters and EMS);
3. An employee who serves as a school crossing guard. That individual is denied benefits only between two successive academic years or terms, if that individual performs the services of a school crossing guard in the first of the academic years or terms and has a reasonable assurance that he/she will perform those services in the second of the academic years or terms.
4. For those in a nontenured policy-making or advisory position, the performance of the duties of which ordinarily does not require more than eight (8) hours per week;
5. Service performed as part of an unemployment work-relief or work-training program assisted or financed in whole or part by any federal agency or any agency of a state or political subdivision.
6. Service performed by an individual less than 22 years of age who is enrolled at an educational institution which normally has a regularly organized body of students in attendance, as a student in a full-time program, taken for credit, which combines academic instruction with work experience. This service is, however, covered employment if the program is established for an employer or group of employers.

Again, the above mentioned groups are employees whose wages should not be included in the calculation of total wages or taxable wages. The wages or salaries of all other employees should be included in total wages or taxable wages.

**How Do You Calculate Gross Wages, Excess Wages, and Taxable Wages?**

**Gross Wages**
Gross wages are the total wages earned for a specified quarter for all covered employees. The amount of gross wages must match the total wages reported on UIA Form 1028 (Employer’s Quarterly Wage/Tax Report).

**Excess Wages**
Excess wages are any wages that were paid to an employee during a specified quarter that were in excess of the first $9,000 earned during the calendar year. This amount must be less than reported gross wages. Please note that the first $9,000 reported as gross wages is considered taxable. To calculate taxable wages, see the examples below.

Example 1: John Smith earns $40,000 a year (or $10,000 every quarter)

<table>
<thead>
<tr>
<th>J. Smith</th>
<th>Qtr 1</th>
<th>Qtr 2</th>
<th>Qtr 3</th>
<th>Qtr 4</th>
<th>Totals</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gross Wages</td>
<td>$10,000</td>
<td>$10,000</td>
<td>$10,000</td>
<td>$10,000</td>
<td>$40,000</td>
</tr>
<tr>
<td>Excess Wages</td>
<td>*-1,000</td>
<td>-10,000</td>
<td>-10,000</td>
<td>-10,000</td>
<td>-31,000</td>
</tr>
<tr>
<td>Taxable Wages</td>
<td>$ 9,000</td>
<td>$ 0</td>
<td>$ 0</td>
<td>$ 0</td>
<td>$ 9,000</td>
</tr>
</tbody>
</table>

*(Qtr 1 Gross Wages – 9,000 = 1,000 in excess wages)*

Example 2: Joan Davis earns $20,000 a year (or $5,000 every quarter)

<table>
<thead>
<tr>
<th>J. Davis</th>
<th>Qtr 1</th>
<th>Qtr 2</th>
<th>Qtr 3</th>
<th>Qtr 4</th>
<th>Totals</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gross Wages</td>
<td>$ 5,000</td>
<td>$ 5,000</td>
<td>$ 5,000</td>
<td>$ 5,000</td>
<td>$20,000</td>
</tr>
<tr>
<td>Excess Wages</td>
<td>0</td>
<td>*1,000</td>
<td>-5,000</td>
<td>-5,000</td>
<td>-11,000</td>
</tr>
<tr>
<td>Taxable Wages</td>
<td>$ 5,000</td>
<td>$ 4,000</td>
<td>$ 0</td>
<td>$ 0</td>
<td>$ 9,000</td>
</tr>
</tbody>
</table>

*(Qtr 1 Gross Wages + Qtr 2 Gross Wages) – 9,000 = 1,000 in excess wages*

Note: Gross wages for quarters 1 and 2 need to be added together as $9,000 was not earned in full in the first quarter.
**Taxable Wages**
Taxable wages are the difference between gross wages and excess wages for a specified quarter.

**What is a Merit Rate and How is it Calculated?**

The merit rate is designed to ensure that your account is properly funded based on projected benefit charges.

Each member organization is assigned a merit rate on an annual basis, which is based on a five-year average of your taxable payroll for unemployment purposes and benefit charges. At the time rates are calculated, current and future account balances are considered along with a projection of your anticipated benefit charges for the following year.

Merit rates vary from a minimum of .06% to a maximum of 10%, which are inclusive of an administrative fee of .06%. This administrative fee is calculated on your annual taxable payroll for unemployment purposes and is deducted from each member’s account every June 30th.

At the conclusion of the merit rate calculation process, all members are assigned a merit rate for the upcoming year. Each December, members will receive a Merit Rate Notice that indicates both the new merit rate as well as any applicable negative balance. Negative balance situations arise when a member’s balance is in a deficit position as a result of claim payments exceeding your account balance. Please note, negative balance payments for the prior year are due in full with the first quarter contribution payment (by April 25th of the following year).

**How Does a Person Establish a Claim for Unemployment Benefits?**

To receive benefits, a former employee (claimant) must meet both non-monetary and monetary requirements.

A. To qualify for non-monetary requirements, a claimant must:
   - be separated from work in a covered service for a liable employer
   - file a claim on time
   - file a resume with the Michigan Talent Bank
   - register to work at a *Michigan Works!* agency service center
   - be able, available and actively seeking work (unless waived)

B. To qualify for monetary eligibility, a claimant must have earned:
   - wages in at least 2 quarters
   - wages in the "high quarter" of at least $3,298.
   - wages in the entire base period of at least 1.5 times the wages in the "high quarter"

Both non-monetary and monetary requirements must be met to establish a claim. The "high quarter" is the calendar quarter in the Base Period in which the claimant’s wages are the highest dollar amount.
The “Base Period” of the claim is usually the first four of the last five completed calendar quarters. However, if a worker lacks enough wages in that Base Period to qualify for a claim, the UIA will consider an Alternate Base Period, which is the most recently completed four calendar quarters.

<table>
<thead>
<tr>
<th>1st quarter</th>
<th>2nd quarter</th>
<th>3rd quarter</th>
<th>4th quarter</th>
<th>5th quarter</th>
<th>6th quarter</th>
</tr>
</thead>
<tbody>
<tr>
<td>$$$$$$$</td>
<td>$$$$$$$</td>
<td>$$$$$$$</td>
<td>$$$$$$$</td>
<td>Lag</td>
<td>Filing</td>
</tr>
</tbody>
</table>

**Base Period**

A claimant may use wages from more than one employer to establish a claim. Employers are charged proportionally. If there are multiple employers, each employer will be charged its proportion of wages paid in the base period. A claimant may be working part time hours and still be eligible for partial unemployment benefits, as long as the claimant is making less than 1 1/2 times his/her weekly benefit amount.

**How Do You Calculate How Much a Person Will Be Paid?**

<table>
<thead>
<tr>
<th>Minimum weekly benefit</th>
<th>$ 135</th>
</tr>
</thead>
<tbody>
<tr>
<td>Maximum weekly benefit</td>
<td>$ 362</td>
</tr>
<tr>
<td>Maximum claim is</td>
<td>$7,240</td>
</tr>
</tbody>
</table>

The UIA will find the calendar quarter in the claimant’s Base Period in which the claimant had the highest wages. That quarter is known as the high quarter. The UIA then multiplies the high quarter wages by 4.1% (.041) to determine the claimant’s Weekly Benefit Amount (rounded down to the nearest dollar). In addition, $6 per dependent is added, up to five dependents and the total benefit amount cannot exceed $362 per week.

Please note that the minimum and maximum weekly benefit amounts are subject to change based on state or federal legislation.

**How Many Weeks Can A Person Draw?**

To determine the number of weeks of benefits that could be paid on a claim, the UIA multiplies 43% (.43) times the total Base Period wages and then divides by the claimant’s weekly benefit amount. The amount is rounded down to the nearest half week. The minimum number of weeks is 14 and the maximum is 20.

Please note that the minimum and maximum number of weeks that can be paid on a claim are subject to change based on state or federal legislation.

Example: Claimant had $5,000 Base Period wages and $205 Weekly Benefit Amount Calculation: $5,000 x .43 = $2,150/$205 = 10.4 round down to 10 weeks of benefits.
Once a claim is established, so is the benefit year, i.e. the time period during which the benefits are to be paid. The benefit year is the 52 weeks immediately following the date the claim was established. A claimant may collect benefits at any time during this benefit year, not to exceed 20 weeks of benefits and providing they meet all of the eligibility requirements.

**What Is Underemployment?**

An employee can file a claim for unemployment benefits if the hours worked in a subsequent week are less than the hours worked in a previous week. For example, a part-time employee who works 20 hours a week, but is typically scheduled to work 30 hours a week can file a claim for unemployment benefits. However, he/she is required to report any earnings for that week, which will reduce his/her benefit amount.

**Does a Person Qualify for Benefits While on a Leave of Absence?**

Should a person request a leave of absence from work for medical, personal or maternity reasons, that person is not eligible for unemployment benefits, because he/she is not able, available and actively seeking work.

**How Do Weekly Earnings Affect Unemployment Benefits?**

If a claimant works less than full-time, benefits are reduced as follows (WBA = Weekly Benefit Amount):

A. If earnings equal or exceed 1.5 times the WBA, no unemployment benefits are paid.
B. If earnings are less than 1.5 times the WBA, but greater than the WBA, total earnings are subtracted from 1.5 times the WBA. Claimant receives remainder plus earnings.
C. If earnings are equal to or less than the WBA, 0.5 times the earnings are subtracted from the WBA. Claimant receives remainder plus earnings.

If the claimant chooses to draw a minimum of $1 for a week, the weeks of benefit entitlement will be reduced by a week.

**Examples:**

<table>
<thead>
<tr>
<th>WBA</th>
<th>1.5 x WBA</th>
<th>Earnings</th>
<th>Benefit Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>$360</td>
<td>$540</td>
<td>$600</td>
<td>Claimant receives $600 earnings only.</td>
</tr>
<tr>
<td>$360</td>
<td>$420</td>
<td>$540</td>
<td>$420 – $540 = $120 $360 - $120 = $240</td>
</tr>
<tr>
<td>$360</td>
<td>$50</td>
<td>$50</td>
<td>$360 - $50 = $310</td>
</tr>
</tbody>
</table>

If the claimant chooses to draw a minimum of $1 for a week, the weeks of benefit entitlement will be reduced by a week.
**How Does Severance Pay Affect Unemployment Benefits?**

Jobless benefits are offset by severance pay the worker receives or that is allocated by the employer. If the employer makes a lump sum severance payment to a worker at the time the worker is separated from employment and allocates that severance payment to a week or weeks other than the week in which the payment is made, then the worker’s unemployment benefits otherwise payable for that week will be reduced by the severance payment allocated to that week.

If the employer makes a lump sum severance payment to a worker at the time the worker is separated from employment, but does not allocate that severance payment to a week or weeks, then the severance payment will reduce the unemployment benefits only in the week in which the lump sum severance payment is made.

If the employer makes weekly or monthly payments of severance pay, that severance payment will be used to reduce unemployment benefits in the week in which it is paid, unless the employer otherwise allocates the severance payments to other weeks. It is suggested, therefore, that if you provide an employee with a lump sum severance payment in excess of one week’s pay, that the employee be advised that the payment is being allocated over the number of weeks of pay the employee is receiving.

**How Do Retirement Benefits Affect Unemployment Payments?**

If retirement benefits are from the base period employer and:

<table>
<thead>
<tr>
<th>Claimant’s contribution to retirement is:</th>
<th>Reduction to Unemployment Insurance benefits are:</th>
</tr>
</thead>
<tbody>
<tr>
<td>None</td>
<td>100% reduction</td>
</tr>
<tr>
<td>Less than 50%</td>
<td>50% reduction</td>
</tr>
<tr>
<td>More than 50%</td>
<td>None</td>
</tr>
</tbody>
</table>

**What Is Allocating Vacation Pay?**

Unless addressed in a collective bargaining agreement, an employer has the right to designate when employees will take their vacation. Since vacation pay is remuneration, weeks of vacation are not weeks of unemployment. To make an effective allocation, **the employer must provide written notice to each employee** on or before his/her last day of work or if there is a union bargaining representative with a posting to the employees. Further, the notice must indicate both the designation and that such designation may render the employees ineligible for unemployment benefits during the designated period.
How Does a Disabled Claimant Preserve His/Her Credit Weeks?

A claimant must contact the Unemployment Insurance Agency (UIA) within 90 days after the start of a period of disability or within 90 days of being advised of his/her rights by the UIA or if the individual has been unable to submit the written request due to medical reasons, within 90 days after the end of that medical inability. The written notice should contain:

1. The expected duration of the injury, illness or hospitalization. Claimants who preserve their credit weeks may then file a claim when they are no longer disabled and their last employer would potentially be liable, if they do not have suitable work available for the claimant.
2. The nature of the injury, illness or hospitalization.
3. That based upon examination by a physician, the individual is not able and available to perform full-time work.

What Is Good Cause Attributable to the Employer?

Good cause attributable to the employer includes reasons that would cause the average reasonable person to leave his or her job, but does not include personal reasons such as babysitting problems. Good cause attributable to the employer typically includes items such as safety hazards, duties that are not customary, a hostile work environment, different work hours or a change in locations.

What Is a Suitable Offer of Work?

An individual may be disqualified from receiving benefits for a number of reasons related to the issue of suitable work. An employee will be disqualified if he or she:

- Failed without good cause to apply for available suitable work after receiving from the employment office or the commission notice of the availability of that work.
- Failed without good cause while unemployed to report to the individual’s former employer or employing unit within a reasonable time after that employer or employing unit provided notice of the availability of an interview concerning available suitable work with the former employer or employing unit.
- Failed without good cause to accept suitable work offered to the individual or to return to the individual’s customary self-employment, if any, when directed by the employment office or the commission.

Details considered in determining whether work is suitable are degrees of risk involved to the individual’s health, safety and morals, the individual’s experience and prior earnings, the length of employment and prospects for securing work in the individual’s customary occupation and the distance of the available work from the individual’s residence. These are some of the factors that will be used to determine if a current job offer is suitable, as compared to an individual's prior position.
From a compensation perspective, an offer of work will usually be considered suitable if the gross pay is at least 70% of what the claimant earned immediately before becoming unemployed. After a claimant has exhausted 50% of his or her benefit weeks any job that pays at least 120% of his or her weekly benefit amount will be considered suitable.

**What Is Misconduct?**

As defined for the Unemployment Insurance Agency purposes:

“**Misconduct** in an unemployment compensation case is . . . conduct evincing such willful or wanton disregard of an employer’s interests as is found in deliberate violations or disregard of standards of behavior which the employer has the right to expect of his employee, or in carelessness or negligence of such degree or recurrence as to manifest equal culpability, wrongful intent or evil design, or to show an intentional and substantial disregard of the employer’s interests or of the employee’s duties and obligations to his employer. On the other hand, mere inefficiency, unsatisfactory conduct, failure in good performance as the result of inability or incapacity, inadvertencies or ordinary negligence in isolated instances, or good-faith errors in judgment or discretion are not to be deemed “misconduct” within the meaning of the (unemployment compensation) statute.” (Carter v Employment Security Agency, 364 Mich 538, 541) (1961)

**Examples:**
1. Unauthorized possession of employer’s property.
2. Insubordination, refusal to obey instructions of supervisor and warned his/her job is in jeopardy.
3. Use, possession or being under the influence of a controlled substance on the employer’s premises or for refusing to submit to a drug test or for testing positive.
4. Malicious damage to employer’s property.
5. Fighting or assault. (provide witness statements)
6. Rudeness to customers (may require prior warnings and witness statements).
7. Violation of rules (cite the rule, which the employee must have known existed).
8. Excessive unexcused absences (warnings, have dates, time and reasons available; note whether claimant also failed to report his final absence).
9. Excessive lateness (warnings, have dates, time and reasons available).
10. Falsification of records (provide copy of records).
11. Willful failure to perform in a manner of which he/she was capable.
12. Violation of conditions of employment (specify).
Administrative Reporting  

Section 5

Please refer to Section 6 for a sample of all of the reports/forms listed below.

1. Merit Rate Notices and Negative Balance Payments

A verification and computation of each member’s unemployment merit rate is performed on an annual basis. Rate notices are mailed to participants each December for the following calendar year.

If your account has a negative balance at the time that merit rates are calculated, the amount of the negative balance will be reflected on your annual merit rate notice. Negative balance situations arise when a member’s balance is in a deficit position as a result of claim payments exceeding your account balance. Please note, negative balance payments for the prior year are due in full with the first quarter contribution payment (by April 25th of the following year).

2. Quarterly Contribution Report

This report is required on a quarterly basis from each member. This report must be completed and postmarked on or before the 25th day of the month following the end of the quarter. This report must be submitted even if no wages were paid during the quarter and/or no payment is forwarded. Members who submit the report and payment after the applicable due date are subject to a 1.5% late penalty, which is assessed to the contribution amount that is owed each month that the payment remains delinquent.

A blank copy of this report is sent to each member prior to the end of each quarter. At each quarter-end, the completed report and payment should be sent to the Michigan Municipal League.

3. Employer’s Quarterly Wage/Tax Report – Form UIA 1028

This report is required by the Unemployment Insurance Agency (UIA) on a quarterly basis and must be received by the 25th day of the month following the end of the calendar quarter. Required information includes gross income and excess wages paid for the quarter, a listing of each applicable employee and their gross wages paid during the quarter, and the number of employees who worked or received pay during the quarter. Failure to submit this report to the State will result in a UIA penalty of up to $60 if not received within 30 days of the due date with an additional $250 penalty for each subsequent quarter it is not received. These fees will be deducted from your member account upon notification from the State of Michigan.

Additionally, employers will be required to file this report on-line through the Michigan Web Account Manager beginning in 2013 and will be fully implemented over a three-year period with all employers filing online by 2015. Visit www.michigan.gov/uia for more information on this form.
4. Amended Quarterly Contribution Report

This report is to be used to correct wages previously reported in error. File a separate report for each quarter being adjusted. If you underpaid, please submit the additional amount due. If you overpaid, a refund will be sent to you.

A blank copy of this report is provided upon request from Equifax Workforce Solutions or the Michigan Municipal League.

5. Employee Separation Questionnaire

When Equifax Workforce Solutions receives a Monetary Determination form that someone has filed a claim for unemployment benefits, they will send you a questionnaire depending on the separation reason indicated. These forms need to be completed and returned to Equifax Workforce Solutions by the date indicated with any supporting documentation.

6. Notice to Employees Posting - Form UIA 1710

This form is required by Michigan law to be displayed by all employers in the state. It provides employees with information on how to file a claim for unemployment benefits. Form UC 1710 is available at the following web site: www.michigan.gov/uia

7. Unemployment Compensation Notice to Employees - Form UIA 1711

Employers must provide each worker at the time of separation from employment with a copy of Form UC 1711 (Unemployment Compensation Notice to Employee) or an equivalent written statement that provides the employer’s name and unemployment agency account number and the address of the employer to which any request for wage or separation information or both will be directed. Your unemployment agency account number is indicated on your quarterly contribution report. Form UC 1711 is available at the following web site: www.michigan.gov/uia
Sample Forms and Reports

The following pages contain samples of the following forms and reports:

Forms:

1. Merit Rate Notice
2. Quarterly Contribution Report
3. Employer Quarterly Wage/Tax Report – Form UIA 1028
4. Amended Quarterly Contribution Report
5. Employee Separation Questionnaire
6. Notice to Employees Posting – Form UIA 1710
7. Unemployment Compensation Notice to Employees – Form UIA 1711

Reports:

1. Unemployment Activity Analysis
2. Status of Unemployment Claims
3. Summary of Unemployment Charge Errors
Employer Number: 0801-xxx

<table>
<thead>
<tr>
<th>20xx Rate</th>
<th>If a negative balance is due from calendar year 20xx, it will be listed below. If no amount is shown, nothing is due.</th>
</tr>
</thead>
<tbody>
<tr>
<td>2.26%</td>
<td></td>
</tr>
</tbody>
</table>

This letter will confirm your 20xx group account merit rate, which will be used to calculate your quarterly contributions to the Municipal Unemployment Compensation Group Account for the next calendar year.

Merit rates are based on each member’s individual account activity, using an average of the most recent five years of claims paid to the State of Michigan’s Unemployment Insurance Agency (UIA), as a basis for calculating the rate.

This rate will be applied to the first quarter’s contribution, which is due by April 30, 20xx and to each quarter thereafter throughout the year. The due dates for the second, third and fourth quarters are July 31, 20xx, October 31, 20xx and January 31, 20xx.

In addition, because some municipalities’ unemployment charges have exceeded the amount in their account, an obligation to pay the negative balance exists. If you have a negative balance, it will be reflected above. Please include the negative balance amount, with your first quarter contribution payment.

If you have any questions about your new merit rate, please feel free to contact me at (800) 510-6160, ext. 2950.

Sincerely,

Mike Pennanen
Client Relationship Manager
Municipal Unemployment Compensation Group Account

Quarterly Contribution Report

Municipality:  City of XXXXXX  UIA Employer No.: 0801-000  2012 Rate: 0.06%

This report prepared by: __________________ Date:_________________________

For quarter ending: September 30, 2015 Telephone: ______________________

Number of employees on payroll during quarter: ____________

This report is due by the 25th day of the month following the end of the calendar quarter.

1. **Gross Wages**: Enter the total remuneration paid for all employees during this quarter only excluding elected officials and volunteer fire fighters/emergency drivers. This should include the gross amount of salaries, commissions, bonuses, overtime, as well as the cash equivalent of any allowances other than cash. Do not include reimbursed travel expenses. (Amount must match the total wages reported on the 1028 Form)

   $__________________

2. **Less Excess Wages**: Enter any wages that were paid to an employee during the quarter that were in excess of the first $9,000 earned during the calendar year. (Amount must be less than Gross Wages and will increase each quarter within the calendar year.)

   $__________________

   **Example**: As demonstrated below, once J. Smith reaches $9,000 in payroll - all wages are in excess.

<table>
<thead>
<tr>
<th>J. Smith</th>
<th>Qtr 1</th>
<th>Qtr 2</th>
<th>Qtr 3</th>
<th>Qtr 4</th>
<th>Totals</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gross Wages</td>
<td>5,000.00</td>
<td>5,000.00</td>
<td>5,000.00</td>
<td>5,000.00</td>
<td>20,000.00</td>
</tr>
<tr>
<td>Excess Wages</td>
<td>0</td>
<td>-1,000.00</td>
<td>-5,000.00</td>
<td>-5,000.00</td>
<td>-11,000.00</td>
</tr>
<tr>
<td>Taxable Wages</td>
<td>5,000.00</td>
<td>4,000.00</td>
<td>0</td>
<td>0</td>
<td>9,000.00</td>
</tr>
</tbody>
</table>

   *(Qtr 1 Gross Wages + Qtr 2 Gross Wages) – 9,000 = 1,000 in excess wages
   Note: Gross wages for quarters 1 and 2 need to be added together as $9,000 was not earned in full in the first quarter.

3. **Taxable Wages** this quarter subject to contributions (Line 1 - Line 2).

   $__________________

4. **2015 MERIT RATE**

   x 0.0006

5. **Contribution**: Multiply line 3 by your merit rate on line 4. (Each member is notified of its merit rate annually, prior to the end of the first calendar quarter).

   $__________________

6. **Quarterly Negative Balance Amount Owed** (if indicated).

7. **Late Penalty**: 1.5% (.015) per month.

   $__________________

8. **Total Due**: (add Items 4, 5 and 6).

   $__________________

**State of Michigan Form 1028 Filing Requirement:**

Form UIA 1028 must be received by the State of Michigan by the 25th day of the month following the end of the calendar quarter. Failure to comply with the state’s filing requirements will result in a penalty of up to $60.00 if not received within 30 days of the due date with an additional $250.00 penalty for each subsequent quarter it is not received.

Certification: I (We) hereby certify that, to the best of my (our) knowledge and belief, this report is a true and complete statement, prepared from the records of the above employer in the accordance with Michigan’s Unemployment Act and regulations and the Michigan Municipal League By-laws, rules and regulations. I understand that failure to comply with these rules and regulations will result in penalties and interest that will be deducted from our member account.

Date Signed____________ Signature_________________________ Title_________________

Please contact Marti Bellport (ext. 2946) or Mike Pennanen (ext. 2950) at 800-510-6160 if you have any questions.

**Make checks payable to Michigan Municipal League Unemployment Fund, PO Box 7409, Ann Arbor, MI 48107-7409 and retain a copy of this report for your files.**
Mail To:

Unemployment Insurance Agency
Tax Office
PO Box 33598
Detroit, MI 48232-5598

Employer's Quarterly Wage/Tax Report

YOU MUST FILE THIS REPORT EVEN IF YOU ARE UNABLE TO PAY OR HAVE NO PAYROLL FOR THE QUARTER. For details about completing this report see the instructions page. Only amounts over $5 may be subject to active collection.

Employer Type: Contributing [ ] (Complete Sections 1, 2, 3 & 4) Reimbursing [ ] (Complete Sections 1, 2 & 4)

[ ] Check this box if this is an Amended report. Indicate quarter and year_________________________

If Amended, select one of the following reasons: Not liable [ ] Miscalculated wages [ ]
Used wrong taxable wage limit [ ] Other [ ]

SECTION 1
UIA Employer Account No: ____________________________

 FEIN: __________________________________________

Quarter Ending Date (mm/dd/yyyy): __________________________

SECTION 2
LIST SSN IN ASCENDING ORDER

<table>
<thead>
<tr>
<th>Family Owned</th>
<th>Delete</th>
<th>Social Security No.</th>
<th>Employee Last Name</th>
<th>Employee First Name</th>
<th>Employee Middle Initial</th>
<th>Gross Wages Paid This Quarter</th>
</tr>
</thead>
<tbody>
<tr>
<td>Enter &quot;X&quot;</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
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<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

If more lines are needed to enter employee information, continue to Section 2 on back of form. When finished entering employees, continue to Section 3 for Contributing Employers or Section 4 for Reimbursing Employers.

Total Gross Wages (Page 1): $ 0.00

For UIA Use Only. Do Not Write Below Line.
### SECTION 2 (continued)
**LIST SSN IN ASCENDING ORDER**

<table>
<thead>
<tr>
<th>Family Owned</th>
<th>Delete &quot;X&quot;</th>
<th>Social Security No.</th>
<th>Employee Last Name</th>
<th>Employee First Name</th>
<th>Employee Middle Initial</th>
<th>Gross Wages Paid This Quarter</th>
</tr>
</thead>
<tbody>
<tr>
<td>Enter &quot;*&quot;</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
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<td></td>
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<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

If you have more than 25 employees, use MiWAM to file online.

### SECTION 3

**Total of Gross Wages from Pages 1 and 2:** $0.00

<table>
<thead>
<tr>
<th>Excess Wages:</th>
<th>Taxable Wages:</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Tax Rate:</th>
<th>Tax Due:</th>
</tr>
</thead>
<tbody>
<tr>
<td>x</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Prior Balance:</th>
<th>Amount Enclosed:</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Taxable Wage Limit:**

**DUE DATE:**

### SECTION 4
**YOUR CERTIFICATION:** I certify that I have examined this report, and to the best of my knowledge and belief, it is true, correct, and complete.

---

Signature: [Signature]
Title: [Title]
Date: [Date]
Contact Phone Number: [Contact Phone Number]

For questions, call the Office of Employer Ombudsman (OEO) at 1-855-4UIAOEO (855-494-2636). Outside of Michigan, please call 1-313-456-2300. Questions may also be emailed to OEO@michigan.gov.

MAKE A COPY OF THIS REPORT FOR YOUR RECORDS.
LARA is an Equal Opportunity Employer/Program.
INSTRUCTIONS

REPORTING REQUIREMENTS.

All liable employers are required by Section 13 of the Michigan Employment Security (MES) Act, (MCL 431.13) and Administrative Rule 421.121 of the Unemployment Insurance Agency (UIA), to disclose their tax liability by filing a quarterly tax report. Check out how easy this report is to file online through MIWAM.

PENALTY/INTEREST CHARGES FOR LATE FILING OF THIS REPORT.

For All Employers: A penalty of $50 is assessed for the first quarter that the information in Section 2 is received by the Unemployment Insurance Agency (UIA) after the due date. A penalty of $250 is charged for each subsequent quarter that the information remains un-submitted. These penalties may be included in the Prior Account Balance shown on this report. Interest accrues at the rate of 1% per month (computed on a daily basis) on all taxes or reimbursements remaining unpaid after the due date as provided by Section 15(a) of the MES Act.

For Contributing Employers: A penalty of 10% of the tax due for the quarter, minimum charge of $5 and a maximum charge of $25, is assessed for each quarter that the information in Section 3 is received by UIA after the due date.

For Reimbursing Employers: A penalty of $10.00 is assessed for each quarter that the information in Section 3 is received by UIA after the due date.

SECTION 1: Completed By All Employers.

Employer Type: Indicate if you are a Contributing or Reimbursing employer by checking the appropriate box.

This Report is this Quarter’s: Indicate Amended if this report is being filed to correct a previously filed report and select the appropriate check box for the reason for amending the report.

UIA Account Number: Enter your 10-digit UIA account number with no spaces. If you recently filed Form 518, Registration for Michigan Business Taxes, and have not yet received, or don’t know your UIA Account Number, call the Office of Employer Ombudsman (OEO) at 1-855-4UIAOE (855-484-2636) to request your account number.

FEIN: Enter your 9-digit Federal Employer Identification Number (FEIN).

Quarter Ending Date: Quarter ending dates are 03/31, 06/30, 09/30 and 12/31, plus the appropriate year.

Number of full-time or part-time employees for 1st, 2nd, and 3rd month of the quarter being reported: Include in the count all employees (full-time or part-time) who worked, or received pay during the payroll period that includes the 12th of the month. Do this for each month of the quarter for which you are filing.

Include those employees who are on leave without pay. Include employees who earned wages in excess of the taxable wage limit.

SECTION 2: Completed By All Employers.

Family Owned Enter “F”: Does the employee, alone or in combination with his/her child or spouse, own more than 50% of the shares of the business? OR, does the parent(s) of the employee who is under the age of 18 own more than 50% of the shares of the business? If the answer to either of these questions is “Yes”, enter F. If “No”, leave blank. For more information on family employment, see Sections 43(g), 46(g) and (h) of the MES Act.

Delete “X”: Place an X for any employee who had zero wages and no longer works for you.

Social Security Number (SSN), Employee Last Name, Employee First Name, Employee Middle Initial: Enter all the information requested. If amending or correcting previously submitted employee or wage information, enter the information in Section 2 the way it should have been reported originally. Include information for employees that you are not correcting as well. This corrected report will replace the report originally filed for the quarter/year. If reporting information for multiple quarters, file one complete form for each quarter that you are correcting.

Gross Wages Paid This Quarter:

<table>
<thead>
<tr>
<th>Report These Wages</th>
<th>Do NOT Report These Wages</th>
</tr>
</thead>
<tbody>
<tr>
<td>Wages paid in cash</td>
<td>Wages that were earned but not actually paid during the calendar quarter</td>
</tr>
<tr>
<td>As wages, any medium other than cash, such as the cash equivalent of meals furnished on the employer's premises or lodging provided by the employer as a condition of employment</td>
<td>Sick pay paid under an employer plan, if paid on account of sickness</td>
</tr>
<tr>
<td>Commissions and bonuses, awards, and prizes</td>
<td>Profit-sharing</td>
</tr>
<tr>
<td>Vacation and holiday pay</td>
<td>The employer's pre-tax contributions to a retirement plan</td>
</tr>
<tr>
<td>Sick pay when it is paid to liquidate an employee's balances at the time of separation from employment</td>
<td>Discounts on purchases from the employer</td>
</tr>
<tr>
<td>Tips actually reported by the employee to the employer</td>
<td>Reimbursements to employees of expenses incurred on behalf of the employer</td>
</tr>
<tr>
<td>Report These Wages</td>
<td>Do NOT Report These Wages</td>
</tr>
<tr>
<td>---------------------</td>
<td>---------------------------</td>
</tr>
<tr>
<td>An employee’s pre-tax contributions to a retirement plan</td>
<td>Wages of elected officials or voluntary firefighters</td>
</tr>
<tr>
<td>The cash value of a cafeteria plan, if the employee has the option under the plan to choose cash</td>
<td>Wages of an employee whose services are excluded from coverage under Section 43 of the MES Act</td>
</tr>
</tbody>
</table>

For more information regarding wage reporting, refer to Section 44 of the MES Act or Employer Handbook.

**Total Gross Wages (Page 1):** Add the “Gross Wages Paid This Quarter” for the employees listed on page 1.

**Total Gross Wages (Page 2):** Add the “Gross Wages Paid This Quarter” for the employees listed on page 2.

**SECTION 3: Completed By Contributing Employers Only.**

**Total of Gross Wages from Pages 1 and 2:** Enter the total of “Gross Wages Paid This Quarter” (Page 1) and “Gross Wages Paid This Quarter” (Page 2).

**Excess Wages:** Determine how much of each employee’s wages reported under “Gross Wages Paid This Quarter” is in excess of the taxable wage limit of $9,500. Wages paid to an individual by a single employing unit which exceed the taxable wage limit for that year are not taxable. For example: An employee is paid $3,250 per quarter, and the taxable wage limit for that year is $9,500. Quarterly wages are reported as follows:

<table>
<thead>
<tr>
<th>Wages</th>
<th>1st Qtr</th>
<th>2nd Qtr</th>
<th>3rd Qtr</th>
<th>4th Qtr</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gross</td>
<td>$3,250</td>
<td>$3,250</td>
<td>$3,250</td>
<td>$3,250</td>
<td>$13,000</td>
</tr>
<tr>
<td>Excess</td>
<td>0</td>
<td>0</td>
<td>$250</td>
<td>$3,250</td>
<td>$3,500</td>
</tr>
<tr>
<td>Taxable</td>
<td>$3,250</td>
<td>$3,250</td>
<td>$3,000</td>
<td>0</td>
<td>$9,500</td>
</tr>
</tbody>
</table>

NOTE FOR SUCCESSOR EMPLOYERS. Use the employee’s wages previously reported by a predecessor employer when determining excess wages within the same calendar year.

MULTI-STATE EMPLOYERS whose employees work in two or more states in one year should use all of an individual’s wages previously reported in another state when determining excess wages reportable to UIA in the calendar year.

**Taxable Wages:** Total Gross Quarterly Wages from Pages 1 and 2, minus Excess Wages, equals Taxable Wages. This is the current amount of each employee’s wages that are taxable for unemployment tax purposes.

**Tax Rate:** The tax rate will be indicated on pre-printed reports. A “T” preceding your tax rate indicates a temporary rate. This rate is assigned until there is sufficient information to compute a permanent tax rate for the rate year. If you do not know your tax rate, see the CONTACT US section of these instructions.

**Tax Due:** Multiply “Taxable Wages” by “Tax Rate.” For example, if your tax rate is 3%, multiply your Taxable Wages by .03. Add that amount to any “Prior Balance” to calculate the total Tax Due.

**Prior Balance:** Indicates any prior balance for which you are responsible. Specific details can be viewed on your MIWAM account or by calling the telephone numbers in the Contact Us section.

**Amount Enclosed:** Enter amount of the payment being submitted. If no tax is due or no remittance is being submitted, enter 0.

**Taxable Wage Limit:** Current taxable wage limit. Wages paid to an individual by a single employing unit which exceed the taxable wage limit for the year are not taxable.

**Due Date:** This report is due on the 25th of the month following the end of the calendar quarter.

**Is this the Final Report for this business?** Selecting ‘YES’ indicates there will no longer be any employment reported for this UIA account and will require the submission of a completed Form UIA 1772, Discontinuance or Transfer of Payroll or Assets in Whole or Part. This report can be filed through your MIWAM account.

**I meet the requirements to apportion my payments and elect this option:** If you had 25 or fewer employees on January 12th of the prior year and 50% or more of your total previous year’s contributions were payable with your first quarter report, you can elect to distribute your tax due for first quarter in four equal payments (25% due with each quarterly report). See Section 13(3) of the MES Act for more information.

**SECTION 4: Must Be Completed By All Employers.**

Complete all requested information.

**PAYMENT INSTRUCTIONS:**
Make checks payable to: STATE OF MICHIGAN-UNEMPLOYMENT INSURANCE AGENCY and write your UIA ACCOUNT NUMBER on the face of your check.

**MAIL COMPLETED REPORTS AND PAYMENTS TO:**
Unemployment Insurance Agency
Tax Office
PO Box 33598
Detroit, Michigan 48232-5598

**CONTACT US:**
UIA forms are available on our website at www.michigan.gov/uiac. Your questions can be directed to the Office of Employer Ombudsman (OEO) at 1-855-4UIAOC (855-484-2636). Outside of Michigan, please call 1-313-456-2300. Questions may also be emailed to OEO@michigan.gov.
Municipal Unemployment Compensation Group Account

Amended Quarterly Contribution Report

Municipality: ____________________________ UIA Employer No.: ____________

This report prepared by: ____________________________ Date: ________________

For quarter ending: ____________________________ Telephone: ________________

This report is only to be used to correct wages previously reported in error. File a separate report for each quarter being amended. If you underpaid, please submit the additional amount due with this report. If you overpaid, a refund will be sent to you.

<table>
<thead>
<tr>
<th>Previously Reported Amount</th>
<th>Corrected Amount</th>
<th>Difference</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Gross wages:</td>
<td>$ _____________</td>
<td>$ _____________</td>
</tr>
<tr>
<td>2. Less excess wages:</td>
<td>$ _____________</td>
<td>$ _____________</td>
</tr>
<tr>
<td>3. Taxable wages (line 1 – line 2):</td>
<td>$ _____________</td>
<td>$ _____________</td>
</tr>
<tr>
<td>4. Enter your contribution rate:</td>
<td>___</td>
<td>___</td>
</tr>
<tr>
<td>5. Total (line 3 x line 4):</td>
<td>$ _____________</td>
<td>$ _____________</td>
</tr>
</tbody>
</table>

Reason for amendment: __________________________________________

__________________________________________
Date Signed

Signature ____________________________ Title ____________________________

Please send this report to the address provided below and keep a copy for your records. If a payment is due, make your check payable to Michigan Municipal League Unemployment Fund.

Michigan Municipal League
(Unemployment Compensation Group)
PO Box 7409
Ann Arbor, MI 48107-7409

Certification: I (We) hereby certify that, to the best of my (our) knowledge and belief, this report is a true and complete statement, prepared from the records of the above employer in the accordance with Michigan’s Unemployment Act and regulations and the Michigan Municipal League By-laws, rules and regulations.

Date Signed ______________ Signature ____________________________ Title ____________________________

Final 1/3/08
A former or current employee has filed a claim with the Unemployment Insurance Agency (UIA) to collect unemployment benefits. Listed below is the separation reason provided by the claimant to the UIA.

*If this is not the separation reason, please contact us for the correct form.*

<table>
<thead>
<tr>
<th>Separation Reason:</th>
<th>LACK OF WORK*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Claimant:</td>
<td></td>
</tr>
<tr>
<td>Social Security #:</td>
<td></td>
</tr>
</tbody>
</table>

If you cannot verify employment of the claimant by name, please use their Social Security Number and check your Quarterly Wage Detail Report for the last 18 months. If you believe this person was not employed by your agency, please check the box below and return this form.

(   ) Claimant was not employed by our agency and was not listed on our Quarterly Wage Detail Reports for the last 18 months prior to the Benefit Year Beginning Date on page 3.
(   ) The claimant was an independent contractor. Send the contract and method of payment.

The information requested must be faxed back by the due date listed below.

**Due Date:** by 3:00 p.m.  **Fax to:** 866-512-7272

If the information is received past the UIA due date, any benefits paid will be charged to your account until the date the information is received. The UIA will not consider any protest information after 30 days.

Please provide the following information for the individual listed above:

<table>
<thead>
<tr>
<th>First date worked:</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Last date physically at work:</td>
<td></td>
</tr>
<tr>
<td>If still working, last day worked prior to Benefit Year Beginning date on page 4:</td>
<td>(   ) Full Time, since hire</td>
</tr>
<tr>
<td>Job Title: _______________</td>
<td>(   ) Part Time, since hire</td>
</tr>
<tr>
<td>Send job description with signature page.</td>
<td>(   ) Other, explain with dates</td>
</tr>
<tr>
<td></td>
<td>(   ) On-Call</td>
</tr>
<tr>
<td></td>
<td>(   ) Temporary</td>
</tr>
</tbody>
</table>
Separation Reason: LACK OF WORK

Claimant: 
Social Security #: 

Please check one of the following choices, if it applies, or proceed to Question 1.

(   ) The claimant is a volunteer fireman, EMT or ambulance driver and therefore exempt.
(   ) The claimant is an elected official and therefore exempt. Position: __________________________
(   ) The claimant is in a policymaking or advisory position which does not require more than 8 hours of work per week and therefore exempt.
(   ) The claimant is a school crossing guard off during a holiday/Spring break. The claimant is eligible to collect during holiday/Spring breaks.
(   ) The claimant is a school crossing guard laid off between terms (June-August) and has received reasonable assurance of a position in the Fall. Attach a copy of any letters given to the school crossing guard regarding their reasonable assurance to return to work in the Fall.
(   ) The claimant is a school crossing guard laid off between terms (June-August) and is not returning in the Fall, please explain why they are not returning to work in the Fall.

If you did not place a check mark in one of the boxes above, then please answer the following questions and provide documentation to support your answers:

1. Is the claimant working? If yes, skip question 5.
   (   ) Yes, the claimant is working: (   ) Part-time (   ) On-call
   (   ) Yes, but there was a reduction in hours from _____ hours to _____ hours effective_____
   (   ) No

2. Did the claimant request to have their hours reduced?
   (   ) Yes, please provide details and documentation of the claimant’s request
   (   ) No

3. Is the claimant refusing any hours?
   (   ) Yes, please send documentation of the hours offered, rate of pay and why they refused
   (   ) No

4. Has the claimant’s availability changed?
   (   ) Yes, please send an explanation and/or documentation of the claimant’s availability
   (   ) No

5. What was the reason for the lack of work?
   (   ) Permanently laid off
   (   ) Lack of funding
   (   ) Program closed
   (   ) Seasonal worker, indicate return to work date if known: __________________________
   (   ) Temporarily laid off, please indicate return to work date: __________________________
   (   ) Holiday layoff, please indicate the period of the holiday layoff: _______ to _______
      Please record any Holiday Pay paid given on page 4.
   (   ) Other __________________________
Separation Reason: LACK OF WORK

Claimant: 
Social Security #: 

6. Did the claimant refuse a job offer? ( ) Yes ( ) No, skip to the bottom of the page
   If yes, was the claimant unemployed when the job offer was made? ( ) Yes ( ) No
   If yes, please answer the following and send documentation. A job offer can only be protested if the
   claimant was unemployed at the time the offer was made.

   Date job offered: ____________________ Offer made by: ____________________
   How offer was made, i.e. cert. letter, phone: ____________________
   Duration of work: Permanent_____ Temporary_____ How long? ____________________
   Type of work offered: ____________________ Prior work performed: ____________________
   Days & shift offered: ____________________ Prior days & shift worked: ____________________
   Rate of pay offered: ____________________ Prior rate of pay: ____________________
   Location: ____________________ Prior location: ____________________
   Distance/time to work: ____________________ Prior distance/time to work: ____________________
   Reason for refusing: ____________________

   ( ) I have attached all of the documentation requested or have indicated we do not have it.
   ( ) I will send additional documents that were requested. This will include the following:

   Completed by: ____________________ Title: ____________________ Date: ______
   Print name: ____________________
Separation Reason: LACK OF WORK

Claimant:

Social Security Number:

Wage information:

<table>
<thead>
<tr>
<th>Benefit Year Beginning:</th>
</tr>
</thead>
</table>

1. Were any special payments **made after** the Benefit Year Beginning Date above?
   - ( ) No, please skip to the bottom of the form to sign and date.
   - ( ) Yes, please fill in the appropriate tables below and send the policy that applies to the payment.

1a. These types of payments **will reduce** unemployment benefits **if allocated to a time period and a letter was given to the claimant on or before their last day worked**.

<table>
<thead>
<tr>
<th>Vacation Pay</th>
<th>$</th>
<th>Paid on</th>
<th>Allocated from</th>
<th>to</th>
</tr>
</thead>
<tbody>
<tr>
<td>PTO</td>
<td>$</td>
<td>Paid on</td>
<td>Allocated from</td>
<td>to</td>
</tr>
</tbody>
</table>

- ( ) Please check here if pay was allocated and send the letter given to the claimant.
- ( ) Please check here if PTO or vacation time was accrued, paid out and not allocated. Do not fill in the allocated dates above. This type of pay will reduce benefits for the week it is paid.

1b. These types of payment **will reduce** unemployment benefits.

<table>
<thead>
<tr>
<th>Wages in Lieu of Notice*</th>
<th>$</th>
<th>Paid on</th>
<th>Allocated from</th>
<th>to</th>
</tr>
</thead>
<tbody>
<tr>
<td>Wage Continuation</td>
<td>$</td>
<td>Paid on</td>
<td>Allocated from</td>
<td>to</td>
</tr>
<tr>
<td>Severance Pay</td>
<td>$</td>
<td>Paid on</td>
<td>Allocated from</td>
<td>to</td>
</tr>
<tr>
<td>Severance Pay</td>
<td>$</td>
<td>Paid on</td>
<td>Lump sum payment</td>
<td></td>
</tr>
</tbody>
</table>

- ( ) * Yes, Wages in Lieu of Notice is in our policies. Please send us a copy of the policy.
- ( ) * No, Wages in Lieu is not in our policies but it is an unwritten practice.

1c. Holiday pay **will reduce** unemployment benefits for the date of the holiday, not the date paid.

| Date of Holiday: | $ | Paid on |

1d. List any other type of payments such as sick pay, back pay and bonuses:

| Type:       | $ | Paid on | Period covered: |

1e. Retirement Benefits: If your agency is providing a pension please complete this information or request a list of questions about retirement benefits.

| Monthly Amt: | Effective Date: | Date Paid: |

Please place an “X” by the type of contribution that the claimant made toward their retirement.

| Did not contribute: | Less than ½ the cost: | ½ or more of cost: |

---

Financial information on this page...

Completed by: ___________________________ Date: ____________________

Print name: ___________________________
NOTICE TO ALL EMPLOYEES

This employer is covered by the . . .

MICHIGAN EMPLOYMENT SECURITY ACT

If you become unemployed, you can file your new unemployment claim or reopen an established claim by:

Internet - file online through our website: www.michigan.gov/uia

Telephone - call our toll free claims line: 1-866-500-0017
UNEMPLOYMENT COMPENSATION NOTICE TO EMPLOYEE

KEEP THIS FORM. If you become unemployed, this information may be needed to determine your unemployment benefit entitlement.

To file a claim for benefits you need the following:
1. This form, and all similar forms you received from any employer in the past 18 months, or a pay stub with employer name, or W-2 Form.
2. Your Social Security number.
3. Your Driver License or State Identification card.
4. Your Permanent Resident Card, Resident Alien Card, or other INS document if you are not a citizen or national of the United States.
5. Names, dates of employment, and reason for separation from each employer you worked for in the past 18 months.
6. Gross earnings since you were last separated from your most recent employer.
7. Gross earnings from all employers in the past 18 months.

YOU MAY FILE YOUR NEW, ADDITIONAL AND REOPENED CLAIM BY TELEPHONE. TO FILE BY TELEPHONE, CALL OUR INQUIRY LINE AT: 1-866-500-0017.

What Day To File By Telephone

If the last two digits of your Social Security Number are:
00 thru 15 ...Mon. 8:00 a.m. - 12:30 p.m.
16 thru 33 ...Mon. 12:30 p.m. - 4:30 p.m.
34 thru 48 ...Tues. 8:00 a.m. - 12:30 p.m.
49 thru 86 ...Tues. 12:30 p.m. - 4:30 p.m.
87 thru 93 ...Wed. 8:00 a.m. - 12:30 p.m.
94 thru 98 ...Wed. 12:30 p.m. - 4:30 p.m.

All times are Eastern Time. Call on Thursday or Friday from 8:00 a.m. - 4:30 p.m., if you miss your assigned reporting day.

To receive unemployment benefits, you must be eligible and qualified. You must:
• File a claim and report as directed.
• Register for work when directed by the Unemployment Insurance Agency (UIA).
• Have sufficient earnings in the past 18 months.
• Meet the eligibility requirements regarding work search, availability for work, and ability to work.

SEE THE REVERSE SIDE OF THIS FORM FOR DETAILS ON FILING FOR BENEFITS ON THE INTERNET.

TO THE EMPLOYER: Rule R 421.204 of the Michigan Administrative Code requires that a completed copy of this form, or an equivalent written notice, be given to each employee before or when, he/she is separated from your employ. A $10.00 penalty for non-compliance with this Rule may be imposed by the UIA. Complete by entering the following information in the spaces below.

Your 10-digit UIA Account Number:

Your 9-digit Federal Identification Number:

Employer’s Name with D/B/A, and complete mailing address where wage and separation information is available covering the worker given this form.

Name

Doing Business As (D/B/A)

Address for Employment

Separation Information

City/State/Zip

Telephone Number

Employers with questions may contact the UIA’s Employer Customer HOTLINE at 1-800-638-3994

DLEG IS AN EQUAL OPPORTUNITY EMPLOYER AND COMPLIES WITH THE AMERICANS WITH DISABILITIES ACT.
FILE YOUR CLAIM FOR UNEMPLOYMENT BENEFITS ON THE INTERNET

You may file your new, additional and reopened claim on the public Unemployment Insurance Agency (UIA) website at www.michigan.gov/uia and click the Unemployment Claim link if ALL of the following requirements are met:

- You worked under only one Social Security number;
- You have not filed a claim for unemployment benefits against another state during the past 12 months;
- You have no wages from the federal government;
- You are not claiming weeks prior to the filing week;
- You have been employed by at least one, but not more than 19, Michigan employer(s) during the past 18 months.

Before beginning your Internet filing, be sure to have the information listed in Items 1 through 7 on the front of this form, and a pen or pencil and paper to make notes of information you will be given.

The Internet Filed Claim System is available nationwide Monday through Saturday, 7:00 a.m. to 7:00 p.m. Eastern Time regardless of the last 2 digits of your Social Security number.

If you have a problem or question about your claim, you can inquire about your claim by calling our Inquiry Line at 1-866-500-0017. The hotline is available to take your inquiries on weekdays from 8:00 a.m. to 4:30 p.m.
## Unemployment Activity Analysis

### Description: New SEPS. Received

<table>
<thead>
<tr>
<th>Description</th>
<th>Claims Received</th>
<th>Claims Received Late</th>
<th>Active Claims</th>
<th>Protested Claims</th>
<th>Protested Won</th>
<th>Protested Lost</th>
<th>Decision Pending</th>
<th>BENEFIT CHARGES</th>
</tr>
</thead>
<tbody>
<tr>
<td>MI</td>
<td>9</td>
<td>10</td>
<td>11</td>
<td>3</td>
<td>27</td>
<td>2</td>
<td>100</td>
<td>1</td>
</tr>
<tr>
<td>MI 56</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td><strong>Michigan Total:</strong></td>
<td><strong>9</strong></td>
<td><strong>10</strong></td>
<td><strong>11</strong></td>
<td><strong>3</strong></td>
<td><strong>27</strong></td>
<td><strong>2</strong></td>
<td><strong>100</strong></td>
<td><strong>1</strong></td>
</tr>
<tr>
<td><strong>Liability</strong></td>
<td><strong>30,573</strong></td>
<td></td>
<td><strong>35,058</strong></td>
<td><strong>12,022</strong></td>
<td><strong>7,537</strong></td>
<td>0</td>
<td><strong>4,485</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Subsidary Total</strong></td>
<td><strong>9</strong></td>
<td><strong>10</strong></td>
<td><strong>11</strong></td>
<td><strong>3</strong></td>
<td><strong>27</strong></td>
<td><strong>2</strong></td>
<td><strong>100</strong></td>
<td><strong>1</strong></td>
</tr>
</tbody>
</table>
## Unemployment Activity Analysis

**For the Period: 01/01/2009 Thru 03/31/2009**

*(Subsidiary Summary)*

### Liability

<table>
<thead>
<tr>
<th>Description</th>
<th>Recd.</th>
<th>Received Late</th>
<th>Active Claims</th>
<th>Protested Claims</th>
<th>Won</th>
<th>Lost</th>
<th>Pending</th>
<th>Decision Charges</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total</strong></td>
<td>30,573</td>
<td>0</td>
<td>35,058</td>
<td>12,022</td>
<td>7,537</td>
<td>0</td>
<td>4,485</td>
<td></td>
</tr>
</tbody>
</table>

---

**Note:** 9 Facsimile(s) sent to obtain separation information in order to determine if claims were protestable.

### Separation Analysis

*(Summarized)*

<table>
<thead>
<tr>
<th>Reason for Separation</th>
<th>New</th>
<th>Active Claims</th>
<th>Liability</th>
<th>Hearing Level</th>
</tr>
</thead>
<tbody>
<tr>
<td>Quits</td>
<td>1</td>
<td>2</td>
<td>8.970</td>
<td>Appealed by Employer</td>
</tr>
<tr>
<td>Discharges</td>
<td>2</td>
<td>2</td>
<td>5.415</td>
<td>Appealed by Claimant</td>
</tr>
<tr>
<td>Layoffs</td>
<td>6</td>
<td>7</td>
<td>20.673</td>
<td>Board of Review</td>
</tr>
<tr>
<td>Others</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>9</td>
<td>11</td>
<td>35,058</td>
<td></td>
</tr>
</tbody>
</table>

### Hearing Analysis

<table>
<thead>
<tr>
<th>Hearing Level</th>
<th>Total</th>
<th>Employer</th>
</tr>
</thead>
<tbody>
<tr>
<td>Appealed by Employer</td>
<td>6</td>
<td>0</td>
</tr>
<tr>
<td>Appealed by Claimant</td>
<td>6</td>
<td>0</td>
</tr>
<tr>
<td>Board of Review</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

---
<table>
<thead>
<tr>
<th>DEPT.</th>
<th>CLAIMANT INFORMATION</th>
<th>SEPARATION INFORMATION</th>
<th>CLAIM INFORMATION</th>
<th>MONETARY INFORMATION</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>SOCIAL SECURITY NAME</td>
<td>SEP. DATE EXPLANATION</td>
<td>DATE RECEIVED OUTCOME DECISION</td>
<td>LIABILITY CUMULATIVE CHARGES PERIOD CHARGES</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>L= LIABILITY C= CUMULATIVE CHARGES P= PERIOD CHARGES</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>$9,050.00 $9,602.00 $724.00 $1,810.00 CR $1,884.00 CR</td>
</tr>
</tbody>
</table>

**UNEMPLOYMENT CLAIM OR DETERMINATION WAS RECEIVED DURING THE PERIOD BEING REPORTED.**
SUMMARY OF UNEMPLOYMENT CHARGE ERRORS
*** FOR THE PERIOD: 01/01/2009 THRU 03/31/2009 ***

X231040

STATE: MICHIGAN

WITH YOUR COOPERATION, WE HAVE RECEIVED CREDITS FROM THE STATE ON THE FOLLOWING EMPLOYEES.
WE HAVE ALSO FILED PROTESTS ON OTHER IMPROPER CHARGES AS SHOWN.

<table>
<thead>
<tr>
<th>SOCIAL SECURITY</th>
<th>NAME</th>
<th>DATE RECEIVED</th>
<th>PROTESTED CHARGES</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>03/02/09</td>
<td>THE CLAIMANT HAS BEEN OVERPAID: $6018.00 CR SHOULD BE FORTHCOMING.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>02/10/09</td>
<td>WE HAVE PROTESTED CHARGES AGAINST YOUR ACCOUNT TOTALING $537.94 PREVIOUS DECISION RELIEVING YOUR ACCOUNT HAS BEEN RECEIVED.</td>
</tr>
</tbody>
</table>

LOCATION TOTAL:

TOTAL PROTESTED CHARGES: 1
MICHIGAN TOTAL:
TOTAL PROTESTED CHARGES: 1
SUBSIDIARY TOTAL:
TOTAL PROTESTED CHARGES: 1