

#### Program #72019 - Central HR Unemployment

**Program Contact: Travis Graves** 

County Management **Department:** 

**Program Offer Type: Existing Operating Program** Program Offer Stage: As Requested

**Related Programs:** 

Program Characteristics: In Target

# **Executive Summary**

The Unemployment Insurance Program provides unemployment benefits to eligible workers who are unemployed due to layoff or other discharge for reasons other than misconduct. Unemployment insurance replaces part of the income that employees lose when they become unemployed.

#### **Program Summary**

Unemployment benefits are provided through the State or Oregon Employment Department. The County funds these benefits, as a self-insured employer, with direct payments to the state, Former employees, or employees who have had their hours reduced, submit claims to the State, who determines eligibility and benefit amounts. The State recoups funding for the claims directly from the County quarterly. Claimants file an appeal with the State when they want to contest an eligibility decision, for a hearing with an administrative law judge.

The Unemployment Insurance Program provides the funding to ensure eligible workers secure financial assistance when they are no longer employed by the County, or their hours are reduced. The program responds to the State's Employment Department in a timely manner, provides accurate and timely monitoring and reporting, and participates in all appeal hearings to decrease costs and liability due to ineligible claims. The County doesn't contest eligible claims, but benefits claim decisions can favor the applicant if responses are late, data is inaccurate or an employer fails to respond to a requested clarification.

The impact of COVID-19 has been an increase in the number of claims filed. Fraudulent claims, which were previously nonexistent, have reached 212 since the onset of work-from-home directives in March 2020. This has been due to a nationwide issue with "bad actors" using unemployment claims as a method of identity theft. Ultimately, there should be no financial impact as these claims should be closed, but there has been an increase in county-to-employee contact as we notify each employee or former employee they have possibly been a victim of ID Theft.

Performance Measures								
Measure Type	Primary Measure	FY21 Actual	FY22 Budgeted	FY22 Estimate	FY23 Offer			
Output	Number of employee claims for unemployment.	597	475	424	450			
Outcome	Percentage of unemployment claim appeals found in the county's favor.	67%	50%	50%	50%			
Output	Number of unemployment appeals.	9	8	8	8			

#### **Performance Measures Descriptions**

Outputs and Outcomes: The number of claims for FY 2022 is higher than budgeted due to the reasons listed in summary. Appeals are filed when the claimant disagrees with the benefit eligibility decision by the State; claims in the County's favor means a lower expense and lower risk to the County.

3/7/202

## **Legal / Contractual Obligation**

Unemployment Insurance benefits are mandated by federal and state laws. Oregon Employment Law, statues 657.005 and 657.010, Federal Unemployment Act Social Security Act.

## Revenue/Expense Detail

	Adopted General Fund	Adopted Other Funds	Requested General Fund	Requested Other Funds	
Program Expenses	2022	2022	2023	2023	
Personnel	\$0	\$39,415	\$0	\$40,678	
Contractual Services	\$0	\$150	\$0	\$150	
Materials & Supplies	\$0	\$970,921	\$0	\$970,993	
Total GF/non-GF	\$0	\$1,010,486	\$0	\$1,011,821	
Program Total:	\$1,01	\$1,010,486		\$1,011,821	
Program FTE	0.00	0.15	0.00	0.15	

Program Revenues							
Other / Miscellaneous	\$0	\$1,010,486	\$0	\$1,011,821			
Total Revenue	\$0	\$1,010,486	\$0	\$1,011,821			

#### **Explanation of Revenues**

This program is supported by the Risk Fund. Unemployment claims are funded by assessing a rate based on 0.25% of monthly payroll for each department. Revenue for FY23 is \$1,011,821.

## Significant Program Changes

Last Year this program was: FY 2022: 72019 Central HR Unemployment