

NEWESD 101 UNEMPLOYMENT COOPERATIVE

The Pool was formed for the purpose of providing unemployment compensation coverages to its members. Currently the Pool consists of forty-eight school districts and one educational service district. Equifax is the third-party administrator for the program.

The claimants submit their claim to the State of Washington Employment Security Department who determines eligibility, and then the Pool reimburses the Department for the unemployment claims paid against the member's account.

To qualify for unemployment insurance benefits, claimants must be unemployed through no fault of their own. They must be physically able to work, and immediately available to accept any suitable work that may be offered. They must actively seek work by making personal contacts with prospective employers during any week for which they claim benefits.

Claimants must have worked at least 680 hours in their base year. Base year is defined as the first four of the last five completed calendar quarters immediately preceding the effective date of an unemployment insurance claim. The Pool is liable for the outstanding payments on known claims and the total amount of payments on future claims resulting from claimants employed by members of the Pool during the claimant's base year.

The Unemployment Board sets the rate for unemployment annually that changes in September each year. The Employment Security Department increases the maximum wages for the Unemployment tax annually in January. NEWESD Cooperative manages the payment of taxes for your District.

EQUIFAX (formerly known as TALX)

Equifax is our third-party provider managing our unemployment claims.

Unemployment Cost Management Services. Unemployment Cost Management Services are designed to reduce unemployment costs by eliminating payments made on unemployment claims discovered to be invalid and reducing administrative errors.

- a) The analysis of unemployment compensation records provided;
- b) The correction of discovered state agency errors;
- c) Auditing of benefit charges on unemployment claims managed by TALX;
- d) The establishment of procedures to enable TALX to process unemployment related forms;
- e) The verification of unemployment benefits paid;
- f) Provide activity reports on claims, separations and charges transmitted electronically, on a quarterly basis;
- g) An internet interface to provide separation data and extract periodic reports; (WebManager)
- h) Provide annual status report and other management reports;
- i) Consultation regarding unemployment hearing attendance; and
- j) Unemployment hearings representation for unemployment matters brought before an administrative agency or tribunal.

Unemployment Tax Management Services

- k) The verification of annual tax rates issued, unless related to a merger, acquisition, or reorganization for which TALX did not manage the tax notifications; and
- l) The calculation of voluntary contributions when permitted.

Client acknowledges that the ability of TALX to provide services which comply with state laws and procedures is dependent upon the timely information and prompt action by Client. Client agrees to inform TALX of important facts and changes in circumstance and to make its best efforts to attend state hearings and other meetings as appropriate to fulfill the responsibilities of Client as an employer and TALX as an agent of employer.

The WA State Employment Security Department sets the rules for the taxes. The information in this guidance comes directly from the WA state Employment Security Department handbook located at:

<https://esdorchardstorage.blob.core.windows.net/esdwa/Default/ESDWAGOV/employer-Taxes/ESD-Employer-Tax-Handbook-1.pdf>

What is taxed

Pay unemployment taxes on gross wages up to 80 percent of the average wage for the state (\$62,500 for 2022; <https://esd.wa.gov/employer-taxes/taxable-wage-base>). Wages are taxable, whether paid as a fixed salary, on an hourly rate or on a piece-rate basis. Report all wages you pay an employee each quarter, even those that exceed the taxable wage base (excess wages). All wages must be reported for the quarter you paid them along with hours worked.

What are considered wages

Wages are defined as all compensation (remuneration) paid to an employee, including:

1. Salary, commissions, bonuses and value of gifts before deductions.
2. Compensation paid in lieu of cash.
3. Tips that are reported for federal income tax purposes.
4. Vacation and holiday pay.
5. Unsegregated expense allowances.
6. Severance pay or pay in lieu of notice.
7. An employee's entire gross pay if he or she shares the cost of a 401(K) or cafeteria plan through salary reduction.
8. Meals and lodging – if you require an employee to eat and live on site and the total value of meals and lodging is 25 percent or more of total compensation (value plus salary).

What are not considered wages

For the purpose of unemployment taxes, wages do not include:

1. Sick leave (if you have a qualified plan).
2. Allocated tips.
3. Jury duty pay not reported for federal income tax purposes.
4. Death benefits.
5. Employee exercised stock options; however, you do need to report this in box 11 on the Quarterly Tax Report (5208A-Employment Security Department form)

Hours you must report

When completing your tax and wage reports, you must report hours for:

1. All hours worked during the quarter.
2. Vacation pay – Report the hours for leave with pay. If you make a cash payment in lieu of vacation time, do not report those hours.
3. Overtime – Report actual hours worked.
4. Commissioned and piecework employees – Report actual hours worked. If hours are not tracked, report 40 hours per week for full-time employees.
5. Pay in lieu of notice – Report the hours that would have been worked.

6. Salaried employees – Report actual hours. If hours are not tracked, report 40 hours per week.
7. Payment other than cash – Report actual hours worked.

How to report hours

1. Salaried employees – Report actual hours worked. If hours are not tracked, you will need to report 40 hours per week for full-time employees with a total of 520 hours per quarter.
2. Commissioned employees – Same as salaried employees stated above.
3. Overtime – Report actual hours worked.
4. Vacation Pay – Report the number of hours for leave with pay.
5. Payment in kind – Report actual hours worked.
6. Pay in lieu of notice – Report the hours that would have been worked.
7. Severance pay, bonuses, tips and gratuities – **Report zero (0) hours.**
8. Sick Leave – If sick leave is taken under a qualified plan, **report zero (0) hours.** Every district is a qualified employer.

Failing to report hours may result in a penalty. For severance pay, bonuses, tips and faculty employees, please see WAC 192-310-040. Our website shows the most common reasons for reporting zero hours.

Reporting zero hours

When should you report zero hours for an employee who has received wages? The following are the most common reasons for reporting wages and zero hours:

- **Back pay**
Report any payments you made to an employee to adjust the wages that you reported in a previous quarter.
- **Bonus**
Report any bonuses you paid an employee for hours worked in a previous quarter.
- **Cafeteria plan / 401K plan**
Report the amount you paid to cover the cost of a benefit plan that ensures continued enrollment if no hours were worked during the quarter.
- **Severance/separation pay/settlement**
Report the amount of severance pay you paid an employee following his or her end of employment. A settlement is an amount paid for a negotiated settlement for termination or violation of an employment contract.
- **Sick leave payout**
Report the amount you paid an employee for sick leave if no hours were worked during the quarter.

Zero hours are appropriate if the only type of wages paid are similar to those listed above. You may be asked to explain why you reported zero hours. Failure to provide the reason (if requested) may [result in a penalty](#).

If you have any questions, please contact either the [tax account management center](#) or the Employer Accounts Unit at 1-360-902-9650.

Late filing

You must file a UI Fast Tax Report every quarter even if you didn't have payroll. A *\$25 penalty will be charged to your account for each report that is not filed on time*. School districts generally do not pay SUTA or FUTA taxes.

PROCEDURES FOR REPORTING AND PAYING UNEMPLOYMENT ASSESSMENTS/CLAIMS

Payments are due on the fifth working day of succeeding month.

- Example 10/5/XX for activity 9/1 thru 9/30, 11/5/XX for activity 10/1 thru 10/31 etc.
- A penalty on delinquent payments shall be assessed at the rate of the highest existing interest rate that funds the cooperative + a flat fee of \$25.00.

Submit Payments to NEWESD 101, Attn: Business Office, 4202 S Regal St Spokane, WA 99223 with:

- Monthly Payroll report – Excel version available
- The LAST PAGE with the totals of the Skyward Quarterly Wage Detail Report.

Quarterly Tax Reports are due to NEWESD 101, business office by:

- 10/5/XX for activity 7/1 thru 9/30
- 1/5/XX for activity 10/1 thru 12/31
- 4/5/XX for activity 1/1 thru 3/31
- 7/5/XX for activity 4/1 thru 6/30

Submit Quarterly Tax Reports to NEWESD 101, Attn: Business Office, 4202 S Regal St Spokane, WA 99223 with:

- Quarterly Taxable Wages Form - Excel version available
- LAST PAGE with the totals of the Skyward Quarterly Wage Detail Report

Submit to Employment Security Department


- Tax and Wage Report – upload tax and wages report in the SecureAccess WA website.

- Late filing-You must file a tax report every quarter. Late submission penalties will accrue if you submit after the due date. A \$25 penalty will be charged to your account for each report that is not filed on time.

Equifax

Our Equifax consultant is Tyka Cruz,
 phone: 933-946-0624 ext. 2886
 fax: 877-760-5894
 email: tyka.cruz@equifax.com

- Districts currently paying assessments to the NEWESD 101 Cooperative should submit the warrant payable to NEWESD 101 Unemployment Cooperative.
- Double check: The warrant should be the monthly taxable wages X the district's assessed rate.
- Taxable wages should be extracted from the Quarterly wage detail report.
- Rates change, depending on your district's balance, 9/1 of every year. Notices are sent in June and again in August.
- The Maximum Taxable Wage amount changes each year on 1/1. If you are unsure of how to update this in Skyward, contact a NEWESD 101 Fiscal Coordinator at (509) 456-2718.



Sept 2021 to Aug 2022 Payroll

**NorthEast Washington Unemployment Compensation Cooperative
Unemployment Compensation Assessment Transmittal Form**

School District: _____ Date Posted: 6/27/2022

A Taxable Wages	B Contribution Composite rate per hour ***	Contribution (Col. A x Col. B)
633,965	0.0059	\$3,740.39

***Entered into software as .59

Subtotal: \$3,740.39

Adjustment Amount: -\$0.04

Total Contribution Enclosed: \$3,740.35 ✓

Warrant Number: _____ ✓

ESD Deposit Date: 6/30/2022 ✓

TAXABLE
(=) WAGES

7,415.52

560.00

140.00

5,554.26

2,700.18

1,509.29

450.45

217.65

2,173.62

750.30

312.39

6,410.42

5,465.54

2,011.05

1,683.30

2,097.64

6,980.88

1,028.79

5,085.60

1,807.67

5,924.10

5,275.18

8,739.53

1,987.74

825.06

806.25

2,266.50

6,518.57

Send one copy of this completed transmittal along with your WA Quarterly Wage Detail report for the month you are reporting (i.e. 8/1/19 - 8/31/19) with your payment.

PLEASE NOTE: According to the Unemployment Compensation Cooperative Agreement, your assessment must be paid to NEWESD 101 monthly and "shall be paid or postmarked within five working days of the normal pay date and in any event, no later than the fifth working day of the next succeeding month."

If you have questions, please call Shellie Hoxie at 509-789-3743.

Gross Total: 11,378 37,428.26 687,287.75 53,322.86 633,964.89

Total Number of Employees: 160 724,712.01 0.00

Footnote:
Any negative compensation will be reported as zero.
Any negative hours will be reported as zero.

Example SMS Monthly Report



Sept 2021 to Aug 2022 Payroll

NorthEast Washington Unemployment Compensation Cooperative
Unemployment Compensation Assessment Transmittal Form

School District: _____ Date Posted: 6/30/2022

A Taxable Wages	B Contribution Composite rate per hour ***	Contribution (Col. A x Col. B)
24,767	0.0005	\$12.38

***Entered into software as .05

Subtotal: \$12.38
Adjustment Amount: \$0.02
Total Contribution Enclosed: \$12.40 ✓

Warrant Number: _____
ESD Deposit Date: 6/30/22

Send one copy of this completed transmittal along with your WA Quarterly Wage Detail report for the month you are reporting (i.e. 8/1/19 - 8/31/19) with your payment.

PLEASE NOTE: According to the Unemployment Compensation Cooperative Agreement, your assessment must be paid to NEWESD 101 monthly and "shall be paid or postmarked within five working days of the normal pay date and in any event, no later than the fifth working day of the next succeeding month."

If you have questions, please call Shellie Hoxie at 509-789-3743.

Quarterly Wage Detail Grand	607	\$25,176.36	\$409.74	\$0.00	\$24,766.62	\$0.00	\$24,766.62
Employee Count:	11						

Example Cumulative Monthly Report

Skyward – SMS – Time off processing

The Hourly Wage field is used to calculate Payroll Unemployment Compensation and sick pay for the WA Quarterly Wage Detail Report. To remove sick leave from the Unemployment Gross, the number of sick hours are multiplied by this field to determine sick pay in a pay period.

The unemployment calculations for payroll processing and reporting are:

Gross Wages - Sick Pay + Taxable Benefits = Reportable Wages - Excess Wages = Taxable Wages

Taxable Wages (up to taxable wage base) x the UC State Rate assigned to employee = Benefit Amount

1. Shared Leave:

WESPaC HR\PR\TI - Time Off Transaction

When you enter shared leave and transfer the leave amount by adding to the used hours without creating a negative allocation, a reason code of "share" must be used to exclude the used sick leave from UC calculation of sick pay.

Group Code: 1

Time Off: Sick Leave Sick

Type: Hours Hours per day: 8.0000

Date: 06/30/2022 Thursday

Type: Used

Amount: 8.0000 Hours

Reason: Shared/Donated Leave Share

Description: Shared Leave Used

Totals for code: Sick

	Before	After
Allocated:	1,622.0000	1,622.0000
Used:	248.0000	256.0000
Left:	1,374.0000	1,366.0000
Unpaid:	0.0000	0.0000

2. Leave Transfer:

Take the hours out of SMS using the "Allocation" Type

Group Code: 1

Time Off: Sick Leave Sick

Type: Hours Hours per day: 8.0000

Date: 06/30/2014 Monday

Type: Allocated

Amount: -346.8190 Hours

Reason: Transfer TO another district TRATO

Description: Transfer l ~ ~ ~ District

3. Sick/Vacation Leave Buyback:

All cash out amounts are reportable and taxable for unemployment, but the hours are not reportable to unemployment. The lump-sum type Pay Code prevents hours from being reported for Unemployment.

Leave Cashouts must be processed on a separate pay code. Each type of leave should have its own paycode for cashouts, e.g. SLBB = Sick Leave Cashouts, VLBB = Vacation Leave Cashouts, etc. For the particular pay code you are using, verify the following:

- **Rate Type** = No
- **Contract** = No
- **Worker's Comp Code** = 615 or Blank
- **Retirement Status** = A (even if cashout is not being reported to DRS)

HR\PA\CO\PC - 735 - Pay Codes

Pay Code: SLBB

Short Description: Sick Sale

Description: Sick Sale

Rate Type: No

Contract: No

Workers' Comp Code: 615

Retirement Status: Regular

OK Cancel

Group Code: 1

Time Off: Sick Leave

Type: Hours Hours per day: 8.0000

Date: 06/30/2022 Thursday

Type: Sale

Amount: 24.0000 Hours

Reason: SK BUYBACK

Description: Sick Leave Cashout

Add Again OK Cancel

4. Leave not used:

If a leave request has been entered, and the leave was not used, use a negative of "used" instead of reallocating it.

Group Code: 2 *** Time Off record exists for this person/day/type. ***

Time Off: Vacation Vac

Type: Hours Hours per day: 8.0000

Date: 06/30/2022 Thursday

Type: Used

Amount: -8.0000 Hours

Reason: aVacation Leave V

Description:

Skyward – Qmlativ – Time off processing

To Enter Leave Transactions:

Menu Path: Administrative Access > Employee > Employee Profile > Time Off > Time Off Types

The screenshot displays the 'EMPLOYEE TIME OFF TYPES' and 'TIME OFF TRANSACTIONS' sections in the Skyward Qmlativ system.

EMPLOYEE TIME OFF TYPES

Time Off Type	Unit Type	Prior Year Ending Balance (Decimal)	Current Year Allocated (Decimal)	Current Year Used (Decimal)	Current Year Ending Balance (Decimal)	Next Allocation Cycle Date	Next Year Ending Balance (Decimal)	Total Ending Balance (Decimal)
Oth - Other Paid Leave	Hours	8.00	2.00	0.00	10.00		10.00	10.00
Sick - Sick Leave	Hours	253.38	50.00	-12.50	290.88		290.88	290.88
Totals		261.38	52.00	-12.50	300.88		300.88	300.88

TIME OFF TRANSACTIONS

Transaction Date	Transaction Type	Hours (Decimal)	Description	Status	Time Off Transaction Calculation ID
EA	Allocated	10.0000	September Allocation	Approved	7836
EA	Allocated	-8.0000	September Allocation	Approved	7837
A	Allocated	8.0000	Annual Allotment	Approved	322
Totals		10.0000			

A red box highlights the '+ Add Time Off Transaction' button in the top right corner of the 'TIME OFF TRANSACTIONS' section.

When entering a Time Off Transaction in Qmlativ, there are three key selections to make. The Time Off Type, the Time Off Reason, and the Transaction Type. Time Off Type "Sick" or "Sick

Leave”, should have the box “Unemployment Compensation Sick Eligible” checked. This will exclude any transaction for Time Off Type “Sick” from Unemployment Compensation reporting.

TIME OFF TYPE DETAILS

*Time Off Type Code: Sick

*Time Off Type Description: Sick Leave

*Negative Balance: Do Not Allow Negatives

Allocation Cycle: ☒ Anniversary Date ☐ Entered Date

Display on Check Stub: ☐

Unit Type: ☒ Hours ☐ Days

*Hour Restriction: 1 Minute Increments

Allow Employee Access: ☒

WASHINGTON

Unemployment Compensation Sick Eligible: ☒

Workers' Compensation Eligible: ☒

1. **Shared Leave:** Use the Employee Time Off Type of “Sick”. Each district should have a “Sick Share” or similar Time Off Reason. The Transaction Type should be “used”.

TIME OFF TRANSACTION DETAILS

Attachments: [Add Attachments](#)

Transaction Type: ☒ Single Day ☐ Date Range

*Start Date: [31]

*Employee: [Employee Name]

Assignment: [Assignment]

*Employee Time Off Type: Sick (290:53)

*Time Off Reason: SS SICK SHARE

Transaction Type: Used

*Employee Hours Per Day: 5:00:00

*Hours: 20:00

*Days: 4.00000


Description: SICK SHARE


Start Time: [Time]

End Time: [Time]

- 2. Leave Transfer:** Use the Employee Time Off Type of "Sick". Each district should have some Time Off Reason such as "Allotment" or "Allocated". The Transaction Type should be "Allocated". Enter a negative value in the Hours field.

TIME OFF TRANSACTION DETAILS

Attachments  Add Attachments

*Start Date 

*Employee

Assignment

*Employee Time Off Type Sick 290:53

*Time Off Reason A Annual Allotment


Transaction Type Allocated


*Employee Hours Per Day 5:00:00

*Hours -100:00

*Days -20.00000

Description Leave Transfer

Start Time 

End Time 

3. **Sick/Vacation Leave Buyback:** Leave Cash outs must be processed on a separate pay code. Each type of leave should have its own Pay Type Code for Cash outs (SLBB = Sick Leave Cash outs, VLBB = Vacation Leave Buybacks, etc.). For the particular Pay Type Code you are using, verify the following:
 - a. Contract = Box unchecked
 - b. Retirement Status = A (even if Cash out is not being reported to DRS)
 - c. Worker's Compensation Code = 615

(Pay Type Details)

PAY TYPE DETAILS

*Pay Type Code

SLBB

*Pay Type Description

Sick Sale

*Check Stub Description

Sick Sale

Default Pay Schedule

*Amount Type

Entered

Default Entered Rate

Factor Default

Salary Factor One

Hours Worked Code

Zero

Timesheet Build Type

☐ Include Only during Active Assignment Detail
☐ Include Full Year if Present during Start or End of Position
☒ Include Full Year

Dock

☐

Contract

☐

Payroll Encumbrance Type

Exclude

WA STATE REPORTING

Retirement Status

A

Regular/Overtime Earnings <= 2 x the Hourly Rate

Workers' Compensation Code

615

615

Retirement As Earned

☐

Report No Retirement Hours

☐

- d. Create a negative allocation to process the sick leave sale.

Employee

Employee Number

TIME OFF TRANSACTION DETAILS

Attachments

Add Attachments

*Start Date

*Employee

521041

Assignment

*Employee Time Off Type

SICK

1137:30

*Time Off Reason

ALLOCATE

ALLOCATION

Transaction Type

Allocated

*Employee Hours Per Day

6:00:00

*Hours

-24:00

*Days

-4.00000

Description

Sick Leave Sale

Start Time

End Time

- 4. Leave not used:** If an employee puts in a request and then does not take the leave, they should put in another request with the same Employee Time Off Type, Time Off Reason, and Transaction Type, but put in a negative amount for the requested time. They are essentially entering a negative used transaction.

TIME OFF TRANSACTION DETAILS

Attachments [Add Attachments](#)

Transaction Type ☒ Single Day ☐ Date Range

*Start Date 31

*Employee

Assignment

*Employee Time Off Type Sick 290:53

*Time Off Reason S SICK LEAVE

Transaction Type Used

*Employee Hours Per Day 5:00:00

*Hours -5:00

*Days -1.00000

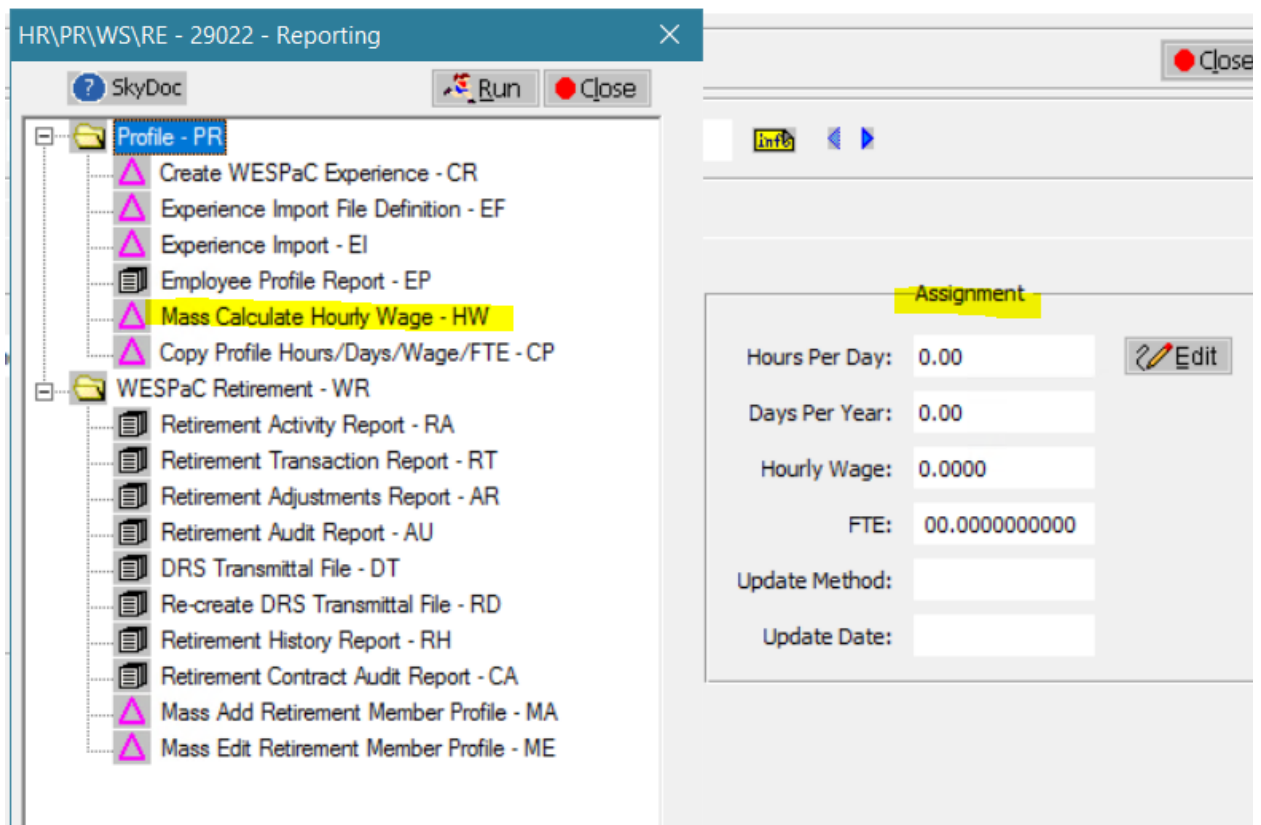
Description Did not take leave requested

Start Time

End Time

Skyward SMS Hourly Wage

The hourly wage is normally completed using the Mass Calculate Hourly Wage process during September payroll. If new employees after September payroll, then you'll need to manually edit their hours per day, days per year and hourly wage. A fatal error will occur with the payroll calculation if these fields are left at zero. If the employee works multiple jobs and varying rates, then the blended rate/average hours is normally used.



Skyward Qmlativ Hourly Wage

The hourly wage is normally completed using the Mass Update Hourly Wages process during September payroll. If new employees after September payroll, then you'll need to manually add their hours per day, days per year and hourly wage. Pick update by 'Calculate Hourly Wage From' – with the option of contract type and hourly type. There is an option to choose for employees with multiple pay items; whether to take the highest rate or to blend the rates if they have multiple assignments.

The screenshot displays the Skyward Qmlativ Administrative Access interface. The top navigation bar includes links for Activity Access, Administrative Access (highlighted with a red box), Data Migration Manager, Employee Access, Family Access, New Student Enrollment, Student Access, Student Services, and Teacher Access. The left sidebar lists various modules, with 'Employee' highlighted by a red box. The main content area is divided into three columns: FEATURES, CODES, and UTILITIES. The UTILITIES column contains the 'Mass Update Hourly Wages' option, which is highlighted with a red box. Below this, a modal window titled 'Mass Update Hourly Wages' is open, showing the 'Enter Employee Hourly Wages Details' form. The form includes a 'Next' button and a 'Cancel' button. Under the 'EMPLOYEE HOURLY WAGES FILTERS' section, there are two expandable filter groups: 'Employee Filters' and 'Advanced Filter — Assignment Pay Type'. The 'Advanced Filter' group is expanded, showing fields for 'Check Locations', 'Building Codes', 'Position Types', '*Calculate Hourly Wage From' (a dropdown menu), 'Pay Types', and '*Employee With Multiple Pay Items' (a dropdown menu).

Update the single employee using the 'Mass Update Hourly Wages' utility.

Mass Update Hourly Wages
Enter Employee Hourly Wages Details

→ Next ⛔ Cancel

EMPLOYEE HOURLY WAGES FILTERS

Employee Filters

Active Show all values ▼

Employees Show all values 🔍

+ Add Employee Filter

+ Advanced Filter — Assignment Pay Type

Check Locations 🔍

Building Codes 🔍

Position Types 🔍

*Calculate Hourly Wage From ▼

Pay Types 🔍

*Employee With Multiple Pay Items ▼

Update the hourly wage from the Employee Profile. The File Path to update this way is Employee > Employee Profile > Assignment > Assignment Details> Open Assignment Details.

Employee Profile > Assignment Details > Assignment Detail Details

Employee Employee Number Position Assignm

ASSIGNMENT DETAIL DETAILS

*Start Date 08/29/2022 Monday 📅

*End Date 06/08/2023 Thursday 📅

Primary ☒

Active Paid Days

*Hours Per Day 1

*Entered FTE 0.90625

Schedule Hours

Full Paid Days

Entered Rate

Base Total Pay

Supplement Pay Total

Total Pay

Annualized Pay

Daily Pay

Hourly Pay