



FREQUENTLY ASKED QUESTIONS

Regarding Coding Error

How was this calculation error found?

The Department is in a consortium agreement with the State of Idaho for the modernization of our UI system. The Department's staff meets daily with staff in Idaho and were reviewing the interest calculations for integration into the new system. The team suspected that the interest calculations were off.

How was the rounding error made?

The rounding error was a manual error, and not an error made by the computer.

Why was the error also applied to unpaid health care assessment balances?

The Department is required to apply the same interest to unpaid health care assessment balances as they are to unpaid unemployment insurance contributions (21 VSA §2001-2004).

How long is the UI Division of the Department of Labor required to keep records?

State statute does not allow the Department to initiate the collection of contributions more than three years after the date on which they become due (21 VSA §1329(e)). The Department maintains records for three years after the close of the program year.

Will the UI Trust Fund be impacted by repayment?

The UI trust fund will not be impacted by repayments.

How long has the calculation error been in place?

The Department can verify that it goes back to 2008, but the statute/interest amount was changed in 1987. We cannot verify that the rounding error goes back further than 2008.

Why doesn't the Department have record of all payments made by employers?

On a quarterly basis, the Department purges data of inactive accounts. The legacy system cannot hold enough data to keep all records.

What records does the Department currently have?

The Department keeps records of employers who hold an outstanding balance, they do not keep all records of employers who have had balances but have paid them off.

How much in interest overpayment has been collected by the Department?

The Department estimates that approximately \$26,000 in interest overpayment has been collected over the past nine years.

When will the calculation error be corrected?

As of June 1, 2017, the calculation error was corrected. This is because June only has 30 days. The Department will be correcting the calculation going forward starting July 1.

How is the Department going to make employers whole?

This is likely going to be a manual process, and will require a large amount of staff time. Employers who have paid past due balances in the last three years will automatically receive a refund.

For employers who have paid off past due balances prior to 2014, please call our Employer Services Assistance Line so we can determine if supporting documentation is required.

Is there a statute of limitations to request or receive a refund?

The Department won't be imposing a deadline; however, older requests will be harder to reconcile, and will require businesses to provide supporting documentation.

If you have a claim prior to year 2014, and are unable to provide supporting documentation, the Department may be unable to reconcile any potential over payment.

How many employers have outstanding unpaid unemployment contribution balances?

The Department currently has 3,000+ outstanding accounts this month.