DEPARTMENT OF TRANSPORTATION
OFFICE OF THE SECRETARY

DEPARTMENTAL PERSONNEL MANUAL SYSTEM

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DPM LETTER: 850-1

SUBJECT: Unemployment Compensation Contract

DATE: MAY 19 1988

The Department of Transportation (DOT) has contracted with James E. Frick, Inc. to carry out many of the administrative responsibilities for the Unemployment Compensation for Federal Employees (UCFE) program. The contract is applicable to all operating administrations. This DPM letter provides general information and outlines the interim Departmental personnel policies and procedures relative to this contract.

The objective of this contract service is to reduce DOT's overall unemployment compensation costs through improved program control and management. Achievement of this goal will be largely dependent upon the full cooperation of each DOT operating personnel office to provide both timely and accurate information for all employee separations to the contractor. Based upon this information, the contractor will be able to determine which unemployment compensation claims are valid and which are not valid.

CONTRACT SERVICES

Services to be provided by James E. Frick, Inc. are listed below. An example of the operational steps for these management services is summarized in Attachment 1.

1. Claims Processing. In this capacity, the contractor will:

   - o be designated as the addressee of record with State Unemployment Offices for the receipt of employment inquiries (Form 931);
   - o determine whether a claimant is a former employee of DOT, using payroll data provided by DOT on a regular basis;
   - o review the claimant's circumstances of separation, using the information provided by the DOT operating personnel office; and

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- o complete the claim forms and return them to the State Unemployment Office within prescribed time limits.

2. Appeals Administration. In this capacity, the contractor will:

   - o review all questionable claims and initiate immediate action to file an appeal with the State Unemployment Office whenever circumstances warrant;
   - o inform DOT, concurrent with the filing of an appeal, that the appeal process has been initiated;
   - o provide, at DOT's request, a case history of any appealed claim, an assessment of the chances for a favorable decision, projected savings, and information as to what to expect during the appeal process including DOT involvement;
   - o terminate any appeal immediately when so directed by DOT; and
   - o provide the necessary review and representation for all appeals.

3. Management reports. The contractor will provide DOT with management reports that contain both summary and detailed information on claims determinations, appeal decisions, and billing information.

4. Training. At the request of DOT, the contractor will provide on-site training to personnel staff and managers on procedures for day-to-day unemployment compensation management.

PROCEDURES APPLICABLE TO DOT OPERATING PERSONNEL OFFICES

A. Unemployment Compensation Forms To Be Provided

Whenever a DOT employee is separated, placed in a nonpay status for 5 or more days, or otherwise covered by one of the actions listed in Section C. below, each operating personnel office will:

1. Provide the employee with the Notice to Federal Employee About Unemployment Insurance, Standard Form (SF) 8. This should be provided on or before the employee's last day of work. The SF-8 will show the contractor's address as the contact office for a State Unemployment Office to obtain additional information concerning claims. Attachment 2 provides a sample of the SF-8. (Note: Because it is important that the employee receive the SF-8, the Time and Attendance

Handbook requires that a duplicate copy be provided by the Time and Attendance Clerk. However, it remains the primary responsibility of the personnel office to ensure that the employee is provided with this form.)

2. Mail a completed copy of the Frick Separation Form (FSF) to James E. Frick, Inc. Attachment 3 provides a sample of the FSF. An FSF need not be submitted for each employee in a reduction in force or furlough involving 25 or more employees. In these cases, a list is to be submitted to Frick providing the following: organizational location, social security number, amount and duration of severance pay and expected recall date for furloughed employees.

B. Importance of Providing Timely and Complete Separation Information to Contractor

1. It is essential that the information furnished to the contractor be both timely and accurate. Failure to provide adequate information will result in automatic awarding of benefits to the claimant.

2. The FSF is to be provided as soon as it is known that an employee is separating from the DOT rolls or being placed in a nonpay status. **Issuance of the FSF must not be delayed pending completion of the SF-50.** If the action is subsequently cancelled, the operating personnel office will notify Frick immediately by telephone (Section G).

3. The FSF has been designed to translate to state eligibility requirements. In completing the form, it is critical that the most appropriate category be checked that reflects the actual reason for the personnel action. This will not always correspond to the official action cited on the SF-50. It will be necessary, at times, to obtain this information directly from the employee, supervisor or other management official most familiar with the circumstances. If there is no adequate category on the form, check other and explain the situation in the "Remarks" section.

4. Additional detailed guidance on the completion of this form is provided in Attachment 4.

C. Personnel Actions Covered

Because state unemployment insurance laws are not uniform and the eligibility requirements vary considerably, the operating personnel offices are to issue the forms cited in Section A whenever there is the possibility that an employee or former employee may apply for benefits. In general, this covers any action involving separation or placement into a nonpay status of 5 or more days including the following:

- o Resignations,
- o Terminations,
- o Removals ,
- o Discharges,
- o Death,
- o Retirement,
- o Voluntary request by an employee to reduce working hours, or
- o Placement in nonpay or non-duty status for 5 days or more including:
    - o furlough,
    - o suspensions,
    - o leave without pay,
    - o absence without leave,
    - o placement of seasonal and on-call employees in non-duty status, or
    - o sabbaticals for employees in the Senior Executive Service.

D. Notice to Contractor of Refusal to Work

1. Unemployment compensation benefits will be terminated by all states when an individual refuses a suitable job without good cause or who is not ready, willing and able to work. "Suitability of a job offer" and "good cause" for a refusal are determined under each state's law.

2. In order to assist the state in proper determination of entitlement, each operating personnel office shall notify Frick when a former DOT employee refuses any offer of employment, e.g., reemployment priority offer. This may be done by either a telephone call or by mailing a copy of the FSF with item 8100 checked.

E. DOT Notification To Prevent Appeal or Discontinue Appeal Process

Frick will automatically appeal any protestable claim unless otherwise directed by the operating personnel office. This notification can be accomplished by:

1. checking block 9100 of the FSF; or
2. consulting with Frick at any time during the appeal process.

F. Appeals Administration

1. The contractor will provide the necessary review and representation throughout the appeal process. **The contractor, however, cannot provide testimony on behalf of DOT.**

2. The operating personnel office will be required to assist the contractor in the appeal process by:

   a. providing information and testimony concerning the reason and events leading to the separation or nonpay status; and/or
   b. serving in a liaison capacity between the contractor and the management official possessing first-hand knowledge of the appeal.

3. It shall be the policy of the Department that witnesses will appear in person at appeal hearings whenever possible. Experience has clearly indicated that personal presentation of an agency's case has the greatest success rate. Testimony may be presented by telephone when personal attendance by the witness would impose an undue hardship on the agency and when permitted by the state.

G. Inquiries to James E. Frick, Inc.

Inquiries should be directed at any time to the Frick representative, Karin Nelson, 800-333-3306, extension 224.

H. Management Participation

All supervisors and management officials must be fully informed of this program in order that they can assist the operating personnel office in providing timely, complete, and accurate information to the contractor.

I. Designation of Unemployment Compensation Program Coordinator

1. An Unemployment Compensation Program Coordinator is to be designated for each operating personnel office. This individual will be responsible for:

   a. Ensuring all information necessary to determine the entitlement of a claimant is provided to the contractor in a timely manner; and
   b. Serving in a liaison capacity between DOT and the contractor for any hearing proceeding.

2. The Headquarters personnel office shall be responsible for providing the name, organizational designation, mailing address and telephone number for all coordinators to the Personnel Policy Division, M-16. Any subsequent changes should be reported immediately.

J. Departmental Contact

All questions, suggestions or problems concerning this contract should be directed to Gail Batt, 366-9448.

4 Attachments

Director of Personnel

U.S. DEPARTMENT OF TRANSPORTATION

Unemployment Compensation Program

Example of Basic Operational Steps

1. Action is required to separate an employee or place an employee in a nonpay status for 5 or more days. (All covered actions are hereafter simply referred to as a separation.)

2. Supervisor secures signed SF-52, resignation letter or otherwise becomes aware of the need to take personnel action.

3. Supervisor notifies personnel office of separation.

4. Personnel office immediately completes Frick Separation Form (FSF) and forwards to Frick in St. Louis. Separation SF-50 is completed.

5. Former DOT employee files unemployment compensation claim with State Unemployment Office and completes ES-931, Request For Wage and Separation Information.

6. State Unemployment Office sends ES-931 to Frick for verification of wage and employment.

7. Using DOT payroll data and the FSF, Frick reviews the submitted claim to determine if it is valid.

8. If separation data is not available or is incomplete, Frick contacts the operating personnel office to obtain needed information.

9. Frick files ES-931 with State Unemployment Office within appropriate time limits.

10. State Unemployment Office makes claim determination (eligibility and amount of compensation).

11. Frick reviews determination made by State Unemployment Office.

12. When Frick concurs with determination, all subsequent actions by Frick relate to oversight of billing process.

13. When Frick disagrees with the determination, an appeal will be automatically filed on behalf of DOT by Frick with the State Unemployment Office. DOT will be notified of the appeal concurrent with the filing with the state.

14. DOT retains the right to terminate an appeal at any time.

15. Frick provides reports to DOT by organization showing number of separations, names of individuals collecting unemployment compensation, projected liability, money paid to date, etc.

Attachment 2

TAKE THIS FORM WITH Y[illegible] IF YOU GO TO FILE A CLAIM

UNEMPLOYMENT COMPENSATION FOR FEDERAL EMPLOYEES (UCFE) PROGRAM

NOTICE TO FEDERAL EMPLOYEE ABOUT UNEMPLOYMENT INSURANCE

This form has been given to you because (1) you have been separated from your job, or (2) you were placed in a nonpay status, or (3) your records have been transferred to a different payroll office.

Unemployment insurance (UI) for Federal workers. When unemployed, Federal workers may be entitled to UI benefits similar to those of workers in private industry. If you become unemployed or are in a nonpay status and want to FILE A CLAIM, go to the nearest LOCAL PUBLIC EMPLOYMENT SERVICE OFFICE of the STATE EMPLOYMENT SECURITY AGENCY to register for work and file your claim for UI. Your ELIGIBILITY for UI CANNOT be determined until AFTER you file a claim. DO NOT DELAY filing a UI claim; if you wait, your unemployment benefits may be reduced or you may not qualify for any benefits.

To help EXPEDITE your claim, take THIS FORM with you, your SOCIAL SECURITY ACCOUNT NUMBER CARD, the OFFICIAL NOTICE of your most recent SEPARATION or of your present NONPAY status (Standard Form 50 if available), EARNINGS and LEAVE statements, or similar documents that indicate you were employed by a Federal agency.

FEDERAL AGENCY will insert in the box:
1st line—Parent Federal Agency Name and 3 digit code number
2nd line—Major Component (if any)
3rd and 4th line—complete address to which all forms pertaining to a claim should be sent (ES-931, 931A, 934, 936, and notices of appeal, hearings, and determinations)

3 Digit Identification FEDERAL AGENCY CODE NO. 470

Department of Transportation
C/O James E. Frick, Inc.
UCFE Department
P.O. Box 66945
St. Louis, MO 63166

To be completed by the *Federal Agency:*

Contact Name/Office

FRICK UCFE DEPT.

Telephone No. (*include area code*)

(314) 997-2100

KEEP THIS FORM and **TAKE IT WITH YOU** if you file a UCFE/UI claim for unemployed Federal workers provided by Federal law (U.S. CODE, Title 5, Chapter 85). For more information about UCFE/UI, read the REVERSE SIDE of this form.

UNEMPLOYMENT COMPENSATION FOR FEDERAL EMPLOYEES (UCFE) PROGRAM
UNEMPLOYMENT INSURANCE (UI) FOR FEDERAL WORKERS

TAKE THIS FORM WITH YOU IF YOU GO TO FILE A CLAIM

GENERAL INFORMATION:

1. WHO WILL PAY UNEMPLOYMENT BENEFITS?

If you are eligible, you will be paid by a State employment security agency under the provisions of its unemployment insurance (UI) law. The amount of your regular weekly benefits and the period for which benefits will be paid will generally be determined by the law of the State in which you had your last Official Duty Station. This Duty Station will be printed on your final "Notification of Personnel Action", SF-50. If you have received all the regular benefits for which you are eligible, you may, under certain circumstances, became eligible for additional weeks of extended benefits; check with a State local office official. If your last duty station was outside the United States, you will not be eligible until you return to the United States, including the District of Columbia, Puerto Rico, and Virgin Islands. Your benefit rights will then be determined under the law of your State of residence.

UCFE/UI for unemployed Federal workers is paid from U.S. Government funds. No deductions were taken from your pay to finance these benefits.

2. UNDER WHAT CONDITIONS WILL I BE ELIGIBLE?

All State UI laws require that:

a. You must be unemployed, able to work, and available for suitable work; (In some cases, you may be eligible if you are employed less than full time);
b. You must register for work and file a claim at a local public employment service/UI claim office;
c. You must continue to report to the office as directed; and
d. You must have had a certain amount of employment/wages within a base period of 1 year specified in the State law and have been separated through no fault of your own.

All State UI laws will deny you benefits for such reasons as:

a. Quitting your job voluntarily without good cause or being discharged for misconduct connected with work; or
b. Refusing an offer of a suitable job without good cause.

Some State UI laws deny or reduce UI benefits for certain types of payments you may receive (retirement, severance, and/or lump-sum amount for unused, accrued annual leave).

3. DO I HAVE THE RIGHT OF APPEAL?

Yes. If a determination is made denying you benefits, you have the right to appeal as provided in the applicable State law.

4. ARE THERE ANY PENALTIES?

Yes. If you willfully make a false (fraudulent) claim, you may be fined, imprisoned, or both. If you make a mistake in giving information when you file your claim, notify the local UI claims office as soon as you discover the mistake: prompt notification may avoid a penalty.

(The above statements are issued for general information; they do not have the effect of law, regulation, or ruling).

IF YOU BECOME REEMPLOYED and have been collecting UCFE/UI benefit payments, it is your RESPONSIBILITY to notify the local office, in writing, to discontinue paying benefits now that you are employed. Failure to do so may result in a *penalty such as a fine, imprisonment, or both.*

☆ GPO : 1987 0 - 180-498 (91)

DEPT. OF TRANSPORTATION

EMPLOYEE SEPARATION FORM MAIL IMMEDIATELY TO:
THE FRICK COMPANY
P.O. BOX 66945, ST. LOUIS, MO 63166
(314) 997-2100

Attachment 3

A

Employee Name: _____ Separation Date: _____

[ ][ ][ ]-[ ][ ]-[ ][ ][ ][ ] State Duty Location: _____

Social Security Number

B

QUIT

( ) 1100 - Three days unreported absence (give dates)
( ) 0100 - Did not return, no notice/reason given
( ) 1400 - Accepted another job
( ) 1410 - Accepted another job - own business
( ) 1420 - Accepted another job - military
( ) 0600 - Accepted job but failed to report, never worked
( ) 1800 - Babysitter problem
( ) 2100 - Dissatisfied
( ) 2160 - Dissatisfied - career opportunities
( ) 2170 - Dissatisfied - agency policies
( ) 2180 - Dissatisfied - co-workers
( ) 2150 - Dissatisfied - fringe benefits
( ) 2140 - Dissatisfied - performance review
( ) 2120 - Dissatisfied - salary
( ) 2190 - Dissatisfied - supervisor
( ) 2110 - Dissatisfied - work hours
( ) 2130 - Dissatisfied - working conditions
( ) 0800 - Failed to return from LOA
( ) 1900 - Due to medical reasons (explain)
( ) 1500 - To leave the area
( ) 0410 - Mutual agreement
( ) 0300 - No reason given
( ) 0700 - Not available for work
( ) 1600 - Personal reason
( ) 1620 - Personal reason, domestic obligation (explain)
( ) 1610 - Personal reason, marriage
( ) 1630 - Personal reason, school hours conflict
( ) 2000 - Pregnancy
( ) 0500 - Quit voluntarily during assignment, no notice given (temporary employment)
( ) 0900 - Refused offer of work
( ) 2500 - Attend school
( ) 2300 - To stay at home
( ) 1700 - Transportation problem
( ) 2200 - Walked off job
( ) 0400 - Other (explain)

DISCHARGED

( ) 4000 - Excessive absenteeism (give dates)
( ) 4100 - Excessive unreported absenteeism (give dates)
( ) 3700 - Excessive tardiness (give dates)
( ) 4200 - Excessive absenteeism and tardiness (give dates)
( ) 5900 - Failed to report to work (give dates)
( ) 3800 - Failure to report intended absence as required by agency rule
( ) 3900 - Left work without permission
( ) 5500 - Cash shortages
( ) 4600 - Destruction of agency property (amount)
( ) 5800 - Falsification (give details)
( ) 4300 - Fighting on agency property
( ) 5100 - Inability to perform job (not protestable)
( ) 4900 - Insubordination (give details)
( ) 3300 - Being intoxicated on the job
( ) 3100 - Reported intoxicated
( ) 3200 - Using intoxicant on the job
( ) 6400 - Medical disabilities
( ) 4500 - Misuse of equipment (give details)
( ) 5600 - Personality conflict
( ) 4400 - Refused to perform job duties
( ) 5000 - Sleeping on job
( ) 5300 - Unauthorized removal of agency property (give details)
( ) 4800 - Violation of agency policy (state policy)
( ) 5400 - Violation of safety rules (state rule)
( ) 5200 - Other (explain)

LACK OF WORK

( ) 7610 - Temporary lack of work (give recall date)
( ) 8700 - Assignment completed (temporary employment)
( ) 7620 - Job eliminated
( ) 7640 - Location closed
( ) 7630 - Seasonal employment
( ) 7700 - Working all available hours

MISCELLANEOUS

( ) 8500 - Deceased
( ) 6910 - Disciplinary action - suspension
( ) 7500 - Hours cut at claimant request
( ) 9100 - No protest per employer
( ) 8600 - Not available for work
( ) 9800 - On worker's compensation (give dates)
( ) 9300 - Records not available
( ) 8100 - Refused job offer (give date)

LEAVE OF ABSENCE

( ) 7200 - Leave of absence (give return date)
( ) 7240 - Military leave (give return date)

RETIREMENT

( ) 1010 - Voluntary with pension (give amount)
( ) 1030 - Disability - job related
( ) 1040 - Disability - not job related

SCHOOL PROGRAM

( ) 8620 - In the "school portion" of program (give return date)
( ) 7611 - Graduated, no work available
( ) 8630 - Other (explain)

C

REMARKS _____

Employee Retired on (Date): _____

If in receipt of severance pay, give amount and duration: _____

D

Agency Name DEPARTMENT OF TRANSPORTATION

Administration _____

Region/Office/Division _____

Address _____

City _____

State _____ Zip _____

FOR THE FRICK COMPANY USE ONLY

T66Z

Contact Name: _____

Phone: ( ) _____

Date: _____

REV 5/88 UCFE

INSTRUCTIONS

This form is to provide information to The Frick Company, which will be used in determining eligibility for unemployment benefits. It is important that each portion of the form be read and filled in when applicable. In some instances it is possible to receive charges and yet not receive a claim to protest. Prompt completion of this form will enable us to detect such charges.

A. Be sure to properly indicate the date separated and verify the Social Security Number to insure correct processing of future claims.

B. REASON FOR TERMINATION

QUITS: Check the most descriptive reason and offer any comments in the remarks section. Comments should include answers to these questions. Did the employee cite a problem he was having or a specific dislike? Did he give you an opportunity to explain or correct the problem? When available, attach a copy of any signed resignation statement (SF-50) citing reason.

DISCHARGES: It is important that the actual last incident be checked as the reason for discharge. Do not check more than one reason but rather indicate those contributing factors in the remarks section. If there is no appropriate reason listed, check "other" and explain in the remarks section. Comments should include the answers to these questions: Was the employee warned (if so be sure to provide dates)? Did he admit fault; was a grievance filed? How was the employee made aware of the rule(s) broken?

FOLD HERE FIRST

RETIREMENT: It is important that you properly classify the retirement as voluntary or involuntary. It is voluntary only if continuous work was available.

JOB REFUSALS: Employees who chose to be laid off rather than accept another position temporarily should be reported as job refusals. Be sure to indicate the individuals employment status at the time of the job refusal (ie: laid off for lack of work, refused recall.)

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LACK OF WORK: This includes plant closings, reductions in force, hires for temporary work only, or any situation where work is no longer available.

LEAVE OF ABSENCE: Indicate the type of leave granted and attach a copy of the signed request to this form. You must submit another notice advising that the employee is now separated if he fails to return from the leave.

C. A claimant's eligibility can be affected by things other than the reason for termination. This section provides The Frick Company with that type of information.

REMARKS: The more information supplied, the less will be left to the imagination of the State in their effort to pay benefits.

D. Be sure to identify your location and to provide a phone number where additional information can be obtained.

FOLD HERE LAST AND
PLACE FORM IN WINDOW ENVELOPE

THE FRICK COMPANY
UCFE Dept.
P.O. Box 66945
St. Louis, MO 63166

Attachment 4

HOW TO COMPLETE THE FRICK SEPARATION FORM

GENERAL

The Frick Separation Form (FSF) has been designed to provide the contractor with detailed information relative to the employee's separation or change to nonpay status that is most meaningful to state eligibility criteria for unemployment compensation. (All covered personnel actions are hereafter simply referred to as "separations".)

State Unemployment Offices make eligibility determinations based upon the **specific and final** reason or event that triggered the separation, even though other reasons or incidents may have contributed. The official nature of action code provided on the SF-50 is frequently inadequate for the purpose of unemployment claim determination and for this reason generally cannot be used.

To simply state that an employee was separated because of "misconduct", "retirement", or "for personal reasons" does not provide sufficient detail to satisfy the state requirements. It is necessary to go beyond these broad, generic categories to the specific explanation. To illustrate:

Inadequate Reason	Adequate Reason
Resignation	o Left to establish own business o Left to enter college o Left after receiving notice of proposed removal due to drinking on the job
Retirement	o Disability retirement - unable to load and unload mail carts; no other work available o Voluntary retirement in lieu of separation due to RIF

It will often be necessary for the personnel office to obtain the additional factual information surrounding the separation from the supervisor, employee or other management official possessing first-hand knowledge.

SPECIFIC

1. **Questions concerning completion of the FSF may be directed at any time to the Frick representative, Karin Nelson, at 800-333-3306, extension 224.**

2. Whenever there is no adequate category on the FSF, check "other" and explain the situation in the "Remarks" section.

3. **Voluntary retirement and work is still available** -- check block 1010 and provide details in "Remarks".

4. **Leave without pay** -- check block 7200 and provide reason for the leave and expected date of return in "Remarks" section.

5. **Military leave** -- check block 7240 and provide return date in "Remarks" section.

6. **Suspension for 5 or more days** -- check block 5200 and provide the reason for the suspension and return date in "Remarks" section.

7. **Death** -- check block 8500 and provide date of death.

8. **Voluntary request to reduce working hours** -- check block 7500 and provide details in "Remarks" section.

9. **Absence without leave for 5 or more consecutive days** -- check block 0100.

10. **Separation due to reduction in force** -- check block 7620.

11. **Furlough of 5 or more days** -- check block 760 and provide expected recall date in "Remarks" section.

12. **Reduction in force or furlough involving 25 or more employees** An FSF need not be completed for each employee. A list is to be submitted to Frick providing the following: name, organizational location, social security number, amount and duration of severance pay, and expected recall date for furloughed employees.

13. **Severance pay** -- for any employee eligible for severance pay, provide the amount and duration in the "Remarks" section.

14. **To prevent filing of appeal** -- check block 9100.

15. **Refusal to work** -- check block 8100 and give specific information on job offer.