



**Comments Before the House Appropriations Committee
Connor Cross, Director of Human Resources, Syndeo Outsourcing
February 4, 2021**

My name is Connor Cross and I am the Director of Human Resources for Syndeo Outsourcing. Syndeo is a Professional Employer Organization (PEO) and full-service HR outsourcing company. We represent over 100 employers in the state of Kansas which constitutes more than 7,000 worksite employees. We currently manage approximately 175 separate Kansas unemployment employer accounts. Due to the sheer number of clients, worksite employees and employer accounts we manage, we are uniquely situated to speak on issues and opportunities related to the Kansas unemployment system. In addition, since we operate in 32 states, we are able to compare the state of Kansas unemployment to other states.

To speak a little but about my background with the company, I have been with Syndeo for 12 years. For 10 of those years, up until the past two years, I was the unemployment administrator for all of our clients. Because of this experience, I have the history and background to be able to compare the state of the unemployment system pre-COVID and now.

To put it simply, the volume of fraudulent unemployment claims has become nearly unmanageable. As a company that prides itself on timely response to each and every unemployment claim, a task that once took 10-15 hours a week now takes 80 or more hours a week. My team of HR professionals work tirelessly with KDOL, our clients and worksite employees to ensure legitimate claims are responded to and fraudulent claims are appropriately blocked. Some weeks, 40-50% of the claims we respond to are fraudulent. We routinely receive fraudulent claims in duplicate, even after we have requested they be blocked. We are spending so much time on fraudulent claims, often times it does not feel like legitimate claims are given the time and effort they deserve at the state level.

Throughout the course of this pandemic, there have been ongoing breakdowns at the state-level that leave us constantly thinking "This is it – it can not possibly get worse." Inevitably it does. Most recently we have stopped receiving SIDES notices for new unemployment claims. The last day we received these was January 15, 2021. Because we are no longer receiving e-mail notices that new claims have been filed, we have to log in to all 175 of our employer accounts daily to see if there are new claims pending. We tried numerous times to get in contact with someone at KDOL, but the system is so overrun, we have yet to receive a response on our inquiries. Our President/CEO went as far as to reach out to a member of the House of Representatives that he knows. After this, we finally received a response that yes, the system was having issues but they did not know when it would be fixed. We are now going on the third week of operating in this manner and have had to explore options to outsource some of the administrative aspects of our unemployment program. Already spending 80 or more hours a week, up from the 10-15 hours a week it normally takes to manage unemployment within our organization, we simply do not have any additional internal resources to devote. However, we refuse to fail our clients and worksite employees.

In conclusion, something has to change at the state level. Employers need more support, claimants need more support and the entire state unemployment system, especially the technology, needs a complete overhaul. It is disappointing that after almost a year now, KDOL has still not been able to develop a plan to improve operations and support Kansans – both employers and employees alike. We expect more. My suggestion would be to put together a task force of Kansas employers and KDOL representatives to work together to find solutions to this ongoing problem.

Thank you for your time and I appreciate the opportunity to speak on behalf of Syndeo, our clients and our employees.

Connor Cross
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