



Division of Human Resources

(316) 973-4769
FAX 973-4417

903 S Edgemoor
Wichita, KS 67218

February 3, 2021

1. Unemployment claims have been a huge burden for us in 2020.
 - a. In a typical year we received 300 to 500 claims.
 - b. In 2020 we processed 4,006 total claims as of 12/31/2020
 - i. Over half of these claims are possible fraud.
 - ii. The potential liability of 2003 claims could be **\$776,583.13**
 - c. Of those claims, 45% are still pending at the state
 - i. According to Employer's Unity, that is a possible \$7 million liability.
 - d. In December of 2020 we received 873 claims due by 12/31/2020
 - i. 21% of the total claims for 2020 were received in December alone
 - ii. Over half of those are for active employees and are most likely fraudulent claims.
 - iii. The financial implications for the school district is large as we are a reimbursers. In a time with finances are already strapped due to enrollment numbers going down due to the pandemic and normal loss of students.
2. Process changes over the last year.
 - a. We use a 3rd party to respond to unemployment claims
 - b. Until December 2020, we used Employer's Unity
 - i. We would respond to claims via-spreadsheet, which still requires us to research each claim.
 - ii. These spreadsheets would have anywhere from 100 to 500 claims on them.
 - iii. We had 4 people working on these spreadsheets, to get them sent back timely
 - iv. Some of us were working overtime, as we also had other job duties
 - v. Employer's Unity was unable to keep up with responding to claims timely as they were working 12 hour days and hiring new employees to help.
 1. We have lost a few claims due to timeliness, because Employer's Unity didn't respond on time.

- c. In December Employer's Unity transitioned to Equifax
 - i. We now must respond to each claim individually
 - ii. We have hired another employee to work on sending emails to active employees to alert them that a claim has been made and record all that tell us they did not file
 - iii. I work long hours to try to keep up with the volume of claims that we are getting.
 - iv. Our other 2 employees have had to work over-time to keep up with the claims as well.
- 3. Complaints from employees who were victims
 - a. They can never get through to KDOL, as the hotline says the queue is full and hangs up on them.
 - b. Several never received an email after "reporting" the fraudulent activity on the KDOL website.
 - c. Some received an email, but no case number after "reporting" the fraudulent activity on the KDOL website.
 - d. No one received any further communication regarding the fraudulent claims, so they don't know if the claims were taken care of
 - e. Many are now upset because they are receiving 1099-G tax forms for money they didn't received.
 - i. This is causing a lot of frustration as they did what the KDOL recommended to stop the fraudulent claim.
- 4. Unemployment fraud has affected me personally
 - a. My husband did apply for unemployment in July and received it. Someone else filed using his information in December. We reported this fraudulent claim in December. We are now needing the 1099-G so we can file our taxes. However, he cannot request a new 1099-G because the email that they have on file belongs to the person who committed the fraud. We can't access anything now and we cannot get through on any hotlines as the queue is always full.

Sincerely,

Diana Price

Manager, Human Resource Information