



INDIANA
WORKFORCE
DEVELOPMENT

QUARTERLY WAGE REPORTS AND OCCUPATION INFORMATION

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HISTORY

- Why did Indiana Change?

- Notified in 2017 that our UC1 lockbox vendor would be ending our contact
- Data Driven foundation as a pillar for Indiana's Next Level Jobs initiative launched.

The two needs came together at the right time to make the change

THE DECISION PROCESS

- Meetings with all interested divisions
 - Negotiation – Wants / needs / reasonable request
 - Goal / purpose for change...

Net reporting must be the same or less burdensome for employers and provide tangible results to the State

- Ease of reporting - Static data persists (hire date, SOC, name, SSN)
- User Education and support
- Contributions – statute-based elimination of under/over payment
- Tracking Training and certification outcomes
- Data point (survey) vs. data series (quarterly reporting)
- Trust fund solvency – Benefit Payment, overpayment, multi-state reporting errors and fraud
- Evidence based evaluation of issues such as skill gap, payment equity, turnover, longevity, etc.

REQUIRED SYSTEM CHANGES

- ESS (Employer Self-Service) complete rewrite
 - Updated look and feel
 - Enhancements including integrated e-payment and .CSV file format
 - Amendment by file replacement
- Benefits Domain changes
 - Bifurcation of Wages and Wage Credits
 - Utilizing the new fields in BPC investigations
- Tax Domain changes
 - Add new fields
 - Calculate the assessment
 - New work item – conflicted registration
 - New work item – multi-state wage base credit
 - New work item – potential registration error
 - New work item – gross wage change approval request

REQUIRED LEGAL CHANGES

- No Statute Changes:
 - Indiana's statutory changes towards electronic reporting, payment, communication were made beginning in 2005 with original modernization efforts.
 - The Agencies powers are written with very broad language ...

The department of workforce development may do all acts and things necessary or proper to carry out the powers expressly granted under this article, including the adoption of rules under IC 4-22-2.

- Rule Promulgation
 - Completed in March 2019
 - We received no public comments on the expanded reporting requirements

THE RULE

(a) Every employer subject to IC 22-4 shall report the following information to the department in the form and manner prescribed by the department:

- (1) Federal employer identification number assigned to the employer by the Internal Revenue Service.
- (2) Total gross wages paid to all employees.
- (3) Total remuneration paid for covered employment.
- (4) Total wages subject to contribution.
- (5) Total number of employees on the payroll.
- (6) For every employee, the following:

THE RULE

(6) FOR EVERY EMPLOYEE THE FOLLOWING:

- (A) Full first name.
- (B) Full last name.
- (C) Social Security number or individual taxpayer identification number.
- (D) Gross wages paid.
- (E) Start date.
- (F) Zip code of the physical work site location.
- (G) Whether the employee is classified by the employer as full-time or part-time, or whether the employee is designated as a seasonal worker pursuant to a decision issued by the department.
- (H) Whether the employee worked for the employer during the week containing the twelfth day of the month for each month in the quarter. (the BLS language is used in the completion instructions)
- (I) Standard Occupational Classification code applicable to the employee as prescribed by the United States Department of Labor Bureau of Labor Statistics.

COMPLIANCE INCREASES

SOFT LAUNCH APPROACH – NO FINES FOR FAILURE TO REPORT ANY NEWLY REQUIRED FIELD.

1Q2019

Number of records received: 3,477,792

Valid SOC Codes: 656,523 (18%)

Valid Zip Codes: 1,630,632 (47%)

Full-time / Part-time indicator: 2,500,982

2Q2021

Number of records received: 3,558,794

Valid SOC Codes: 1,532,723 (43%)

Valid Zip Codes: 1,630,632 (71%)

Full-time / Part-time indicator: 3,150,386

KNOWN BENEFITS – TRUST FUND / TAX

- Tax Status Quality – recognition or proof of:
 - Registration errors (Zip Code)
 - Fictitious employers (NAICS to SOC, Zip Code)
 - Unreported Transfers (Start Date)
- Assessment Accuracy – reduction or elimination of:
 - Localization Errors (primary zip code)
 - Taxable wage credit errors (successorship, multi-state employment)
 - Wage base calculation errors (math, SSN keying errors, FUTA vs. SUTA, zero)

KNOWN BENEFITS – IMPROPER PAYMENTS

- Continuing claim - Start date
- Continuing claim - Employment type
- Fictitious employer identification – NAICS to SOC
- Identity theft – SOC to SOC

BUILDING BENEFITS – RESEARCH & ANALYSIS

- Vet accuracy of employer reporting to itself
- Vet accuracy of employer reporting to BLS surveying
- Staffing pattern ratios
 - Wage comparisons
 - Occupational projections
 - Educational investment planning
 - Data, data and more data

Evidence based outcomes

DEVELOPING BENEFITS – WORKFORCE

- Outcomes based results
 - Tracking training, employment history, unemployment history, salary growth / decline
 - Identifying adaptive skills between occupations
 - Understanding career pathways
 - Developing reemployment strategies
 - Feeding the AI data
 - Career planning
 - Skill assessment
 - Employer needs assessments and projections



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QUESTIONS??