

**RIVER ROAD INDEPENDENT SCHOOL DISTRICT
BOARD OF EDUCATION
AMARILLO, TEXAS**

Subject: Unemployment Compensation
Renewal

Date: Monday, June 24, 2013

Presented By: Mike Hodgson
Business Manager

Related Page(s): This page +3

ACTION

BACKGROUND INFORMATION:

We have received our rate information for our Unemployment Compensation Program for 2013-2014 from TASB Risk Management and we are receiving a twenty percent (25%) decrease in our rates as shown here:

<u>2012-2013 Rate</u>	<u>2013-2014 Rate</u>	<u>Increase/(Decrease)</u>	<u>% Change</u>
\$15,330	\$11,498	(\$3,832)	-25%

This rate decrease follows a 20% rate decrease last year.

BOARD ACTIONS REQUESTED:

It is requested that the Board approve the renewal of our unemployment compensation insurance and authorize the Business Manager, Mike Hodgson, to sign the agreement as River Road ISD's Authorized Representative.



May 16, 2013

Mrs. Lori Vickers
River Road ISD
9500 US 287 N
Amarillo, Texas 79108-1618

Re: 2013-14 Unemployment Compensation Renewal

Dear Mrs. Vickers:

The TASB Risk Management Fund (Fund) is pleased to present the 2013-14 renewal proposal for your continued participation in the Fund's Unemployment Compensation (UC) Program. The Fund's strength and stability mean our members can rest assured that we will be there with outstanding service, cost savings and the innovation it takes to bring simplicity to your processes. Consistent with those goals, your renewal reflects a decrease in costs for UC coverage for 2013-14:

2012-13 Contribution:
\$15,330

2013-14 Contribution:
\$11,498

To accept the renewal for continued participation in the Fund's UC program for 2013-14, please take the following steps:

- Execute the attached Contribution and Coverage Summary for the UC program.
- **Send the executed document by email to tasbrmf@tasbrmf.org or by regular mail to: P.O. Box 301, Austin, Texas 78767-0301 by September 1 to ensure there is no interruption in coverage.**

In 2014, the Fund will celebrate 40 years of providing risk management services to educational entities across Texas. Our single-focused mission to support public education is the foundation for providing members with the best in risk management coverage and services. The Fund customizes coverage for educational entities, which means members may not need additional endorsements, or separate policies to provide complete coverage.

We are pleased that the Fund is in a position to reduce your unemployment compensation contributions. I will be happy to review the renewal proposal with you and answer any questions you might have. Thank you for your membership in the TASB Risk Management Fund. We look forward to another successful year!

Sincerely,

Elizabeth York, CSRM
Risk Management Consultant
Risk Management Services
Texas Association of School Boards, Inc.

**TASB RISK MANAGEMENT FUND
Unemployment Compensation Program
Contribution & Coverage Summary (CCS)**

River Road ISD CD# 188902

Participation Period:	October 1, 2013 12:01 a.m. to October 1, 2014 12:01 a.m.
2013-14 Annual Contribution:	\$11,498
2013-14 Rate:	.001697

The annual contribution is based on the Fund's overall expected claims costs for next year and each individual member's claims experience. The unemployment compensation rate is provided to assist Fund members with internal reporting and cost allocation. The rate is derived by dividing the annual contribution amount by the 2012 gross wages reported to Texas Workforce Commission (TWC). The annual contribution is not adjustable for the participation period due to changes in wages.

This is not an invoice. An invoice will be mailed to the program coordinator and is payable within 30 days of receipt.

TERMS & CONDITIONS

Agreement: As part of this Agreement the Fund assumes responsibility for the Fund Member's quarterly claim payments to TWC for the quarter in which Fund Member begins participation in this Agreement and for the term of this Agreement. Fund Member must be a reimbursing employer pursuant to the Texas Unemployment Compensation Act (TUCA) and must execute a Power of Attorney permitting the Fund to represent Fund Member in its relations with TWC.

Fund Member agrees to comply with the provisions of the TUCA and TWC rules and procedures, and to respond timely to TWC requests and requirements. Fund Member agrees to submit wage reports through electronic reporting to the Fund or TWC according to Fund and TWC requirements. Any fines or penalties imposed for Fund Member's failure to comply with the TUCA will be the sole responsibility of the Fund Member. If the Fund advances payment of any fine or penalty, Fund Member agrees to reimburse the Fund for all such costs. Upon termination of this coverage, Fund Member agrees to assume responsibility for claim payments and reports due to the TWC.

This Agreement provides coverage for the payment of statutory unemployment compensation benefits and assistance with general unemployment compensation matters such as administrative hearings before the TWC and preparation of required TWC reports. Coverage does not extend to any litigation involving unemployment claims or other employment related matters.

Contributions: The Fund Member agrees to pay contributions based on a plan developed by the Fund. All Contributions are payable upon receipt of an invoice from the Fund. An Additional Contribution over the Initial Contribution above may be collected by the Fund if the Fund's results of operations of the Unemployment Compensation program for the Participation Period are inadequate to pay the cost of Unemployment Compensation claims incurred during the Participation Period. The Additional Contribution will only be charged to Program Participant in the event the Program Participant's payments due to TWC under the Act exceed 200% of the Program Participant's 2013-14 Initial Contribution or \$10,000, whichever is greater. Any Additional Contribution shall be based solely on the Program Participant's own claims.

Assistance: In the Fund's discretion, the Fund may assist Fund Member at all administrative levels of the TWC. The Fund's assistance of Fund Member under this provision does not extend to litigation involving unemployment claims.

