

WIOAB 06-19

DATE: September 24, 2019

TO: All WIOA Subrecipients

FROM: Simon So, Financial Specialist Senior, Accounting Division 

SUBJECT: WIOA Participant Workman's Compensation Premium Refund

The Idaho Insurance Fund has refunded the Idaho Department of Labor all of the outstanding Workman's Compensation premium overpayments (credits) and Accounting has returned the credit of \$51,238.13 back to the active programs by regions in August, based on the region/program accrued amount for the past 6 years. WIOA Workman's Compensation credits are caused by two reasons:

- 1) Roundup of the rate accrued: the system accrual rate had been rounded up from the actual premium rate. The original thinking was to provide career planners with an amount that was easier remember and calculate for budgeting purposes.
- 2) The premium accrued rate was not the actual rate Labor paid addition to the roundup process. Changes occurred due to rate discounts, year-end credits and rate changes instituted by the Idaho State Insurance Fund, which generated refunds for impacted programs.

Since WIOA04 is replacing manual accruals and will use the rate from the system, accounting has used the premium discount rate of 1.947 percent for 2019. Hopefully this will solve future credit problems. Premium overpayments will be refunded as identified in the following table and will be included with the August reporting period as a reduction in participant expenditures:

	Adult	Youth	DW*	Total
Region 1 - IDOL	\$839.28	\$4,954.45	\$1,709.29	\$7,503.02
Region 1 - NIC	\$83.10			\$83.10
Region 2	\$424.78	\$5,246.39	\$3,253.08	\$8,924.25
Region 3	\$1,272.30	\$13,349.72	\$7,896.20	\$22,518.22
Region 4 - IDOL		\$2,364.15	\$37.04	\$2,401.19
Region 5	\$69.81	\$3,551.40	\$194.76	\$3,815.97
Region 6	\$576.24	\$3,089.14	\$2,327.00	\$5,992.38

*DW included all of the expired NEG credit

Questions may be directed to Simon So at (208) 332-3570, extension 3153.