# 31.02.07   Unemployment Compensation Program

Revised April 20, 2022
Next Scheduled Review:  April 20, 2027
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## Regulation Summary

Each member of The Texas A&M University System (system) is responsible for maintaining the Unemployment Compensation Program (Program) for unemployment compensation.  This regulation establishes procedures for members to maintain compliance with the Texas Unemployment Compensation Act and Program.

## Regulation

1.  GENERAL

    The Program provides that under certain conditions the Texas Workforce Commission compensates eligible workers for a portion of their wage loss during periods of unemployment.  The objective of the Program is to aid unemployed persons while they are looking for work by providing a weekly income at stipulated rates and for stipulated periods of time based on their past employment.  All employees of the system are covered by the Program.

2.  STATE PROGRAM

    The Texas Unemployment Compensation Act specifies that agencies of the state are "reimbursing" employers.  The system is charged with the total cost of benefits paid by the Texas Workforce Commission to eligible system employees, excluding those benefits paid to employees whose salaries or wages were paid from the General Revenue Fund.  The member is charged with 50 percent of the cost of benefits paid to former employees whose salaries or wages were paid from the General Revenue Fund.  The other 50 percent is reimbursed by the State Comptroller of Public Accounts from funds appropriated for this purpose.  The member is charged 100 percent of the cost of benefits paid to former employees whose salaries or wages were paid from Dedicated Funds, other Special Funds or Institutional Funds held outside the State Treasury.

3.  UNEMPLOYMENT COMPENSATION REVOLVING FUND

    3.1  A member Unemployment Compensation Revolving Fund (Revolving Fund) is maintained to provide a source of funds to pay the member's liability for benefits paid to former employees and to facilitate payment of related administrative expenses associated with the Program.

3.2 The Revolving Fund is financed by a payroll assessment of all non-general revenue salaries and wages, which excludes those individuals paid from the General Revenue Fund. This assessment rate may be adjusted annually based on the condition of the Revolving Fund and the experience of the Program for the preceding year(s). The member is authorized to establish guidelines which ensure that the unobligated balance of the Revolving Fund is adequate to cover any unexpected expenses.

3.3 The Revolving Fund is administered by the fiscal office of each member.

4. DEPARTMENTAL RESPONSIBILITIES

Each employing department has the responsibility for controlling the costs of the Program. Proper planning of staffing needs, sound hiring practices and adequate documentation for termination of employment contributes to the effective control of costs. Each department or unit observes the following:

(a) review applications of potential employees to verify the individuals' qualifications to adequately perform the services required;

(b) use the services of the member's human resources department to obtain new employees;

(c) report to the human resources department as early as possible those employees whose jobs are to be discontinued so relocation efforts can be made; and

(d) record the circumstances of each employment termination utilizing available processes.

5. ADMINISTRATIVE COORDINATION

Each member is responsible for claims investigation and processing, hearings and other aspects of internal program administration.

## Related Statutes, Policies, or Requirements

Tex. Lab. Code Ch. 201, Unemployment Compensation Act

Tex. Lab. Code Ch. 502, Workers' Compensation Insurance Coverage for Certain Government Employees

Tex. Lab. Code Ch. 205, Reimbursements

Texas Comptroller of Public Accounts – Fiscal Policies & Procedures APS 003

## Member Rule Requirements

A rule is not required to supplement this regulation.

## Contact Office

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