

# Unemployment Insurance: There is a safe, cost-effective alternative out there.

## What do high unemployment rates, increased taxes and negative State Trust Fund Balances mean to your nonprofit?

All these statistics mean less money for your cause. First Nonprofit Group provides more than 1,600 nonprofits around the country with unemployment insurance at affordable rates. Below is a sample savings analysis of one member since 2010.

### FIRST NONPROFIT



### STATE TAX



Member savings sample—  
**TOTAL SAVINGS '10-'14: \$167,977**



First Nonprofit Group  
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## \$3.1 Billion

### NEGATIVE STATE TRUST FUND BALANCE

The Michigan Unemployment Insurance Agency owed more than \$3.1 billion (in 2011) to the federal government. This loan was used to pay the excess claims the State Trust Fund could not cover. The state paid back the federal loan by securing a bond in the private market. An obligation assessment rate was added to employers' unemployment tax rates to pay the debt service on the bonds.

## 23% Increase

### INCREASED TAX COST

In order to replenish the trust fund, factors used in calculating unemployment rates were increased, therefore increasing the average unemployment tax cost per employee by 23% (from 2009 to 2014).

## \$15,000

### POTENTIAL WAGE BASE INCREASE

Pending federal legislation would increase Michigan's unemployment wage base from \$9,500 to \$15,000, therefore increasing the average unemployment tax cost per employee **from \$504 (in 2013) to \$796.**