

# Unemployment Insurance for Nonprofits: 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 1,700 nonprofits around the country with unemployment insurance at affordable rates. Below is a sample savings analysis of one member since 2010.

### FIRST NONPROFIT



### STATE UNEMPLOYMENT TAX (SUTA)



\$0 \$100,000 \$200,000 \$300,000 \$400,000 \$500,000  
■ 2010 ■ 2011 ■ 2012 ■ 2013 ■ 2014 ■ 2015

Member savings sample—

**TOTAL SAVINGS '10-'15: \$189,312**



First Nonprofit Group

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## New Jersey

### \$2 Billion

#### 2011: NEGATIVE STATE TRUST FUND BALANCE

In April 2011, the New Jersey Department of Labor and Workforce Development owed more than \$2 billion to the federal government. This loan was used to pay the excess unemployment claims the state trust fund could not cover.

### 60% Increase

#### INCREASED TAX COST

In order to replenish the trust fund, the Department of Labor and Workforce Development increased factors used in calculating state unemployment tax (SUTA) rates over recent years, therefore increasing the average unemployment tax cost per employee.

#### Cost Per Employee:

**\$596 | 2009**

**\$954 | est. 2014**

### 10.366%

#### IMPROPER PAYMENT RATE

The Department of Labor and Workforce Development had a 10.366% average improper payment rate from 2011 to 2014. Over \$335 million improper payments were made in 2014 alone.

Source: [doleta.gov](http://doleta.gov)