

# Unemployment insurance cost facts every *California nonprofit* should know

What do state unemployment taxes (SUTA), state unemployment reserve balances and claims overpayment rates mean to your nonprofit?



**These factors could mean less money for your nonprofit organization's cause.**

**\$6.3 Billion**

**NEGATIVE UNEMPLOYMENT STATE TRUST FUND BALANCE**

The California Employment Development Department owes more than \$6.3 billion to the federal government. This loan is used to pay the excess unemployment claims the State Trust Fund cannot cover.

**\$427 Million**

**UNEMPLOYMENT CLAIM OVERPAYMENTS**

The California Apr'14—Mar'15 unemployment claim overpayment rate was 7.445%, equaling over \$427 million.

**89%**

**COST INCREASE NEEDED TO MEET SOLVENCY STANDARDS**

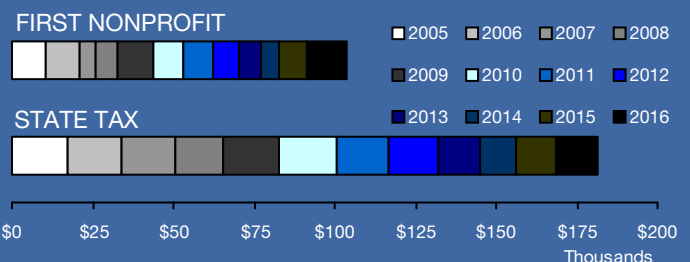
Employers across the country have seen unemployment tax rates increase as their state unemployment agencies strive to meet the US Department of Labor's Trust Fund solvency standards. In order to meet these standards, California's average cost per employee will have to increase by 89%, from \$357 (in 2015) to \$674.

**However, there are options to financing your nonprofit organization's unemployment costs...**



**First Nonprofit Group**  
An AmTrust Financial Company

First Nonprofit Group provides more than 1,800 nonprofit organizations and governmental entities around the country with unemployment insurance at affordable rates. To the right is a sample savings analysis of one California member since 2005.



**TOTAL SAVINGS '05-'16: \$77,603\***

\*Does not include member-owned reserve account balance.

Savings with reserve account balance: \$98,887.

Visit our website or call to request a free, no-obligation cost savings evaluation. Evaluations include a 2017 rate projection!

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