

FRAUD: It's A Crime



Did You Know?

Employers are required to report new employees and re-hired employees to the National and State New Hire Directories. This reporting process enables ADWS to quickly identify claimants who are committing UI fraud.

As soon as you obtain new full time employment, you must stop filing your UI claim.



Do Not Commit UI Fraud When Claiming Benefits!

Claiming Unemployment Insurance benefits based on providing false, misreported or unreported information to the Arkansas Department of Workforce Services is considered UI fraud. If you deliberately make a false statement or withhold information to receive benefits, you are committing an act of fraud. Such an act requires that serious penalties be assessed such as, but not limited to, lengthy penalty periods, complete reduction in benefits, overpayments, and prosecution.

If you are working full time (*at least 40 hours in one week for all employers combined*) you are not considered unemployed and must stop filing your UI claim.

If you become separated from employment while in claim status, you must report the separation when filing your weekly claim.

If you are working and collecting UI benefits you must report your work and earnings when filing your weekly claim. The following information will assist you in not committing UI fraud. While there are several types of payments that can affect a claim, the most common types of earnings are:

What days are included in the UI Claim week?

When filing your weekly claim, report your gross earnings based on the UI claim week. The UI claim week begins on **Sunday** at 12:01 and ends **Saturday** at midnight.

Working for An Employer—If you work during a week that you are claiming UI benefits you must report the total number of hours worked and your gross earnings—regardless of when you will be paid. This includes work performed for all employers whether it is full time, part time, or temporary. It also includes gross earnings whether it is in the form of a check, cash or any other form of payment for services rendered. **Remember**—you must report your **gross earnings** even if you have not received a paycheck. If you have any questions whether your earnings are reportable check with your local office before claiming the week.

Example 1: You worked 5 hours on Sunday, 4 hours on Tuesday and 5 hours on Saturday. You earned \$12 per hour. When filing your weekly claim, you would report that you worked 14 hours and earned \$168.

Example 2: You worked for 5 hours on Sunday, 4 hours on Tuesday and 5 hours on Saturday for Employer A. You earned \$12 per hour. You worked 8 hours on Monday and 10 hours on Friday for Employer B. You earned \$10 per hour. When filing your weekly claim, you would report that you worked 32 hours for Employers A and B and earned \$348 from Employers A and B.

Example 3: You worked 5 hours on Sunday, 5 ½ hours on Saturday, you earn \$9.50 per hour. When filing your weekly claim, you would report that you worked 10 hours and earned \$99.75. Since ArkNet and ArkLine only accepts the whole number of hours worked, you would report only 10 hours worked but your earnings must reflect your gross earnings for actual time worked (10 ½ hours times \$9.50 per hour).



Arkansas Department
of Workforce Services

FRAUD IS A CRIME punishable by fine and possible imprisonment. Please take this seriously!! WE DO!!

Help Stop Claimant and Employer UI Fraud!

If you believe someone is working and not reporting their earnings while claiming UI benefits, then help stop UI fraud by reporting the activity. Suspected UI fraud can be reported at www.dws.arkansas.gov by clicking on the Unemployment tab and selecting "Report UI Fraud."

Employers also commit UI fraud by failing to pay UI taxes on wages paid to their employees by misclassifying employees as independent contractors. Suspected Employer UI Fraud may be reported at www.dws.arkansas.gov by clicking on the Unemployment tab, selecting "Report UI Fraud" and "Reporting Employer Unemployment Insurance Fraud."

Read More About How Earnings Will Affect Your UI Benefits!!

Pages 11-16 of the UI Handbook provides detailed instruction on how to report earnings, including other types of earnings, and how earnings will affect unemployment insurance benefits. Pages 29-35 are earnings logs that you can use to help determine your gross earnings that must be reported each week.

An electronic version of the UI Handbook can be accessed at:

www.dws.arkansas.gov

Working in Self-Employment – If you were self-employed during a week that you are claiming UI benefits you must report the total number of hours worked and your earnings after "reasonable" business expenses have been deducted. Reasonable expenses are defined as being costs necessary for self-employment activities such as supplies, utilities, etc. If you are unsure of how to report earnings from self-employment or do not know the amount of earnings, please contact your local office for specific instructions before claiming the week.

Example: You work as a self-employed plumber. You worked 2 hours on Tuesday, 2 hours on Wednesday, 4 hours on Friday and 4 hours on Saturday with supply expenses of \$50. Your clients paid you a total of \$400. When filing your weekly claim, you would report that you worked 12 hours and your earnings are \$350 (earnings after reasonable deductions).

UI fraud is also committed when you fail to report an issue that has the potential to affect your continued eligibility for UI benefits. There are several activities that may occur during a week that you must report when filing your weekly claim. What are some of those activities?

- One of the basic requirements for receiving UI benefits is that you must be able and available to work each day of the week being claimed. Knowingly representing that you are able and available for work when you are not constitutes UI fraud. For example, being out of town for personal reasons, on vacation, lack of childcare, in jail, in the hospital, etc.
- UI fraud includes certifying that that you are making the required number of job contacts when in fact you are not.
- UI fraud includes failing to report becoming separated from part-time employment.
- UI fraud includes refusing an offer of work and not reporting the refusal.
- If you are unsure whether or not an activity must be reported contact your local office before the week is claimed.

USE ARKANSAS JOBLINK TO MAINTAIN YOUR ELIGIBILITY FOR UI AND FIND A JOB!!!

An Arkansas JobLink account was created for you when you filed your unemployment insurance claim. If you are required to conduct weekly work searches, AJL provides access to all the services available from ADWS so you can conduct job searches, build and post a resume online, research career information and receive email notifications on new job openings.

To maintain eligibility for unemployment insurance benefits, all claimants must meet the work registration requirement for the State of Arkansas. In addition to meeting the registration requirements, maintaining an active work registration through AJL provides additional job seeking opportunities. Job seekers should access AJL at www.arjoblink.gov to update and maintain their work registrations as well as access services.

To keep your AJL account active, log in to AJL, at least weekly, and search for suitable employment. If you no longer remember your AJL user ID or password, please follow the links on the AJL website to obtain your AJL user ID and to reset the password for your account.

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