

Ran



August 28, 2003

EMPLOYER
ATTN: Aaron V Brown, VP
PO Box OU812
CITY, IA 59999

Dear Aaron,

Enclosed is information about Voluntary Shared Work for you to review. I have included an information sheet about Voluntary Shared Work, a copy of the Iowa code that applies, an application for the company for Voluntary Shared Work, a sample of the application for employees with information sheets for the employer and the employee, plus specifications and instructions for transmitting the payroll to me on floppy disk.

Please be advised that there is no relief from benefit charges when you participate in this program. Benefits are paid to help support workers participating. This means further that there will be a negative impact on the unemployment tax rate for the next five years from any benefit charges paid under this program.

We receive a large amount of mail at the Unemployment Insurance Service Center. To insure smooth and timely transition of our correspondence, please have it clearly marked, ATTN: ANDREW COXE, VOLUNTARY SHARED WORK COORDINATOR.

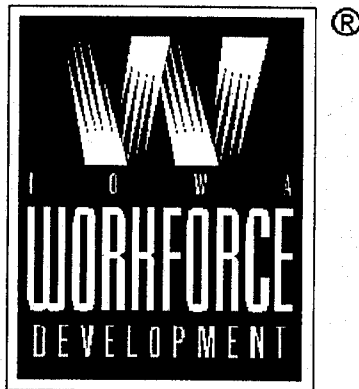
If you have any questions, please do not hesitate to contact me.

I look forward to hearing from you.

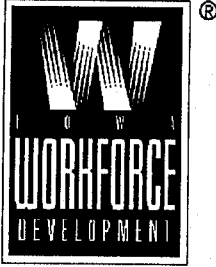
Sincerely,

Andrew Coxe
Voluntary Shared Work Coordinator
Iowa Workforce Development
PO Box 10332
Des Moines, IA 50306-0332
OFFICE: 515/242-0429 FAX: 515/242-0495

VOLUNTARY SHARED WORK PROGRAM



ANDREW COXE, VSW COORDINATOR 515/242-0429



VOLUNTARY SHARED WORK

ADMINISTERED BY IOWA WORKFORCE DEVELOPMENT

EMPLOYER INQUIRY PACKET

CONTENTS:

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- Voluntary Shared Work/Instructions for Transmitting VSW Payrolls
- Voluntary Shared Work/Specifications for Magnetic Filing of VSW Continued Claims

Please address any inquiries to:

Iowa Workforce Development
ATTN: Andrew Coxe, Voluntary Shared Work Coordinator
P O Box 10332
Des Moines, Iowa 50306-0332

Phone: 515/242-0429
Fax: 515/242-0495

VOLUNTARY SHARED WORK PROGRAM

The Voluntary Shared Work Program is designed to assist workers during periods of short term unemployment. This is when the employer is unable to provide a full work week due to such reasons as supply shortages and scheduling problems. During regular unemployment, a portion of the earnings made by the employee during a short work week are deducted and usually prevent the employee from receiving any benefits. With Voluntary Shared Work, the individual will receive a portion of the weekly benefit amount equal to the percentage the work week has been reduced, up to 50%. For example, if a work week is shortened from 5 days to 4, the worker would receive 20% of the weekly benefit amount. The reduction in hours must be in lieu of temporary layoffs. It must have affected at least 10% of the workers in the affected units, (a specified plant, department, shift or other definable unit), and that a plan consist of at least 5 workers. The reduction in wages must be applied equally to all of the full-time employees in the affected unit. Shared work may not be used as a subsidy of seasonal work during an "off season". Once a shared work plan has been approved, the employer may not hire additional employees in the affected work unit, except as replacements due to attrition.

Under the circumstances described by Mr. logha, it would seem that a shared work plan would be a good option for the employer and the employees. He mentions that some lines must run 5 days a week and that not all employees are trained to work on these lines. The employees on the other lines affected by supply shortages would be an easily definable work unit and would qualify under a shared work plan, as long as the reduction in hours was from 20% to 50% or from 32 to 20 hours.

Voluntary Shared Work is administered directly by the Claims Bureau. The plans are written to join the Bureau, the employer and the affected employees in a partnership to lessen the effects of these kinds of disruptions in the normal work flow.

The application process typically takes one to two days. Employees fill out a half-sheet application. Weekly claims on computer disk are mailed by the employer directly to the Voluntary Shared Work (VSW) Coordinator for computer entry. There is no need for the workers to go to the local Workforce Development Centers. Questions and problems are channeled through the employer to the VSW Coordinator for resolution. If necessary, an on-site visit may be arranged to assist in the application process, to speak with affected workers and to answer questions.

ANDREW COXE, VSW COORDINATOR 515/242-0429

VOLUNTARY SHARED WORK PROGRAM 96.40

1. An employer who wishes to participate in the shared work unemployment compensation program established under this section shall submit a written shared work plan in a form acceptable to the department for approval.

As a condition for approval by the department, a participating employer shall agree to furnish the department with reports relating to the operation of the shared work plan as requested by the department. The employer shall monitor and evaluate the operation of the established shared work plan as requested by the department and shall report the findings to the department.

2. The department may approve a shared work plan if all of the following conditions are met:
 - a. The employer has filed all reports required to be filed under this chapter for all past and current periods and has paid all contributions due for all past and current periods.
 - b. The plan certifies that the aggregate reduction in work hours is in lieu of temporary layoffs which would have affected at least ten percent of the employees in the affected unit or units to which the plan applies and which would have resulted in an equivalent reduction in work hours. "Affected unit" means a specified plant, department, shift, or other definable unit.
 - c. The employees in the affected unit are identified by name and social security number and consist of at least five individuals.
 - d. The shared work plan reduces the normal weekly hours of work for an employee in the affected unit by not less than twenty percent and not more than fifty percent with a corresponding reduction in wages. Only full-time employees who normally work between thirty-five and forty hours per week are eligible to participate.
 - e. The reduction in hours and corresponding reduction in wages must be applied equally to all of the full-time employees in the affected unit.
 - f. The plan provides that fringe benefits will continue to be provided to employees in affected units as though their workweeks had not been reduced.
 - g. The plan will not serve as a subsidy of seasonal employment during the off season, nor as a subsidy of temporary part-time or intermittent employment.
 - h. The employer certifies that the employer will not hire additional part-time or full-time employees for the affected work force while the program is in operation.
 - i. The duration of the shared work plan will not exceed twenty-six weeks. An employing unit is eligible for approval of only one plan during a twenty-four month period.
 - j. The plan is approved in writing by the collective bargaining representative for each employee organization or union which has members in the affected unit.
3. The employer shall submit a shared work plan to the department for approval at least thirty days prior to the proposed implementation date.
4. The department may revoke approval of a shared work plan and terminate the plan if the department determines that the shared work plan is not being executed according to the terms and intent of the shared work unemployment compensation program, or if it is determined by the department that the approval of the shared work plan was based, in whole or in part, upon information contained in the plan which was either false or substantially misleading.
5. An individual who is otherwise entitled to receive regular unemployment compensation benefits under this chapter shall be eligible to receive shared work benefits with respect to any week in which the department finds all of the following.

- a. The individual is employed as a member of an affected unit subject to a shared work plan that was approved before the week in question and is in effect for that week.
 - b. The individual is able to work, available for work, and works all available hours with the participating employer.
 - c. The individual's normal weekly hours of work have been reduced by at least twenty percent but not more than fifty percent, with a corresponding reduction in wages.
6. The department shall not deny shared work benefits for any week to an otherwise eligible individual by reason of the application of any provision of this chapter which related to availability for work, active search for work, or refusal to apply for or accept work with an employer other than the participating employer under the plan.
 7. The department shall pay an individual who is eligible for shared work benefits under this section a weekly shared work benefit amount equal to the individual's regular weekly benefit amount for a period of total unemployment, less any deductible amounts under this chapter except wages received from any employer, multiplied by the full percentage of reduction in the individual's hours as set forth in the employer's shared work plan. If the shared work benefit amount calculated under this subsection is not a multiple of one dollar, the department shall round the amount so calculated to the next lowest multiple of one dollar. An individual shall be ineligible for shared work benefits for any week in which the individual performs paid work for the participating employer in excess of the reduced hours established under the shared work plan.
 8. An individual shall not be entitled to receive shared work benefits and regular unemployment compensation benefits in an aggregate amount which exceeds the maximum total of benefits payable to that individual in a benefit year as provided under section 96.3, subsection 5. Notwithstanding any other provisions of this chapter, an individual shall not be eligible to receive shared work benefits for more than twenty-six calendar weeks during the individual's benefit year.
 9. Notwithstanding any other provisions of this chapter, all benefits paid under a shared work plan, which are chargeable to the participating employer or any other base period employer of a participating employee, shall be charged to the account of the participating employer under the plan.

An employer may provide as part of the plan a training program the employees may attend during the hours that have been reduced. If the employer is able to show that the training program will provide a substantive increase in the workplace and employability skills of the employee so as to reduce the potential for future periods of unemployment, the department shall relieve the employer of charges for benefits paid to the individual attending training under the plan. The employee may attend the training at the work site utilizing internal resources, provided the training is outside of the normal course of employment, or in conjunction with an educational institution.

10. An individual who has received all of the shared work benefits and regular unemployment compensation benefits available in a benefit year shall be considered an exhaustee, as defined in section 96.19, subsection 20, for purposes of the extended benefit program administered pursuant to section 96.29.

STATE OF IOWA--IOWA WORKFORCE DEVELOPMENT--60-0333 (4-91)
VOLUNTARY SHARED WORK-EMPLOYER APPLICATION

AGENCY USE ONLY
PLAN NUMBER

EMPLOYER INFORMATION



® EMPLOYER NAME _____
EMPLOYER ACCOUNT NUMBER _____
ADDRESS (No., Street, or POB) _____
CITY, STATE, ZIP CODE _____
TELEPHONE NUMBER (Include Area Code) _____
FAX NUMBER (Include Area Code) _____

If business location or name of company or subsidiary where work sharing will occur is different than above, complete all items below:

A. NAME: _____
B. ADDRESS: _____

(City) (State) (Zip)
C. TELEPHONE NUMBER: (_____) _____
(Area Code)

NUMBER OF AFFECTED WORKERS
PLAN TO REDUCE HOURS BY:
From _____% To _____%

Will reduction in hours affect participating employees' fringe benefits? YES / NO

If YES, please explain. _____

Expected duration (weeks) of reduced work: _____

Are any employees who will participate in this plan covered by a collective bargaining agreement? YES / NO

If YES, the collective bargaining agent must complete and sign the collective bargaining concurrence statement on the second page.

Affected work unit designation (Plant, department, shift, other unit)

Number of Employees In Unit Sharing Work:

FOR AGENCY USE ONLY-DO NOT COMPLETE BELOW THIS LINE

EMPLOYER CURRENT: **YES / NO**

DETERMINATION: BEGINNING _____ ENDING _____ DURATION _____
(Month, Day, Year) (Month, Day, Year)

APPROVED / DENIED

REASON FOR DENIAL:

Division Address of Record:

EMPLOYER CERTIFICATION

I understand every two weeks during the time the Voluntary Shared Work Plan is in effect, your office will mail a claim form to those employees in the affected unit. I will be responsible for completing our part of the form, having each employee complete his or her portion, and mailing the forms to your office. I certify that the implementation of this Voluntary Shared Work Plan and the resulting reduction in work hours is in lieu of temporary layoffs that would affect at least 10% of the affected unit. I will not hire new part-time or full-time employees for the affected unit during the time the plan is in effect.

EMPLOYER OR REPRESENTATIVE	TITLE
SIGNATURE	DATE

COLLECTIVE BARGAINING INFORMATION

UNION NAME	LOCAL NUMBER	UNION OFFICIAL
TITLE OF OFFICIAL	SIGNATURE	DATE

**STATE OF IOWA---IOWA WORKFORCE DEVELOPMENT---60-0332(04-03)
VOLUNTARY SHARED WORK EMPLOYEE INFORMATION APPLICATION**

SOCIAL SECURITY NUMBER		EMPLOYEE NAME (LAST) (FIRST) (MIDDLE INITIAL)		
MAILING ADDRESS (Street No., RR, or POB)		CITY	STATE	ZIPCODE
BIRTH DATE (Month, Day, Year)	SEX Male Female	YOUR TELEPHONE NO. (Include Area Code)		COUNTY OF RESIDENCE (Name & Number)
DEPENDENT CREDIT: Enter total number of Dependents (excluding yourself) claimed under Federal Income Tax guidelines and that are not being claimed by anyone else on a current unemployment claim.		NUMBER OF DEPENDENTS	EFFECTIVE DATE TAXES YES NO	REGULAR WEEKLY WORK HOURS Hours <u>40</u> To <u>32</u> (Reduced Hours)
U.S. CITIZEN YES NO	ARE YOU RECEIVING A PENSION? YES NO	DIRECT DEPOSIT YES NO	EMPLOYER-IOWA ACCOUNT NUMBER VSW PLAN NUMBER	
I hereby give permission to the Iowa Workforce Development to file for me an initial claim for unemployment insurance benefits if needed to participate in the Voluntary Shared Work Plan. I understand this claim will be effective the first week of reduced work hours following approval of the plan. SIGNATURE _____ DATE _____				

**STATE OF IOWA---IOWA WORKFORCE DEVELOPMENT---60-0332(04-03)
VOLUNTARY SHARED WORK EMPLOYEE INFORMATION APPLICATION**

SOCIAL SECURITY NUMBER		EMPLOYEE NAME (LAST) (FIRST) (MIDDLE INITIAL)		
MAILING ADDRESS (Street No., RR, or POB)		CITY	STATE	ZIPCODE
BIRTH DATE (Month, Day, Year)	SEX Male Female	YOUR TELEPHONE NO. (Include Area Code)		COUNTY OF RESIDENCE (Name & Number)
DEPENDENT CREDIT: Enter total number of Dependents (excluding yourself) claimed under Federal Income Tax guidelines and that are not being claimed by anyone else on a current unemployment claim.		NUMBER OF DEPENDENTS	EFFECTIVE DATE TAXES YES NO	REGULAR WEEKLY WORK HOURS Hours <u>40</u> To <u>32</u> (Reduced Hours)
U.S. CITIZEN YES NO	ARE YOU RECEIVING A PENSION? YES NO	DIRECT DEPOSIT YES NO	EMPLOYER-IOWA ACCOUNT NUMBER VSW PLAN NUMBER	
I hereby give permission to the Iowa Workforce Development to file for me an initial claim for unemployment insurance benefits if needed to participate in the Voluntary Shared Work Plan. I understand this claim will be effective the first week of reduced work hours following approval of the plan. SIGNATURE _____ DATE _____				



VOLUNTARY SHARED WORK PROGRAM

Information and Instructions for EMPLOYERS

The Process

An interested employer may obtain a Voluntary Shared Work Plan Application by contacting Iowa Workforce Development. To participate, an employer must reduce the normal weekly hours of work for an employee in the affected unit by at least 20 percent (but not more than 50 percent). If the plan is approved by Iowa Workforce Development, workers who qualify for unemployment insurance benefits can receive both wages and shared work benefits. The Shared Work benefits are the percentage of regular unemployment insurance benefits matching the reduction described in the employer's plan.

Example:

A firm facing a 20 percent reduction in production may lay off one-fifth of its work force. Faced with this situation, a company can retain its total work force on a four-day-a-week basis. This reduction from 40 hours to 32 hours cuts production by the required 20 percent without reducing the number of employees. All affected employees receive their wages based on four days of work and, in addition, receive a portion of unemployment insurance benefits equal to 20 percent of the shared work weekly benefit amount payable had the employee been unemployed a full week.

An employee normally works a 40-hour week. The employer reduces the work schedule by 20 percent. The employer submits a plan and is approved under the Voluntary Shared Work Program. The employee qualifies for regular unemployment compensation with a weekly benefit amount (WBA) of \$130.

20% x 40 hour work week = 8 hours
Employee works and earns wages for 32 hours
20% x \$130 WBA = \$26

The employee receives \$26 of unemployment benefits in addition to the 32 hours of wages earned during the week.

The Conditions

Iowa Workforce Development may approve a Shared Work Plan if:

- There is an "affected unit" of 5 or more employees.
- The normal weekly hours of work and corresponding wages for a participating employee are reduced in the plan by not less than 20 percent and no more than 50 percent.
- All full time employees in the affected unit must be treated equally. The plan is approved by the collective bargaining representative for each organization which has members in the unit.
- The plan describes the manner in which the participating employer treats the fringe benefits of each employee in the affected unit.

The employer certifies that the implementation of a Voluntary Shared Work Plan, and the resulting reduction in work hours, is in lieu of a temporary layoff affecting at least 10 percent of the employees in the affected unit and results in an equivalent reduction in work hours.

Conditions for Shared Work Benefits:

- An individual must accept all work offered by the participating employer for the claim period filed.
- An individual is able to work and is available for full-time work with the participating employer.
- An individual is monetarily eligible for regular benefits in the State of Iowa.
- No benefits are paid to an individual who works for the participating employer more than the reduced hours specified in the plan.
- No benefits are paid to an individual whose work hours are reduced as a result of a seasonal lack of work.

An Alternative to Layoffs

Legislation now provides employers the opportunity to participate in the Shared Work Unemployment Insurance Program, once a plan is approved by Iowa Workforce Development.

The Shared Work Unemployment Insurance Program is designed to help both employers and employees. It is an alternative for employers faced with a reduction in force. It allows an employer to divide the available work or hours of work among a specified group of affected employees in lieu of a layoff, and it allows the employees to receive a portion of their unemployment insurance benefits while working reduced hours.

If you desire additional information regarding this program, please call (515) 242-0429.

Employers must have paid all unemployment insurance contributions and filed all quarterly reports which are due in order to be eligible for this program.

**SPECIAL CLAIMS UNIT
ATTN: ANDREW COXE, VSW COORDINATOR
PO BOX 10332
DES MOINES, IOWA 50306-0332
515/242-0429 OFFICE
515/242-0495 FAX**

**Iowa Workforce Development
An Equal Employment Opportunity Agency
70-5024(4-03)**



VOLUNTARY SHARED WORK PROGRAM

Information and Instructions for EMPLOYEES

What is Shared Work?

Shared work is an unemployment insurance program that provides employers an alternative to laying off employees. If an employer elects to participate in a Voluntary Shared Work Plan and the plan is approved, affected employees are allowed to share the work available in lieu of some employees being laid off.

Employees who share the work under an approved Shared Work Plan collect a percentage of regular unemployment insurance benefits to compensate for reduced hours of work and wages. Benefits paid under this program will be charged to the participating employer's unemployment insurance account.

Eligibility

To be eligible for Shared Work:

Your employer must submit a plan certifying that reduction of hours is in lieu of temporary layoffs;

You must have or be able to file a monetarily eligible Iowa unemployment insurance claim;

Your normal weekly work hours are reduced at least 20 percent but not more than 50 percent for each week;

You and your employer must certify that you worked all the available hours with the participating employer for the week(s) being claimed;

If you are participating in a Shared Work Plan you are not required to look for work and are not penalized for refusing job offers from other employers.

Computation of Benefits

If you have an existing Iowa unemployment insurance claim, your weekly and maximum benefit amounts do not change for the remainder of your benefit year.

If you are establishing a new claim when you file for shared work benefits, you will receive a monetary determination in the mail. The monetary determination shows your employers and wages earned in Iowa during the period used to establish a claim. The monetary determination also shows your weekly and maximum benefit amounts.

If you have missing Iowa wages or have wages from military service, federal employment or wages in another state during the period shown, the forms necessary to include those wages on your claim will be mailed to you.

Unemployment insurance benefits are reduced in proportion to the hours your employer reduces your normal work week.

Example:

You normally work a 40-hour week and your employer reduces your work by eight hours a week. You are eligible to receive 20 percent of your unemployment insurance weekly benefit amount (WBA).

If your WBA = \$130
 $20\% \times \$130 = \26 per week

Your Shared Work benefit is \$26.

Restrictions

An employee cannot be paid more than 26 weeks under the Shared Work Plan. Any amount paid is deducted from the total amount of regular unemployment benefits during a benefit year, and the total amount cannot exceed the individual's maximum benefit amount.

You are not eligible for any week in which you perform work for the participating employer and for which you are paid in excess of the reduced hours established under the Voluntary Shared Work Plan.

**SPECIAL CLAIMS UNIT
ATTN: ANDREW COXE, VSW COORDINATOR
PO BOX 10332
DES MOINES, IOWA 50306-0332
515/242-0429 OFFICE
515/242-0495 FAX**

**Iowa Workforce Development
An Equal Employment Opportunity Agency
70-6208(4-03)**

VOLUNTARY SHARED WORK

INSTRUCTIONS FOR TRANSMITTING VSW PAYROLLS

Please use a standard 3.5 dual density diskette, formatted for use in a Windows environment. Do not include any sort of header and do not use dashes or slashes between numbers in dates or social security numbers. Data should be saved in a *text only* format. The data can be saved from a word processing program such as Word Perfect or Microsoft Word, but again using the *text only* option.

The field should be 19 characters only: a nine digit social security number, a four digit year, two digit month, two digit day (always a Saturday), and two digits for the number of hours worked.

FOR EXAMPLE:

SSN YEAR MONTH DAY HOURS

481563199 2001 03 31 20

4815631992001033120-CORRECT ENTRY

HOURS WORKED: We have programmed the payroll to accept even numbers, with 32 as the highest number of hours that will allow payment, and 20 as the lowest number. If an employee works an odd number of hours (eg 31 or 27), it will need to be rounded up or down, at the employer's discretion. Any time missed, such as vacation, sick leave, funeral leave, etc., may be considered as hours worked at the discretion of the employer.

VOLUNTARY SHARED WORK

SPECIFICATION FOR EMPLOYER MAGNETIC FILING OF VOLUNTARY SHARED WORK CONTINUED CLAIMS November 22, 1995 amended February 01, 1996.

01. To be compatible, a diskette file must meet the following specifications:

- a. 3.5 inches in diameter.
- b. Data must be recorded in standard ASCII code.
- c. Records must be a fixed length of 20 bytes per record.

<u>Field</u> <u>Position</u>	<u>Field</u> <u>Length</u>	<u>Field</u> <u>Description</u>
01-09	9	Social Security Number
10-17	8	Benefit Week Ending Date (Saturday) in format YYYYMMDD
18-19	2	Number of Hours
20	1	BLANK or Carriage Return/Line Feed

- d. Delimiter character commas (,) must not be used.
- e. Position 20 is reserved for use as carriage return/line feed (cr/lf) characters if applicable.
- f. Filename of VSW.DAT must be used.
- g. Diskettes must meet on of the following specifications:

<u>Capacity</u>	<u>Tracks</u>	<u>Sides/Density</u>	<u>Sector Size</u>
1.44 mb	96 tpi	hd	512
1.44 mb	135 tpi	hd	512
720 kb	48 tpi	ds/dd	512

02. Use of high density diskettes is preferred. Low density diskettes are acceptable but must be formatted in low density.
03. Diskettes should be blank or formatted when preparing file. There should be no other files besides VSW.DAT on the diskette.
04. An external label must be adhered to the diskette describing its contents. For example:

Voluntary Shared Work VSW.DAT
Submitted: 03/16/01 (*today's date*)
ABC Company, Des Moines, IA
IA Employer Account: *your account #*

