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**ACCESSING**

**UNEMPLOYMENT BENEFITS**

**IN THE EVENT OF**

**LAYOFF**

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Dear NTU Member:

The situation you currently face is without a doubt one of the most discouraging any worker can experience. Any time someone is informed that their contract won't be renewed, it exacts an emotional toll.

This booklet of information has been prepared to help you through this difficult time. It outlines a number of steps you can take to ensure that you will receive all the benefits due you from both the school district and the state. If you have questions about the material in the booklet or if you need additional information, please feel free to call the NTU office at 800.367.4901.

Be assured that while you are coping with this situation as it affects you personally, your union is attacking the problems at the local, state, and national levels. Regrettably, there were options available to political leaders that they did not wish to exercise during this economic downturn that could have minimized the budgetary impact upon education funding in general and you specifically.

But instead, they chose to balance the budget on the backs of our public schools while at the same time increasing funding for corporate tax breaks to voucher schools.

Notwithstanding these matters, be assured that NTU will continue to fight for you. Your union is committed to the ongoing effort to provide appropriate funding to keep quality school employees in the public schools so that a quality education can be provided for every young person.

We hope that you weather this storm quickly and with the help of this information will be on your way back in a classroom or school site in Wisconsin. We look forward to the day when you and the other dedicated professionals who have fallen victim to these trying economic times return. In the meantime, know that the NTU will do our part to assure this end.

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## **It's not your fault**

Through no fault of your own, you are suddenly facing unemployment. Knowing there wasn't enough money to go around does not make it any easier when you and your family's finances are at stake. There is help out there; you will have a job again and the economy will rebound. But right now you have to take action to ensure that you do everything possible to ease the fear and burden of unemployment. Take a deep breath, and we'll walk you through some of the steps you should take to make it through this very difficult time for you and your family. There's a natural tendency to let a depressive mood take over. This is sometimes easier said than done but: Don't let that happen! Focus on the new opportunities that lie ahead. You did not create this situation; it is not fair, but you will get through!

*And remember, you are not alone!*

Obviously, your top priority is to find a new job, but there are several other important matters to sort out and address once you've been handed a pink slip. We'll focus on your rights, what you need to do right now, how to file for unemployment insurance, what options there are for health insurance, job search and education options, and managing your budget in tough times. Don't let another day go by. Let's get started!

## **First steps to take when you are facing a layoff**

1. Get organized and start a file. In it place:
  - a. A copy of your layoff letter. You will need a copy of the letter when you file for Unemployment Insurance.
  - b. A copy of your salary statement (individual contract). You will need a copy when you apply for Unemployment Insurance. You can obtain a copy by contacting the school district Human Resource or Payroll department.
  - c. A copy of your W-2, which you'll need when filing for Unemployment Insurance. You can obtain a copy by contacting the school district Human Resource or Payroll department.
  - d. Retain receipts for any purchases related to your job search, even job search travel expenses may be eligible tax deductions.
  - e. Newspaper clippings regarding layoffs in your school district. These may come in handy if any legal action becomes necessary.
  - f. All correspondence related to your job search. We'll talk about this more a little later under "Unemployment Insurance."

2. You have a right to review your personnel file to be sure that it contains accurate records regarding your employment, evaluations and other documents.
3. As soon as you receive your layoff letter, send a letter to the Human Resources office stating your desire to be considered for other positions. (See sample letter)
4. If you have done additional course work since your transcript was evaluated, request that it be re-evaluated by the Human Resources office. (You must provide a certified copy of your transcript.) You may be qualified to teach additional courses or to apply for additional certificates in other areas. Also, state your desire to be considered for any vacancies for which you are qualified, and request that vacancy lists be sent to you as they become available.
5. Apply for any additional certificates for which you are now qualified and make sure those you currently hold are properly registered and renewed with the Human Resources office.
6. On the last day of school, send a letter to the Human Resources office to request immediate payment of all compensation due for the current school year. Your health and dental insurance benefits will continue until Aug. 31. Receipt of insurance benefits during the summer months should not affect your eligibility for unemployment, since such benefits are merely later payment for a benefit earned while you were employed. NOTE: Under COBRA, you are eligible (at your own cost) for continuation of insurance benefits after the board paid group health insurance ceases.
7. On the last day of school you may apply for unemployment insurance benefits. Please be aware that: you must be actively seeking and available for employment during the summer months to qualify for unemployment benefits for that period.

## **What you need to know about layoffs**

Article X in your collective bargaining agreement discusses how the district handles layoffs.

When the Board of Education determines to reduce the number of staff members, appropriately certified teachers shall be placed on layoff status based on inverse seniority. Seniority is defined as a teacher's length of service within the district, as of the teacher's first working day during his/her last period of continuous employment. A teacher whose position is eliminated may either reassign within the building or special area or shall attend Arena Staffing to bid on open positions. If no vacancies exist the teacher replaces the teacher with the lowest seniority anywhere within the District in the area in which such teacher is certified.

Teachers being considered for layoff will be given a preliminary indication prior to May 6 and will be given final notification prior to May 20. A layoff becomes effective on the first (1st) day of a layoff period. Until the effective date of layoff, all notices of layoff are considered tentative subject to rescission by the District. Upon rescission, if after the effective date of lay-off, the District shall return the affected teacher to an open position for which he/she is certified for the next school year.

Laid off teachers retain the right to call back for a period of three (3) years after August 1 of the year in which the layoff occurs.

Laid off teachers are given the first opportunity to be employed to replace regularly employed teachers on leave. Laid off teachers serving in such capacity shall retain all rights and benefits (including seniority accrual) accorded teachers on layoff status and, in addition, shall have their recall period extended by the length of their replacement teaching.

Teachers on layoff status from full time teaching positions will be recalled to full time teaching positions and will have the option of accepting any part time teaching position that may exist without jeopardizing their recall status for any full time position.

## Unemployment Insurance

If you've become unemployed (such as laid off) and you meet the requirements under the law and for wages earned or time worked during a certain period, you likely will qualify for unemployment benefits.

One issue that keeps some from applying for unemployment has nothing to do with eligibility, and is more about a perceived stigma. **Don't feel bad about getting unemployment checks.** Just remember you didn't ask for this. The legislature did not plan for economic downturns when they decided to cut taxes in the good years, and they did not "hold education harmless" when they decided funding education was not a top priority.

- You should file for Unemployment Insurance quickly because it takes your benefits a couple of weeks to start up.
- The application process is painless as long as you have all your documentation collected beforehand. You can apply for unemployment over the phone and online.
- We recommend having your federal taxes withheld, otherwise you may find yourself in a financial crunch at tax time.

As a teacher who is laid off, you are eligible to receive unemployment insurance in most cases. Benefits are based in part on the compensation received during the base period, so the date of application will affect the benefits to which you are entitled. You should consult with your local Unemployment Insurance Office regarding when to file in order to maximize benefits.

Unemployment Insurance provides temporary, partial wage replacement benefits to qualified workers who are unemployed through no fault of their own and is provided at no cost to the workers who receive the benefits.

**Extended Unemployment Benefits** - *available through the American Recovery and Reinvestment Act 2009*

Anyone getting state or federal unemployment automatically gets an extra \$25 a week as long as they are eligible for benefits. This increase will continue until December 31, 2009. For individuals who have not exhausted their benefits by that date, the increase may extend to May 31, 2010.

There are two tiers of federal benefits. The first two tier is for 20 weeks and the second tier is 13 weeks. Once the first tier is exhausted, Wisconsin claimants are now eligible for the second tier of benefits.

Individuals who are eligible for the first tier of benefits by December 31, 2009, would continue to collect first tier benefits (20 weeks) but not the second tier (13 weeks). Individuals eligible for the second tier as of December 31, 2009, could continue to collect second tier. Payments for both tiers of extended benefits will end May 31, 2010.

If an individual is laid off at the end of the current school year, h/she should immediately apply for benefits in order to have the ability to be eligible for the first tier of federal extended benefits.

## **Who can file a claim?**

An individual who has met the statutory requirements for separation of employment and wages earned in Wisconsin and is currently unemployed or partially unemployed can file a claim.

To qualify, the individual:

- Must have had sufficient work earnings in Wisconsin
- Must not have resigned or left work voluntarily
- Must be able and available to work
- Must be actively seeking work

An individual may be eligible for benefits if the discharge was for reasons other than misconduct. Misconduct includes willful disregard of an employer's legitimate interests, such as absences without authorization or significant job-related insubordination. Misconduct does not include inefficiency, unsatisfactory conduct, failure to perform as a result of an inability or incapacity, inadvertencies or ordinary negligence in isolated instances, or good faith errors in judgment or discretion. Thus, claimants who are laid off or discharged for any of these reasons are eligible for benefits.

If an individual voluntarily quits, a disqualification must be issued in most cases. A resignation "for personal reasons" will likely bar an individual from receiving unemployment benefits.

## **To file a claim**

To file an unemployment claim call the Wisconsin Unemployment Office at **1-800-822-5246**. Or, it is faster to apply online.

Visit <https://ucclaim-wi.org/InternetInitialClaims/default.asp>.

## **If your claim is denied**

If your unemployment claim is denied contact the NTU office immediately.

**Continuation of COBRA Benefits** -available through the American Recovery and Reinvestment Act 2009

The stimulus bill contains provisions providing a partial subsidy of COBRA continuation premiums for employees, including public employees, who are involuntarily terminated.

The bill provides that employers pay 65% of an employee's COBRA premiums.

This benefit is available for individuals who were involuntarily terminated between September 1, 2008 and December 31, 2009.

The subsidy phases out for individuals who earn more than \$125,000 (\$250,000 for married couples) in the year in which they elect coverage. The subsidy is phased out completely for individuals with modified adjusted gross incomes of \$145,000 (\$290,000 for married couples).

The premium subsidy will be for nine months. The bill does not expand the COBRA 18-month coverage period.

If the individual becomes eligible for coverage under another group plan or Medicare, the individual is no longer eligible for the subsidy and must notify the plan providing the coverage or face penalty.

## Managing your budget during unemployment

Now that your income has been cut off, the issue of money is front and center. The main thing is not to make any rash decisions. It is time to sit down and plan.

- *Create a budget.* Prioritize your monthly expenditures starting with the things you must have: food, housing, electricity, health and car insurance, etc. Then look at the other expenditures you make each month and decide what you can cut back on. Don't forget future expenses when creating your budget such as income or property tax, and any outstanding debts.
- Take a look at the things you can do without and find ways to cut spending now. In these uncertain times it is better to do without now than be struggling later. Decide what are luxuries and what are necessities. Little cut-backs add up.
- Be careful with credit. It is better to make the minimum payments on your credit cards than get behind, that way your credit rating won't suffer. Use credit cards only in emergencies, such as unexpected medical or dental expenses.
- Re-evaluate your car insurance. Talk to your agent about ways to save. It might mean looking at a higher deductible, for instance. You just have to decide what is best for you.
- Talk to your family about what is happening, but be reassuring: "Things will be okay, but we'll have to be careful about what we spend until I get a new job. Help me think of ways we can save."
- Visit with a credit counseling agency to insure that you are weighing all your options. United Way can help you find a reputable agency.

## **Employee Assistance Program**

Until August 31, you will have access to the district's Employee Assistance Program. You and your family have access to this free, confidential consultation which can assist you in the areas of financial/credit counseling, stress management, emotional and mental health to name a few. These counseling programs are part of your union collective bargaining agreement. EAP is a benefit you have earned through your employment so don't be afraid to ask for assistance. The EAP's 24 hour telephone service is 920-403-7600.

## **National Education Association Services**

The National Education Association (NEA) Member Benefits and the National Foundation for Credit Counseling (NFCC) have teamed up to provide financial literacy and debt management education to NEA members and their families. A special Web page ([www.debtadvice.org/nea](http://www.debtadvice.org/nea)) provides information about the financial counseling and education services offered through NFCC member agencies located nationwide. NFCC member agencies offer comprehensive financial and debt management services including:

- One-on-one financial counseling
- Financial education classes
- Bankruptcy counseling and education
- Housing counseling
- Reverse mortgage counseling

Certified financial counselors are available to help NEA members and their families develop customized solutions to their financial problems, either in person or by telephone. Many NFCC member agencies also offer Web-based support. Services are provided free or at very affordable rates. Don't continue to struggle with financial problems. Visit [www.debtadvice.org/nea](http://www.debtadvice.org/nea) for more information, or call toll-free to find an NFCC member agency near you: 1-866-479-NEA2 (6322).