



## Legislation Text

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### Report to Mayor and City Council

Tuesday, February 21, 2023

Consent

#### **SUBJECT:**

**CONSIDER APPROVAL OF CONTRACT AGREEMENT AMENDMENT NO. 1 FOR UNEMPLOYMENT INSURANCE ADMINISTRATIVE SERVICES WITH UC ADVANTAGE, INC.**

#### **I. SUMMARY**

On May 12, 2021, the City of Carson and Employers Group Service Corp. entered into an agreement for contract services, whereby Employers Group agreed to provide unemployment insurance claims administration services for 3 years.

On June 14, 2022, Employers Group Service Corp. provided the City of Carson with a notice expressing Employers Group Service Corp. intent to transfer its rights and responsibilities under the agreement to consultant. The City of Carson and Consultant now desire and intend to amend the agreement to authorize the assignment of the Agreement from Employers Group Service to Consultant. The Amendment will authorize transfer of Employers Group's rights, interests, duties, and obligations to consultant.

#### **II. RECOMMENDATION**

Consider approving Contract Amendment No. 1 for unemployment insurance administrative services with UC Advantage.

#### **III. ALTERNATIVES**

Take another action that the City Council deems appropriate

#### **IV. BACKGROUND**

The City of Carson will enter into a contract agreement amendment to have consultant perform unemployment insurance claims administration services. When former City of Carson employees submit a claim with the Employment Development Department (EDD) for unemployment insurance, the claims will go directly to Consultant and Consultant shall respond to each claim in a manner that is timely and compliant with State law. Consultant shall assign a Claims Specialist to the City's account to handle the daily duties of claims processing, interacting with the various State agencies, protesting claims, gathering necessary documentation from City records, and appealing for hearings, where necessary.

The Consultant shall provide the City with hearing representation and Appeals Board Representation. Consultant shall provide auditing services to investigate and protest questionable charges on the City's account to avoid and correct the State's miscalculations. Consultant shall electronically provide quarterly reports to track claims and hearing activity, track potential and actual account costs, and assist with identifying account issues. Consultant shall assign an Unemployment Insurance Claims Manager to manage the City's account, answer questions regarding unemployment insurance, and advise on difficult disciplinary actions and terminations.

## **V. FISCAL IMPACT**

Total cost of services is not to exceed \$8,700 per fiscal year. There will be no fiscal impact as the current and future budget will cover the compensation for the services.

## **VI. EXHIBITS**

Exhibit 1 - Employers Group Services Contract Agreement 2021 (pgs. 3-24)

Exhibit 2 - Contract Agreement Amendment 1 UC Advantage (pgs. 25-32)

Prepared by: The Human Resources Department