

# INFORMATION SHEET

## SCHOOL EMPLOYEES FUND EMPLOYER STATEMENT OF BENEFIT CHARGES (DE 428F)

The *School Employees Fund Employer Statement of Benefit Charges* (DE 428F) is generated and sent to employers who elected the School Employees Fund (SEF) as a method of financing the Unemployment Insurance (UI) costs. The total amount listed on the statement represents the employer's total share of UI benefits paid. The benefit amounts charged to the SEF are used to compute the Local Experience Charge (LEC). The statement covers a one-quarter period.

### LOCAL EXPERIENCE CHARGE RATE

Section 828 of the California Unemployment Insurance Code (CUIC) mandates the LEC rate for the state fiscal year. The LEC rate for new SEF participants is at 10 percent for the first three complete fiscal years. After the third year, the LEC is calculated as outlined by section 828(b) of the CUIC. All SEF employers are rated on an annual basis and each employer is responsible for payment of a quarterly LEC, together with any associated penalties, as well as all costs for benefits, and reimbursement for charges. These costs become delinquent if not paid within 30 days from the date of the notice.

### BENEFIT CHARGES

These charges are determined by the UI benefits paid to claimants from a UI claim established from wages reported by the base period employer(s). These charges are distributed among all base period employers and the amount is determined by the percent of wages reported in the base period compared to the total wages reported by ALL base period employers.

### BASE PERIOD

The base period of a claim is a 12-month period. Each base period has four quarters (each quarter is three months). The base period is established when the claim is filed. There are two types of base periods: Standard Base Period and Alternate Base Period.

### Standard Base Period

If claim begins in:	The base period is:
Jan, Feb, Mar	October to September
Apr, May, Jun	January to December
Jul, Aug, Sept	April to March
Oct, Nov, Dec	July to June

### Alternate Base Period

If claim begins in:	The base period is:
Jan, Feb, Mar	January to December
Apr, May, Jun	April to March
Jul, Aug, Sept	July to June
Oct, Nov, Dec	October to September

### PERIOD OF CHARGES

The DE 428F displays the period of time in a quarterly basis in which the benefits were paid or credits were made. The form also displays the ending date of the quarter under the CHG QTR column.

### FORMS MAILING SCHEDULE

Calendar Quarter	DE 428F Estimated Mailing Date
1st Quarter	Last 10 days of April
2nd Quarter	Last 10 days of July
3rd Quarter	Last 10 days of October
4th Quarter	Last 10 days of January

### PAYMENT OF CHARGES

The DE 428F is not a bill. However, within 14 days after the DE 428F mail date, a *Notice of Amount Due* (DE 6601) and *Statement of Account* (DE 2176) are sent to the employer with the LEC amount due. These are the bills requesting reimbursement for the UI benefits paid to employees. Payment is due to the Employment Development Department (EDD) within 30 days from the DE 6601 mail date. Payment can be made online using e-Services for Business or by mail using the payment voucher attached to the DE 2176. Delinquent payments are subject to a 10 percent

penalty plus interest accrued at the adjusted annual rate pursuant to section 19521 of the [Revenue and Taxation Code](#).

### BASE PERIOD EMPLOYER

The employer(s) who paid the earnings used to establish a UI claim and calculate an award.

### CLAIM DATE

The date the claim for UI benefits was established.

### CLAIMANT ELIGIBILITY

Once a claimant is determined eligible for benefits, they have one year from the date of the claim in which to draw their maximum benefit award. The total amount of benefits the claimant is eligible for could be 26 times the weekly benefit award or one-half of the total base period wages he/she earned plus \$1, whichever is less.

Benefits paid on a UI claim are based on wages reported by all base period employers, which could be up to 18 months **prior** to the claim date.

There is no distinction made in the CUIC between wages paid to full-time, part-time, or temporary employees.

### CLAIMANT INFORMATION LISTED ON DE 428F

The UI claim information and claimant wage records are controlled by the Social Security number (SSN) and not by names. The SSNs listed on the DE 428F were reported on the *Quarterly Contribution Return and Report of Wages (Continuation)* (DE 9C).

### FILING A PROTEST

If the employer disagrees with the charges, or needs to address a discrepancy, a protest can be filed. The protest must be in **writing** and postmarked within **60 days from the mail date on the DE 428F**. An extension of up to 60 days may be requested. The extension request must be submitted timely, in writing, and show good cause. The protest may be denied if the employer failed to respond to the first claim notice, *Notice of Unemployment Insurance Claim Filed* (DE 1101CZ) or *Notice of Wages Used for Unemployment Insurance (UI) Claim* (DE 1545).

### WHAT TO EXPECT

Protests filed are reviewed and a determination allowing or denying the protest is made based on the facts of the case. If the protest is allowed, the credit will be reflected on future benefit charge statements. If the protest is denied, the EDD sends an explanation along with information on employer's petition rights.

### WHERE TO SEND THE PROTEST

The protest and/or request to review any discrepancy must be mailed to:

Employment Development Department  
Reimbursable Accounting Group  
PO Box 826880 – MIC 19  
Sacramento, CA 94280-0001

The protest can also be filed online using the EDD e-Services for Business at [www.edd.ca.gov/e-Services\\_for\\_Business](http://www.edd.ca.gov/e-Services_for_Business).

### REQUIRED INFORMATION

A protest must include the following information:

- Claimant name
- Claimant SSN
- Claim date (from the DE 428F)
- Charge amount (from the DE 428F)
- Reason for protesting the charges
- Total number of claimant(s) protested

It is important to provide all necessary information to address discrepancies in order to ensure proper administration of the SEF program as outlined by sections 828 and 832 of the CUIC. Protest with missing or inaccurate information will be returned.

### ADDITIONAL INFORMATION

For further assistance, call 1-916-653-5846. For detailed explanations and tips on how to manage your UI costs, refer to the booklet *Managing Unemployment Insurance Costs* (DE 4527) on the EDD website at [www.edd.ca.gov](http://www.edd.ca.gov).

For additional information and Frequently Asked Questions, visit the School Employees Fund at [www.edd.ca.gov/Payroll\\_Taxes/School\\_Employees\\_Fund.htm](http://www.edd.ca.gov/Payroll_Taxes/School_Employees_Fund.htm).

This information sheet is provided as a public service and is intended to provide nontechnical assistance. Every attempt has been made to provide information that is consistent with the appropriate statutes, rules, and administrative and court decisions. Any information that is inconsistent with the law, regulations, and administrative and court decisions is not binding on either the Employment Development Department or the taxpayer. Any information provided is not intended to be legal, accounting, tax, investment, or other professional advice.