

Membership Matters

Quarterly News from The 501 Alliance

December 2008

Mark Your Calendar for the Next Annual Meeting

All member agencies are invited to attend the annual meeting of The 501 Alliance to be held from 11:00 a.m. to 12:00 noon on Friday, May 15, 2009. The meeting will be held at the University Club of Michigan State University in Lansing. A complimentary lunch will also be provided immediately following the meeting. Directions to the venue will be included in the annual report that will be mailed in late April.

Topics of discussion and events include financial and claim reports for 2008, results from the annual audit and the election of board members and officers. In addition, the Harry and Shirley Klein Legal Scholarship winner will be announced and introduced to the membership. This is a great opportunity for you to meet the Board of Directors and to network with your peers from across the state.

New Members Join The 501 Alliance

We had another successful year recruiting new members to join The 501 Alliance. An additional nine nonprofit agencies will be joining in January of 2009. This will bring our total membership to approximately 400 nonprofit agencies across the state.

We would also like to thank those members who took advantage of our Member Referral program and helped us to recruit new members. As a reminder, this program provides your agency with a \$50 charitable donation for every prospective member you refer who completes and submits an application. An additional \$150 charitable donation is provided to your agency for every prospective member who also qualifies and is approved for membership. That's up to \$200 your agency can receive for each prospective member referred to The 501 Alliance.

The applicant simply needs to include your name and telephone number on the application and we'll send you a check. In addition, there's no limit to the number of prospective members you can refer. For example, refer just five prospective members and your agency will receive at least \$250 and up to \$1,000.

You can also contact us at any time to inquire about the status of any nonprofit you've referred. For a brochure or for more information, please contact us at 800-968-9675. You can also visit our web site at 501alliance.org for complete details.

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Where Do I Send All of Those Reports?

Members often call and ask about the reports that are sent to us and the reports that are sent to the state. The reports that we receive the most questions about are the Quarterly Contribution Report, Wage Detail Report and Reimbursing Employer's Quarterly Payroll Report. We have listed each report below, where it should be sent and have provided a description of each.

The following report should be sent to The 501 Alliance:

- *Quarterly Contribution Report*

On this report, you need to provide your company's gross wages, excess wages and taxable wages for the quarter, along with the number of employees as of the 12th day in each of the three previous months. This should also be returned with your payment if one is due. You can print a blank Quarterly Contribution Report from our web site at 501alliance.org if you need one for any quarter.

The following reports should be sent to the Unemployment Insurance Agency:

- *Wage Detail Report – Form 1017*
- *Reimbursing Employer's Quarterly Payroll Report – Form 1020-R*

On the Wage Detail Report, you need to list the names of your employees, their social security numbers and their wages for the quarter. On the Reimbursing Employer's Quarterly Payroll Report, you need to list your company's gross wages for the quarter and the total number of employees as of the 12th day in each of the three previous months. Both of these reports are also available from the Unemployment Insurance Agency's web site at michigan.gov/uia and can be filed electronically.

If you still have questions about these reports, please call us at 800-968-9675.

What is a Solvency Tax?

The Unemployment Insurance Agency (UIA) will be imposing a solvency tax on some Michigan employers in 2009. The good news is that none of our members will be affected by this tax.

The solvency tax is imposed on employers when the UIA needs to borrow money from the federal government to pay unemployment benefits. Only contributing employers that pay the state directly and have a negative balance in their experience account are required to pay.

Contributing employers do have the option of making a voluntary payment equal to their negative reserve balance, if they would like to avoid paying this tax. It is estimated that about 15% of Michigan employers will have to pay the solvency tax.