UCI/WCI ALLOCATION

General Information:
UCI (Unemployment Compensation Insurance) and WCI (Worker’s Compensation Insurance) amounts are charged on all locally (non-state) funded cost centers that incur payroll expenses.

The offsets are specific Designated Fund cost centers that accumulate a pool of funds for current and future claims against UCI and WCI.

The percentage charged for UCI & WCI is evaluated each year. Generally, the total for both is 1%, but the percentage for each individual charge may vary based on current and projected needs. UH rates have remained unchanged since FY 2004.

Prerequisite:
All HR journals for the month must be posted prior to this allocation being run at month end.

Specifics:
At the end of each month, any local cost center that has salary and wage activity (accounts 50100 – 50999) will also have UCI/WCI activity. The total S&W expense is multiplied by the percentage for UCI and for WCI. For the current FY, UCI is 0.55% and WCI is 0.45% each month. UCI is posted to account 51103 and WCI is posted to account 51102.

Generally, the S&W expense and the UCI/WCI expense will be a debit in both instances. However, it is important to know that S&W credits are included in the calculation as well. For example, if a reallocation has occurred during the month and the S&W total is a credit, then the UCI/WCI will also be a credit.

Manual corrections of UCI/WCI are not necessary as it is self-adjusting at month end.

Exemptions to UCI/WCI:
Federal and Texas College Work Study salaries and wages are exempt from UCI and WCI charges. A charge to the CWS cost center will occur in the first step of the allocation process, but it will be reversed in the second step of the allocation process.

Journals:
This process will generate journals: UCI000000X & WCI000000X
(Journal Source = ALO; Journal ID Mask = UCI, WCI)

The journal line description will indicate the type of charge and what the monthly percentage rate is for the current fiscal year.