C-19 TERS EXTERNAL AUDIT & FORENSIC PROCESS UNDERWAY

Webber Wentzel's Employment / Tax Team

On 27 November 2020, the Unemployment Insurance Fund (UIF) announced that it will be implementing its C-19 External Audit and Forensic Process effective 1 December 2020. We highlight the key considerations for employers on this process based on information currently available.

"FOLLOW THE MONEY"

The UIF has named the C-19 External Audit Process the "Follow the Money" Project.





EXTERNAL AUDIT AND FORENSIC FIRMS **APPOINTED**

After following a tender process earlier in this year, the UIF appointed 7 external audit and forensic firms for this project.

These firms have extensive experience in auditing, accounting and forensic investigations.

ASSIGNMENT OF EXTERNAL AUDITORS

The UIF will assign an external auditor to each employer who applied for and/or received C-19 TERS benefits.





TERS records are properly in place and accounted for in anticipation of this audit.

It is critical for employers to ensure that their internal

PURPOSE OF EXTERNAL AUDIT

The external audit and forensic

firms have been instructed by the

UIF to audit all TERS claims lodged by employers in order to make an assessment as to whether those claims were valid and to verify that TERS benefits will actually paid over to employees.

CRTICIAL INFORMATION The UIF has advised employers to have

the following information on-hand for the external audit process: • UIF TERS application records

- Relevant **employee files**
- Bank statements relevant to TERS application • Payroll reports from January 2020 to July 2020



The Minister of Employment & Labour recently announced the extension of TERS for a further application period: 16 September – 15 October 2020. This means that there are 6 TERS application periods in total:

EXTENSION OF TERS

27 March – 30 April 2020 1 July – 15 August 2020 (application window *closed*) (application window *closed*)

(application window *closed*) 1 June - 30 June 2020

(application window *closed*)

1 May - 31 May 2020

For the extended application period, only certain categories

16 September – 15 October 2020 (currently open and application window

will close on 31 December 2020)

16 August – 15 September 2020

(application window *closed*)

Employees who cannot work Employees who cannot Vulerable employees due to full/partial closure be fully utilised

of employees are eligible to apply:

CATEGORY 2:

are not permitted to operate fully/ partially

Employees whose employers

CATEGORY 1:

employers are unable to make alternative arrangements/

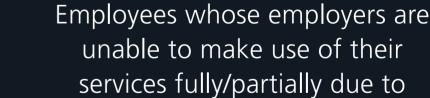
Vulerable employees whose

implement special measures for such employees to

Eligible employers can apply through the TERS online application system:

https://uifecc.labour.gov.za/covid19/.

return to work



operational requirements

CATEGORY 3:

• Non-payment despite meeting application requirements



COMMON TERS ISSUES

Many employers continue to experience issues related to their TERS applications. Common TERS issues experienced

include issues relating to:

- Non-payment to foreign national employees • Non-payment due to bank verification errors, employee authentication issues

Overpayment queries lodged by the UIF

CONTACT US

We are able to offer exclusive and strategic advice on any TERS-related issues experienced by employers. Please contact our

employment or tax team if you require any assistance.

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