



City of Austin

Recommendation for Action

File #: 26-1684, **Agenda Item #:** 27.

5/21/2026

Posting Language

Ratify a contract for unemployment claims processing, I-9 employment eligibility verification, and employment and record verification for Austin Human Resources with Equifax, Inc. d/b/a Equifax Workforce Solutions LLC, Appriss Insights, LLC in the amount of \$44,346 and authorize an amendment to increase the amount by \$84,000 for a total contract amount not to exceed \$504,346. Funding: \$44,346 was available in prior fiscal years' Operating Budget of Austin Human Resources. \$84,000 is available in the Operating Budget of Austin Human Resources.

Lead Department

Financial Services Department.

Client Department(s)

Human Resources Department.

Fiscal Note

Funding in the amount of \$21,958 was available in the Fiscal Year 2023-2024 Operating Budget of Austin Human Resources. Funding in the amount of \$22,388 was available in the Fiscal Year 2024-2025 Operating Budget of Austin Human Resources. Funding in the amount of **\$84,000** is available in the Fiscal Year 2025-2026 Operating Budget of Austin Human Resources. Funding for the remaining contract term is contingent upon available funding in future budgets.

Procurement Language:

Ratification.

MBE/WBE:

Ratifications to existing contracts are exempt from the City Code Chapter 2-9B (Minority-Owned and Women-Owned Business Enterprise Procurement Program); therefore, no subcontracting goals were established.

For More Information:

Direct questions regarding this Recommendation for Council Action to the Austin Financial Services - Central Procurement at: FSDCentralProcurementRCAs@austintexas.gov <<mailto:FSDCentralProcurementRCAs@austintexas.gov>> or 512-974-2500.

Additional Backup Information:

The requested action is to ratify a contract with Equifax Workforce Solutions LLC for unemployment claims processing, I-9 compliance, and employment and record verification for the City, and to increase the contract authorization going forward due to increased demand for these services. The contract processes all employees through federally required identification and authorization to work verification systems, manages unemployment claims filed against the City, and provides verification of employment on behalf of City employees. Disruption to the verification of employment and income, would impact City compliance with the Fair Credit Reporting Act.

Unemployment claims management service includes processing unemployment claims received from Texas Workforce Commission for all City departments. Fraudulent claims are a significant issue and are identified and proven fraudulent after a thorough verification conducted by the vendor. Historically, the City has approximately 300 unemployment claims annually. In 2025, the City received an additional 185 unemployment claims. Of the 185 claims, 146 were deemed fraudulent.

In addition to unemployment claims processing, the vendor also conducts I-9 audits and compliance for the City. When the contract was established, the City did not account for the additional cost of the vendor having to convert paper I-9 forms to an electronic format. There are employee candidates who prefer using the paper form, which leads to additional costs; however, Austin Human Resources has worked closely with departments that typically hire seasonal and temporary workers to direct those employees to complete the standard I-9 form online.

These services were not expected to exceed the City Manager's authority. However, after the contract was executed, the Department and Contractor spent considerable time discussing the billing format, billing information accuracy, and billing amount which resulted in disputed billings that were submitted 12-14 months after originally anticipated. This caused a delay in payments and resulted in an overspend of the contract, as the department caught up with all outstanding invoices. Additionally, this request seeks an increase in contract authorization going forward due to increased demand for these services.

The increased authorization is expected to cover the cost of services through the remaining contract term. Austin Human Resources will assess usage volumes prior to the contract's expiration and will incorporate the increased usage in future contracts.