



**Representing Employee's
Employer's & Solutions**

The New Mathematics of Being an Employer

Uncover the 55+ Overhead Costs of an Employee

Cost control is an important issue in today's competitive business environment. Gone are the days of wide profit margins masking poor expense control. To remain profitable and grow in an increasingly global marketplace, organizations of all size must exercise greater cost control. Welcome **The New Mathematics of Being an Employer** from United Staffing Systems ("USS").

Managers and executives need to monitor more than individual salaries to determine the actual cost of employee's and the overall impact to the bottom line. Business leaders must continuously measure indirect costs, many of which are fixed not variable, to achieve effective cost control.

The need to calculate and analyze employee costs more thoroughly is the result of greater government regulations, statutory taxes and benefits. Today, the list of requirements managers calculate when assessing the actual cost of an employee include:

- Taxes**
- Benefits**
- Compliance**
- Record Retention**
- Communication**
- Government Reporting**
- Worker's Compensation**

USS provides comprehensive staffing solutions and outsourcing strategies to small, mid-size and global firms. Our innovative, flexible business and staffing solutions are tailored to meet the needs of the entire organization or small components of the overall infrastructure. When you work with USS, we eliminate the administrative burden of payroll processing and absorb the corresponding costs that otherwise go largely uncontrolled.

The conversions and worksheets are based on the itemized costs listed below. Certain costs will vary from one employer to another depending on the nature of operation and should be used as a guide, not an absolute.

SOCIAL SECURITY

Based on 6.2% up to the wage base maximum.

MEDICARE

Based on 1.45% with no wage base maximum.

FEDERAL UNEMPLOYMENT

0.8% up to the wage base maximum.

STATE UNEMPLOYMENT

7% up to the wage base maximum.

STATE DISABILITY

0.5%.

WORKER'S COMPENSATION

1%.

SUPPLEMENTS

Surcharges, penalties, etc. is 0.5%.

BENEFITS

15% based on a compilation of studies from payroll, legal and accounting professionals.

NON-PRODUCTIVE

Administration time of 3% is used. Payroll service advisors note administration can add 5% to payroll costs.

RECRUITING

Based on Department of Labor and BLS studies, this cost includes advertising, screening, referencing, scheduling, etc.

PAYROLL

Based on an average of both the cost of outside payroll services from the major payroll service companies and the cost of in-house payroll from a study conducted by one of the leading, global accounting firms.

"The Cost of Employment is Greater Than you Think"



SUPPORT

Includes the floor space, files, computers, forms, record retention costs associated with legal and tax consequences of having an employee. Payroll service advisors have placed this cost in a range of 3% to 5%. USS uses 3%.

LEGAL

Although this cost may vary widely, we based our figure conservatively at 2% of payroll. This cost includes both legal and accounting advice, handbooks, benefit advice, research, publications and insurance. One lawsuit and this figure becomes grossly understated in time, expense and emotional stress.

AT WORK EQUIVALENCE

This cost represents the amount of time actually worked. Companies pay for 52 weeks a year of work but get only 39 weeks of work based on two vacation weeks, one sick week, three personal days, twelve holidays and 260 lunch hours (or approximately 35 days.) This totals 65 days paid but not worked out of 260 days or 25%. The inverse of this cost is 75% of days actually worked although you pay for 100%.

To create the equivalence between contract workers of United Staffing Systems & All Affiliates, who are paid for days worked only, and a full-time employee, the full-time employee's wage must be divided by 0.75 (i.e. Salary = \$25,000/0.75 = the equivalence of a contract worker at \$33,333.)

ABOUT USS

United Staffing Systems ("USS") is the leading provider of temporary, temp-to-hire and full-time personnel in the Tri-State region. With our corporate headquarters in Manhattan, New York and five satellite branches throughout the region, we provide many of the world's leading organizations with top quality personnel at economical prices.

**A
recent study
conducted
by Div2000,
ranked
USS
#1 diversity
owned staffing
firm
in
New York!**



		AWARE	NOT AWARE
1.	Regular Earnings	<input type="checkbox"/>	<input type="checkbox"/>
2.	Overtime Premium	<input type="checkbox"/>	<input type="checkbox"/>
3.	Vacation Pay	<input type="checkbox"/>	<input type="checkbox"/>
4.	Holiday Pay	<input type="checkbox"/>	<input type="checkbox"/>
5.	Sick Pay	<input type="checkbox"/>	<input type="checkbox"/>
6.	Accident Pay	<input type="checkbox"/>	<input type="checkbox"/>
7.	Bonuses	<input type="checkbox"/>	<input type="checkbox"/>
8.	Other (Jury Duty, Severance, Emergency)	<input type="checkbox"/>	<input type="checkbox"/>
9.	Social Security	<input type="checkbox"/>	<input type="checkbox"/>
10.	Federal Unemployment	<input type="checkbox"/>	<input type="checkbox"/>
11.	State Unemployment	<input type="checkbox"/>	<input type="checkbox"/>
12.	Worker's Compensation	<input type="checkbox"/>	<input type="checkbox"/>
13.	State Disability	<input type="checkbox"/>	<input type="checkbox"/>
14.	Medical & Dental Insurance	<input type="checkbox"/>	<input type="checkbox"/>
15.	Life & Disability Insurance	<input type="checkbox"/>	<input type="checkbox"/>
16.	Paid Leaves	<input type="checkbox"/>	<input type="checkbox"/>
17.	Pension & Profit Sharing	<input type="checkbox"/>	<input type="checkbox"/>
18.	Issuing Checks	<input type="checkbox"/>	<input type="checkbox"/>
19.	Payrolling & Payroll Services	<input type="checkbox"/>	<input type="checkbox"/>
20.	Payroll Tax Deposits	<input type="checkbox"/>	<input type="checkbox"/>
21.	Quarterly Reports	<input type="checkbox"/>	<input type="checkbox"/>
22.	Benefits Bookkeeping	<input type="checkbox"/>	<input type="checkbox"/>
23.	W-2's	<input type="checkbox"/>	<input type="checkbox"/>
24.	Year End Reporting	<input type="checkbox"/>	<input type="checkbox"/>
25.	COBRA	<input type="checkbox"/>	<input type="checkbox"/>
26.	FMLA	<input type="checkbox"/>	<input type="checkbox"/>
27.	ADA	<input type="checkbox"/>	<input type="checkbox"/>
28.	HIPPA	<input type="checkbox"/>	<input type="checkbox"/>
29.	Record Retention	<input type="checkbox"/>	<input type="checkbox"/>
30.	Payroll Audits	<input type="checkbox"/>	<input type="checkbox"/>
31.	Worker's Compensation Audits	<input type="checkbox"/>	<input type="checkbox"/>
32.	Insurance Claims	<input type="checkbox"/>	<input type="checkbox"/>
33.	Performance Reviews	<input type="checkbox"/>	<input type="checkbox"/>
34.	Discipline	<input type="checkbox"/>	<input type="checkbox"/>
35.	Disputes	<input type="checkbox"/>	<input type="checkbox"/>
36.	Grievance Processing	<input type="checkbox"/>	<input type="checkbox"/>
37.	Terminations	<input type="checkbox"/>	<input type="checkbox"/>
38.	Wage Law Compliance	<input type="checkbox"/>	<input type="checkbox"/>
39.	Unemployment Claims	<input type="checkbox"/>	<input type="checkbox"/>



		AWARE	NOT AWARE
40.	Labor Board Disputes	<input type="checkbox"/>	<input type="checkbox"/>
41.	Advertising for New Employees	<input type="checkbox"/>	<input type="checkbox"/>
42.	Processing Applications	<input type="checkbox"/>	<input type="checkbox"/>
43.	Interviewing	<input type="checkbox"/>	<input type="checkbox"/>
44.	Reference Checking	<input type="checkbox"/>	<input type="checkbox"/>
45.	Testing	<input type="checkbox"/>	<input type="checkbox"/>
46.	Immigration Compliance	<input type="checkbox"/>	<input type="checkbox"/>
47.	Training	<input type="checkbox"/>	<input type="checkbox"/>
48.	Orientation	<input type="checkbox"/>	<input type="checkbox"/>
49.	Storage Space	<input type="checkbox"/>	<input type="checkbox"/>
50.	Files	<input type="checkbox"/>	<input type="checkbox"/>
51.	Forms	<input type="checkbox"/>	<input type="checkbox"/>
52.	Government Compliance	<input type="checkbox"/>	<input type="checkbox"/>
53.	Employee Handbooks	<input type="checkbox"/>	<input type="checkbox"/>
54.	Benefits Booklets	<input type="checkbox"/>	<input type="checkbox"/>
55.	Other	<input type="checkbox"/>	<input type="checkbox"/>

**For more information call
(800) 972-9725**

LOCATIONS

New York

Manhattan

261 Madison Avenue, 2nd Floor
New York, NY 10016

Westbury

265 Post Avenue, Suite 100
Westbury, NY 11590

White Plains

50 Main Street, 10th Floor
White Plains, NY 10606

New Jersey

Fairfield

373D Route 46W, 2nd Floor
Fairfield, NJ 07004

Jersey City

30 Montgomery Street, Suite 680
Jersey City, NJ 07302

Newark

One Gateway Center, 5th Floor
Newark, NJ 07102

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www.epersonnel.com**

