

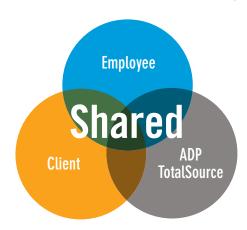
### Maximizing Your Success

Imagine being able to reduce the costs and complexities surrounding your employment management tasks. The administrative and compliance burdens that hamper growth. The pressures that come with rising benefits costs. The hurdle of an IT infrastructure that can't grow with you.

Taxes. Payroll. Legislation. Workers' compensation insurance. Compliance. Employee benefits. Get them right, and your business will run smoothly. Get them wrong, and you could face penalties, dissatisfied employees, and possibly even litigation.

Partnering with a Professional Employer Organization (PEO) can help stabilize costs, enhance employee productivity and engagement, and improve the ability to maintain compliance. Shared responsibility means you're not facing the threat and impact of changes to regulatory laws and other compliance requirements alone. Being in business has enough risks. Let us help you handle HR management and employee benefits while you focus on building your business.

# Leveraging Success Through The PEO Co-Employment Model.



2

A co-employment relationship is one in which the employment responsibilities are allocated to both the client and the PEO.

The clients, as employers, continue to have direct control over the day-to-day activities of their business, while the PEO becomes an employer for purposes of human resources administration. This model allows ADP TotalSource® clients to gain more focus, control, and performance from their organization.

82%

of small and mid-size companies that currently work with PEOs recommend this model to their peers, it's clear that PEOs are becoming a tool of choice to relieve compliance and competitive pressures.<sup>1</sup>

Your Business Stronger 🕨 ADP TotalSource

<sup>&</sup>lt;sup>1</sup> PEO: Taking Outsourcing a Step Beyond Pays Off for Small and Mid-Sized Companies, Aberdeen Group, August 2011

### Advantages of Using ADP TotalSource

ADP TotalSource integrates all major HR management and employee benefits functions into a single-source solution — one that translates into real savings, increased efficiency and greater peace of mind. Key reasons to consider ADP TotalSource include:

- Expert guidance from a trusted HR Business Partner who is dedicated to helping your organization proactively manage your employees, and make the right business decisions about matters, such as benefits
- Shared responsibilities with a leading authority on employment risk
- The ability to scale up or down with a minimal impact on your infrastructure with ADP's flexible technology platform
- The opportunity to optimize your benefits and employee services like a Fortune 500® company through the ADP TotalSource procurement model

With ADP TotalSource, you retain the day-to-day control over how you manage your employees and ADP TotalSource handles the HR management and benefits administration, including:

- Managing certain critical HR service responsibilities such as payroll, benefits and workers' compensation
- Assisting your company in guiding you with many common employer risks
- Offering health plans
- Providing IT infrastructure for HR management
- Helping you improve productivity and engagement
- Training your employees in both online and classroom venues

56%

of ADP TotalSource clients indicate that they chose

TotalSource to stabilize their costs.<sup>2</sup>

<sup>&</sup>lt;sup>2</sup> Source: ADP Research Institute, Relieving the Pressure: The PEO Approach to Navigating Compliance & Gaining a Competitive Advantage. 2011

# Leveraging ADP TotalSource HR Management Solutions

The following supports the key advantages in the ADP TotalSource service offering:

- An HR expert in your corner who knows how employee productivity leads to long-term success
- Scalable technology and infrastructure to help you maximize resources
- Shared responsibility to help reduce exposure to risk both predictable and unforeseen

Improve Employee Productivity With HR Expertise	
Your Focus	PEO Advantage
Hiring the Right Talent	► Facilitate efficient and effective recruitment through clear and concise job descriptions and a targeted training plan for hiring managers
Clear Communication of Policies and Procedures	▶ An updated customizable employee handbook, posted to My TotalSource®, to help ensure your employees are clear on your company's policies and procedures, as well as policies mandated by federal and state law
Retaining Top Talent	► Leverage Total Compensation Statements to highlight the investment made in each employee
	▶ Drive awareness of employee benefits via email communications to help drive participation and engagement
	▶ Provide management training on retention best practices
	▶ Highlight the saving advantages of the employee perks and discount program
Employee Training and Development	► Leverage instructor-led and online courses on key management topics including talent management, employment law and much more

### Mitigate Risk Through Shared Responsibility

Your Focus	PEO Advantage
Control Unexpected Costs	▶ Legal Defense Benefit and Employment Practice Liability Insurance helps protect your assets
Safety & Risk Management	<ul> <li>ADP TotalSource Risk and Safety Specialist to help you design a safety program and implement a safety committee</li> <li>Implement multistate compliant Drug-Free Workplace initiative to help ensure safer working conditions</li> </ul>
	► Training includes ergonomics and OSHA recordkeeping
Ensuring Compliance with Federal and State Regulations	▶ Minimize potential for liability by working with ADP TotalSource to create job descriptions that are consistent with FMLA, ADA, Title VII, and other federal and state regulations
	▶ Provide recommendations and assistance with laws and regulations such as the Fair Labor Standards Act and Health Care Reform
	► Conduct I-9 and FLSA assessments
	► Deliver harassment prevention training to employees
Reduce Distractions and Focus on Business Goals	<ul> <li>In addition to an effective anti-harassment policy, anti-harassment training should be provided for all employees and supervisors to help ensure understanding</li> <li>Increase your protection and mitigate Title VII risk and liability</li> </ul>

### Scalable Technology And Infrastructure To Help You Maximize Resources

Your Focus	PEO Advantage
Manage Labor Costs	▶ Implement time and labor management solutions to help reduce time theft and improve profitability
	▶ Deliver compensation analyses to determine market labor costs and make adjustments, as necessary
	► Review alignment between compensation and organizational goals, including pay for performance, profit sharing, merit, and bonus programs
Track Achievements in Skills and Licenses	► Help ensure accurate recordkeeping of employee skills and licenses by leveraging the My TotalSource skills and licensing solution to track employee knowledge, skills, certifications, and licenses
Competitive Advantage	► Augment your benefit and compensation strategy
	► Full-time and part-time Employee Compensation by wage band
	▶ Benchmark your employer benefits contribution and wage distribution versus companies in your industry; and your employee 401(k) contributions versus ADP TotalSource clients
Superior Customer Service	► Enhance organizational focus on customer service through employee and manager training
	▶ Discuss reward and recognition strategies for employees who provide outstanding customer service

Your Business Stronger 
ADP TotalSource

5

### Your Business, But Better

ADP TotalSource provides value across virtually all aspects of human resource management and employee benefits – and includes both the technical infrastructure to support growth and one-on-one advice and guidance from experts regarding workplace issues.

Recruitment & Payroll & Tax Administration

Benefits Programs & Polyce Relations

Employee Relations

Training & Management & Regulatory Compliance

Terminations

- Recruitment & Selection Successful HR management starts with finding and hiring the right people, using comprehensive talent management solutions.
- Payroll & Tax Administration As the global leader in payroll services, we're uniquely qualified to manage your payroll, tax withholds, and other related services.
- Employee Benefits Programs & 401(k) ADP®'s scale and bargaining power provides you with affordable access to a choice of premium healthcare, retirement, and other employee benefits. We can also help your company remain compliant with the myriad federal and state regulations that govern employer-sponsored plans.
- Employee Relations By combining online HR management tools with an assigned human resources business partner at ADP TotalSource, you'll be able to streamline and reduce the burden of day-to-day HR tasks.
- Training & Development Through a variety of training options and delivery methods, both you and your employees can gain knowledge and skills to put to use immediately.
- Risk Management & Safety We devote resources to helping you manage risk and achieve safety objectives. The result? Better employee morale, fewer worker injuries, reduced downtime, and lower costs.
- Regulatory Compliance The average small business would have trouble withstanding the impact of a six- or seven-figure judgment. Even if you win a lawsuit, it might cost you up to \$150,000 to defend yourself. That's why our primary goal is to help minimize your exposure to risk and liability.
- Terminations It's never easy to terminate an employee. But if you need to, then it's essential that you go about it in the right way in order to avoid exposure to lawsuits or other issues.

### Flexible Technology Solutions

#### **Technology and Innovation**

Serving as the technical foundation of ADP TotalSource is our fully scalable infrastructure. From the moment you start working with us your company has access to a flexible technology platform and operational infrastructure for managing all aspects of your business — now and as it grows.

#### **Mobile Solutions**

Today's mobile workforce demands mobile solutions. That's why ADP TotalSource delivers mobile pay statements and benefits summaries, helping to keep your employees engaged and aware no matter where they are.

56% of HR Managers say mobile HR solutions improve workforce satisfaction.<sup>3</sup>

To have a competitive advantage, you must create an edge over your competitors. In today's economy, every advantage counts to establish your business in the top of your industry. Gaining a competitive advantage takes strategic planning and partnering with ADP TotalSource is one way to help you get there.

<sup>&</sup>lt;sup>3</sup> Source: 2011 ADP Research Institute and VDC Whitepaper, Mobile and HR Solutions: Connecting and Empowering Your Workforce, 2011.



To learn more about how ADP TotalSource can help you gain a competitive edge, call 1-800-447-237 or visit www.adptotalsource.com.



## ADP Complete Payroll and HR

Manage your cashflow, compliance and your most valuable asset – your people

Small businesses are working harder just to stay in business these days. How you choose to manage your back-office burden can pull your focus away from reaching your business goals — or it can bring you closer to achieving them.

ADP offers the innovative solutions you need to stay on top of your most challenging HR needs. Plus get powerful tools and resources to help you manage your cash flow and your compliance risk.

With better control over your time and resources — what could your business achieve?

#### Cash and compliance management solutions

- Flexible Payroll Input Options Enter your data online, by phone, or even on-the-go with our mobile payroll app. Either way, you can be confident that your data is safe and secure.
- eTimecard\* Provides employees the ability to clock in and out or enter hours worked via web or mobile device. Hours entered can be reviewed and edited before being sent for automatic payroll processing.
- Health Care Reform Page The Health Care Reform Page will provide you access to resources to help you stay on top of health care reform changes, help determine if you may be considered an "applicable large employer" and affected by the Shared Responsibility provision of the ACA, and determine your eligibility for the Health Care Tax Credit.
- Employee Access Employees can find answers with online access to an up-to-date payroll history, helping to reduce the number of questions you'll receive.
- General Ledger Interface Export journal entries from ADP into QuickBooks®, Xero, Creative Solutions or a generic output file — without re-keying data.

- Payroll Preview Preview payroll results before processing to help reduce errors.
- Payment Options Choose from three ways to pay your employees:
  - ADPCheck<sup>™</sup> The most secure paycheck in the industry, signed and sealed with 10 advanced fraud protection features.
  - Full Service Direct Deposit The quickest way to pay your employees — on payday, pay is automatically deposited in each employee's account.
- ALINE Card by ADP® Pay employees electronically on a reloadable Visa prepaid debit card.
- Electronic Reports View, access, export and print over 15 different reports online.
- Tax Filing We'll calculate, deposit, file and reconcile your payroll taxes — and respond to inquiries from taxing agencies regarding the returns we file for you.
- New Hire Reporting Helps protect your company from penalties due to mistakes or late filings.
- Labor Law Poster Compliance Update Service

   We'll also enroll you in our Labor Law Poster

   Compliance Update Service to help you comply with these regulations.
- Garnishment Payment Service A cost-effective, comprehensive solution that helps you manage all aspects of your wage garnishment processing.
- State Unemployment Insurance (SUI) Management

   Complete management of your state
   unemployment insurance, including reviewing your
   account for erroneous charges and auditing your

   SUI experience rate(s) to make sure it is appropriate.
   We'll also handle correspondence from each state in which you pay unemployment insurance.

# People management features designed for your business

#### HR Tools, Resources, and Support

- HR HelpDesk Receive phone and e-mail access to a dedicated support team of HR professionals to help you navigate even your most complicated HR issues.
- Employee Handbook Wizard Create a comprehensive, professional quality employee handbook based on federal employment law in just 15 minutes.
- Background Checks Receive up to 5 single-county criminal background checks per year. Includes SSN Validation\*\*, Criminal History Search for the current county of residence, and ADP's Smart Crim.
- Employee Info Tab Get a summary view of basic employee HR information.
- Job Description Wizard Create customized job descriptions based on an extensive database.
- ADP Hiring Post jobs to multiple job boards and social media sites in one click. Easily manage candidates with a built-in applicant tracking system and quickly identify top candidates.
- Advanced HR Toolkits Step-by-step guidance to help you complete and document advanced HR tasks, including everything from OSHA to FLSA.
- HR Forms & Documents Save time by obtaining your key HR forms from our central library of thousands of best-practice documents, checklists, forms, job descriptions and policies.
- Basic HR Toolkits Properly complete everyday HR tasks such as hiring and termination with step-bystep best-practice guidelines, essential forms and documents, and related policies.

- State and Federal Compliance Database Get information about ever-changing state and federal employment laws without the legal jargon, with plain English summaries of major regulations to help you stay on top of HR best-practices and compliance requirements.
- HR Compliance Updates Receive proactive e-mail alerts when laws change that may affect your company's policies, procedures or compliance requirements.
- Audit & Compliance Wizard Use an intuitive wizard to assess your company's HR practices in seven key HR areas, and gain access to resources to help shore up your weaknesses.
- Quick HR Answers Search a comprehensive database of commonly asked HR questions and get on-demand best-practice answers.

#### HR information and education

- HR Fundamentals Training Self-paced online learning course covering various HR topics.
- State and Federal Resources Help meet your core state and federal documentation requirements with convenient access to key government forms and documents.
- HR Checkups Compare your current HR practices against standard HR best-practices to see how you measure up.
- Tip of the Week Receive practical how-to articles that provide best-practice information to complete your everyday employee management tasks.
- Quarterly Newsletter Timely, comprehensive articles focused on compliance requirements and getting the most out of your workforce.
- HR Dictionary Hundreds of must-know HR terms, definitions and abbreviations to clarify your HR tasks.

# For more information, contact your local ADP Representative or visit smallbusiness.adp.com

\* Feature is a la carte \*\*Only confirms social security number was issued and number is not on the master death database.



#### WHAT IS THE WORK OPPORTUNITY TAX CREDIT?

The Work Opportunity Tax Credit (WOTC) is a Federal tax credit available to employers who hire individuals from eligible target groups with significant barriers to employment. Each year, employers claim over \$1 billion in tax credits under the WOTC program. The success and growth of this income tax credit for business is beneficial for all who participate, while increasing America's economic growth and productivity.

- WOTC reduces an employer's cost of doing business, requires little paperwork, and applying for WOTC is simple.
- WOTC can **reduce an employer's federal income tax liability** by as much as \$9,600 per employee hired.
- There is no limit on the number of individuals an employer can hire to qualify to claim the tax credit.
- Certain tax-exempt organizations can take advantage of WOTC by hiring eligible veterans and receiving a credit against the employer's share of Social Security taxes.

#### WHO IS ELIGIBLE?

- Veterans
- TANF Recipients
- SNAP (food stamp) Recipients
- Designated Community Residents
- Vocational Rehabilitation Referral
- Ex-Felons
- Supplemental Security Income Recipients
- Summer Youth Employees

Visit http://www.doleta.gov/business/incentives/opptax/eligible.cfm for more target group eligibility information.