

Open Shop Contractors:

Do you want to save on payroll burden, submit more competitive bids, and win more jobs?

THE Contractors Plan

Powered by
Fringe Benefit Group

The Contractors Plan powered by Fringe Benefit Group is the answer.

If your company works on government contracts – or you'd like to – let us show you the difference allocating the fringe benefit portion of the prevailing wage to bona fide benefit plans can make:

- Save on payroll burden and expenses
- Submit more competitive bids
- Offer retirement, medical, dental, vision and life insurance plans
- Maximize contributions to owner, key employee retirement accounts
- Provide quality benefits for employees
- Stabilize health benefits between jobs or during layoffs
- Enjoy seamless administration of your benefits programs

Use our Total Fringe solution to allocate the entire fringe. Choose from retirement plans, major medical, limited medical, dental, vision and life insurance to boost your savings. No matter how many or what type of benefits you offer, we handle the administration for you, seamlessly.

Why choose The Contractors Plan?

Experience We pioneered the offering of prevailing wage benefit plans, and we specialize in working with government contractors. Your plan will be set up and implemented correctly, with little time required of you and your administrative staff.

Flexibility We understand high employee turnover, seasonality of work, and other challenges faced by government contractors. We can easily discontinue contributions when one prevailing wage job ends and resume them when the next job starts. Our unique hour banking program enables workers to "bank" hours to extend health coverage during slow periods or layoffs.

Expertise Participation in company 401(k) plans is often limited for company owners and key employees due to IRS regulations. With our expertise in prevailing wage plan design, we can use prevailing wage contributions to employee retirement accounts to increase the amount owners and HCEs can defer into their own accounts. Most companies are not knowledgeable about these options.



How can The Contractors Plan save you money?

When the fringe portion of the prevailing wage is used to provide benefits for hourly workers, this amount is not subject to payroll costs such as FICA, federal and state unemployment taxes, and workers compensation insurance.

A conservative estimate is that these costs represent an additional 25 cents on each dollar paid as cash wages.

See illustration on back side.

Quality Benefits

The Contractors Plan features funds from well-known companies such as:

- Manning & Napier
- Dreyfus
- American Funds
- PIMCO
- Vanguard
- Harbor International

We also work with quality partners like:

- Transamerica
- PacifiCare
- UnitedHealthcare
- Nationwide
- Avesis
- Insurers Administrative Corporation
- GroupLink, Inc.
- Safeguard
- UnitedHealthcare Specialty Benefits

Ease of Administration

Enjoy comprehensive, single-point services

- Billing
- Eligibility
- Administration
- COBRA

Total Fringe allocates the entire fringe portion of the prevailing wage and maximizes your savings. Choose from our comprehensive menu of benefits; no matter how many you choose, you upload one file and send in one check. ***We handle the rest!***



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Compare fringes paid in cash with The Contractors Plan:

The Contractors Plan **saves you \$2.40 per employee per hour** or over 6.5% of payroll.

Paying the Fringe in Cash	
Base Wage	\$20.00
Fringe Amount Paid as Cash	\$8.00
Total Hourly Cash Wage	\$28.00
Payroll Tax Burden Percentage <small>(FICA: 7.65%; FUTA: 0.8%; SUTA: 2.2%; workers' comp: approx. 20%, varies by state)</small>	30%
Hourly Payroll Tax Burden	\$8.40
Cash Hourly Wage	\$28.00
Total Bid Hourly Cost	\$36.40
Providing Bona Fide Benefit Plan	
Base Wage	\$20.00
Total Hourly Cash Wage	\$20.00
Payroll Tax Burden Percentage	30%
Hourly Payroll Tax Burden	\$6.00
Fringe Amount Paid into Plan	\$8.00
Total Bid Hourly Cost	\$34.00

Ready to get started?

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