

Specialty Contractors:

Do you want to save money and improve your chances of working on prevailing wage 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 would like to – let us show you the difference allocating the fringe benefit portion of the prevailing wage to bona fide benefit plans can make:

- *Realize immediate savings on payroll burden and expenses.*
- *Improve your chances of working on prevailing wage jobs.*
- *Increase profits.*
- *Offer retirement, medical, dental, vision and life insurance plans.*
- *Stabilize health benefits between jobs or during layoffs.*
- *Enjoy seamless administration of benefits programs.*
- *Maximize contributions to owner and key employee retirement accounts.*

Competition for public works jobs is tough, and bids are being won or lost by increasingly smaller margins. Many prime contractors are actively seeking subs who use bona fide benefits plans, knowing they can pass along the savings on payroll burden in the form of lower bids.

Get started today: asa.contractorsplan.com

1-800-328-1519 | info@contractorsplan.com

Why Choose The Contractors Plan?

Experience Fringe Benefit Group pioneered the offering of prevailing wage benefit plans, and we specialize in working with government contractors. Your plans will be set up and implemented in compliance with state and federal regulations – all with little time required of you and your administrative staff.

Flexibility We understand high employee turnover, seasonality of work, and other challenges faced by subcontractors. With The Contractors Plan, we can easily discontinue contributions when one prevailing wage job ends and resume them when the next job starts. And 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 required IRS discrimination and compliance testing. With our expertise in prevailing wage plan design, we can leverage prevailing wage contributions to employee retirement accounts to increase the amount key employees can defer into their own accounts. Most retirement plan providers don’t understand these options.

How can The Contractors Plan save you money?



When the fringe benefit 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.

Compare fringes paid in cash with The Contractors Plan

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	30%
<small>(FICA: 7.65%; FUTA: 0.8%; SUTA: 2.2%; workers' comp: approx. 20%, varies by state)</small>	
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

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

Compliance Support Services

The US Department of Labor is already increasing its investigative staff in anticipation of auditing projects funded by the American Recovery and reinvestment Act. Since the prime contractor is liable for its subcontractors, subs that already have compliant prevailing wage benefit plans are much more likely to be chosen for public works jobs

Quality Benefits

The Contractors Plan partners with Transamerica and Nationwide to offer funds from well-known companies such as American Funds, PIMCO, Vanguard, and Neuberger Berman. We also work with quality partners like United Healthcare, Aetna, PacifiCare, Insurers Administrative Corporation, GroupLink, Inc., Safeguard, United Healthcare Specialty Benefits and Avesis.

Ease of Administration

The Contractors Plan provides comprehensive, single-point services. Use our Total Fringe solution to allocate the entire fringe portion of the prevailing wage and maximize your savings. Then upload one file and send in one check – we do the rest, including billing, administration, eligibility and COBRA.



Ready to get started?

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