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Did You Know?



Office paper is the largest percentage of a company's garbage everyday. About 85% of office paper is currently discarded (over 7 million tons in the United States alone every year). Reuse! Try printing on both sides or using the blank side for scrap paper.

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BLOG CORNER: U.S Employers Placed On Notice By OSHA

Stay connected to Four Point HR. Post a response on this topic and others to our blog at fourpointhr.com/peo.

Over 13,500 U.S. businesses were notified recently that their days away from work, restricted duty or job transfer (DART) were higher than average. This trend is not uncommon in economic downturns. Injury rates generally increase during such times as anxiety and stress are directly related to lack of job focus. In addition, claim fraud tends to increase as well.

Have you noticed any changes in your injury rates? If so, we would like to know what you are doing anything internally to combat this.



Congress Extends Unemployment Benefits

On November 5, 2009 the United States House of Representatives passed HR Bill 3548 to extend unemployment benefits for up to an additional 20 weeks. This new legislation, signed by President Obama on November 6, 2009, will extend unemployment benefits in all states by 14 weeks. An additional six weeks will be allowed in states that have an unemployment rate above 8.5%. Currently, the national unemployment rate is 10.2% and, as of November, the following states had unemployment rates above the 8.5% threshold:

State	Unemployment Rate	State	Unemployment Rate
MAINE	8.5	OHIO	10.1
IDAHO	8.8	ILLINOIS	10.5
PENNSYLVANIA	8.8	TENNESSEE	10.5
NEW YORK	8.9	ALABAMA	10.7
WEST VIRGINIA	8.9	NORTH CAROLINA	10.8
ARIZONA	9.1	KENTUCKY	10.9
MISSISSIPPI	9.2	FLORIDA	11.0
MASSACHUSETTS	9.3	DISTRICT OF COLUMBIA	11.4
WASHINGTON	9.3	OREGON	11.5
MISSOURI	9.5	SOUTH CAROLINA	11.6
INDIANA	9.6	CALIFORNIA	12.2
NEW JERSEY	9.8	RHODE ISLAND	13.0
GEORGIA	10.1	NEVADA	13.3
		MICHIGAN	15.3

The new bill covers those whose unemployment benefits will expire by December 31, 2009. It will also allow those, whose benefits have expired, to reapply but the benefits will not be retroactive.

If required, instruct claimants to contact the unemployment office to verify their eligibility.



Unemployment Insurance Taxable Wage Base Changes for 2010

At least eighteen (18) states have announced that they will increase the 2010 taxable wage base to which they charge unemployment taxes. Although many states have decided not to increase their wage base for 2010, not all states have reported. We will continue to advise of additional changes. Listed below are those states that have reported an increase in the taxable wage base effective January 1, 2010:

STATE	2010 TAXABLE WAGE BASE
Arkansas	\$12,000
Florida	\$8,500
Indiana	\$9,500
Iowa	\$24,500
Louisiana	\$7,700
Minnesota	\$27,000
Missouri	\$13,000
Montana	\$26,000
Nevada	\$27,000
New Hampshire	\$10,000
New Jersey	\$29,700
New Mexico	\$20,800
North Dakota	\$24,700
Oklahoma	\$14,900
South Dakota	\$10,000
Vermont	\$10,000
Washington	\$36,800
Wyoming	\$22,800

The 401(k) limit amounts for 2010 will remain the same:

- 401K Contribution Limit - \$16,500
- Contribution Limit for Ages 50 and over - \$22,000



Assessing Health & Safety Through Performance Appraisals

For many organizations, appraising an employee's performance involves measuring the level at which employees are achieving both their own personal goals and the company's expected performance standards. This process is often referred to as the performance appraisal process but is also known as performance evaluation, performance review and employee evaluation. And while there are a wide variety of performance appraisal systems to choose from, consideration is not always given to the value of integrating health and safety into the appraisal.

Why is that so important? Integrating health and safety into a performance appraisal system provides management with a unique opportunity to tie the employee's accountabilities and achievements to the company's objectives and strategic plans. Most importantly, if an organization begins to integrate health and safety into job descriptions, policies, procedures and organizational standards, they begin to communicate consistently the type of behavior they are looking for.

Other ways in which an integrated performance appraisal process can be used to aid an organization include:

- Communicating information to employees on how well they are meeting the health and safety performance expectations of their jobs.
- Identifying areas for coaching to help employees improve their health and safety performance and develop safe work practices.
- Providing opportunities to further communicate the organization's health and safety performance expectations.
- Supporting the organizational succession plan.

For example, employees need to know that meeting the health and safety expectations of a job requires them to:

- Report hazards or hazardous conditions to their supervisor.
- Work in a safe manner at all times by using appropriate protective gear and controls on equipment.

Supervisors, on the other hand, need to know that meeting the health and safety expectations of a job requires the ability to:

- Coach employees on safe work practices.
- Enforce company policies and procedures.
- Act as a positive role model for staff with respect to safe work practices.
- Discipline staff when required for failure to follow safety procedures.

A performance appraisal system should clearly quantify the health and safety areas being monitored and should provide qualitative feedback on employee health and safety performance. When these policies and standards are measured, the organization will have a true assessment of its overall success - including health and safety performance.

Year End Bonus Awards

As 2009 comes to a close, you may be in the process of making decisions on annual year-end bonuses. If so, there are rules that must be followed.

The IRS regulates the taxing of bonuses with very specific guidelines. You can tax at a flat rate of 25% or add the bonus to the regular payroll run and tax according to the employee's withholding status. Employees generally benefit from the flat rate tax as adding the bonus into their regular pay can put them into a tax bracket that is greater than 25%.

However, if you are dealing with highly compensated individuals whose salaries put them in a higher tax bracket, it is beneficial to them to tax at the higher rate.

The IRS does not specify a maximum when using the percentage method. The only criterion they require is that it is no less than 25%. The payroll department can assist you in determining the best option.

Bonuses can be calculated based on the profit margin, percentage of salary, experience, education, hours worked, loyalty or other criteria determined by the business. There is no set way to determine bonuses and it is clearly up to each individual company.

More and more companies are no longer awarding year-end bonuses. As an alternative, consider implementing production driven bonuses that are paid out through the year or at year-end. The same tax rules would apply, but the firm benefits from an increase in production and employees who are driven to succeed.

GUEST COLUMN: Letting Your Equipment Work For You

Do you make the purchasing decisions for your firm's business productivity equipment? This equipment includes vehicles, computers, furniture and machinery. If you do, consider leasing your business equipment to reduce your cash outlay and conserve your working capital. This frees up money for research and development, marketing and advertising, inventory, or investments in appreciable assets such as real estate. Equipment leasing is not a new strategy. In fact, according to the U.S. Small Business Administration, 8 of 10 American companies lease some or all of their productivity equipment. Benefits of leasing include:

- Preservation of working capital through 100% financing
- Quick approval of most deals
- Qualifying payments are 100% tax deductible
- No impact on available credit lines
- Flexibility to cover soft costs such as installation and freight

Firms have the option to purchase the equipment at the end of the lease for "fair market value" or a predetermined amount as low as one dollar. They may also return the equipment or trade it in to upgrade to newer equipment.

Getting approved to lease a piece of equipment is as easy as a filling out a short application. If you've been in business for more than two years and have good credit, no other information is typically required. Eligible equipment includes: agricultural, auto repair, commercial vehicles, construction, dental, graphic, heavy machinery, industrial machinery, information technology, laundry, maintenance, medical/pharmaceutical, mining, office, and restaurant equipment. Take advantage of this opportunity to save your cash.

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Payroll Corner

Important: Four Point HR will be closed Friday, December 25th in observance of the Christmas Holiday. The banks are also closed, so this will be a non-negotiable day for check cashing. Any checks that would normally pay on Friday the 25th must change to either Thursday December 24th or Monday December 28th. In observance of the New Year in the following week, the same criteria will apply, as Four Point HR and the banks will be closed on Friday, January 1, 2010. Remember to submit payroll by noon on the day it is to be processed. Please note the following instructions to help ensure your payroll is processed in a timely manner:

All payroll changes for the below schedule including new hires, pay rates, etc. should be submitted by Friday, December 18th. The Christmas Holiday payroll schedule will be as follows:

Submit Payroll *	Check Date	Debit Date (If applicable)	Notes
Monday 12/21	Thursday 12/24	Tuesday 12/22	
Tuesday 12/22	Thursday 12/24	Wednesday 12/23	Live Checks Only
Tuesday 12/22	Monday 12/28	Wednesday 12/23	
Thursday 12/24	Wednesday 12/30	Monday 12/28	
Monday 12/28	Wednesday 12/30	Tuesday 12/29	Live Checks Only

You must notify your Client Relationship Manager by Wednesday, December 16th, of your intended date to process payroll the week of December 21st.

All payroll changes for the below schedule including new hires, pay rates, etc. should be turned in by Thursday, December 24th. The New Year's Holiday payroll schedule will be as follows:

Submit Payroll *	Check Date	Debit Date (If applicable)	Notes
Monday 12/28	Thursday 12/31	Tuesday 12/29	
Tuesday 12/29	Thursday 12/31	Wednesday 12/30	Live Checks Only
Tuesday 12/29	Monday 01/04	Wednesday 12/30	
Thursday 12/31	Wednesday 01/06	Monday 01/04	
Monday 01/04	Wednesday 01/06	Tuesday 01/05	Live Checks Only

You must notify your Client Relationship Manager by Wednesday, December 23rd, of your intended date to process payroll the week of December 28th.

*The end of 2009 is upon us and listed below are a few items to remember to have a successful and smooth transition into 2010. Please inform everyone accordingly:

ADDRESS CHANGES: Employees should turn in address changes effective immediately. We will be processing W-2's soon and want to make sure they are mailed to the correct address. Please fax Employee Information Change Forms to 404-601-4047.

BONUS AND/OR SPECIAL CHECK RUNS: Bonus runs and/or any additional year-end transactions to be included on the 2009 W-2's should be sent to your payroll contact by no later than Monday, December 28th. Any requests received after December 28th will be applied to the 2010 Calendar Year.

2009 W-2 EARNINGS: Please remember that the earnings reflected on your 2009 W-2 can be identified by the pay date, not the pay period. (Ex: If the pay period is 12/24/09 – 12/30/09, but the pay date is 1/04/10, those earnings will not be reflected on your 2009 W-2. They will be included in the 2010 W-2).