

General Contractors:

Concerned About Subcontractor Prevailing Wage Compliance?

You Should Be!

The Contractors Plan powered by Fringe Benefit Group can help!

Are you confident that your subs—at all tiers—are in compliance with state and federal laws that apply to prevailing wage projects?

- **Reduce and better manage your risk when it comes to compliance issues**

As prime contractor, you are responsible for making sure your subcontractors—and their subcontractors—understand and comply with their obligations under the Davis-Bacon and Related Acts when working on covered jobs. When your subs partner with The Contractors Plan, everyone gains the advantage of our years of expertise regarding bona fide benefits plans. This helps you feel confident that your subs at all tiers are complying with state and federal prevailing wage regulations regarding their bona fide benefits plans.

Why subject your company to undue risk?

- **Sharpen your competitive edge when your subs save on payroll burden.**

The number of companies bidding on government contracts has increased dramatically in the past three years, so it's crucial to shave every possible dollar from your bids. As the GC, you save on payroll burden when you use The Contractors Plan. When your subs use us, they save as well. The cumulative savings on payroll burden can mean the difference between winning a bid and coming in second.

**Increase savings and shift some of the burden of compliance.
Refer your subcontractors to The Contractors Plan today!**

800-328-1519 | info@thecontractorsplan.com



Your subcontractors will enjoy these advantages by working with The Contractors Plan:

- Administer all your benefits in one place entirely online
- Reduced payroll burden
- Increased ability for key employees to save for retirement
- Reduced tax burden for the company as a whole
- Compliance and audit assistance at no additional cost
- Recordkeeping and administration of benefits
- Hourly workers receive quality benefits and insurance protection

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 30 cents on each dollar paid as cash wages.

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?
thecontractorsplan.com

800-328-1519 | info@thecontractorsplan.com