



www.magnahr.com
866-MAGNAHR (866-624-6247)

Magna Administrative Services Outsourcing (ASO)

Big business resources for small business needs.

While outsourcing administrative functions certainly isn't a new concept, **Magna ASO** sets a new standard in the field. **Magna ASO** differentiates itself in the outsourcing marketplace by giving clients access to a human resources management team that offers expertise in not just one or two, but virtually all human resources functions, including employee benefits and payroll. **Magna ASO** embodies four separate, but interrelated areas:

- HR Advisory Services
- Employee Benefits Administration
- Section 125 Plan and Flexible Spending Account Administration
- Transportation Reimbursement Account Administration

As with any business partnership, and especially with human resources, a strong relationship is essential to success. Your dedicated human resources management team will take the time to understand your company from the inside out in order to correctly assess and accommodate your human resources needs.

Overall, **Magna ASO** will identify key integration points and opportunities to streamline your human resources, payroll and benefits administration services. By aligning your human resources functions with your company's business strategies, we can ensure that your processes, practices, technology and staff are all working toward a common goal: *a better built business.*

Why Outsource?

According to *The Outsourcing Institute*,[™] the top 10 reasons include:

- Reduce and control operating costs
- Improve company focus
- Gain access to world-class capabilities
- Free internal resources for other purposes
- Gain access to resources that are not available internally
- Accelerate re-engineering benefits
- Handle functions that are difficult to manage
- Make capital funds available
- Share risks
- Gain a cash infusion

Magna Outsourcing



HR Advisory Services

Under this option, you will have access to your own virtual HR Management team who will provide unlimited email or phone-based consulting services for employment-related issues. While our primary goal is to ensure compliance with the various Federal and State regulations, an equally important goal is to ensure employee understanding and adherence to company policies. This, more than anything else, will help protect your company's assets by reducing the likelihood of any employment-related litigation. We will also provide our **HR Library** and **KnowledgePoint** products to our HR Advisory clients at no additional cost.

Employee Benefits Administration

Enhanced benefits packages will enable your company to compete with Fortune 500 companies in the job marketplace. With **MagnaHR**, you'll enjoy a level of employee benefits coverage and back-end administration well beyond that of most similarly sized companies. Our skilled professionals will manage your benefits package, so your employees will receive the support and education they need to better understand and use their benefits.

MagnaHR combines our years of experience with our integrated HRIS application to provide the front-end interface with our clients and the back-end administration typically only available to much larger organizations. Here, we offer such value-added services including plan design and administration, invoice audit and reconciliation, consolidated billing, premium collection and funding, standard and ad-hoc reporting, vendor management and annual rate negotiations.

Section 125 Plan and Flexible Spending Account Administration

MagnaHR can offer a choice between two plan design alternatives containing three separate cafeteria plan components.

Premium Only Plan

Your employees' contributions for group-sponsored medical, dental, vision, group term life, disability and an assortment of other health-based benefit premiums will be payroll deducted on a pre-tax basis saving them money on taxes.

Flexible Spending Account Plan

This plan includes the premium-only component plus two additional flexible spending account components for non-covered health care and dependent care expenses. The Health Care Account allows employees to use pre-tax dollars to pay for certain non-covered medical, dental and vision care expenses including deductibles and co-insurance. The Dependent Care Account allows employees to use pre-tax dollars to pay for dependent care expenses such as babysitting and day care. The employees determine an annual amount to be deducted from their paychecks on a pre-tax basis. Then, as expenses are incurred throughout the year, they may withdraw funds from their accounts. The maximum allocation is limited by IRS guidelines.

Employees can customize their benefits plans by choosing any combination of these flexible spending account plan components to best meet their needs. Both plans have been designed for full compliance with IRC Section 125 regulations and to provide groups with a full-service, state-of-the-art program.

Transportation Reimbursement Account Administration

Similar to the flexible spending accounts, employees may use pre-tax dollars to pay for certain work-related transportation and parking expenses — including mass transit, public parking and van pool expenses. But unlike flexible spending accounts, the transportation reimbursement accounts allow your employees to make elections monthly instead of annually, and they will not be penalized by the "use it or lose it" rule. For mass transit, **MagnaHR** will buy the passes and mail them directly to the employees at the work site.