



Innovative Employee Solutions
Payrolling and HR Administration

Contractor Payroll Services for

SAIC[®]
From Science to Solutions

January 2011





About IES

- Trusted SAIC partner since 1976, when IES was operating as TOPS Staffing
- Approved resource for SAIC's hiring managers when hiring contract employees (short-term to long-term)
- Operates as a seamless extension of SAIC: hiring and payrolling contingent workers sourced by SAIC
- Services SAIC nationwide as "employer of record" for more than 4,000 employees each year
- 100% Woman-Owned Business
- Our team has 50+ years combined work experience in the payrolling, HR administration and staffing industries

Why SAIC Uses IES

- Shortens the hiring timeline and reduces the administrative work of the hiring process
- Measurable cost savings when compared to traditional staffing company fees
- IES' dedicated Customer Service Representatives see to all required needs of contract hires throughout the assignment
- Hiring Payrollees allows a department more dedicated time to focus on a contract or project by utilizing IES' quick on-boarding process

Bottom line: *our job is to make your job easier*

Temporary Staffing vs. Payrolling

Temporary Staffing	IES Payrolling
<ul style="list-style-type: none"> • Employees recruited, screened, interviewed & assigned by staffing firm • Less control over who works on your projects • Serviced by multiple customer service rep's within staffing company • Application, on-boarding, and screening process handled by staffing company in compliance with <i>their</i> policies and procedures • Require predetermined period of time for client to hire as direct employee 	<ul style="list-style-type: none"> • Employees recruited, screened, interviewed & assigned by you, with IES as the employer of record • More control over who works on your projects • Same dedicated team services your needs consistently • Application, on-boarding, and screening process handled by IES in compliance with SAIC's policies and procedures • No predetermined period of time required to wait before hiring as regular SAIC employee
<p style="text-align: center;">Average markup: 30-50% (for length of assignment)</p>	<p style="text-align: center;">Average markup: 20% (and reduces over time)</p>

Threshold Reduction Program

- Reduces overall costs of hiring contract workers through a continually reducing markup rate
- Once Federal and State-required tax thresholds are met, a corresponding reduced markup rate occurs immediately and automatically
- Lowered markup rates stay reduced for the remainder of the year and reset January 1.

Threshold Reduction Program

Example: State = Virginia, Pay rate = \$40/hour

Starting markup above pay rate: 20.515% (\$48.21)

Once FUTA Threshold is met: 19.715% (\$47.89)

Once SUTA Threshold is met: 17.435% (\$46.97)

Once FICA threshold is met: 11.235% (\$44.49)

Swing of 9.28%

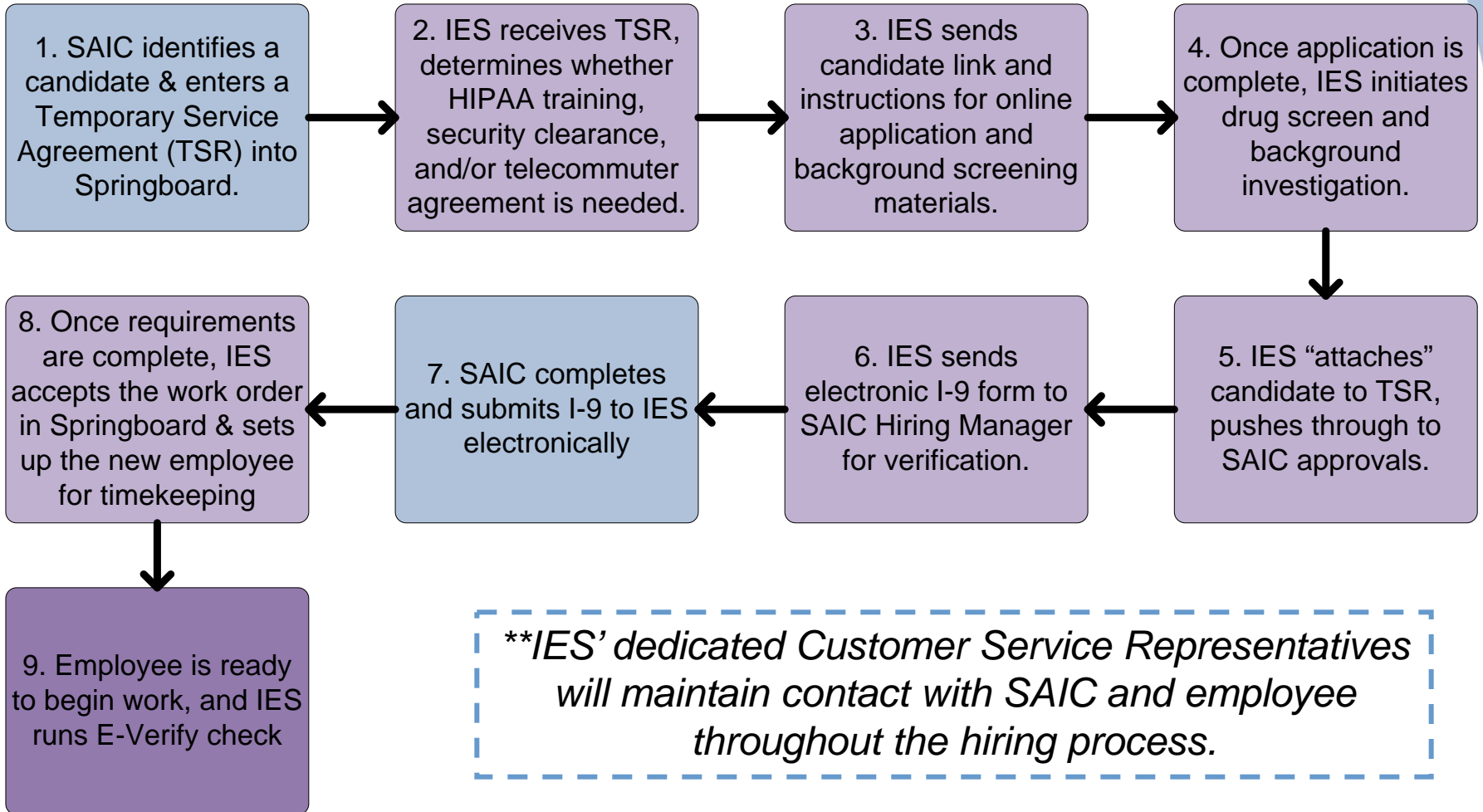
**Staffing company charges up to 50% markup (\$60.00) for duration of entire assignment*

When to Use IES:

- Converting regular temporary employees from a staffing agency after contract minimum is met (reduces mark-up paid)
- Hiring payrollees to work on government contracts or commercial projects for the duration of the contract/project
- Hiring employees with specialized skill sets for short durations (i.e. instructors, technical writers, scientists, retired military personnel)
- Seasonal and trial hires
- Hiring retired SAIC personnel for specific projects
- Hire SAIC consultants as W2 employees



How to Use IES



Payroll Processing Services

- Fund and process weekly payroll, allowing SAIC to manage expenses associated with staffing and labor
- Dedicated Payroll Specialist available at all times (Monday – Friday, weekends, and holidays) to assist HR, Shared Services, and employees
- Pay withholding taxes FICA, FUTA, and SUI
- Prepare and manage W-2 statements
- Prepare and file required tax reports in all 50 states for payrollees
- Process and manage garnishments and bonuses, and comply with SCA contract terms
- Offer direct deposit or PayCards as payment options

Employee Benefits

- Offered to all eligible employees:
 - CIGNA Limited Benefits Health Plan (medical and dental)
 - 401(k) plan
 - Dependent Care Assistance Plan
 - Vision Care Plan
 - AFLAC Supplemental Plans
 - ◆ Life insurance
 - ◆ Short-term disability insurance
 - ◆ Accident insurance
 - ◆ Personal cancer indemnity plan
- Additional benefits available with SAIC authorization

HR Administration Services

- Security Clearances:
 - Secret, Top Secret, and Interim
- E-Verify for all employees
- Drug screens, criminal background investigations, and administration of all Fair Credit Reporting Act (FCRA) requirements
- Employment and education verifications for background checks
- Senior HR professional liasions available to SAIC personnel for consultation
- Benefits and COBRA administration
- HIPAA training, certification, and recertification

HR Legal Compliance

- Record keeping:
 - I-9, W-4, and all SAIC required forms
- Unemployment claims administration processed and paid for by IES
- Personalized response to all requests for verification of employment and income
- Compliance program to respond to all local, state, and federal employment laws and regulations
- Employee policies/handbook
- Export control compliance
- Expertise and extensive policies in place to mitigate co-employment issues

Insurance and Risk Management Services

- International travel capabilities:
 - Defense Base Act Insurance available upon request
 - International Travel Insurance including auto and workers' comp
- Manage unemployment and workers' compensation claims processing
- Employee relations management (job description analysis, terminations, international travel, policy changes, etc.)
- Support with investigative procedures
- Workplace Safety program
- Workers' Compensation Insurance
- General Liability Insurance
- Employment Practices Liability Insurance



Awards and Affiliations

- San Diego's Best Places to Work Awards (2009 and 2010)
- San Diego's 100 Fastest Growing Companies
- HR Professional of the Year Finalist (2009 and 2010)
- Certified Woman-Owned Business
- Member of American Staffing Association, American Payroll Association, Society for Human Resources Management, San Diego Human Resources Association, Vistage, NAWBO & the Better Business Bureau



IES' Dedicated SAIC Service Team





SAIC and its contingent employees are supported by the IES team:

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