



ABC Dollar Bank[®] Program

Pay for Fringe Benefits by the Hour



MERITCHOICE[®]
Insurance and benefits.
Exclusively for ABC members.



ABC's Dollar Bank[®] Program

Is it Right for You?

ABC's Dollar Bank program lets your company pay for fringe benefits by the hour, rather than the traditional way of paying for benefits on a monthly basis. That means you're not paying "full-time" benefits for your employees during less productive seasons of the year. Plus, every dollar that you pay in benefits instead of cash wages reduces your taxable wage base — and that lowers your payroll taxes.

"The ABC Dollar Bank program has given us the opportunity to provide quality health care coverage to our Field Team members at very affordable rates. We've saved thousands of dollars and it's helped make us more competitive on our project bids."

—Brett Steed, McClone Construction, Arvada, Colo.

Who Administers Dollar Bank[®]

ABC Merit Choice Insurance exclusively serves ABC members, combining a full-service insurance agency with a DOL approved "bona fide trust" program.

- **ABC Insurance Services** provides a full range of support for the employee benefit needs of ABC member firms. ABC Insurance Services is licensed in 46 states and represents more than 60 insurance carriers.
- **ABC Insurance Trust** has been serving ABC members for more than 50 years. The administrative experts manage all of ABC's fringe benefit offerings, including the ABC Dollar Bank program.

Consider these Dollar Bank® Advantages

Cost Effective You pay for benefits only when the employee is actually working and not in periods of down time.

Flexible Dollar Bank works equally well for both commercial and prevailing wage work. If your firm does prevailing wage work, you provide fringe benefits as an offset to your prevailing wage responsibilities. On commercial jobs, the program enables you to pay for benefits on the hours each employee works.

Easy to Administer The program is fully administered by ABC’s team of insurance professionals. We’ll help you solve many of the problems that can result from employee turnover, breaks in work because of seasonal demands and dealing with premiums for employees no longer with the company.

Simple for Employees to Understand Because your employees already know how a bank account works, they’ll understand how the Dollar Bank program works. One hour of insurance credit is “deposited” to an employee’s Dollar Bank account for each hour he works. His coverage becomes effective the month after he has deposited the required number of hours into his account. Any extra hours that the employee works — beyond the monthly base level — will accumulate in his account and can be used to provide benefits during times of reduced work.

Lower Payroll Taxes Every dollar you pay in benefits, instead of cash wages, reduces your taxable wage base — and that lowers your payroll taxes.

Multiple Carriers You have access to more than 60 different insurance carriers with hundreds of plan options.

Multiple Benefit Options

The Dollar Bank program has the flexibility to incorporate any number of fringe benefits and a variety of employee classes. We can shop the market to get you the best value, or work can work with your existing plans and insurance agent. It all depends on your unique circumstance and what you want to include in your company’s employee benefit offerings.

Benefit Options

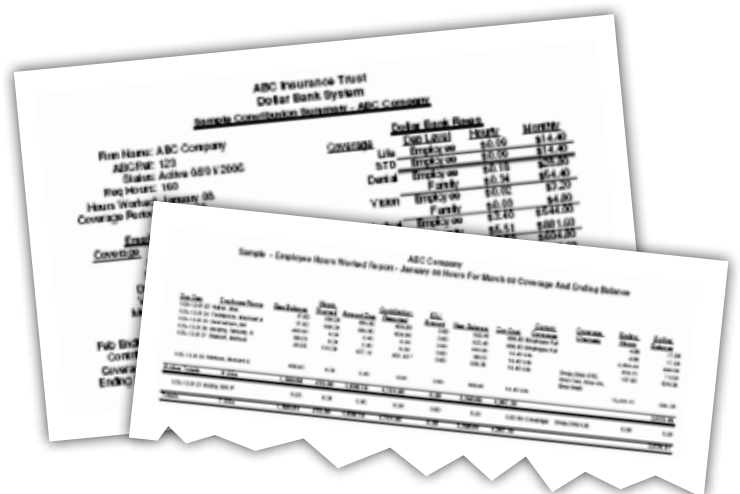
- Health Insurance
- Dental Coverage
- Life Insurance
- Disability Insurance
- Vision Coverage
- 401(k) Plan

Coverage Options

- All Hourly Employees
- All Company Employees
- Commercial Construction Jobs
- Specific Prevailing Wage Projects
- All Prevailing Wage Employees

Sample Reports

Each month you will send us an easy to complete Monthly Contribution Report that lists each employee, the number of hours worked by that employee and the hourly rate. Our administrative team then processes your report and provides you with both a Contribution Summary and Detail Report to include with your certified payroll report.



Getting Started

You can count on the team of insurance experts at ABC to handle the administrative details and walk you through the steps to set up your program. One of the first steps is for your company to choose the number of hours that you want each employee to work in a month in order to earn a month's worth of benefits coverage. The number of hours typically range from 120 to 180 hours a month.

For example, with a 120 hours per month plan, an employee could work nine months on a full-time basis and still have sufficient credits in his Dollar Bank account to provide insurance coverage for 12 months. The 120 hour level is generally used by employers that anticipate shorter-term projects, periods of layoff or slowdowns due to the weather. A 180 hours per month plan might be preferred by employers with workers who put in a lot of overtime during the year.

Want to Learn More? Contact Us: (800) 621-2993 DollarBank@abc.org

Whether your company does prevailing wage jobs, commercial jobs, or a combination, Dollar Bank can work for you.

Dollar Bank Features

Feature	Prevailing Wage Job	Commercial Job
Easy for employees to understand	✓	✓
Variety of plans and coverage levels	✓	✓
Benefits only paid for hours actually worked	✓	✓
Accumulate additional hours to pay COBRA coverage	✓	✓
Adapts to seasonal demands	✓	✓
Reporting by employee for your payroll (certified payroll for prevailing wage)	✓	✓
Payments made to a bona fide third party trust	✓	✓
Reduces your payroll burden by lowering payroll taxes	✓	✓
Offsets payment of required fringe benefits for the prevailing wage	✓	

"We have worked with the ABC Dollar Bank program for over 10 years. We get health insurance with a local carrier and get to pick the plan designs we want. The customer service and accounting are outstanding. Our employees like the program because they get to bank excess fringes and they always know how much they have in their accounts."

—Dennis Weller, Structural Associates Inc., East Syracuse, N.Y.



"[They] do a great job of bringing alternatives to the table. Staff goes out of the way to make sure we are getting the best possible deal."

—Dev Roszel, R.W. Murray Co., Chantilly, Va.

10 Reasons to Work with the ABC Insurance Trust

- 1. Construction Industry Expertise** — ABC's Insurance Trust operates exclusively for ABC members. The Dollar Bank program is a valued resource available only to ABC members.
- 2. DOL Bona Fide Trust** — The ABC Insurance Trust is a Bona Fide Trust that has been in operation for more than 50 years. All fringe benefits administered through ABC's Dollar Bank program are considered Bona Fide by the Department of Labor.
- 3. Your Health Insurance Carrier** — The ABC Dollar Bank can work with most health insurance carriers in the country — you can even keep your current health plan.
- 4. Flexible Plan Designs** — There are no restrictions on the type of plan design you can use with ABC's Dollar Bank. We have expertise in working with all types of plans, including HMOs, PPOs HSAs and HRAs.
- 5. Dedicated Service Team** — Your Dollar Bank account will have a dedicated service team to assist with accounting, reporting, claims adjudication, benefits communication and more.
- 6. Prevailing Wage Expertise** — Our administrative team has many years of experience working with prevailing wages at the federal, state and local levels. We help you stay compliant in meeting your fringe benefit obligations.
- 7. Free COBRA Administration** — ABC administers COBRA for all lines of coverage, including Dollar Bank run out.
- 8. Comprehensive Reporting** — The Dollar Bank reporting includes a detailed monthly report of current contributions and account balances. The contribution summary can be attached to certified payroll as proof of benefits paid for.
- 9. Low Administrative Cost** — A survey of other hour bank providers reveals that ABC's Dollar Bank cost is significantly less than other solutions. Additionally, there is no set up cost for the Dollar Bank.
- 10. Virtual HR Assistant** — All ABC clients receive access to our Virtual HR assistant website, which is a secure portal that provides compliance information and legislative updates, as well as benefit resources, HR documents and a discussion forum.

Prevailing Wage 401(k) Plan Services

ABC's Dollar Bank program seamlessly integrates a menu of employee benefit plan options, including 401(k) plans offered in partnership with the Fringe Benefits Group. There is no plan setup fee for ABC members.

Employer Services

- **Plan Design** to prepare a plan that best fits your company's unique needs, including any desired changes down the road.
- **Third Party Trustee** to reduce your fiduciary liability.
- **Web Access** so you can check employer statements, investment returns and more.
- **Profit Sharing Allocations** are calculated for you to show you the exact amount you need to send.
- **Discrimination Testing** conducted by our experts to ensure your plan is in full compliance with IRS and DOL regulations.
- **Form 5500 Preparation** includes our review and preparation of the tax documents and reports for your plan. All you have to do is sign!
- **Plan Restatements** keeps your plan in conformance with all law and tax code changes.
- **Loan Processing** is handled by us for all your employee requests.
- **Quarterly Reporting** to provide you with a full assessment of plan activity and any account fees.

Employee Services

- **Web Access** lets your employees download forms, make investment changes and check account balances online.
- **Quarterly Statements** include easy-to-understand reports that show employees their plan activity.
- **Plan Distributions** and related administrative tasks are handled by our team when an employee terminates employment.
- **Plan Loans** are quickly processed by us. We help employees understand their options and provide the customer support to serve their needs.
- **Call Center** enables employees to check account balances via telephone. Additionally, we provide a bilingual call center during regular business hours
- **Enrollment Support** includes informative, easy-to-read materials to help your employees understand their benefits. Literature is available in both English and Spanish.

"For many years we've looked for a program where we could offer health benefits to our field employees. ABC's Dollar Bank is the only one that worked. The ABC Insurance Trust customized it for our unique needs and the program has been wonderful for our company and our employees."

—Elizabeth Squillacote, GDS Contracting Corp., Berlin, Conn.

Which Is Better?

Prevailing Wage Fringes Paid as Cash or Paid to Dollar Bank and 401(k)

Sample Company With 20 Field Employees		
	Paying the Fringe as a Cash Wage	Using the ABC Dollar Bank and 401(k)
Example of Savings on Labor Cost		
Base Wage	\$ 25.00	\$ 25.00
Fringes Paid as Cash	\$ 9.00	\$ -
Total Cash Wage	\$ 34.00	\$ 25.00
Payroll Taxes 24%*	\$ 8.16	\$ 6.00
Fringes Paid to Dollar Bank and 401(k)	\$ -	\$ 9.00
Total Labor Cost per Man Hour	\$ 42.16	\$ 40.00
Savings Per Man Hour		\$ 2.16
Example of Savings on Project Bids		
# Employees	20	20
Man Hours per Employee	1,200	1,200
Total Man Hours on Project Bid	24,000	24,000
Labor Cost per Man Hour on Project Bid	\$ 42.16	\$ 40.00
Total Labor Cost on Project Bid	\$ 1,011,840	\$ 960,000
Savings on Labor Cost and Bid		\$ 51,840
* Payroll Taxes: FICA 7.65%; FUTA 0.80%; SUTA 1.4% (can vary); Workers Comp 14% (can vary)		

In this example, the **\$51,840** in savings could help you win a bid or increase your profit margin!

Calculate Your Savings!

Every company is different. Find out how much you can save with ABC's Dollar Bank savings calculator. Visit www.abc.org/DollarBank to determine your savings.

Want to Learn More? Contact Us: (800) 621-2993 DollarBank@abc.org



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Exclusively for ABC members.

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