



**MagnaHR™**

*Making it all humanly possible*

**Magna HRIS and ESS**  
*Web-based HRIS administration*



**Magna Payroll**  
*Integrated payroll system*



**Magna ASO**  
*HR outsourcing services*



**Magna Resource Center**  
*Web-based HR tools*



**MagnaHR™**

**Magna Consulting**  
*Real-world HR solutions*

*Making it all humanly possible*



**Magna Voluntary Benefits**  
*Comprehensive supplemental benefits*



**Magna Investment Services**  
*Investment advice for businesses and individuals*



# Making it all humanly possible

## ***Comprehensive Human Resource Solutions.***

For many entrepreneurs and HR Managers, keeping up with a dynamic workforce while reacting to continuous changes in today's regulatory and economic environments is a daunting experience. Without the right resources and capabilities, the human resources function can become a significant drain on company time and money.

## ***MagnaHR Is Here To Help.***

**MagnaHR** provides comprehensive human resources management tailored to specific company needs. For small- to medium-sized employers, we offer a variety of human resources outsourcing and administrative services. And any company, regardless of size, will benefit from our top-notch HR consulting and investment services.

Many of our products and services work in tandem with our exclusive Human Resource Information System (HRIS) and Employee Self-Service (ESS) application — developed to streamline all the elements of the complex HR function. Through the effective integration of these functions, we enable our clients to reduce administrative costs and increase regulatory compliance while improving the delivery and value of the human resources function. The result? HR processes, practices, technology and staff that work together toward a more efficient business.

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## ***Our Founders.***

### **Richard J. Hughes, CEBS**

*President and Chief Executive Officer*

Richard Hughes has built an extensive human resources career with a diverse base of top tier companies. Prior to forming **MagnaHR**, Mr. Hughes served as the Global Employee Benefits Manager for Elsag Bailey Process Automation (ABB Asea Brown Boveri). There, Mr. Hughes developed some of the most innovative employee benefit programs and automated the delivery of human resources, employee benefits and payroll throughout the organization. Mr. Hughes began his human resources career with Ernst & Young as a Human Resources Manager and was recruited by Fidelity Investments to work as a Senior Account Manager in a new practice group called Large Plan Services, which later became known as Fidelity Employer Services — Fidelity's HR Outsourcing and Administration division. He also founded his own HR Consulting business which was later merged into **MagnaHR**.

Mr. Hughes holds a BS in Finance from Miami University and an MBA in Accounting and Financial Information Systems from Cleveland State University. He has attained certification as a Certified Employee Benefits Specialist (CEBS) and he holds a number of securities and insurance licenses.

### **David W. Norgard, Esq.**

*Executive Vice President and Chief Operating Officer*

Over the course of a career spanning more than 30 years, David Norgard has served in a number of HR executive and senior management positions. Mr. Norgard served as the Vice President of Human Resources with world-wide responsibility for Elsag Bailey Process Automation (ABB Asea Brown Boveri) where he successfully integrated more than 30 operating units acquired by the company. He was elected to the Board of Directors for Elsag Bailey's Japanese joint venture company as well as several of its U.S. subsidiaries. Subsequently, he served as Great Lakes/Midwest Cluster Team Leader, Merger & Acquisition Integration for Deloitte & Touche's Human Capital Advisory Services. Previously, he held several positions in Picker International (Marconi Medical Systems) including Director of Employee Relations and Labor Counsel. He has earlier experience with the Warner & Swasey Company in Labor Relations and Human Resources Management. Mr. Norgard has worked extensively in the international HR arena with special emphasis throughout Europe, South America and Japan.

Mr. Norgard holds a Juris Doctorate from Cleveland State University, an MA in Industrial and Labor Relations from the University of Iowa and a BS from Pittsburg State University. He is admitted to both the Ohio State and Federal Bar and is a member of the Ohio State Bar Association and the American Bar Association, Labor Law Section.



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# Magna HRIS and ESS

A wealth of information at your fingertips.

Our 100% Web-based **Magna Human Resource Information System (HRIS)** will provide you with access to a wealth of human resources data and company-specific information. With **Magna HRIS**, you or your designated HRIS administrator(s) can review, approve, update and process a variety of human resources and payroll transactions, including:

- Add new hires
- Update, review and approve employee records
- Review and approve payroll
- Maintain employee benefits
- Maintain corporate information
- Review historical changes
- Run various standard and ad hoc reports via the reporting tools
- Maintain corporate policies, employee handbooks and summary plan descriptions

## **Magna Employee Self-Service**

For companies that want to provide employee-level access, the **Magna Employee Self-Service (ESS)** product is the next level of the **Magna HRIS** application. Employees can access a secure Web site to accomplish a variety of functions, including:

- Update personal information such as name, address, telephone, emergency contacts, beneficiaries, education, skills, licenses, training, etc.
- Enroll in various employee benefits options during open enrollment
- Maintain time and attendance records through an electronic timesheet
- Review Summary Plan Descriptions (SPDs)
- Use the 401(k) loan calculator to run various scenarios before initiating a loan

In addition, **Magna ESS** provides a secure central hub for employees to review corporate policies and procedures, employee handbooks, benefits statements and other important personal and company information.

This “self-service” approach not only saves time by eliminating cumbersome administrative tasks, but it also gives the employees access to essential workplace information on a 24/7 basis without hassle.

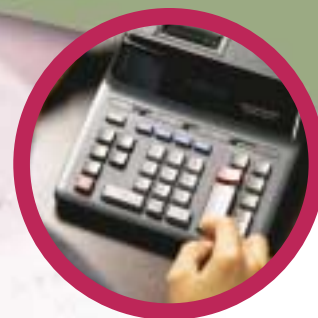
## **Easy Implementation**

Implementation is very straightforward. In fact, depending on the level of business complexity and plan design, initial application development can be completed in as little as 24-48 hours! There is no expensive software to install; all you’ll need is an internet connection at your facility. **MagnaHR** will provide you with the information you and your employees will need to access the application.

## **Real-Time Value**

Our Web-based approach allows us to extend unbelievable value to our clients. The product can be easily tailored to your company’s specific needs. This typically eliminates any up-front capital expenditures, custom development charges and time-consuming implementation tasks.

Plus, we’ve unbundled the **Magna HRIS** and **Magna ESS** services to give you the most cost-effective application for your dollar. Choose only the functions that will benefit your company. Our affordable costs are based on two factors: the number of employees and the level of access you have to the system.



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## Magna Payroll

An integrated payroll process system to complement *Magna HRIS*.

If you've ever attempted to administer payroll, you know that it can be a time consuming and frustrating job. Use **Magna Payroll** to help ease the burden of complex payroll duties. From electronic time entry and direct deposit to year-end W-2s and tax filing, **Magna Payroll** is a comprehensive service that helps you complete these essential tasks quickly and efficiently.

The benefits to this system are two-fold. For your employees, **Magna Payroll** provides 24/7 access to everything they need to get paid and understand their earnings and deductions. For you or your designated HRIS administrator(s), **Magna Payroll** can help you manage both human resources and payroll with ease, freeing up valuable time and energy.

### **How Does It Work?**

**Magna Payroll** is the payroll processing functionality of the **Magna HRIS**. While **Magna HRIS** has the capability to work with virtually any payroll provider, we've partnered with an established industry leader – Ahola Payroll Services – to maximize the power of the system. This integration can provide you with some or all of the following services.

- Payroll checks and earnings statements
- Payroll register (print and online)
- Electronic tax payments
- Complete tax return copies
- Voluntary deduction registers
- 401(k) reporting/pension reporting
- Departmental reporting
- Quarterly filing of Federal 941 and Schedule B
- Quarterly filing of Federal and State Unemployment returns
- Workers' Compensation report of wages by job classification
- Annual W-2s for employees and employer
- Federal 940 Unemployment Tax return
- Manager and employee access to HR/payroll/benefits information
- Online assistance

By combining the **Magna HRIS** on the front-end with an outstanding, established payroll service provider on the back-end, your company will achieve a level of sophistication and administrative simplification enjoyed by much larger companies — without the overhead expense.



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## 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*,<sup>™</sup> 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.

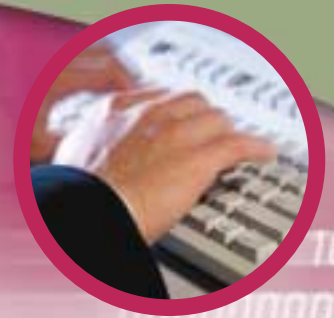
#### ***Flexible Spending Account Plan***

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.



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# Magna Resource Center

One-click access to Human Resources information you need.

**Magna Resource Center** is like having your own HR research assistant available 24 hours, 7 days a week. **MagnaHR** has teamed up with CCH, Inc.\* to offer you a comprehensive, Web-based reference source. The features, and related benefits, are extensive:

## **HR Library**

Access over 3,500 pages of relevant and in-depth content through our Web-based and user-friendly interface.

### **U.S. Master Human Resources Guide**

- Covers the entire body of knowledge of human resources management
- Includes the industry's most recent cases, government studies and legislation
- Provides a foundation for sound human resources practices

### **U.S. Master Employee Benefits Guide**

- Discusses pertinent federal tax and labor laws regarding employee benefits plans
- Provides straightforward coverage of important employee benefits issues
- Offers helpful insights into the issues that confront HR and benefits professionals daily

### **U.S. Master Pension Plan Guide**

- Provides everything you need to setup, maintain, revise or terminate a pension plan and resolve day-to-day concerns
- Includes comprehensive information on tax, reporting and disclosure, and legal rules affecting most types of employee benefits plans

### **U.S. Master Payroll Guide**

Focuses on the basics of payroll, including:

- Federal withholding requirements
- Federal taxable payroll laws
- Federal records and returns
- Wages and hours
- Garnishment-assignments

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## **KnowledgePoint**

This Business Power Toolkit will help you effectively manage your workforce AND give you the tools and forms you need to increase compliance and decrease the threat of employment-related lawsuits.

### **State-Specific Employee Handbooks**

- Write a customized, legally sound employee handbook with step-by-step online instruction.

### **Job Descriptions**

- Define a solid job description with this online application, which also generates a set of legally appropriate interview questions for each job description you create.

### **Performance Reviews — Employee Success Builder**

- Write a legally defensible review for each employee with the help of this tool. It will help you address specific areas of concern and provide coaching ideas.

### **HR LegiState — Summaries and Analysis of State and Federal Law**

- Maintain legal compliance with the most intuitive, easy-to-use legal search interface available anywhere.

### **Thousands of Forms and Checklists**

- Utilize a full range of human resources “best practices” checklists and forms that can help you unify employee practices across your organization.

### **Practical Advice on HR Best Practices**

- Gain support for handling critical issues in the areas of staffing, benefits and compensation, legal compliance, training and performance management, and safety.

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## **Shared Learning**

Cost-effectively train your workforce with specially designed Web-based training and development courses. It's your company's best defense against many types of employment-related lawsuits. Courses include:

### **Sexual Harassment Prevention Training for Managers/Supervisors and Employees**

- The Supreme Court has held that employers can avoid liability for punitive damages by making good faith efforts to implement anti-discrimination programs. This program provides the most effective way to create a respectful workplace.

### **Workplace Violence Prevention Training Program**

- Violence in the workplace can disrupt productivity long after the outbreak. Minimize the risk of violence *before* it happens with this important training program.

### **Interviewing and Hiring Training Program**

- Maintain effective hiring practices and give your organization a competitive edge with informational hiring education.

### **Discipline Training for Managers and Supervisors**

- Disciplining employees is a difficult, yet necessary reality for managers. This program can help you navigate legal requirements while following in line with your organization's policies and procedures.

### **Termination Training for Managers and Supervisors**

- When you need to terminate an employee, this program will help you do it fairly and professionally. Learn how to reduce emotional reactions and possible overreactions and prevent employee dissatisfaction following termination.

### **E-Mail and Internet Use Training**

- Because inappropriate e-mail messages can be construed as an act of harassment and discrimination, an e-mail/internet policy and training program are necessities to protect your organization from possible legal issues.

### **Discrimination and Harassment Prevention Training**

- Federal law gives employees the right to work in an environment that is free from discrimination and harassment on the basis of race, religion, gender, national origin, age, disability or veteran status. Proper training indicates your organization's commitment to cultivating a nondiscriminatory workplace.

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*and more . . .*





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# Magna Consulting

Your single source connection to comprehensive human resource services.

Through **Magna Consulting**, you'll have access to a number of exclusive services, each designed to *help your human resource functions add greater value to your business*. Whether it's supporting your staff with experienced, expert advice or handling complex consulting projects with thoughtful leadership, we can ensure your company's human resources strategy and delivery is properly aligned with your business requirements.

We focus on establishing strong relationships with our clients so they know they can rely on us for quick and accurate answers to their questions. This allows us to become a true strategic contributor to each client's unique business needs.

**Magna Consulting** services are offered on a project basis for situations that extend beyond the needs of HR Advisory Services, or on a stand-alone basis for any employer who needs expert assistance. Combining high-powered talent with years of real-world corporate experience, **MagnaHR** consultants, along with our strategic affiliates, can provide one-time solutions and implementation strategies for all your human resource issues, including:

## **Human Resources**

- Event-Driven HR Issues (Mergers and Acquisitions, Reduction-In-Force, Plant Shutdowns, etc.)
- Compensation Planning, Design and Implementation
- Job Descriptions
- Employee Handbooks
- Pre-Employment Screenings and Background Investigations
- Training and Development
- Performance Management Systems
- New Hire Orientations
- Employee Relations
- Termination Management
- Financial Education
- Rewards & Recognition Programs
- Career Planning
- Succession Planning
- Organizational Development
- Government Reporting (EEO/AAP)

## **Employee Benefits**

- Health & Welfare Plans
- Qualified or Non-Qualified Savings Plans
- Executive Benefit Plans
- Executive Compensation Plans
- Voluntary Benefits via Payroll Deduction (life and disability insurance, home and auto insurance, long-term care insurance, prepaid legal and more)
- COBRA/HIPAA Compliance
- Health Promotion/Wellness Consulting
- Employee Assistance Program (EAP)

## **Risk Management**

- Employment Practices Liability Insurance (EPLI)
- Directors' & Officers' (D&O) Liability Insurance
- Fiduciary Liability Insurance
- Corporate Property and Casualty Insurance
- Other Specialty Programs



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## Magna Voluntary Benefits

Offer your employees something more.

*Now, more than ever, employees expect more from their employers. Competition for employees has raised the visibility of, and increased the pressure on, the overall benefits package offered to employees during the hiring process. With dramatic increases in employer-paid benefits, it can be quite challenging to find an affordable way to meet employee demands while still remaining profitable.*

**Voluntary Benefits** are the answer. **Voluntary Benefits** provide your employees with additional benefits without significant cost to you. Although your employees will be responsible for the cost of the various programs, they will recognize the offering alone as a true benefit. Why? Many employees are finding it increasingly difficult to find affordable, available coverage on their own. In fact, 8% of applicants have health problems that limit or deny coverage.

Plus, **Voluntary Benefits** offer the flexibility to insure not only the employee, but also the immediate family. Your employees can customize the extent of their coverage to meet their own personalized needs. And, many of the benefits can be offered on a payroll-deducted basis, which is a convenience they'll recognize as an additional benefit.

**MagnaHR** and our strategic affiliates have the resources to deliver your **Voluntary Benefits** offering with ease. We will deal with your employees on an individual basis to help them determine the right coverage. Then, we will handle all administrative procedures, including payroll deductions. Throughout this streamlined process, **MagnaHR** deals with the insurance companies directly. We eliminate the hassle of time-consuming insurance research and extensive paperwork.

Through **MagnaHR** and our strategic affiliates, your employees will have access to a wide range of affordable insurance offerings, including:

### **Personal Insurance Center**

- Individual Medical and Dental
- Life Insurance
- Disability Insurance
- Accidental Death and Dismemberment Insurance
- Long-Term Care Insurance

### **Property and Casualty Insurance Center**

- Automobile Insurance
- Homeowner's Insurance
- Renter's Insurance
- Boat Insurance
- Umbrella Liability Insurance
- Fine Arts and Jewelry Insurance

### **Financial Center**

- Stocks and Bonds
- Mutual Funds
- Annuities
- Wealth Management
- Financial Planning
- Estate Planning
- Tax Planning
- Legal Services

Magna Voluntary Benefits



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## *Magna* Investment Services

Investment advice for businesses and individuals.

Interactive education, customized plan information and personalized investment advice are just the start of **Magna Investment Services**. Convenient, affordable, personalized and objective, you and your employees can obtain comprehensive investment consulting based on your company's strategic financial goals. And we don't stop there.

With **Magna Investment Services**, you will have the resources to make wise financial decisions not only for your company, but for your employees as well. This is essential to gaining and retaining quality talent. In fact, recent rulings by the Department of Labor have made financial planning and investment education services a fast growing enhancement to company benefits packages.

Through our strategic affiliates, **MagnaHR** can expand its service offering to you, providing investment services and financial education on an individual, group and corporate basis. These financial professionals make recommendations based on years of experience and accepted investment principles. Through **MagnaHR's** investment arm, you and your employees will have access to a vast array of financial products and services, including:

- Wealth Management
- Financial Planning
- Estate Planning
- Tax Planning
- Insurance
- Qualified Plan Asset Selection and Monitoring
- Asset Allocation Strategies and Model Portfolios
- Financial and Investment Education for Employees

Magna Investment