

SPECTRUM

A Publication of PRISM Human Resource Consulting Services, LLC



PRISM
LLC
offering the spectrum in HR services, products and technology

IN THIS ISSUE: [Market Your Job Search News](#) | [Employer Benefit Update](#) | [Legal Eagle Corner](#)
[409A Compliance](#) | [Creative Employment Policies](#)

RESOURCES: [Community Calendar](#) | [Helpful Links](#) | [Contact](#) | [Unsubscribe/Subscribe](#)

Welcome!

Mary Beth Hartleb, J.D., SPHR



I hope everyone is having a fun, relaxing and cool summer. We have been very busy since our last newsletter and would like to extend a warm welcome to two new consultants, Cindy Freedman and Kathy Bobbera who have joined the consulting team. And, we are very pleased to have added Security Savings Bank as a client. PRISM will be working with them to ensure legal compliance in their policies and procedures, assist with benefit design and administration and offer recruiting assistance.

We are also very excited about our upcoming partnership with the University of Phoenix where we will offer career development workshops and resume development to students. Thanks to Renee Myers for helping to solidify that relationship. And, speaking of Renee, congratulations are in order as Renee has accepted a full-time Senior Recruiter position with one of our clients, GES. PRISM has been working closely with GES on some HR projects and she enjoyed working with them so much, she decided to apply for the job! We are thrilled that this arrangement has been a win-win for all involved and wish Renee the best in her new position.

I also want to put in a selfish plug for an exciting event I am chairing. The upcoming Women Mean Business Expo, being held at the Paris Convention Center on October 16th. This is a National Association of Women Business Owners - Southern Nevada event designed to showcase our women business owners to the local Las Vegas business community and purchasing agents. We also have an incredible speaker lined up, Susan Steinbrecher, co-author of Heart Centered Leadership...a luncheon, expo and networking event all in one! To make reservations or inquire about sponsorship opportunities, please visit the NAWBO website at nawbosnv.org.

Mary Beth Hartleb

Your Financial Health

Beth V. Walker, CRPC, CCPS, GEPC



For today's executives, work is not limited to a physical location. Thanks to voicemail, cell phones, laptop computers, e-mail, blackberries, etc., work is no longer something you "leave at the office".

I've received e-mails from clients that were created at 1:30 am; I've talked to people about work-related issues when they are on some remote island "getting away from it all"; and I personally find the traffic-congested commute to my office an excellent time for returning phone calls and handling administrative details by phone...

The fact is that "work" is so intricately woven into the fabric of our daily lives that it is increasingly

difficult to separate our professional existence from our personal or family life. And that separation becomes more difficult as companies continue to drive productivity by giving employee's more responsibility on a daily basis.

Nowhere is this integration of professional and personal priorities more important than in an executive's personal financial plan. The traditional benefits associated with the workplace — salary, bonus, restricted stock and stock options, life insurance, health insurance, disability insurance, retirement savings programs — must play a vital role in the long-term viability of our financial security and independence. Ironically, we are increasingly dependant on employee benefits for our long-term independence.

Following are the three most common mistakes executives make in terms of leveraging company-sponsored benefits for their own personal financial security:

1. Not understanding the short-comings of the group disability insurance provided by their employer.
 - Many company-sponsored programs are capped at a salary level significantly below that of most executives, leaving a sizeable gap in income in the event of a disability
 - The traditional definition of salary doesn't include bonus compensation or equity compensation that so often comprises a sizeable portion of an executive's annual cash flow, furthering the gap associated with the limits of the group program
2. Relying solely on the "multiple of salary" death benefit associated with group life insurance.
 - Most group life insurance death benefits are also capped at 2 to 3 times salary, not providing any replacement value for bonus compensation and income earned through restricted stock or stock options
 - If an executive were to combine their current mortgage liability, college funding obligations, contributions to retirement accounts, and annual lifestyle expenses, they would quickly understand that 3x salary would leave their household woefully under-prepared for their permanent departure
3. Failing to defer the maximum amount of money into the company's retirement plan (typically a 401k)
 - The federal government defines the maximum contribution that can be made into qualified retirement plans each year and busy executives sometimes forget to increase their salary deferrals when Uncle Sam announces an increase
 - Employees under the age of 50 can contribute \$14,000 to a 401(k), 403(b), and 457 Plan in 2005
 - Employees age 50 and older can use the "catch up" provision to contribute a total of \$18,000 to a 401(k), 403(b), and 457 Plan in 2005

Integrating our employment benefits with some individual tools and resources is paramount in terms of making sure the company's priorities are not the only priorities served by our 24/7 connection with work. Work is no longer a place; it's a bundle of responsibilities that travels with us everywhere we go. Making sure our financial independence — and that of our families — is well-served by our professional performance should be our number one priority.

Licenses and Designations: Securities: Series 7, 63, 65

Insurance: Life, Health, Variable

Chartered Retirement Planning Counselor (CRPC), Certified College Planning

Specialist (CCPS), Graduate Estate Planning Consultant (GEPC) »»[TOP](#)



Market Your Job Search News

FOR IMMEDIATE RELEASE

Media Contact: Lauren Wilson
PRISM Human Resource Consulting Services

702-616-9970

(Las Vegas, Nevada) — University of Phoenix, Las Vegas Campus and PRISM Human Resource Consulting Services have partnered to offer students a career development program. The program includes a two-hour complimentary workshop lead by University of Phoenix faculty and PRISM consultant Renee Myers. Students are also eligible to receive individual assistance with writing an effective resume. Students may then access additional products and services as well as one on one time with a consultant. The workshop is scheduled to commence Saturday, July 28 at The University of Phoenix Main Las Vegas Campus at 7455 W. Washington Avenue and will be offered once per month thereafter.

Owner of PRISM, Mary Beth Hartleb said “Our Market Your Job Search.com program differs greatly from headhunters or career coaching firms. We are human resource professionals who work with job seekers and employers to find a cohesive fit in terms of skills and experience, with a heavy emphasis on culture fit. Many times we know about employment opportunities before they are advertised; giving our jobseekers a distinct advantage in the marketplace.” Several programs are available from student packages, new residents to Las Vegas and for the busy professional looking to advance in their current organization or seeking opportunities elsewhere.

PRISM is based in Las Vegas, Nevada and offers the full spectrum in human resource services including HR department outsourcing, recruitment programs and project work. HRC-Prism.com. »»[TOP](#)

Employer Benefit Update

By: Sandra Liechty

Little change in benefit packages for 2007



Overall, employee benefits remained relatively stable from 2006 to 2007, despite a slight decrease in financial and compensation benefits, according to a comprehensive benefits survey released this week by the Society for Human Resource Management (SHRM).

The proportion of companies offering traditional pensions dropped from 48% last year to 40% this year, and an increasing number of employers are planning to adopt proactive wellness programs.

Wellness programs were discussed widely at SHRM's annual meeting in Las Vegas, and all indications point to an increasing number of companies embracing office fitness activities, including weight loss programs (5%), smoking cessation programs (6%), health screenings (5%) and premium discounts for workers who take an annual health risk assessment (6%).

Other key findings include:

- The percentage of employers providing vision insurance increased from 73% last year to 79% this year.
- At least 41% of companies offer domestic partner benefits.
- For the seventh consecutive year, dependent care flexible spending accounts were the most commonly offered family-friendly benefit, with 76% of companies providing them.
- With gas prices climbing, the percentage of employers offering transit subsidies increased from 13% to 16% at the same time that auto allowances/expenses decreased from 60% to 49%.
- The percentage of employers allowing telecommuting on a part-time basis increased from 26% to 33%. Likewise, it jumped from 45% to 48% for ad hoc and from 19% to 21% for full-time.
- The percentage of employers permitting workers to bring a child to office in emergency situations increased from 22% to 29%.
- The use of cell phones, pagers or other handheld devices was the only financial and compensation benefit offered by more companies in 2007 than in 2006.

Companies spend an average of 38% of payroll on total benefit costs; 20% is because of government-mandated benefits, such as unemployment benefits and FICA taxes to pay for Social Security and Medicare, and the remaining 18% goes toward other benefits, such as health insurance and retirement

plans.

Sandra Liechty is Vice President of Group Services, CBC Inc. She has 25 years experience in human resource administration and group insurance with an extensive background in fully insured and self-funded plans. She currently serves as President for the Southern Nevada Human Resource Association (SNHRA). »»[TOP](#)



Legal Eagle Corner

By: Mary Beth Hartleb, J.D., SPHR



July 24th, 2007, every employer subject to the Fair Labor Standard Act's minimum wage provisions must post, and keep posted, a notice explaining the Act in a conspicuous place in all of their establishments. The Department of Labor has created a new, minimum wage poster that meets the legal requirements. Download free at <http://www.dol.gov/esa/regs/compliance/posters/flsa.htm>.

HIPPA & Wellness Programs

The Department of Labor released guidance on how employer Wellness Programs need to be governed to be in compliance with HIPPA. These regulations were released in February, 2007 and effective July 1, 2007.

The Department of Labor defines a Wellness Program as any program designed to promote health or prevent disease. Programs tied to a health factor must meet five new HIPPA requirements as follows:

- If an award is offered under the program, it must not exceed 20% of the cost of coverage under the plan.
- The program must be designed to promote health; most programs will satisfy this requirement.
- Employees must be eligible to participate in or receive the benefit under the program at least once per year.
- The program must be available to all similarly situated individuals. Programs must allow a reasonable alternative standard or a waiver of the original standard for any individual who can not satisfy the original standard because it is unreasonably difficult to meet the standard due to a medical condition or it is medically inadvisable to do so.
- The availability of an alternative standard or waiver must be disclosed.

Exceptions:

Examples of programs that DO NOT need to meet these standards include:

- Gym and fitness center memberships
- Diagnostic testing that rewards based on participation in the test, not the results of the test.
- Smoking cessation programs that do not reward or reimburse based on the outcome; that the employee quit smoking.

These programs still need to be non-discriminatory and available to all similarly situated individuals.

»»[TOP](#)

2007 Action Steps for Deferred Compensation Plans: a Thorough Review Goes *Beyond* 409A Compliance

By: Heidi O'Brien

Mercer Human Resource Consulting

As most plan sponsors are aware, December 31 of 2007 is the deadline for written compliance with IRC Section 409A (“409A”). Although most companies are planning for, or have started, the process of amending plans to comply with 409A, going beyond a mere compliance review can ensure your plan is as competitive as possible. In addition, the 2007 transition period under 409A provides flexibility in restructuring plans; after 2007 the ability to make changes will be significantly more limited.

Following are the key things that all nonqualified plan sponsors should be doing:

- Benchmark plans against peers/market practice to ensure benefit levels and provisions are reasonable
 - Proxy disclosure requirements require significantly more information on executive benefits than in the past; it is critical to have defensible/ justifiable benefit programs
 - Determine how your plan's benefit levels compare to benefits at similar organizations
 - Identify changes that may be needed in order to bring benefit levels in line with market practices
- Incorporate best practices in design
 - Ensure plan features are competitive and meet the company's objectives
 - In some cases, there may be opportunities to simplify the plan to reduce the administrative burden
- Develop clear and concise participant communication
 - Plan participants will need guidance in understanding the new plan rules and the implications of their election choices
 - Effective communication is critical in ensuring that participants value their benefits
- Take advantage of the 2007 transition guidance
 - Can allow participants to change payment elections without triggering the 5-year delay normally associated with changes under 409A
 - Can choose to eliminate frozen or legacy plan liabilities
 - After 2007, terminating plans and/or adding additional payment features will be far less flexible
- Start the review process now to ensure your plan is as competitive as possible!

Heidi O'Brien is a Principal at Mercer Human Resource Consulting. She can be contacted at 213-346-2531. »»[TOP](#)

Creative Employment Policies

Dress Code

It is advised that you come to work dressed according to your salary. If we see you wearing Prada shoes and carrying a Gucci bag, we assume you are doing well financially and therefore do not need a raise. If you dress poorly, you need to learn to manage your money better, so that you may buy nicer clothes, and therefore you do not need a raise. If you dress just right, you are right where you need to be and therefore you do not need a raise.

Sick Days

We will no longer accept a doctor's statement as proof of sickness. If you are able to go to the doctor, you are able to come to work.

Personal Days

Each employee will receive 104 personal days a year. They are called Saturday & Sunday.

Toilet Use Entirely too much time is being spent in the toilet. There is now a strict three-minute time limit in the stalls. At the end of three minutes, an alarm will sound, the toilet paper roll will retract, the stall door will open, and a picture will be taken. After your second offence, your picture will be posted on the company bulletin board under the “Chronic Offenders Category”. Any-one caught smiling in the picture will be sanctioned under the company's mental health policy.

Lunch Break

Skinny people get 30 minutes for lunch, as they need to eat more, so that they can look healthy. Normal size people get 15 minutes for lunch to get a balanced meal to maintain their average figure. Chubby people get five minutes for lunch, because that's all the time needed to drink a Slim-Fast.

Loyalty

Thank you for your loyalty to our company. We are here to provide a positive employment experience.

»»[TOP](#)

Community Calendar

Henderson Chamber of Commerce

Monthly luncheon, third Thursday;

www.hendersonchamber.com

Las Vegas Chamber of Commerce

Various meetings;

www.lvchamber.com/calendar

National Association of Women Business Owners/Southern Nevada Chapter

Monthly lunch meetings, fourth Tuesday of the month, Panevino

www.nawbolasvegas.org

Nevada Development Authority

Quarterly Breakfast meetings, Four Seasons; _

www.nevadadevelopment.org

North Las Vegas Chamber of Commerce

Breakfast meetings, 1st Wednesdays, Santa Fe Station

Luncheons, 4th Thursdays, Texas Station

www.northlasvegaschamber.com

Southern Nevada Human Resource Association

Monthly breakfast meetings, second Tuesday of the month, Palace Station.

www.snhra.org

»»[TOP](#)

Helpful Links

www.dol.gov

www.irs.gov

www.eeoc.gov

www.shrm.org

www.lvcva.com »»[TOP](#)

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