

The PEO Difference

Examining how utilizing a Professional Employer Organization is different from other types of employer services outsourcing.

Attendee Questions:

-) **What is a Professional Employer Organization?**
-) **What is the key difference between a PEO and other types of outsourcing?**

PEO Defined

“A professional employer organization (PEO) is an organization that enters into a joint-employment relationship with an employer by leasing employees to the employer, thereby allowing the PEO to share and manage many employee-related responsibilities and liabilities. This allows employers to outsource their human resource functions, such as employee benefits, compensation and payroll administration, workers' compensation, and employment taxes.” (SHRM)

**Joint-Employment,
Co-Employment,
Leased Employees,
Common Employer... what?**

The rights and responsibilities defined:

The PEO Client

Service Agreement

The PEO Basics

- Worker Compensation Coverage
- Payroll and Payroll Tax Filings
- Transactional HR Services
- Risk Control Services

Workers Compensation

- The Master Policy is the most common type of insurance policy PEOs utilize.
- Key reason PEOs enter into co-employment relationship.

Payroll and Payroll Tax Filings

) Payroll is a function of being an employer.

) Creating efficiency in tax filings and payments.

Transactional HR Services

) PEO is responsible for financial transactions associated with payroll.

) PEO is responsible for federal and state reports on employment.

) PEO is responsible for unemployment claims transactions.

Risk Control Services

)Protects the PEOs Master Policy.

)Provides client companies needed services.

Audience Discussion:

What benefits do you see in a company utilizing a PEO?

What are some of the challenges to using a PEO?

In your opinion, what is the future of the PEO industry?

Thank you!