



Show Me the Money

It costs you, the employer, more to employ someone than just their wages. By law, employers must pay a portion of an employee's Social Security and Medicare taxes, as well as Federal and State unemployment taxes. Workers' Compensation Insurance is part of your program, and is also an employer-related cost. The amounts you pay for each of these is a percentage of your employee's wage, and are as follows:

Social Security	- 6.20%
Medicare	- 1.45%
Federal Unemployment	- 0.60%
State Unemployment	- 2.70%
Workers' Compensation	- <u>3.9616%</u>
Total	- 14.9116%

What this means is that for every \$1.00 you pay in wages, you must add approximately 15 cents to pay for taxes and Workers' Compensation. Acumen calls this the "Cost to Budget," and we calculate and pay these amounts from your budget allocation on your behalf.

Simply fill in the blanks below to determine the "Cost to Budget."

	X	1.149116	=	
Employee Wage		Taxes & Workers' Comp		Cost to Budget (always round <u>up</u>)

The tables below are provided so you can estimate your cost to employ someone. The examples show a variety of wage amounts. The "Cost to Budget" column shows the wage multiplied by 1.149116. You can pay your employee an amount other than ones listed – just multiply the amount you want to pay by **1.149116** (the 16 cents per dollar mentioned above), round up to the nearest penny, and you'll have the estimated Cost to Budget. You may also call Acumen's customer service team, and they will help you calculate your cost.

	Hourly Wage	Cost to Budget	Hourly Wage	Cost to Budget	Hourly Wage	Cost to Budget	Hourly Wage	Cost to Budget
<i>min wage</i>	\$7.25	\$8.34	\$10.00	\$11.50	\$13.50	\$15.52	\$17.00	\$19.54
	\$7.50	\$8.62	\$10.25	\$11.78	\$13.75	\$15.81	\$17.25	\$19.83
	\$7.75	\$8.91	\$10.50	\$12.07	\$14.00	\$16.09	\$17.50	\$20.11
	\$8.00	\$9.20	\$10.75	\$12.36	\$14.25	\$16.38	\$17.75	\$20.40
	\$8.25	\$9.49	\$11.00	\$12.65	\$14.50	\$16.67	\$18.00	\$20.69
	\$8.50	\$9.77	\$11.25	\$12.93	\$14.75	\$16.95	\$18.25	\$20.98
	\$8.75	\$10.06	\$11.50	\$13.22	\$15.00	\$17.24	\$18.50	\$21.26
	\$9.00	\$10.35	\$11.75	\$13.51	\$15.25	\$17.53	\$18.75	\$21.55
	\$9.25	\$10.63	\$12.00	\$13.79	\$15.50	\$17.82	\$19.00	\$21.84
	\$9.50	\$10.92	\$12.25	\$14.08	\$15.75	\$18.10	\$19.25	\$22.13
	\$9.75	\$10.44	\$12.50	\$14.37	\$16.00	\$18.39	\$19.50	\$22.41
	\$9.25	\$10.73	\$12.75	\$14.66	\$16.25	\$18.68	\$19.75	\$22.70
	\$9.50	\$11.02	\$13.00	\$14.94	\$16.50	\$18.97	\$20.00	\$22.99
	\$9.75	\$11.21	\$13.25	\$15.23	\$16.75	\$19.25		

Note to Case Manager: If the cost to the budget column is not evenly divisible by 4 (to find the unit rate), make sure to ALWAYS round up after you divide by 4. Example: \$12.05 = \$3.0125; round up to \$3.02