

Paragon Post

January, 2011

A Letter from Our CEO, Steven C. Rose:

Happy holidays from Paragon! As another year quickly passes by, Paragon hopes you have had a prosperous year. In these uncertain economic times we know how hard it is for many companies. Paragon strives to be a cost effective tool, helping with the administrative headaches so you can focus on growing your business.

As an industry leader, we recognize the need to stay current with the ever-changing business environment. Paragon has been committed to providing leading edge services in order to keep up with the needs of our current and future clients. Whether you're a small start-up business with one employee or a national corporation with several thousand employees, Paragon can grow with you as your company grows.

(continued on page 4)

What's Inside:

- ▶ Introducing...our new products and services!
- ▶ An article from guest writer Alicia Marie Fruin about what it means to truly be "open for business."
- ▶ Tax information for 2011
- ▶ Mileage Rate change for 2011



Top 10 New Year's Resolutions

- 1) Spend more time with family and friends
 - 2) Get in better shape
 - 3) Lose weight
 - 4) Quit smoking
 - 5) Enjoy life more
 - 6) Quit drinking
 - 7) Get out of debt
 - 8) Learn something new
 - 9) Help others
 - 10) Get organized
- ...from About.com

www.Paragon-PBS.com



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New Products and Services from Paragon

Introducing My HR Support Center

Our complete HR Support solution is a web-based database of HR tools and information, and is used with or without an internal HR department. My HR will help administer everyday HR matters, and will enhance access, reduce labor costs, and will add value to our current services. The following services are included with My HR:

- ▶ Employee Handbook and Procedure Manual customization
- ▶ Job Descriptions and Employment Applications
- ▶ Hiring guidelines
- ▶ Job descriptions
- ▶ Employment laws and forms
- ▶ Compliance Issues

Global Cash Card

Paragon introduced our Employee Paycard in late 2009. It has become a very popular item! The paycard is a Visa check card that essentially operates just like a checking or savings account, and at very competitive rates to your employee. Please contact your CSR if you are interested in enrolling an employee, or if you would like more information.

And Don't Forget

At Paragon we strive to be your total payroll resource. Here is a small list of our most popular products and services:

- ▶ New Hire Reporting
- ▶ State Unemployment Claims Management
- ▶ Certified Payroll
- ▶ Job Costing
- ▶ General Ledger Imports
- ▶ EZ Comp program – pay as you go Workers Comp
- ▶ PEO Solutions
- ▶ 24 Hour online access and entry
- ▶ On Boarding Solutions
- ▶ Timekeeping Solutions

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IRS Increases Mileage Rate for 2011

The IRS has announced that the business standard mileage rate for transportation expenses paid or incurred beginning January 1, 2011, will be 51 cents per mile, up from the 50 cents per mile rate in effect during 2010. The mileage rate may be used to compute the deductible cost of operating a passenger car (also vans, pickups, or panel trucks) for business purposes. It may also be used by employers that elect to use the "cents-per-mile" valuation method for purposes of determining the amount that needs to be imputed to an employee's income for personal use of certain company-owned or leased non luxury vehicles.

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**Being "Open for Business"
By Alicia Marie Fruin
of People Biz, Inc.**

I have great admiration for small business owners. I love their entrepreneurial spirit, pioneering attitude, perseverance and strength. I am lucky enough to work with them daily as their business coach.

Through my role as coach, I am honored to witness courage in so many ways. The courage to expand and grow, the courage to ask for money, the courage to go after the big account, the courage to hire and fire when needed.

If you have never been an entrepreneur or known one, these activities might not seem like a big deal. In the beginning stages, small business owners are grappling with what they feel they can do or not do. Their businesses are literally limited by their own self perception. For example: an owner who wants to double their revenue might have to learn how to let go and leverage themselves through others. So it makes sense that most entrepreneurs have to personally grow and develop themselves to move their businesses forward. Enter the business coach versus a consultant. A consultant is the expert and they advise.

So "What's a business coach?" you ask? A business coach engages and facilitates focused dialogue. We challenge, inquire, provoke, cajole, inspire, offer support and collaborate with our clients on their business issues.

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Your 2011 Tax Information

On December 17, President Obama signed the Tax Relief Act of 2010. The law also extends Bush-era tax rates through December 31, 2012 and continues several payroll-related tax breaks that were scheduled to expire. The HIRE Act's employer social security exemption has not been extended and will expire December 31, 2010 as scheduled.

The law also reduces the Social Security tax rate paid by employees only from 6.2% to 4.2% for wages paid in 2011. Employers will continue to pay the full 6.2% of their employees' covered wages. The Social Security wage base will remain unchanged at \$106,800. The maximum social security tax an employee will pay for 2011 is \$4485.60 and the maximum an employer will pay is \$6621.60. The Medicare tax rate will remain 1.45% and Medicare does not have a taxable wage limit.



Retirement Plans	Plan Contribution Limits
401(k), 403(b) & 457 Plans	\$16,500
▶ Catch up amount, 50 and over	\$5,500
▶ Total contribution	\$22,000
Simple IRA	\$11,500
▶ Catch up amount, 50 and over	\$2,500
▶ Total contribution	\$14,000



2011 FUTA Tax Rates		
Wage Base	⇒	\$7,000
Rate	⇒	6.2%
Max Credit	⇒	5.4%
Normal Net Rate	⇒	0.8%

Please be sure to forward any rate change notifications received from any/all Tax Agencies so that we can update your account information in our system. This will enable us to collect and distribute the proper amounts for your respective tax payments. It is also the client's responsibility to forward any deposit frequency notifications received from the IRS or state tax agencies. Thank you in advance for forwarding these notices to our Tax Department on a regular basis at: Taxes@Paragon-pbs.com

(Letter from CEO: Continued from page 1)

Smart business owners know that choosing a payroll service that is innovative and practical is crucial to their success. That is exactly why Paragon has worked hard to be at the forefront of customer service and technology. We offer a better outsourcing alternative by applying comprehensive technology to meet your unique process needs. And every step of the way, you're dealing directly with a dedicated client services team. At Paragon, we pride ourselves in serving the payroll needs of our clients better than anyone else.

In addition to our superior customer service, we provide flexible payroll solutions for employers. Paragon's ancillary products provide a wide variety of additional payroll-related services. We offer services such as Time and Attendance solutions, 24 Hour HR Support, Medical and 401(k) plans, Section 125 plans, Workers' Compensation, On Boarding services, Garnishment payments, and many other services that are sure to fit your needs. I believe the Paragon difference is our passion for payroll service excellence. I invite you to get to know us. Call one of our offices directly, or contact our corporate office and you'll find our commitment to your satisfaction unparalleled.

Happy Holidays and Paragon wishes you the best for 2011.

(Being "Open for Business," continued from page 3)

Occasionally we give advice and consult a client when it is an area of expertise. Most of the time however, it is not about my wisdom. It is about the client's wisdom. Coaches believe that the client has the answer.

Back to my point, in most cases the entrepreneur's limiting beliefs are what is stopping the business from expanding. As limiting beliefs are identified the small business owner can see and be aware of new possibilities allowing for more awareness and choice. Finally this brings me to the title of the article. Are you "open for business"?

When we are "closed for business", we already know how the business is, how our industry is and how our customers are, leaving no possibility or room for something else. Where there is certainty there is no possibility. We become frustrated and stuck.

Being "open for business" is about being aware of what your biases, limitations and limiting beliefs (filters) are and not letting that mindset run your business. When we are "open for business" we find opportunities and solve problems easily. "Okay, how do I do that?" you say.

First get clear about your own filters by talking to a coach, asking your staff, interviewing your spouse or working with a mentor and then write them all down. The next step is to identify how these filters have you stuck or stopped in your business. How do your limiting beliefs impact your business and its employees?

Then, make sure that you stay "open for business" by being engaged in conversations about your business with someone who knows what your filters are and is willing to say something when they come up. This could be an employee, partner, spouse, friend, mentor or coach. You will be amazed at the difference this one shift from closed to open can make for your profitability and your sense of well being.

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What is a Business Coach?

A Business Coach engages and facilitates focused dialogue. We challenge, inquire, cajole, inspire, provoke, offer support, and collaborate with our clients on their business issues and goals. Call us for a complimentary coaching session today!

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