

## Mar"key"t place

Our Mar"key"t series is on discovering the hidden customers—your customer's vendors.

We conclude with these last thoughts:

- Network with the vendors: For example: you are an investment broker and your client asks you to talk to her insurance agent to work on the details of her life insurance policy. By meeting with the insurance agent and aligning the mutual client's interest, you, the stock broker have gained inside information on how this agent



works and now can feel comfortable working with the agent again, and possibly getting a referral from the agent.

- Be consistent: If you promise the vendor materials or services on the customer's behalf—deliver on time. Don't discredit that they are "only vendors" and not the actual client.

- Comply with their industry: Many industries require specific protocol. Do not negate the vendor's expertise in his/her own area of business. Instead, gladly comply and show a willingness to learn the proper procedures of their industry.

- Leave a lasting impression: Just as you want to leave a good first impression, make sure your last impression is positive and productive.

## Quote

Give, and it will be given to you. A good measure, pressed down, shaken together and running over, will be poured into your lap. For with the measure you use, it will be measured to you.

## Q&A

**Client:** What is the difference between Flex and HSAs (cont.)?

**BKC:** Flex Medical

Accounts expire annu-

ally. Let us say that your flex plan runs October

1st 2008 to September

30th of 2009. You contribute to the Flex on

a regular basis (more on this later), and

you use the funds for medical purposes

(defined later). You have to use up all the

funds you contributed prior to 9/30/09 or

you lose the funds. More next month.



# KEEPING LEDGER

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## BUSINESS-KEEPERS CONSULTING

...the KEY to keeping business.

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## ACCOUNT-ABLE

We have ventured into the realm of payroll for the last few issues and we continue on our quest to understand its dynamics.

Last month we discussed SUI and FUI and its varying rates. This month we discuss specifically the SUI rate as it is directly related to California employers.

SUI stands for State Unemployment Insurance. This insurance rate ranges from 2.2 through 6.2% depending on your company's claim history. What is claim history? First, we must answer the question, why unemployment tax?

Imagine that your business is chugging along and you have a difficult employee that you have to terminate. That employee goes to the EDD and files for unemployment. (California is an *at-will* state; more on this in another issue).

The EDD sends a notice to you stating employee "Bob" has filed for unemployment and wants you to verify that Bob worked there, how long, and at what wage. You complete the form and return it to the EDD. They, in turn, calculate a percentage of that wage and give Bob an unemployment check.

Let's pause for a minute and address two questions we are usually asked at this point: Is this socialism? Why should I pay for an employee



Account-able continued on back page...

## Calendar

Thursday, October 16th  
*National Boss Day*  
Sunday, November 2nd  
*Daylight Saving Time Ends*  
(Fall behind 1 hour)

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## The Sound of Business... (Account-able continued)

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who no longer works for me?"

These are good questions. Here is another way of looking at it. Imagine that you don't pay unemployment to this terminated employee. Now this worker starts to look for another job, but job hunting takes time. Meanwhile, the unemployed worker has to eat, sleep, and drive to interviews. How is he/she going to do this with no money? Eventually, the unemployed worker will ask for food stamps, welfare aid to pay the rent, and possibly his/her health will deteriorate from stress and malnutrition. Unemployment was designed to be a transitional pay to buy time for the worker to find another job, get back in the workforce and be productive again. Thus relieving our tax dollars from having to support him/her.



Unemployment insurance works in advance. You pay into a "kitty" under your EDD number based on your current employees' potential for future unemployment claims. In other words, you were paying unemployment insurance tax on Bob while he was still working for you. So when he collects unemployment, (after being terminated), you are not charged at that time to pay for the unemployment compensation. The EDD dips into your unemployment kitty and pays Bob from those funds.

Next month we'll discuss how this kitty is established when you first start a business, and how it



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### Important Websites:

[www.irs.gov](http://www.irs.gov)

[www.edd.ca.gov](http://www.edd.ca.gov)

[www.boe.ca.gov](http://www.boe.ca.gov)

[www.ftc.gov](http://www.ftc.gov)

[www.katchtheday.com](http://www.katchtheday.com)

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[keepers.com](http://www.business-keepers.com)

[www.nps.gov/jotr](http://www.nps.gov/jotr)

[www.psychamber.org](http://www.psychamber.org)

**Please sponsor our  
team for the Choc**

**Walk on October 19th!**

### Katch the Day

In October, when the weather cools, we like to head out to Palm Springs and the surrounding desert cities. Palm Springs is beautiful this time of year. The air is crisp, but not too cold, the nights are full of stars, and everyone comes out to play.

Our favorite attraction is the tramway. Most everyone knows about this aerial ride up the cliffs of Chino Canyon, but few have actually taken the time to ride the tramway. Plan on having lunch or dinner their and absorbing the experience.

The Living Desert. This is the desert's version of Wild Animal Park. It is located in the neighboring city of Palm Desert and hosts a wide variety of wildlife and botanical wonders on its 1200 acre sprawl.

Another little secret of Palm Springs is the Indian Canyons. This offers a spot of fresh air. There are hiking trails, Indian art and artifacts, and photographic opportunities of the contracting desert themes. There are three canyons, each with their own beauty and stories.

You can use Palm Springs as your "base camp" to fulfill your culturally needs, and wander up to Joshua Tree National Park (only 1.5 hrs away) to discover nature's fulfillments.

Lastly, and what Palm Springs is known for, is her great shops, dining, and clear, open night skies.

**KATCH YOUR DESERT BREATH FOR THE DAY, AND LEAVE THE BUSINESS-KEEPING TO US!**

