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**New Partnership Helps Government Contractors Lower Payroll Costs
While Staying Compliant**

*Foundation and Fringe Benefit Group working together to provide government
contractors with a competitive advantage.*

Brunswick, OH, and Austin – January 25, 2010 – Foundation Software, Inc., the developer of America’s #1 construction accounting software, and Fringe Benefit Group, an industry leader in group benefit plans designed specifically for hourly and part-time workers, today announced a partnership intended to provide government contractors with a competitive advantage when bidding government projects. As a result of the alliance, merit shop government contractors will be able to dramatically lower payroll costs while streamlining their payroll, benefits and accounting processes and remaining compliant with increasing government regulations.

The American Recovery and Reinvestment Act of 2009 (ARRA) includes a provision that all resulting projects fall under the provisions of the Davis-Bacon Act. Contractors working on Davis-Bacon Act jobs must adhere to numerous regulations, such as submitting a weekly certified payroll to the U.S. Department of Labor and providing employees with local “prevailing wages” including the “anticipated cost of prevailing benefits,” commonly referred to as fringe benefits.

Processing payroll can be difficult and time-consuming, especially for construction companies. Shifting pay rates, multi-state and local taxes, workers’ compensation and certified payroll are among the many unique and complex challenges that contractors face. Foundation helps contractors by providing standard payroll processing services, and easily handles construction-specific items like multiple states, jobs, localities, and pay rates. Unlike traditional payroll providers, Foundation offers construction payroll reporting such as certified payroll, new hire, EEO minority compliance, job labor and job hour variance, proofing reports and workers’ compensation. Foundation also takes over the administration of various payroll functions, including garnishments, fringe allocation, and year-end tasks (such as printing W2s).

“Processing payroll can be difficult and time-consuming for any business, but construction payroll is especially tough,” said Fred Ode, president of Foundation. “We have partnered with Fringe Benefit Group and integrated our systems to help contractors streamline the entire payroll and benefits processes, thus creating a more simple and cost effective solution. Both companies have focused on construction contractors and their unique payroll and benefits needs for 30 years. As a result of this partnership, all a contractor needs to do is upload their payroll and we can take care of the rest.”

The Contractors Plan (www.thecontractorsplan.com) powered by Fringe Benefit Group (www.fringebenefitgroup.com) works seamlessly with Foundation to help government contractors stay compliant with government regulations and bid more competitively while providing quality benefits to their employees. Currently, many government contractors pay the fringe benefit portion of the prevailing wage as additional cash wages, believing it is the easiest way to comply with the law. But allocating the fringe amount to a bona fide benefit plan, such as The Contractors Plan from Fringe Benefit Group, results in significant cost savings on payroll burden because these monies are not subject to FICA, FUTA, state unemployment taxes and workers compensation insurance. Benefits that might be included in a bona fide benefit plan offering are retirement, medical, dental, vision and life insurance plans.

“There has been a significant increase in competition for public jobs and so contractors must examine all their costs and best practices in order to compete effectively,” said Adam Bonsky, executive vice president of government markets for Fringe Benefit Group. “This partnership provides prevailing wage contractors with a distinct competitive advantage when bidding on government projects. Both companies are equally committed to simplifying the payroll and benefit administration processes while helping contractors remain compliant, which ultimately helps our clients win jobs.”

About Foundation

Since 1985, Foundation has developed leading-edge solutions in construction accounting, project management, scheduling and service dispatch applications; as well as construction-specific payroll services.

Foundation Construction Payroll Service (www.payrollforconstruction.com) is a nationwide payroll service provider devoted exclusively to construction. Foundation offers all standard payroll services like cutting checks and direct deposit, payroll-related tax filings and W2s. They also offer construction reporting such as Certified Payroll, New Hire, EEO/Minority Compliance, Job Labor and Job Hour Variance, Workers' Compensation and job and employee proofing.

FOUNDATION® for Windows® (www.foundationsoft.com) is America's #1 construction accounting software, providing robust job costing, strong payroll (union and merit) and an award-winning Executive Dashboard for instant, graphical reporting with drill down. The system utilizes the powerful Microsoft SQL database for ease of use and flexibility.

About Fringe Benefit Group

Austin, Texas-based Fringe Benefit Group and its affiliate companies have helped employers design and administer fringe benefit programs since 1983. Through its nationwide network of independent brokers and agents, Fringe Benefit Group has established itself as the leader in government contractor health and welfare and retirement plans. Drawing on its expertise in the prevailing wage segment, the company has also emerged as a leader in group benefit plans designed specifically for hourly and part-time workers (limited benefit programs). For more information, log on to www.fringebenefitgroup.com or www.thecontractorsplan.com.

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