Findings and Recommendations from Pre-testing of Items Collecting Detailed Fringe Benefits Data

Prepared for:
Manufacturing and Construction Division
Census Planning Committee

Prepared by:

Alfred D. Tuttle
Amy E. Anderson
Miriam L. Gerver
La Toya Barnett
Establishment Survey Methods Staff

March 2, 2006

Executive Summary

- We found that most of the companies we visited in the manufacturing sector would be able to provide fringe benefit "book" figures for an individual establishment, while a small number of companies would have to come up with some kind of estimate. The small number of mining companies we visited were able to provide the information with little trouble. We recommend that the detailed fringe benefits items be included on surveys of manufacturing and mining establishments.

- The detailed fringe benefits items appear to be especially problematic for multi-unit construction companies whose employees' unions sponsor their health insurance and pension plans, and/or which have a centralized payroll function. Such companies as we visited found the information far too burdensome to retrieve at best, and impossible at worst. We recommend that the detailed items not be included on surveys of construction establishments, and that those forms retain their current breakout of legally-required and voluntary fringe benefits.

- The Service Annual Survey forms will be minimally affected by wording changes to mining, manufacturing, and construction forms suggested in this document. A representative of Service Sector Statistics Division (SSSD) was present for the presentation of our findings and recommendations, and has approved all final recommendations.

Background

Fringe benefits information is collected via self-administered survey forms sent to businesses in the manufacturing, mining, and construction sectors, including the Annual Survey of Manufactures and the Economic Census. Currently, only a total figure is requested, but asking for more detailed breakouts of health insurance and pension costs has been proposed for future questionnaires.

Purpose

This research has been conducted to inform the addition of detailed fringe benefits questions to manufacturing, mining, and construction questionnaires for the 2007 Census and to Annual Survey of Manufactures (ASM) forms on an ongoing basis. The intention of this research is to answer several questions:

- Can establishment-level data be reported for detailed fringe benefits, and what is the process for reporting? Are data available from book records? What estimation strategies are used when book figures are not available?
- What differences are there in data reporting and quality between single- and multi-unit companies, and across the three sectors of manufacturing, mining, and construction?
- How do respondents interpret the two definitions of pension plans, and are they able to distinguish between them?
- How much time and effort does it take respondents to report for these items?

Methodology

We drafted a protocol to guide our interviews based on our review of the new questions, our discussions with Manufacturing and Construction Division (MCD) personnel, on similar fringe benefit research conducted by SSSD personnel, and on some limited research with manufacturing companies. We modified the protocol throughout the course of the project as needed.

Corporate-level respondents at multi-unit companies frequently retrieve specific data from other employees located elsewhere in the company in order to report establishment-level information. For this reason, we were concerned that we might not find the appropriate respondents to interview simply by recruiting the personnel listed as company respondents. Therefore, we developed a protocol to assist the MCD analysts responsible for recruiting interviewees in determining whether or not the corporate-level respondents had access to location-specific fringe benefit information. If a contact person was not the person who would have such access, the recruiter then asked her or him for a referral to the appropriate person within the company, and those “down-stream” reporters were then contacted and asked to participate in an interview. In this way, we interviewed the appropriate respondents in all but two cases.

MCD and Establishment Survey Methods Staff (ESMS) members developed selection criteria to target several different company types for recruitment, with numerical quotas for each category (Table 1). At the guidance of the survey sponsor, a smaller number of mining companies was selected as compared to

other sectors, because it was thought that the reporting behavior of mining companies would tend to be similar to manufacturing companies, a view that was supported by our limited number of mining company interviews.

From October to early December, 2005, we conducted a total of 29 interviews: 24 in-person interviews in the Washington, DC, Boston, MA, Atlanta, GA, Dallas, TX, and Chicago, IL metropolitan areas and five telephone interviews with respondents from around the country. After reviewing findings from construction company interviews with MCD, it was decided that the results from that sector were inconclusive and warranted additional research. ESMS and MCD decided to extend the research period until mid-January in order to collect more information specifically about construction companies. Seven additional telephone interviews and one local in-person interview were conducted. Since the methodology is qualitative, it is inappropriate to make inferences or draw conclusions about the population-at-large.

Table 1: Interview Selection Distribution

	Headquarters		Establishment	
Type	Planned	Interviewed	Planned	Interviewed
Construction				
- Multi-Unit	3	12	2	0
- Single-Unit	5	1	N/A	
Mining				
- Multi-Unit	2	2	1	0
- Single-Unit	2	0	N/A	
Manufacturing				
- Multi-Unit	15	11	5	8
- Single-Unit	5	3	N/A	
Totals	32	29	8	8

40 interviews planned, 37 interviews conducted, 13 of which were telephone interviews and 24 of which were in-person interviews. 2 were interviews with inappropriate company personnel.

MCD personnel accompanied ESMS interviewers on two of the trips and on most of the local visits. Visits were audio-recorded with respondents' permission to facilitate accurate summarization. Respondents were first asked general questions about their companies, their roles within their companies, what their definition of a fringe benefit is, the types of fringe benefits their companies offer, and the types of records they have. Then they were shown a draft of the detailed fringe benefits items and asked to describe the process of retrieving and reporting figures for these items, and were probed on the descriptions they provided. It should be noted that respondents may have been especially attentive to the survey items they were shown during interviews, e.g., they tended to read the definitions carefully. It is not known whether the interviews accurately reflect the level of attention respondents would show if they were responding to these items on an actual survey. However, we kept this possibility in mind when reporting our findings and formulating our recommendations.

General Findings and Recommendations

Finding #1: Nearly all companies we visited were able to report fringe benefit information by establishment.

- Establishment-level reporting – The majority of respondents we interviewed (30 cases) were able to report establishment-level information for all of the requested fringe benefits their companies offer. Three other cases could report some items but not all three, and two were unable to report for either of the items. (See Table 2 below. Note – Numerical descriptions of the types of interviews are only for clarification. Since the methodology is qualitative, it is inappropriate to make inferences or draw conclusions about the population-at-large.)

Table 2. Source of Fringe Benefit Information by Type (n=37)

	From records	Estimate	Can't provide	Unknown	N/A
Health Insurance	25	8	2	2	
Defined Benefit	11	2	5	1	18
Defined Contribution	26	5	3	2	1

- Multi- vs. single-unit companies – All but six of the companies we visited were multi-unit (MU) company headquarters, and all but two of those MU HQs were able to report for their establishments. Of the two establishment respondents interviewed, one was not the appropriate respondent (i.e., the items would be completed at HQ), and the other could only report for two of the three items. All four single-unit (SU) companies were able to report all of the requested fringe benefit details.
- Book vs. estimation – Of the thirty-three companies for which *any* fringe benefits information could be provided, eight (all multi-unit companies) would require some sort of estimation strategy. Some respondents would derive a proportion of total payroll for a given establishment, and apply that proportion to the individual fringe benefit items. Others would apply an approximate fringe benefit dollar value per participant to the number of participants at a given location. Those respondents who could report "book" figures had access to fairly detailed records (general ledgers, internal reports and spreadsheets, and actuarial reports from third-party administrators). They typically summed a few lines to report a given fringe benefit item.
- Burden – Most respondents estimated it would take them from half an hour to three hours to complete the fringe benefits items. Two respondents indicated

it might take as much as an entire day to complete the items, and one large decentralized multi-unit company's reporter said that it would take her a minimum of two weeks to disseminate, collect, and consolidate reports from multiple locations, assuming moderate workloads at all points on the company map, which would be unlikely. Reporting is fairly simple for those respondents who merely retrieve and sum a few lines of figures, but is somewhat more burdensome for those who must calculate some kind of estimate.

- Reportability and industry – Reporting the requested information appears to be straightforward among the manufacturing companies that made up the bulk of our interviews. Likewise, the two mining companies demonstrated no particular difficulties reporting. However, some construction companies were especially problematic (see Finding #2 below).

  Recommendation: Include the detailed fringe benefit questions on future surveys of manufacturing and mining companies (see Finding #2 for specific recommendation for construction companies).

  Resolution: Accepted.

Finding #2: Construction companies appear to have additional difficulties with reporting fringe benefits details, compared to companies in other sectors. This is apparently for two reasons: 1) at many companies, unions sponsor employees' insurance and pension plans, which affects the way fringe benefits records are kept, and 2) some companies with a centralized payroll function may not associate employees with particular establishments, which affects respondents' ability to estimate. While some manufacturing companies have the same situation whereby fringe benefits are provided by unions, construction companies often have to deal with multiple unions at any given location, which substantially increases the difficulty of retrieving information.

The source records of union-provided fringe benefit expenses typically are monthly reports. For example, in the case of one company, to provide the requested data, the respondent would have to sort through twelve reports from each of 130 unions, and gather the relevant pension figures, which he said would simply be too much work. By contrast, a smaller company with union-sponsored fringe benefits was able to report relatively easily because the number of unions they deal with, and thus the number of union reports, is manageable.

Another large company reported paying a single fringe benefit expense to some unions. So, even if the respondent were able to group the union reports by location, he would not be able to break out the individual costs of the fringe benefit components. Establishments that had both salaried and union employees would have an extra layer of burden due to this extra complexity involving multiple accounts.

Recommendation: While the questions do not seem to pose significantly more difficulty for smaller companies, we believe for larger companies they would pose disproportionately greater burden, and would have higher rates of item nonresponse. We also believe that data coming from larger companies would be of lower quality and that reporting strategies would be inconsistent across companies, increasing the measurement error. Therefore, we recommend that the detailed fringe benefits questions not be added to future establishment-level surveys of construction companies.

Resolution: MCD concurred with the recommendation to not request health and pension plan details on establishment level construction sector forms. However, these construction sector forms currently ask for a breakout of legally-required from voluntary fringe benefits, and since these data have been collected and published for some time, MCD is confident that they are of acceptable quality. Therefore it was decided that the fringe benefit items will remain as they appear on the current construction forms.

Finding #3: A few respondents, after discussing the payroll section preceding the fringe benefits items, wondered whether they were supposed to report the fringe benefits information for only the production workers at a given location, i.e., separate out the management or salaried workers.

Recommendation: Modify the instructions to indicate that the fringe benefits items should be reported for all employees and/or the employer's total costs at the establishment listed in the address label.

Resolution: In meeting with MCD, it was decided that the "include" instruction appearing at the beginning of section 6 would be repeated in an abbreviated form above the fringe benefits items: "Include full- and part-time employees working at this establishment whose payroll was reported on IRS Form 941."

Finding #4: A few respondents were not aware that the fringe benefits item was for a specific location only, and said they would report costs for the whole company.

Recommendation: Emphasize in the item instructions that the reported costs are only for the location listed in the address label, e.g., "for this establishment" (see Appendix A).

Resolution: Accepted.

Finding #5: To some respondents, "costs" and "contributions" mean the same thing. Some prefer one to the other, but no one seemed confused by the use of "costs." On the other hand, some respondents seemed to equate "contributions" with employees' contributions, while others equated it with the employer's contributions to the exclusion of any related administrative and other expenses.

Recommendation: Retain “employer’s costs” rather than “employer’s contributions.”
Resolution: Accepted.

Finding #6: To some respondents, cost means accrual. However, a few respondents wondered whether the items ask for accrued or actual costs. Most companies’ fringe benefits figures are kept on an accrual basis, not cash, and although many of those have paid and “trued up” the recorded expenses by the time they would have received the survey form, some may not be able to provide actual costs.

Recommendation: Add an instruction at the top of the page and/or at the beginning of the form indicating which type of figures are preferred, if applicable.

Resolution: After discussion, it was decided that our recommendation be withdrawn. It was feared that this change would confuse the many for the sake of assisting a relative few.

Finding #7: Several respondents commented that they like the detailed instructions accompanying the items.

Recommendation: Include item-specific instructions adjacent to the items within the form, rather than in separate instructions, whenever possible.

Resolution: Accepted.

Specific Findings and Recommendations

During the interview respondents were asked to describe what they would include as a fringe benefit. Respondents considered as fringe benefits:

- medical, including COBRA and flexible spending accounts
- prescription drugs
- vision
- dental
- life insurance
- long-term care
- short- and long-term disability
- post-retirement benefits, including pensions and health and life insurance
- 401k plan
- paid time off (including vacation and sick days and holidays)
- tuition reimbursement
- awards and bonuses
- payroll taxes

- FICA
- Medicare
- workers' compensation
- liability insurance
- Federal & State unemployment insurance
- severance pay
- auto allowance
- uniforms
- safety programs

Throughout the interview respondents sorted these items into the appropriate categories. The findings and recommendations related to these categorizations follow.

Health Insurance (HI)

Finding #8: In general, respondents had no trouble correctly understanding the text of the health insurance item. Many said that the description captured all the HI costs their companies had.

Recommendation: No recommendation needed.

Finding #9: There was confusion as to whether this figure would include administrative costs. Some of those interviewed understood the item to include only premiums and not include additional administrative costs, while others understood the item to include these extra administrative costs in addition to the health insurance premiums.

Recommendation: Print "Include" and "Exclude" in bold to make them more visible, wherever they appear.

Resolution: Accepted.

Finding #10: Some respondents kept their health insurance figures together with life, short- and long-term disability, and accident insurance figures in their records, and wondered whether to include them in their HI figure. Some said they would have difficulty separating some of those other figures.

Recommendation: If these other costs (life, short- and long-term disability, and accident insurance) are to be excluded from the HI figure, then the instructions should indicate that they be excluded and reported on another line as appropriate (see Appendix A).

Resolution: After some discussion, the following wording was accepted: "Exclude employee contributions. Exclude life, disability, and accident insurance; report these costs on line C3 below."

Finding #11: Some respondents included health insurance costs for retirees, whereas many would not be able to provide this information in their health insurance figures, since these retirees were no longer active employees of the particular establishments. Some who could provide retiree health care costs were not sure whether or where to include them.

Recommendation: Note within the item whether or not retiree health care costs should be included.

Resolution: Peter Gibson explained that, per GAAP, most larger companies will likely record and report expenses they accrue for future retiree health care costs (which means they would not have cash payments of benefits to actual retirees), whereas some smaller operations may have a non-GAAP "pay-as-you-go" (i.e., cash) fringe benefits plan in place for retirees. Peter suggested that adding any instruction about retiree benefits will confuse one or the other group, and that it would be best not to add such an instruction. His suggestion was accepted.

Pension Plans

Finding #12: Like the description of health insurance, the text describing defined benefit and defined contribution pension plans was clear and interpreted correctly by most respondents.

Recommendation: No recommendation needed.

Finding #13: A few respondents wondered whether administrative and other costs should be included, e.g., bond insurance, and some wondered whether to include employee contributions. Others would include seemingly non-pension-related costs like long-term care and disability, and tuition assistance.

Recommendation: Modify the instruction to read "all costs to the employer related *only* to [the pension plans]", and/or specify any particular costs to include/exclude and where to report the excluded ones, if applicable.

Resolution: After discussion, it was decided to add only the instruction "Include all costs to the employer related to pension plans" next to the C2. header.

Other Fringe Benefits

Finding #14: Respondents said they would tend to report only the examples listed on line 6C3, though a few said they would include other fringe benefits from their records. Examples of other fringe benefits not currently listed in the fringe benefit item include:

- paid time off (including vacation and sick days and holidays)
- tuition reimbursement
- awards and bonuses
- liability insurance
- severance pay
- auto allowance
- uniforms
- safety programs

Some respondents felt that paid time off for hourly workers was a benefit, and it is listed on their books as such. Paid time off, tuition reimbursement, awards, and bonuses were the most common examples of other fringe benefits that were missing from the examples given.

> Recommendation: Modify the instructions so that it is explicit which other fringe benefits are to be included or excluded (see Appendix A). If the number of included/excluded items is more than a few, present them as bulleted lists.
>
> Resolution: After discussion, it was decided to remove the instruction appearing next to the 6C header ("Employer's cost for legally required programs and programs not required by law.") and insert it next to the 6C3 header since this is the location where this instruction is most relevant. The parenthetical examples, will then follow, along with the additional instruction, "Do not include paid time off (e.g., holidays, vacation and sick leave); report them in item 6B on the previous page." (see mocked-up example on page 14)

Finding #15: Some respondents said that most of the "other fringe benefits" examples did not strike them as being fringe benefits at all, but rather "payroll taxes," "statutory requirements," or "employee-related expenses." Respondents tend to think of fringe benefits as things that they are not required to give to employees but rather are offered above and beyond their compensation, e.g., as an incentive to work for them rather than another company.

> Recommendation: Since there are many items that respondents are required to report that they do not consider to be a "fringe benefit", regardless of whether they are legally mandated programs or not, make the following changes/additions:

Item 6C.

Current wording:
Employer's cost for fringe benefits -

Recommended wording:
Employer's cost for fringe benefits and other employee-related costs -

Item 6C3.

Current wording:
Other – Other fringe benefits (e.g., Social Security, workers' compensation insurance, unemployment tax, state disability insurance programs, life insurance benefits, Medicare).

Recommended wording:
Other fringe benefits and employee-related costs – Include programs *not* required by law and legally required programs.

Examples:

Programs not legally required	**Programs legally required**
-Life Insurance	-Social Security
-Accident Insurance	-Workers' compensation insurance
-Tuition re-imbursement	-Unemployment Tax
	-State Disability Insurance programs
	-Medicare

Resolution: This recommendation is superceded by resolution #14 above.

Total Fringe Benefits

Finding #16: Some companies' records contain total fringe benefits lines, but most do not; most respondents pull separate pieces together from one or more records, and then sum them. Those that have a "total fringe benefits" line in their records appear more likely to include both legally mandated programs *and* non-mandated offerings in their answer to line C3, "other fringe benefits," because they may subtract lines C1 and C2 to arrive at an "other fringe benefits" figure. As mentioned above, other respondents, those without a specific line in their records for "total fringe benefits," are more likely to report only the listed examples. Differences in records thus may lead to inconsistent reporting strategies for "other fringe benefits" and "total fringe benefits" lines.

Recommendation: No recommendation needed at this time, but in the future it may be worth considering asking for the legally required program costs in a separate item (e.g., as "payroll expenses" in the Compensation section).

Since the listed examples are 1) generally readily available and 2) very likely to be reported (and therefore a "solid" number), asking for them separately will likely reduce the overall variance to fringe benefits data collected.

Resolution: The "other fringe benefits" line was reportedly designed more for the sake of respondents than for the needs of the stakeholders. That is, it is included to allow respondents to report any other fringe benefits expenses they feel inclined to include, and to tie their reported figures to a total fringe benefits figure in their records, as well as historical total fringe benefits figures from past data collections. Therefore it was decided to retain the "other" and "total" fringe benefits lines to accommodate those respondents whose records contain total fringe benefits figures and would feel compelled to report them.

In addition, our recommendation that costs for legally required programs be requested separately from costs for voluntary programs has historically been, and will continue to be, the collection strategy for the construction sector.

Hours Worked

Finding #17: As it currently appears on the ASM and other forms, item 6 mainly asks for breakouts between production and non-production workers, with the exception of the single fringe benefits line asking for a total figure for the establishment. The test draft retains the items in the same order, with the main differences being that the fringe benefits item has been elaborated into four lines resulting in a bigger break between the annual payroll item and the "hours worked" item for production workers.

From a cognitive perspective, maintaining this sequence, in the presence of the detailed fringe benefits items, represents a substantial break in the manner in which the respective tasks are processed; that is, respondents go from retrieving several figures on the first page broken out by production/non-production employees, to retrieving several figures without such a breakout, to another item broken out by production worker. One respondent commented that it would make more sense to place the "hours worked" item with the "number of workers" and "payroll" items, and we believe so, too.

Recommendation: Place the "hours worked" item immediately after 6B2.

Resolution: Accepted.

Appendix A: Draft of Suggested Changes to Text of Fringe Benefit Questions

Note – Underlining is used here only to identify modified, repositioned, or added text, and is not intended to be used on an actual form.

C. Employer's cost for fringe benefits for this establishment – **Include** full- and part-time employees working at this establishment whose payroll was reported on IRS Form 941.

1. Health insurance - Insurance premiums on hospitals, medical plans, and single service plans such as dental, vision, and prescription drug plans. **Include** premium equivalents for self-insured plans and fees paid to third party administrators (TPAs). **Exclude** employee contributions. **Exclude** life insurance costs; **report** them on line C3 below.

2. Pension plans

a. Defined benefit pension plans – Costs under pension plans that specify the benefit to be paid to employees upon retirement, generally either a specific amount or a percentage of compensation. Employer contributions are based on actuarial computations that include the employee's compensation and years of service and are not allocated to specific accounts maintained for employees. **Report** costs for both qualified and non-qualified defined benefit pension plans.

b. Defined contribution plans - Costs under pension plans that define the employer contributions to a separate account provided for each employee. The employee "benefit" at retirement depends on the amount contributed and the results of the account's activity. Examples include profits sharing plans, money purchase (e.g., 401k, 403b) and stock bonus plans (e.g., ESOPs)

3. Other fringe benefits and employee related costs – **Include** legally-required programs AND programs not required by law (e.g., Social Security, worker's compensation insurance, unemployment tax, state disability insurance programs, life insurance benefits, Medicare). **Exclude** paid time off (e.g., holidays, vacation and sick leave); **report** them in item 6B on the previous page.

4. **TOTAL** *(Sum lines C1 through C3)*

U.S. DEPARTMENT OF COMMERCE
Economics and Statistics Administration
U.S. CENSUS BUREAU

FORM
MA-10000(L) (11-22-2004)

2004 ANNUAL SURVEY OF MANUFACTURES

OMB No. 0607-0449: Approval Expires 11/30/2007

Mail your completed form to:
U.S. CENSUS BUREAU
1201 East 10th Street
Jeffersonville, IN 47132-0001

Please read the accompanying instructions before answering the questions.

Need help or have questions about filling out this form?

Visit our Web site at
www.census.gov/econhelp

Call:

- OR -

Write to the address above. Include your 11-digit Census File Number (CFN) printed in the mailing address.

(Please correct any errors in this mailing address.)

YOUR RESPONSE IS REQUIRED BY LAW. Title 13, United States Code, requires businesses and other organizations that receive this questionnaire to answer the questions and return the report to the U.S. Census Bureau. By the same law, **YOUR CENSUS REPORT IS CONFIDENTIAL.** It may be seen only by persons sworn to uphold the confidentiality of Census Bureau information and may be used only for statistical purposes. Further, copies retained in respondents' files are immune from legal process.

- Use blue or black ink.
- Do not use pencil.
- Place an "X" inside the box.
- Please center numbers in their respective boxes.
- Do not put slashes through 0 or 7.
- Complete only the unshaded portion of each item.

Examples: ☒ 0 1 2 3 4 5 6 7 8 9

The reporting unit for this form is an establishment. An **establishment** is generally a single physical location where business is conducted or where services or industrial operations are performed. For further clarification, see instructions.

1 MONTHS IN OPERATION

Number of months in operation during 2004 *(If none, mark "X" and go to 29.)* . . . . . ☐ *Mark "X" if None*

2004 Number of months

2 EMPLOYER IDENTIFICATION NUMBER

Is the Employer Identification Number (EIN) shown in the mailing address the same as the one used for this establishment on its latest 2004 Internal Revenue Service Form 941, Employer's Quarterly Federal Tax Return?

☐ Yes ☐ No - Enter current EIN (9 digits) → ___ - _____

3 PHYSICAL LOCATION

A. Is this establishment's physical location the same as shown below?
(P.O. box and rural route addresses are not physical locations.)

☐ Yes ☐ No - *If incorrect or blank, enter physical location*

Number and street			
City, town, village, etc.	State	ZIP Code	
			-

B. Is this establishment physically located inside the legal boundaries of the city, town, village, etc.?

☐ Yes ☐ No ☐ No legal boundaries ☐ Do not know

10000016

PENALTY FOR FAILURE TO REPORT

CONTINUE ON NEXT PAGE

● EMPLOYMENT AND PAYROLL

Include:

- Full- and part-time employees working at this establishment whose payroll was reported on Internal Revenue Service Form 941, Employer's Quarterly Federal Tax Return, and filed under the Employer Identification Number (EIN) shown in the mailing address or corrected in ❶.

Exclude:

- Full- or part-time leased employees whose payroll was filed under an employee leasing company's EIN.
- Temporary staffing obtained from a staffing service.

For further clarification, see information sheet(s).

A. Number of employees

		Mark "X" if None	2006 Number	2005 Number
1. Number of production workers for pay periods including:				
a. March 12.	0325	☐		
b. June 12	0312	☐		
c. September 12	0313	☐		
d. December 12	0314	☐		
2. Sum lines A1a through A1d	0329	☐		
3. Average annual production workers *(Divide line 2 by 4 - omit fractions.)*	0335			
4. All other employees for pay period including March 12	0336			
5. TOTAL *(Sum lines A3 and A4)*	0337			

B. Payroll before deductions *(Exclude employer's cost for fringe benefits.)*

		Mark "X" if None	2006 $ Mil.	2006 Thou.	2005 $ Thou.
1. Annual payroll					
a. Production workers	0304	☐			
b. All other employees	0305	☐			
c. TOTAL *(Sum lines B1a and B1b)*	0300	☐			
2. First quarter payroll *(January-March 2006)*	0310	☐			

CONTINUE WITH ❻ ON PAGE 5

10000040

CONTINUE ON PAGE 5

If not shown, please enter your 11-digit Census File Number (CFN) from the mailing address.

6 EMPLOYMENT AND PAYROLL - Continued

		Mark "X" if None	2006 $ Mil.	2006 Thou.	2005 $ Thou.
C. Employer's cost for fringe benefits - Employer's cost for legally required programs and programs not required by law.					
1. Health insurance - Insurance premiums on hospitals, medical plans, and single service plans such as dental, vision, and prescription drug plans. Include premium equivalents for self-insured plans and fees paid to third party administrators (TPAs). Do not include employee contributions.	0220	☐			
2. Pension plans					
a. Defined benefit pension plans - Costs for both qualified and non-qualified defined pension plans. Pension plans that specify the benefit to be paid to employees upon retirement, generally either a specific amount or a percentage of compensation. Employer contributions are based on actuarial computations that include the employee's compensation and years of service and are not allocated to specific accounts maintained for employees.	0000	☐			
b. Defined contribution plans - Costs under defined contribution plans. Pension plans that define the employer contributions to a separate account provided for each employee. The employee "benefit" at retirement depends on the amount contributed and the results of the account's activity. Examples include profits sharing plans, money purchase (e.g., 401k, 403b) and stock bonus plans (e.g., ESOPs)	0000				
3. Other - Other fringe benefits (e.g., Social Security, workers' compensation insurance, unemployment tax, state disability insurance programs, life insurance benefits, Medicare).	0000				
4. TOTAL *(Sum lines C1 through C3)*	0000				

7 HOURS WORKED

		Mark "X" if None	2006 Hours Thou.	2005 Hours Thou.
Number of hours worked by production workers - Annual hours worked by production workers reported on 6, line A1.	0200	☐		

8–9 Not Applicable.

10000057

CONTINUE ON PAGE 6