

2012

Romainor Consulting (002133250-K)

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[PROPOSAL - PAYROLL OUTSOURCING SERVICES]

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PAYROLL OUTSOURCING SERVICES

We know that running a business is not an easy task. That's why we are here. By providing you a comprehensive service in payroll, you can say goodbye to extra time spent administering your payroll. So that you can focus on more important things, like, running your business! So let's start with the most basic question:

Why Outsource?

Below are reasons why some companies outsource:

1. Cost savings

- Eliminates cost of initial hardware and software investment and its subsequent maintenance
- Reduces spending on technology upgrades due to obsolete functionalities and changes in statutory requirements
- Control operating costs as fewer employees needed to perform these administrative tasks, thus maintaining low headcount.

2. Other indirect time/cost savings

- Reduces errors from manual handling of data
- Reduces risks involved in security and confidentiality issues
- Opportunity cost from redeploying HR resources and investments to other areas
- Reduce risk of fluctuating employee turnover and the need for recruitment and retraining, thus ensuring a stable operational environment

3. Change in company focus

- Reduce the time spent on administrative task and to refocus on strategic planning initiatives
- Reduces financial risks involved in non-compliance of legislative, corporate and technology changes
- Growing need for companies to leverage on established HR service providers for information and expertise that are not available internally
- Strategic partnership with HR service providers enable more flexibility and tailor-made solutions for ever-changing operational needs
- Increase employees satisfaction as a result of more timely and accurate response to their HR issues and queries

With outsourcing, all level of staff in your company will enjoy some form of benefits and convenience.



1. For the Management

- Real-time management reports
- Attain cost savings by reducing capital investments
- Strengthen internal control and planning
- Reduce turnover, rehiring and retraining

2. For the HR Department

- Reduce tedious and time consuming administrative work
- More time to focus on productive and strategic HR work

3. For the Line Managers

- Convenient and flexible reporting options
- Updated staff information for management decision making

4. For the Employees

- Fast and accurate access to information

Why Our Payroll & HR Services

As your HR partner, we aim to offer you a flexibility and streamline payroll outsourcing services but at a competitive prices. Our goal is to help you achieve tangible benefits in the areas of cost savings as well as increase service level performances. We are proud to be a part of your great success.

We take great pleasure in proposing our payroll outsourcing services to your company. First and foremost, we would like to thank you for the opportunity to extend this proposal to you and hope that we can work together in synergy to expand and grow together.

SCOPE OF SERVICES – PAYROLL

1. Romainor Consulting (RC) will input/capture, compute and finalise the Client's payroll i.e. claims and monthly salary payouts. This will be carried out in strictest confidence by RC based on all payroll related information provided to RC by the Client, Statutory Bodies in Malaysia and any banks pertaining to staff bank loan deductions and subsidies.
2. RC will render the additional services of assisting the Client in capturing and screening the information provided by the Client to ensure that they are in accordance with the Client's company's policies and procedures and all government regulations.
3. RC will seek Client's authorised payroll signatories for their signatures on Letter of Instructions to multiple banks prior to designated date of crediting.
4. On monthly basis, RC will make timely cheque request and funds requisition to the Client for the payment of salaries and wages via multiple bankers, statutory payments, namely, IRD, EPF, SOCSO, HRDF, Zakat, Tabung Haji and Koputra or other loan repayment and subsidies, salaries by cheque, namely resignations and new hires after the monthly payroll cut-off date.
5. RC will remit all payments stipulated in item 4 with the relevant documentation to the relevant bodies before their respective deadlines. This will include banking in of cheques into employees' bank accounts.
6. A time schedule will be agreed between RC and the Client, stipulating the deadlines for:
 - Submission of data (employees' information/allowances/deductions/resignations/new hires, etc.) to RC;
 - Submission of reports to the Client for vetting before finalisation of payroll;
 - Preparation of funds and payment of salary to employees via bank accounts or other means;
 - Submission of reports to the Client for record keeping;
 - Issuance of cheques by the Client as payment to statutory bodies
7. RC will prepare all standard payroll reports, after each payroll period as follow:
 - Payroll summary
 - Allowance and deduction reports
 - Overtime reports
 - Salary reconciliation reports
 - Bank listing
 - All statutory forms (e.g. EPF, SOCSO, Income Tax, HRDF, Tabung Haji, etc.)

Should you have many companies under one group of companies, RC will print out all reports for different entities as well as consolidated reports for management decision purposes.

8. RC will print out payslip for every payout monthly, sort and distribute directly to all locations with the Client's employees throughout Malaysia.
9. Yearly, RC will prepare the Form E (Employer's Return) for submission to the Inland Revenue Board at the end of the year and Form EA (Employee's Return) and Form PCB 2(ii) to be distributed directly to the Client's employees throughout Malaysia.
10. For any employment of new staff or resignation, RC will submit all relevant documentation to the relevant authorities on your behalf.

11. On an ad hoc basis, RC will prepare necessary reports requested by the Client, but within the capability of payroll software. However, as and when there is a need for additional assistance in any payroll matters that will have to be accomplished as a project; then a formal quotation will be prepared for the Client.
12. RC will function as a helpdesk for all the Client’s payroll matters, answering calls and emails daily. Our office hour are from 8.30am to 5.30pm Mondays to Fridays. Despite our office hours, RC is happy to provide you support via our on call service numbers for urgent matters during the weekends.
13. RC will prepare the accounting journals for payroll cost and accounting journals for financial month end provisioning in the format required by Client.
14. Compute leave balance based on financial month end and upload the information to Client’s accounting system for computation of leave accrual.
15. RC will perform reconciliation on all payroll related accounts and prepare adjustment journals for the reconciliation on a monthly basis.

PROFESSIONAL FEES

Based on the above services, our professional fees will be as follows:

Fees	Details	Note
One-time Setup Fee	Creating and setting up new database based on parameters determined by the client	
	Key in YTD payroll data for existing employees	50% of first month fee
	Checking and rectifying any historical issues (if any)	
	1 month parallel run on payroll process	
Monthly Professional Fee	1 – 5 employees	MYR 489.00
	6 – 10 employees	MYR 899.00
	11 – 20 employees	MYR 989.00
	21 – 30 employees	MYR 1,088.00
	31 – 40 employees	MYR 1,197.00
	41 – 50 employees	MYR 1,317.00
	51 – 60 employees	MYR 1,449.00
	61 – 70 employees	MYR 1,594.00
	71 – 80 employees	MYR 1,754.00
	81 – 90 employees	MYR 1,930.00
	91 – 100 employees	MYR 2,123.00
> 100 employees	Please refer Appx 1	

The above fees proposed do not include 6% service tax which will be billed separately together with the monthly invoice. Out-of-pocket expenses namely dispatch costs, printing and stationery, travelling expenses (based on RM0.70 per km) to and from Client's office and other incidentals shall be billed at cost.

SYSTEM FUNCTIONALITY

RC proposed to provide the above services using MYOB Payroll software, an award winning software which is used by more than 700,000 businesses worldwide. This system is so user friendly which makes it powerful and reliable.

The above applications will be hosted in our secured servers, workstations, networking equipment and operating systems with proper backup devices.

All data sent to Client in relation to employees' information will be encrypted to protect customers' confidentiality.

ENGAGEMENT PROCEDURES

Outlined below are procedures of outsourcing services engagement between Romainor Consulting (RC) and Customer (CUSTOMER):

1. RC shall provide an Official Outsourcing Service Quotation and Complete Score of Work to CUSTOMER.
2. CUSTOMER shall agree and sign in an Outsourcing Service Contract with RC consented by both parties.
3. CUSTOMER shall provide RC all information related to initial setup of its human resource, payroll, accounting and all other related information.
4. RC shall proceed to setup all necessary systems and routines of its monthly outsourcing services.
5. CUSTOMER shall open a corporate banking account in Malaysia for payment to payroll, operating expenses and all other necessary payouts.
6. RC will prepare Fund Requisition Sheet for CUSTOMER for verification and authorisation.
7. RC will request CUSTOMER HQ to transfer fund into CUSTOMER's corporate banking account in Malaysia for preparation of cheques to all contractors, employees and creditors.
8. RC will prepare all authorised monthly payment cheques for CUSTOMER's authorised signatories to sign before dispatching those cheques to all parties.

PROJECT TASK MANAGEMENT



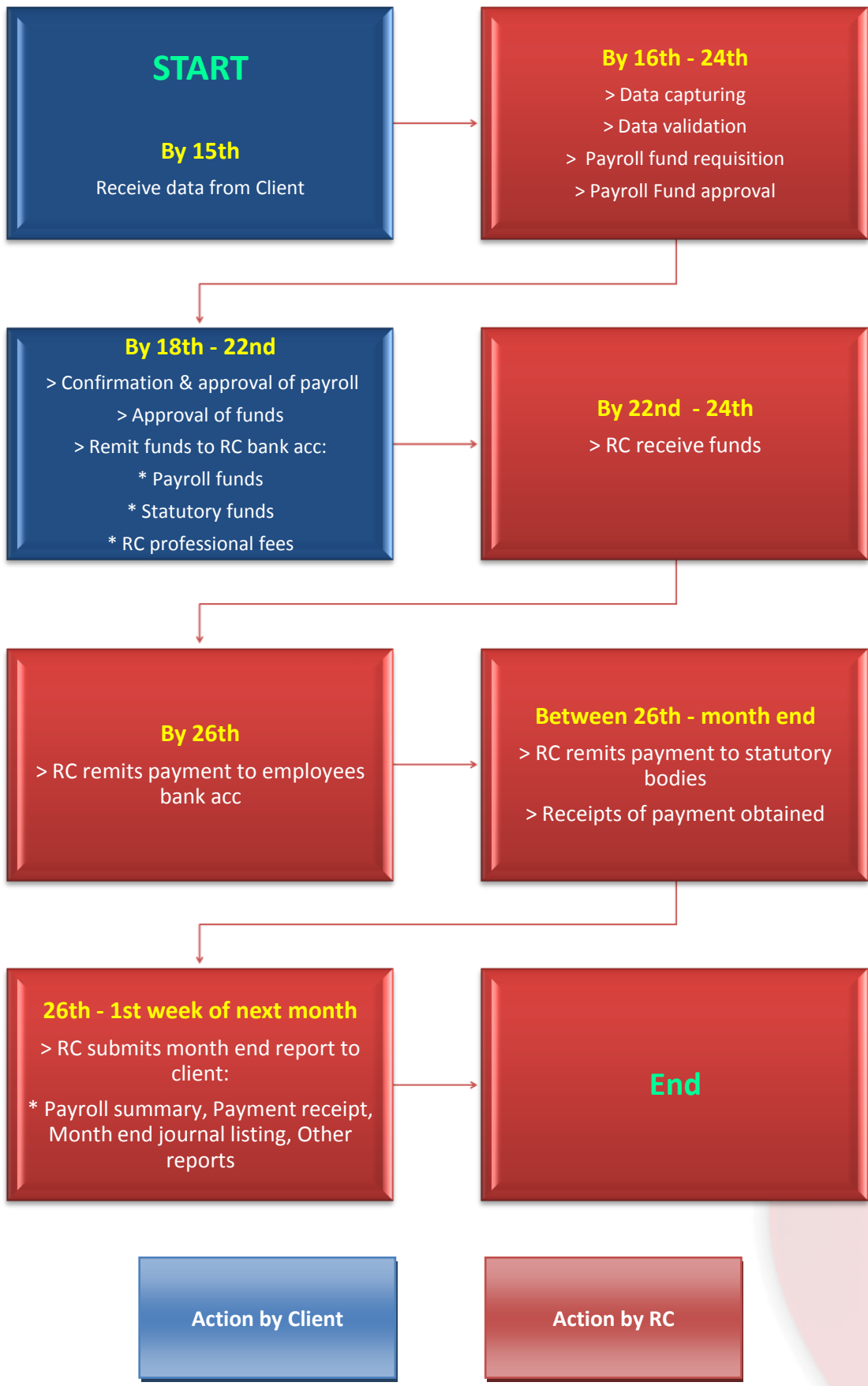
Our project management is comprised of the following phases:

- Project kick off meeting
- Detailed processes and requirements study
- Review meetings
- Internal training
- Parallel run
- Review meetings
- Live run
- Review meetings
- Project sign off

SERVICE LEVEL GUARANTEE

Our utmost priority is to ensure prompt and accurate monthly salary payments and contributions to the statutory bodies in Malaysia. In the event of errors proven to be committed by us, we will rectify within a reasonable timeframe. Failure to do so, we will be obliged to absorb any penalty charges imposed on our Client.

PAYROLL PROCESSING FLOW



APPENDIX 1

Fees	Details	Service Charge
Monthly Professional Fee	1 – 5 employees	MYR 489.00
	6 – 10 employees	MYR 899.00
	11 – 20 employees	MYR 989.00
	21 – 30 employees	MYR 1,088.00
	31 – 40 employees	MYR 1,197.00
	41 – 50 employees	MYR 1,317.00
	51 – 60 employees	MYR 1,449.00
	61 – 70 employees	MYR 1,594.00
	71 – 80 employees	MYR 1,754.00
	81 – 90 employees	MYR 1,930.00
	91 – 100 employees	MYR 2,123.00
	101 – 110 employees	MYR 2,187.00
	111 – 120 employees	MYR 2,253.00
	121 – 130 employees	MYR 2,321.00
	131 – 140 employees	MYR 2,391.00
	141 – 150 employees	MYR 2,463.00
	151 – 160 employees	MYR 2,537.00
	161 – 170 employees	MYR 2,614.00
	171 – 180 employees	MYR 2,693.00
	181 – 190 employees	MYR 2,774.00
	191 – 200 employees	MYR 2,858.00
	201 – 210 employees	MYR 2,944.00
	211 – 220 employees	MYR 3,033.00
	221 – 230 employees	MYR 3,124.00
	231 – 240 employees	MYR 3,218.00
	241 – 250 employees	MYR 3,315.00
	251 – 260 employees	MYR 3,415.00
	261 – 270 employees	MYR 3,518.00
	271 – 280 employees	MYR 3,624.00
	281 – 290 employees	MYR 3,733.00
	291 – 300 employees	MYR 3,845.00
	301 – 310 employees	MYR 3,961.00
	311 – 320 employees	MYR 4,080.00
	321 – 330 employees	MYR 4,203.00
	331 – 340 employees	MYR 4,330.00
	341 – 350 employees	MYR 4,460.00
	351 – 360 employees	MYR 4,594.00
	361 – 370 employees	MYR 4,732.00
	371 – 380 employees	MYR 4,874.00
	381 – 390 employees	MYR 5,021.00
	391 – 400 employees	MYR 5,172.00
	401 – 410 employees	MYR 5,276.00
	411 – 420 employees	MYR 5,382.00
	421 – 430 employees	MYR 5,490.00
	431 – 440 employees	MYR 5,600.00
441 – 450 employees	MYR 5,712.00	

Fees	Details	Service Charge
Monthly Professional Fee	451 – 460 employees	MYR 5,827.00
	461 – 470 employees	MYR 5,944.00
	471 – 480 employees	MYR 6,063.00
	481 – 490 employees	MYR 6,185.00
	491 – 500 employees	MYR 6,309.00
	501 – 510 employees	MYR 6,373.00
	511 – 520 employees	MYR 6,437.00
	521 – 530 employees	MYR 6,502.00
	531 – 540 employees	MYR 6,568.00
	541 – 550 employees	MYR 6,634.00
	551 – 560 employees	MYR 6,701.00
	561 – 570 employees	MYR 6,769.00
	571 – 580 employees	MYR 6,837.00
	581 – 590 employees	MYR 6,906.00
	591 – 600 employees	MYR 6,976.00
	601 – 610 employees	MYR 7,046.00
	611 – 620 employees	MYR 7,117.00
	621 – 630 employees	MYR 7,189.00
	631 – 640 employees	MYR 7,261.00
	641 – 650 employees	MYR 7,334.00
	651 – 660 employees	MYR 7,408.00
	661 – 670 employees	MYR 7,483.00
	671 – 680 employees	MYR 7,558.00
	681 – 690 employees	MYR 7,634.00
	691 – 700 employees	MYR 7,711.00
	701 – 710 employees	MYR 7,789.00
	711 – 720 employees	MYR 7,867.00
	721 – 730 employees	MYR 7,946.00
	731 – 740 employees	MYR 8,026.00
	741 – 750 employees	MYR 8,107.00
751 – 760 employees	MYR 8,189.00	
761 – 770 employees	MYR 8,271.00	
771 – 780 employees	MYR 8,354.00	
781 – 790 employees	MYR 8,438.00	
791 – 800 employees	MYR 8,523.00	