

EOR Cost Comparison

CU U.S. Hire versus a CU Global Hire

CU benefit fringe rate: Consider the percentage of the hire's *CU benefit fringe rate* (U.S. cost). Comparison purposed, this cost can be viewed as the equivalent to the *social costs*, specific to each country, as outlined in the examples below.

- UCB: <https://www.colorado.edu/controller/resources/fringe-benefit-rates-history>
- UCCS follows similarly
- AMC: <https://research.cuanschutz.edu/ogc/home/ogc-teams/post-award/fringe-benefits-rates>

Social cost: Safeguard will provide the *social cost* associated with the country in which the work will take place. These costs will be offset by the reduced payroll burden (*CU benefit fringe rate*), including OASDI, Medicare, Leave, and Retirement, which would otherwise be allocated to the department for university employees working in the U.S.

Monthly EOR fee: There is an administration fee for Safeguard of 16% to 18% of employee salary plus social costs (subject to a minimum), depending on the country. Departments may need to consider non-grant source funding when budgeting positions to pay for service fees associated with Safeguard.

Set-up fee: A one-time fee of \$1,500 is required for the PEO to set up the new employee in their system and with the country in question.

Upfront payment: Due to payment restrictions from the university, departments are required to pay the first 2 months of wages, *social cost* and Safeguard fees upfront. The purpose is that if there is a delay in the PEO receiving the paper check payment, the payroll payment to the employee will not be delayed. Any unused funds at the end of the employment agreement will be refunded to the department.

Disclaimer: The administrative (monthly EOR) fee and the set-up fee shown above are average, illustrative figures only. Both fees are subject to country addendum pricing and may vary depending on the specific country in which the employee is engaged. Departments should confirm exact figures for their country during the Get a Quote process with Safeguard Global.

Approximate EOR Services Cost Comparison: CU U.S. Hire versus a CU Global Hire

The following examples illustrate how to compare the hire as a CU U.S. hire versus a CU global hire.

Example One

Campus	UCB
Job code	1304 Research Instructor
Country	India
Est social cost*	15% (actual received at time of Safeguard Global quote/consultation)
FTE	>=50% (regular)
Annual comp	\$75,000
Benefit fringe rate	36.4% (from campus benefit fringe rate by job code)

	U.S. Hire	Global Hire
Annual compensation	\$75,000.00	\$75,000.00
CU benefit fringe rate 36.4%	\$27,300.00	
Country social costs 15%		\$11,250.00
Safeguard Global monthly EOR fee (16% of salary or \$1,300/mo min.)		\$15,600.00
Annual expense	\$102,300.00	\$101,850.00
Safeguard Global 1-time set-up fee		\$1,500.00
First-year expense	\$102,300.00	\$103,350.00

Example Two

Campus	UCB
Job code	1502 Graduate Assistant
Country	India
Est social cost*	15% (actual received at time of Safeguard Global quote/consultation)
Annual comp	\$22,782.00
Benefit fringe rate	12.3% (from campus benefit fringe rate by job code)

	U.S. Hire	Global Hire
Annual compensation	\$22,782.00	\$22,782.00
CU benefit fringe rate 12.3%	\$2,802.19	
Country social costs 15%		\$3,417.30
Safeguard Global monthly EOR fee (16% of salary or \$1,300/mo min.)		\$15,600.00
Annual Expense	\$25,584.19	\$41,799.30
Safeguard Global 1-time set-up fee		\$1,500.00
First-year expense	\$25,584.19	\$43,299.30

* The social cost percentage is provided by Safeguard Global and is dependent upon the country in which work is being done.

Examples are for illustrative purposes only. Departments are responsible for verifying the campus benefit fringe rate based on job code and will receive the social cost percentage when completing the Get a Quote process with Safeguard Global.