CLIENT RELATIONSHIPS

Corporate Family — Related Clients, Handled Correctly

Controlled groups, affiliates, and M&A succession — declared once, correct everywhere.

A PEO's clients aren't always independent — they form controlled groups, parent/subsidiary chains, brother-sister companies, and merge or get acquired. Several federal rules are **group** determinations, so testing each client in isolation isn't just incomplete — it can be legally wrong. Stratum lets a PEO declare those relationships once and get the group-correct answer everywhere it matters.

Two principles govern how it works

Declared, not guessed	An overlay on isolation, not a hole in it
• The PEO asserts the legal relationship between clients; the platform stores and reads it. • Stratum never infers ownership or gives tax or legal advice — the declaration is always yours.	• Each client's own data stays walled off exactly as it does today. • Cross-client visibility happens only at the specific, defined points below — and every one of them degrades gracefully if no relationship has been declared.

The foundation

PEO staff declare a client's family — controlled group, affiliated service group, common ownership, or an operational relationship — plus any merger or acquisition succession, in a **Corporate Family** workspace on the client record. Everything below is built on that one declaration.

Seven capabilities, built on the declaration

Capability	Why it matters
ACA / ALE aggregation	Applicable-large-employer status is a controlled-group test. Testing three commonly-owned 20-employee clients in isolation would tell each of them "you're under 50" — wrong. Stratum flips the determination to the group result, and flags a client that's only an ALE *because* of the group.
Consolidated billing	One statement across the whole family, resolved automatically from the declaration instead of hand-typing every EIN. A parent can settle the bill for its subsidiaries.
Wage-base continuity	An employee who works across related entities can accidentally restart their Social Security / FUTA wage base at each one, over-withholding past the single legal cap. Stratum quantifies the exposure so a common-paymaster election can recover it.
Succession & M&A	Models a predecessor-to-successor transaction (stock deal: wage bases carry over; asset deal: the federal successor-employer credit applies) and quantifies the credit — plus flags a declared succession whose prior-provider history was never imported.
401(k) nondiscrimination testing	The ADP (Actual Deferral Percentage) test legally runs on the whole controlled group. A small entity can pass on its own and still fail once the group's lower-deferring employees are pooled in — shown side by side, with an alert when the result flips.
Parent-level admin access	A declared parent's administrator can manage the family's subsidiaries through explicit, audited access grants — never a blanket bypass of client isolation, and always gated to PEO staff.
Shared workers'-comp experience rating	Insurance-rating rules combine commonly-owned entities into one experience modifier. Rating each entity alone is misleading — a clean company can get dragged up by a loss-heavy affiliate, or vice versa. Stratum shows standalone versus combined, with the difference and why they diverge.

CLIENT RELATIONSHIPS

Corporate Family — Related Clients, Handled Correctly

Controlled groups, affiliates, and M&A succession — declared once, correct everywhere.

How it stays safe

Every capability follows the same pattern: compute or act only at one of the specific points above, surface the result, and leave each client's live payroll math and data isolation untouched. The exposure reports are read-only and conservative; the aggregations show standalone and group results side by side so nothing is silently overridden; access is always an explicit, auditable grant. Where a cross-entity match can't be made with certainty, it's flagged for a human to confirm rather than silently driving a withholding decision.
