UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 or 15(d) of the Securities and Exchange Act of 1934

Date of Report (Date of earliest event reported): February 16, 2011

CBIZ, INC.

(Exact name of registrant as specified in its charter)

Delaware (State or other jurisdiction of incorporation)	1-32961 (Commission File Number)	22-2769024 (IRS Employer Identification No.)

6050 Oak Tree Boulevard, South, Suite 500 Cleveland, Ohio (Address of principal executive offices)	44131 (Zip Code)

216-447-9000
(Registrant's telephone number, including area code)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

o Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

o Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

o Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

o Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

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Item 2.02 Results of Operations and Financial Condition.

On February 16, 2011, CBIZ, Inc. (the “Company”) issued a press release announcing its financial results for the fourth quarter and year ended December 31, 2010. A copy of the press release is furnished herewith as Exhibit 99.1. A transcript of CBIZ’s earnings conference call held on February 16, 2011 is furnished herewith as Exhibit 99.2. The exhibits contain, and may implicate, forward-looking statements regarding the Company and include cautionary statements identifying important factors that could cause actual results to differ materially from those anticipated.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits.

99.1	Press Release of CBIZ, Inc. dated February 16, 2011, announcing its financial results for the fourth quarter and year ended December 31, 2010.
99.2	Transcript of earnings conference call held on February 16, 2011, discussing CBIZ’s financial results for the fourth quarter and year ended December 31, 2010.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

February 21, 2011	CBIZ, INC.
	By: /s/ Ware H. Grove
	Name: Ware H. Grove
	Title: Chief Financial Officer

PRESS release

FOR IMMEDIATE RELEASE

CONTACT: **Ware Grove**
Chief Financial Officer
-or-
Lori Novickis
Director, Corporate Relations
CBIZ, Inc.
Cleveland, Ohio
(216) 447-9000

CBIZ REPORTS FOURTH-QUARTER AND YEAR-END 2010 RESULTS

Diluted EPS of $0.48 from continuing operations for the year vs. $0.52 in prior year

Results include previously announced charges totaling $0.04 per diluted share for facility consolidation and early redemption of Notes

Cash EPS is $1.02 for 2010 vs. $0.99 for prior year

Cleveland, Ohio (February 16, 2011)—CBIZ, Inc. (NYSE: CBZ) today announced results for the fourth quarter and year ended December 31, 2010.

CBIZ reported revenue of $165.0 million for the fourth quarter ended December 31, 2010, compared to $162.2 million reported for the fourth quarter of 2009. Revenue from newly acquired operations contributed $4.5 million to revenue in the fourth quarter compared to the same period a year ago. Same-unit revenue declined by 1.0%, or $1.6 million for the fourth quarter 2010, compared to the same period a year ago. CBIZ reported a loss from continuing operations for the quarter of $1.2 million, or ($0.02) per diluted share, compared to income of $1.4 million, or $0.02 per diluted share in the fourth quarter of 2009.

For the twelve-month period ended December 31, 2010, CBIZ reported revenue of $732.5 million compared to $739.1 million for the prior-year period. Same-unit revenue decreased by 3.6%, or $26.7 million, for the year compared to the same period a year ago. Acquisitions contributed $20.1 million to revenue for the year 2010. Net income from continuing operations was $27.9 million, or $0.48 per diluted share, for the year ended December 31, 2010, compared to $31.9 million, or $0.52 per diluted share, for the same period a year ago.

Results for the year include a $2.0 million pre-tax charge related to the early redemption of $60.0 million of the 3.125% Convertible Notes and a pre-tax charge of approximately $1.7 million related to the consolidation of facilities with Goldstein Lewin & Company which was acquired in the first quarter 2010. The impact of these charges on diluted earnings per share for the year was approximately $0.01 per share. Results in the fourth quarter were negatively impacted approximately $0.01 per diluted share by the results of newly acquired operations within the Financial Services group due to the seasonal nature of these operations.

The outstanding balance of the Company's $275.0 million unsecured bank line of credit at December 31, 2010 was $118.9 million compared with a balance of $110.0 million at December 31, 2009. At December 31, 2010, $40.0 million remains outstanding on the 3.125% Convertible Notes that are callable in June of 2011, plus $130.0 million on the 4.875% Convertible Notes that were issued September 27, 2010.

Cash earnings per share, a non-GAAP measure that includes certain non-cash charges and credits to income from continuing operations, was $1.02 per diluted share for the year ended December 31, 2010 compared with $0.99 per diluted share a year ago. A schedule which reconciles cash earnings per share with GAAP earnings per share is attached. Adjusted EBITDA for the year ended December 31, 2010 was $82.0 million. Excluding the impact of the lease restructuring charges of approximately $1.7 million, adjusted EBITDA was $83.7 million.

"We are seeing improvement in our Financial Services group including growth in the fourth quarter compared with a year ago. Our Employee Services group continued to face challenges related to persistent high rates of unemployment that impacted our benefits and our payroll businesses, along with a continued soft market for property and casualty insurance. Notwithstanding the challenges faced by both the Financial Services and Employee Services groups, both groups were able to increase their revenue and pre-tax income contribution during 2010. Within MMP, the cost management measures we took in the first half of the year resulted in a pre-tax contribution during the second half of 2010 that exceeded the prior year, despite the continued pressures on revenue," stated Steven L. Gerard, Chairman and CEO.

"Our cash flow continued to be very strong during 2010, and we are pleased to have successfully completed four acquisitions during the year. With the financing transactions completed in the third quarter of 2010, we have addressed the refinancing of the $100 million 3.125% Convertible Notes due this year and we have maintained the flexibility to continue to take advantage of acquisition opportunities ahead. As has been our practice in recent years, we anticipate that CBIZ will complete another three to five acquisitions in 2011," concluded Mr. Gerard.

Outlook For 2011: CBIZ clients remain relatively stable and optimistic but are not yet benefiting from the rebound in general economic activity. Accordingly, CBIZ expects modest revenue growth in 2011. Earnings per share from continuing operations is expected to increase within a range of 10% to 15% in 2011 compared with $0.52 achieved for 2010, which is adjusted for lease restructuring and refinancing costs. Cash flow generated from operations is expected to continue to be strong, with cash earnings per share growing approximately 10% over the $1.02 reported for 2010.

CBIZ will host a conference call later this morning to discuss its results. The call will be webcast in a listen-only mode over the Internet for the media and the public, and can be accessed at www.cbiz.com. Investors and analysts can participate in the conference call by dialing **1-800-599-9370** several minutes before 11:00 a.m. (ET). If you are dialing from outside the United States, dial 1-847-619-6819. A replay of the call will be available starting at 1:00 p.m. (ET) February 16, through midnight (ET), February 18, 2011. The dial-in number for the replay is 1-877-213-9653. If you are listening from outside the United States, dial 1-630-652-3041. The access code for the replay is 28973732. A replay of the webcast will also be available on the Company's web site at www.cbiz.com.

CBIZ, Inc. provides professional business services that help clients better manage their finances and employees. CBIZ provides its clients with financial services including accounting and tax, internal audit, merger and acquisition advisory, and valuation services. Employee services include group benefits, property and casualty insurance, retirement planning services, payroll, and HR consulting. CBIZ also provides outsourced technology staffing support services, healthcare consulting and medical practice management. As one of the largest benefits specialists and one of the largest accounting, valuation and medical practice management companies in the United States, the Company's services are provided through more than 150 Company offices in 36 states.

Forward-looking statements in this release are made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Such forward-looking statements are subject to certain risks and uncertainties that could cause actual results to differ materially from those projected. Such risks and uncertainties include, but are not limited to, the Company's ability to adequately manage its growth; the Company's dependence on the current trend of outsourcing business services; the Company's dependence on the services of its CEO and other key employees; competitive pricing pressures; general business and economic conditions; and changes in governmental regulation and tax laws affecting its insurance business or its business services operations. A more detailed description of such risks and uncertainties may be found in the Company's filings with the Securities and Exchange Commission.

CBIZ, INC.
FINANCIAL HIGHLIGHTS (UNAUDITED)
THREE MONTHS ENDED DECEMBER 31, 2010 AND 2009
(In thousands, except percentages and per share data)

	THREE MONTHS ENDED DECEMBER 31,			
	2010	**%**	**2009 (1)**	**%**
Revenue	$165,039	100.0%	$162,162	100.0%
Operating expenses	157,352	95.3%	151,810	93.6%
Gross margin	7,687	4.7%	10,352	6.4%
Corporate general and administrative expenses (2)	7,085	4.3%	6,848	4.2%
Operating income	602	0.4%	3,504	2.2%
Other income (expense):				
Interest expense	(4,994)	-3.0%	(3,186)	-2.0%
Gain (loss) on sale of operations, net	1	0.0%	(15)	0.0%
Other income, net (3)	2,391	1.4%	1,173	0.7%
Total other expense, net	(2,602)	-1.6%	(2,028)	-1.3%
(Loss) income from continuing operations before income tax (benefit) expense	(2,000)	-1.2%	1,476	0.9%
Income tax (benefit) expense	(780)		70	
(Loss) income from continuing operations	(1,220)	-0.7%	1,406	0.9%
Loss from operations of discontinued businesses, net of tax	(526)		(122)	
Gain on disposal of discontinued businesses, net of tax	22		32	
Net (loss) income	$ (1,724)	-1.0%	$ 1,316	0.8%
Diluted (loss) earnings per share:				
Continuing operations	$ (0.02)		$ 0.02	
Discontinued operations	(0.01)		—	
Net (loss) income	$ (0.03)		$ 0.02	
Diluted weighted average common shares outstanding	48,825		61,561	
Other data from continuing operations:				
Adjusted EBIT (4)	$ 2,993		$ 4,677	
Adjusted EBITDA (4)	$ 8,069		$ 10,046	

(1) Certain amounts in the 2009 financial data have been reclassified to conform to the current year presentation and revised to reflect the impact of discontinued operations.

(2) Includes compensation expense of $236 and $121 for the three months ended December 31, 2010 and 2009, respectively, associated with net gains from the Company's deferred compensation plan (see note 3). Excluding this item, corporate general and administrative expenses would be $6,849 and $6,727, or 4.1% of revenue for the three months ended December 31, 2010 and 2009, respectively.

(3) Includes net gains of $2,268 and $952 for the three months ended December 31, 2010 and 2009, respectively, attributable to assets held in the Company's deferred compensation plan. These net gains do not impact "(loss) income from continuing operations before income tax (benefit) expense" as they are directly offset by compensation adjustments to the Plan participants. Compensation is included in "operating expenses" and "corporate general and administrative expenses."

(4) Adjusted EBIT represents (loss) income from continuing operations before income taxes, interest expense, and gain on sale of operations, net. Adjusted EBITDA represents Adjusted EBIT before depreciation and amortization expense of $5,076 and $5,369 for the three months ended December 31, 2010 and 2009, respectively. The Company has included Adjusted EBIT and Adjusted EBITDA data because such data is commonly used as a performance measure by analysts and investors and as a measure of the Company's ability to service debt. Adjusted EBIT and Adjusted EBITDA should not be regarded as an alternative or replacement to any measurement of performance under generally accepted accounting principles.

CBIZ, INC.
FINANCIAL HIGHLIGHTS (UNAUDITED)
TWELVE MONTHS ENDED DECEMBER 31, 2010 AND 2009
(In thousands, except percentages and per share data)

	TWELVE MONTHS ENDED DECEMBER 31,			
	2010	**%**	**2009 (1)**	**%**
Revenue	$732,505	100.0%	$739,136	100.0%
Operating expenses	646,793	88.3%	650,973	88.1%
Gross margin	85,712	11.7%	88,163	11.9%
Corporate general and administrative expenses (2)	29,614	4.0%	30,722	4.1%
Operating income	56,098	7.7%	57,441	7.8%
Other income (expense):				
Interest expense	(15,308)	-2.1%	(13,392)	-1.8%
Gain on sale of operations, net	466	0.0%	989	0.1%
Other income, net (3) (4)	3,532	0.5%	6,622	0.9%
Total other expense, net	(11,310)	-1.6%	(5,781)	-0.8%
Income from continuing operations before income tax expense	44,788	6.1%	51,660	7.0%
Income tax expense	16,848		19,714	
Income from continuing operations	27,940	3.8%	31,946	4.3%
Loss from operations of discontinued businesses, net of tax	(2,453)		(760)	
(Loss) gain on disposal of discontinued businesses, net of tax	(973)		210	
Net income	$ 24,514	3.3%	$ 31,396	4.2%
Diluted earnings (loss) per share:				
Continuing operations	$ 0.48		$ 0.52	
Discontinued operations	(0.06)		(0.01)	
Net income	$ 0.42		$ 0.51	
Diluted weighted average common shares outstanding	58,193		61,859	
Other data from continuing operations:				
Adjusted EBIT (5)	$ 61,626		$ 64,063	
Adjusted EBITDA (5)	$ 81,959		$ 84,561	

(1) Certain amounts in the 2009 financial data have been reclassified to conform to the current year presentation and revised to reflect the impact of discontinued operations.

(2) Includes compensation expense of $533 and $683 for the twelve months ended December 31, 2010 and 2009, respectively, associated with net gains from the Company's deferred compensation plan (see note 3). Excluding this item, corporate general and administrative expenses would be $29,081 and $30,039, or 4.0% and 4.1% of revenue, for the twelve months ended December 31, 2010 and 2009, respectively.

(3) Includes net gains of $3,743 and $5,491 for the twelve months ended December 31, 2010 and 2009, respectively, attributable to assets held in the Company's deferred compensation plan. These net gains do not impact "income from continuing operations before income tax expense" as they are directly offset by compensation adjustments to the Plan participants. Compensation is included in "operating expenses" and "corporate general and administrative expenses."

(4) For the twelve months ended December 31, 2010, amount includes a loss of $1,996 on the retirement of $60.0 million of the Company's senior subordinated convertible notes that were issued in May 2006, and income of $1,449 related to decreases in the fair value of contingent considerations due related to CBIZ's prior acquisitions.

(5) Adjusted EBIT represents income from continuing operations before income taxes, interest expense, gain on sale of operations, net, and the loss on redemption of CBIZ's convertible notes as described in Note (4) above. Adjusted EBITDA represents Adjusted EBIT before depreciation and amortization expense of $20,333 and $20,498 for the twelve months ended December 31, 2010 and 2009, respectively. The Company has included Adjusted EBIT and Adjusted EBITDA data because such data is commonly used as a performance measure by analysts and investors and as a measure of the Company's ability to service debt. Adjusted EBIT and Adjusted EBITDA should not be regarded as an alternative or replacement to any measurement of performance under generally accepted accounting principles.

CBIZ, INC.
FINANCIAL HIGHLIGHTS (UNAUDITED)
(In thousands, except per share data)

SELECT SEGMENT DATA

	THREE MONTHS ENDED DECEMBER 31, 2010	THREE MONTHS ENDED DECEMBER 31, 2009 (1)	TWELVE MONTHS ENDED DECEMBER 31, 2010	TWELVE MONTHS ENDED DECEMBER 31, 2009 (1)
Revenue				
Financial Services	$ 79,150	$ 74,454	$382,234	$379,690
Employee Services.	41,064	41,833	174,097	170,846
Medical Management Professionals	37,666	38,230	148,425	160,632
National Practices	7,159	7,645	27,749	27,968
Total	**$165,039**	**$162,162**	**$732,505**	**$739,136**
Gross Margin				
Financial Services	$ 647	$ 690	$ 53,558	$ 50,713
Employee Services.	6,216	7,625	29,545	29,136
Medical Management Professionals	5,353	3,970	16,528	20,869
National Practices	780	1,161	1,955	2,966
Operating expenses — unallocated (2):				
Other	(3,277)	(2,263)	(12,664)	(10,713)
Deferred compensation	(2,032)	(831)	(3,210)	(4,808)
Total	**$ 7,687**	**$ 10,352**	**$ 85,712**	**$ 88,163**

(1) Certain amounts in the 2009 financial data have been reclassified to conform to the current year presentation and revised to reflect the impact of discontinued operations.

(2) Represents operating expenses not directly allocated to individual businesses, including stock based compensation, consolidation and integration charges and certain advertising expenses. Unallocated operating expenses also include gains or losses attributable to the assets held in the Company's deferred compensation plan. These gains or losses do not impact "income from continuing operations" as they are directly offset by the same adjustment to "other income, net" in the consolidated statements of operations. Gains recognized from adjustments to the fair value of the assets held in the deferred compensation plan are recorded as additional compensation expense in "operating expenses" and as income in "other income, net."

CASH EARNINGS AND PER SHARE DATA

Reconciliation of (Loss) Income from Continuing Operations to Cash Earnings from Continuing Operations (3)

	THREE MONTHS ENDED DECEMBER 31, 2010	Per Share	2009 (1)	Per Share (1)
(Loss) income from Continuing Operations	$ (1,222)	$ (0.02)	$ 1,406	$ 0.02
Selected non-cash items:				
Depreciation and amortization	5,076	0.10	5,369	0.09
Non-cash interest on convertible notes	1,029	0.02	1,016	0.02
Stock based compensation	1,363	0.03	1,289	0.02
Non-cash items	7,468	0.15	7,674	0.13
Cash earnings — Continuing Operations	$ 6,246	$ 0.13	$ 9,080	$ 0.15

	TWELVE MONTHS ENDED DECEMBER 31, 2010	Per Share	2009 (1)	Per Share (1)
Income from Continuing Operations	$27,940	$ 0.48	$31,946	$ 0.52
Selected non-cash items:				
Depreciation and amortization	20,333	0.35	20,498	0.33
Non-cash interest on convertible notes	4,210	0.07	3,962	0.06
Stock based compensation	5,306	0.09	4,754	0.08
Loss on retirement of convertible notes	1,996	0.03	—	—
Adjustment to contingent earnouts	(1,449)	(0.02)	—	—
Restructuring charge	1,231	0.02	—	—
Non-cash items	31,627	0.54	29,214	0.47
Cash earnings — Continuing Operations	$59,567	$ 1.02	$61,160	$ 0.99

(3) The Company believes cash earnings and cash earnings per diluted share (non-GAAP measures) more clearly illustrate the impact of certain non-cash charges and credits to (loss) income from continuing operations and are a useful measure for the Company and its analysts. Cash earnings is defined as (loss) income from continuing operations excluding: depreciation and amortization, non-cash interest expense, non-cash stock based compensation expense, the loss of approximately $2.0 million as a result of the retirement of $60.0 million par value of the senior subordinated convertible notes issued in May 2006, adjustment to the fair value of contingent considerations due related to prior acquisitions, and the portion of the $1.7 million restructuring charge to be paid in future periods related to the 2010 acquisition of Goldstein Lewin. Cash earnings per diluted share is calculated by dividing cash earnings by the number of

weighted average diluted common shares outstanding for the period indicated. Cash earnings and cash earnings per diluted share should not be regarded as a replacement or alternative of performance under generally accepted accounting principles.

CBIZ, INC.
FINANCIAL HIGHLIGHTS (UNAUDITED)
(In thousands, except percentages and ratios)

SELECT BALANCE SHEET DATA AND RATIOS

	DECEMBER 31, 2010	DECEMBER 31, 2009 (1)
Cash and cash equivalents	$ 724	$ 7,178
Restricted cash	$ 20,171	$ 17,511
Accounts receivable, net.	$ 138,433	$ 128,659
Current assets before funds held for clients	$ 179,458	$ 181,002
Funds held for clients — current and non-current	$ 84,203	$ 98,470
Goodwill and other intangible assets, net.	$ 426,410	$ 375,211
Total assets	**$ 756,299**	**$ 713,098**
Notes payable — current	$ 10,983	$ 13,410
Convertible notes — current	$ 39,250	$ —
Current liabilities before client fund obligations	$ 141,961	$ 89,532
Client fund obligations	$ 87,362	$ 101,279
Convertible notes — non-current	$ 116,577	$ 93,848
Bank debt	$ 118,900	$ 110,000
Total liabilities	**$ 526,627**	**$ 442,480**
Treasury stock	$ (355,851)	$ (269,642)
Total stockholders' equity	**$ 229,672**	**$ 270,618**
Debt to equity (2)	119.6%	75.3%
Days sales outstanding (DSO) — continuing operations (3)	72	67
Shares outstanding	49,223	61,937
Basic weighted average common shares outstanding	57,692	61,200
Diluted weighted average common shares outstanding	58,193	61,859

(1) Certain amounts in the 2009 financial data have been reclassified to conform to the current year presentation and revised to reflect the impact of discontinued operations.

(2) Ratio is convertible notes and bank debt divided by total stockholders' equity.

(3) DSO is provided for continuing operations and represents accounts receivable (before the allowance for doubtful accounts) and unbilled revenue (net of realization adjustments) at the end of the period, divided by trailing twelve month daily revenue. The Company has included DSO data because such data is commonly used as a performance measure by analysts and investors and as a measure of the Company's ability to collect on receivables in a timely manner. DSO should not be regarded as an alternative or replacement to any measurement of performance under generally accepted accounting principles.

CORPORATE PARTICIPANTS

Steven Gerard
CBIZ, Inc — Chairman and CEO

Jerry Grisko
CBIZ, Inc — President and COO

Ware Grove
CBIZ, Inc — CFO and SVP

CONFERENCE CALL PARTICIPANTS

Josh Vogel
Sidoti & Company — Analyst

Jim MacDonald
First Analysis Securities — Analyst

Bill Sutherland
Boenning & Scattergood Inc. — Analyst

Vincent Colicchio
Noble Financial Group — Analyst

PRESENTATION

Operator

Welcome to the CBIZ fourth quarter and year end 2010 results conference call. My name is Christine and I will be your operator for today's conference. At this time all participants are in a listen only mode. Later we will conduct a question and answer session. Please note that this conference is being recorded. I will now turn the call over to Mr. Steven Gerard. Mr. Gerard, you may begin.

Steven Gerard — *CBIZ, Inc — Chairman and CEO*

Thank you, Christine and good morning everyone. Thank you for calling in to our fourth quarter and year end 2010 conference call. Before I begin my comments I'd like to remind you of a few things. As with all of our conference calls, this call is intended to answer the questions of our Shareholders and Analysts. If there are media representatives on the call, you're welcome to listen in. However, I ask that if you do have questions you hold them until after the call and we will be happy to address them at that time. This call is also being webcast and you can access the call off of our website. You should have all received a copy of the release, which we issued this morning. If you did not, it will be posted on our website or you can access our Corporate Office for a copy.

And finally, remember that during the course of this call we will make forward-looking statements. These statements represent Management's intentions, hopes, beliefs, expectations, and predictions of the future. Actual results can and sometimes do differ materially from those projected in forward-looking statements. Additional information concerning the factors that would cause actual results to differ materially from those in forward-looking statements is contained in our SEC filings, Form 10K and prior press releases. Joining me on the call this morning is Jerry Grisko, our President and Chief Operating Officer, and Ware Grove, our Chief Financial Officer.

A word of caution as we go through the call, the entire Independence, Ohio area has been hit with a blackout and we have lost complete power in all of the buildings surrounding our office including ours. So we are following our recovery model and having this call from a remote location. I mention this so that anyone who has been calling our office for information or follow-up, you will not be able to get through and anyone who is trying to access via e-mail, you will not be able to get through at this time until the e-mail service is converted. So, I give you this update and we will respond to everybody as soon as the Independence, Ohio area gets its power back.

This morning prior to the open, we were pleased to report our full year 2010 results which were consistent with the guidance that we had been giving last year and reporting on a comparable basis earnings per share of $0.52 equal to the prior year. Of particular note were the challenges that we and our clients faced in 2010. Both our Financial Services and Employee Services groups reported year-over-year gains in revenue and in contribution and the cost controls that were put in place in our Medical Practice business resulted in a very strong second half of 2010. Most important to us was the fact that we reported sequentially, four consecutive quarters of improved same business — same store revenue and the fourth quarter was only down 1%. What I'm going to do now is turn it over to Ware to give you the details, and then come back and talk a little bit about 2011, our expectations and some of the factors affecting our businesses.

Ware Grove — *CBIZ, Inc — CFO and SVP*

Thanks Steve. As is our normal practice I want to take a few minutes to run through the highlights of the numbers we released this morning for the fourth quarter and year end of December 31, 2010. As we expected at the beginning of the year, 2010 was a challenging year. The general business environment for the small and mid-size businesses that are typically served by CBIZ continue to be characterized by persistently high unemployment and low levels of business investment or expansion throughout the year. As we noted in earlier quarterly conference calls, however, we have seen sequential improvements as the year progressed and we continue to see improvements through the fourth quarter of 2010.

Given the challenge to growing revenue during the year, we took steps within all of our business groups to align our cost structure and our resources with client service needs and we continue to focus on carefully managing all costs. In the fourth quarter ending December 31, 2010, total revenue increased by $2.9 million or by 1.8% compared with fourth quarter a year ago. Same unit revenue declined by 1.0%, and as I noted even though this represents a decline, the trend throughout the year represents a sequential improvement compared with earlier quarters throughout 2010. During the fourth quarter, we were pleased to record positive same unit revenue growth of 1.8% within our Financial Services group compared to a year ago. Same unit revenue for our Medical Management Professionals group declined by 1.5% in the fourth quarter and this represents an improving trend within this group.

The Employee Services group continues to be impacted by high unemployment levels, combined with a continuing soft market for property and casualty insurance which impacts our ability to achieve revenue growth in this group. As a result, the same unit revenue declined by 4.5% in the fourth quarter in this group compared with a year ago.

Now during the fourth quarter of 2010, in November, we announced the acquisition of her Kirkland Russ Murphy & Tapp, a financial services firm with about $12 million of revenue that is located in Tampa, Florida. We are pleased to welcome this firm to the CBIZ team and as we announced in November, we expect the impact in 2011 will be accretive to earnings per share. I want to point out, however, that with the seasonal nature of the accounting business, it is not unusual to report a loss in the second half of the year. And operating losses in November and December, in this new business unit, negatively impacted our combined earnings per share by about $0.01 in the fourth quarter of 2010.

That, combined with lower contribution from the Employee Services group for the reasons I mentioned earlier, we recorded a loss of $0.02 per share in the fourth quarter compared with a year ago. As we look at the full year results, I want to remind you that previously announced lease restructuring charges that were incurred with in connection with the acquisition of our Boca Raton financial services firm in January and the charge relating to the early retirement of debt that was incurred in September, combined these charges impacted earnings per share by $0.04 for the full year of 2010. Excluding these two items, CBIZ achieved earnings per share of $0.52 which is in-line with the guidance we have provided since July of last year. Excluding the impact of these two items, pre-tax income for 2010 would be $48.6 million, or 6.6% of revenue compared with 7.0% a year ago.

Now there was a 60 basis point decline in margin attributable to the performance of our Medical Management Professionals group in 2010, and the new Tampa unit resulted in a decline of 7 basis points in the fourth quarter, plus there were 28 basis points of decline attributable to the additional interest costs in 2010 compared to 2009. Now, for the full year of 2010, revenue was $732.5 million, a decline of slightly less than 1.0% from a year ago. Acquisitions contributed approximately 2.7% to revenue growth and the same unit revenue declined by 3.6% for the full year ended December 31, 2010.

Same unit revenue in our Financial Services group declined by 2.9% or $11 million for the full year, but you will note in our segment data that despite the seasonal loss incurred in our newly acquired Tampa unit in the fourth quarter, the contribution from this group increased by approximately $2.8 million in 2010 compared with 2009. This is a result of the hard work of associates located in our units throughout the US as we have become more efficient at serving client needs with fewer resources and lower cost.

Within our Employee Services group, same unit revenue declined by 1.9% in 2010 versus 2009. As mentioned earlier, our benefits and payroll services have been impacted by persistently high levels of unemployment and we continue to see a soft market in property and casualty insurance, which impacts our revenue. On a positive note, our retirement advisory business has grown during the past year as a result of the increase in underlying planned asset values. And we have seen revenue growth in our HR and Recruiting Services. Contribution in this segment also increased slightly for the full year, again, thanks to the hard work and dedicated CBIZ associates located in our various operating units throughout the US.

As we commented throughout 2010, revenue in our MMP group has been impacted by general industry trends resulting in lower volumes of medical procedures, along with a shift in a mix of procedures that resulted in a lower volume of the higher value radiology procedures such as MRI's and CAT scans. Same unit revenue within this group declined by 7.6% for the full year of 2010, which amounted to a $12.2 million decline in revenue compared with a year ago. As a result, the gross margin contribution of this group declined by $4.3 million in 2010, and this decline impacted our overall earnings per share by approximately $0.05 per share for the full year of 2010 compared with 2009. I want to remind you, as Steve commented, the cost management efforts we undertook within this group earlier in the year. And you will note the gross margin contribution increased substantially in the fourth quarter compared to a year ago despite slightly lower revenues in the fourth quarter of this year. And as is the case with our other operating groups, the team at MMP has done a very nice job responding to a tough business environment.

Cash flow in 2010 continues to be strong as cash earnings per share increased from $0.99 a year ago, to $1.02 per share in 2010. A schedule outlining the cash earnings and cash earnings per share calculation is included as an attachment to our release.

Days sales outstanding on our receivables was 72 days at year-end 2010 and that compares to 67 days a year ago. The increase in day sales outstanding this year was primarily a result of the growth in the Litigation Support and Bankruptcy Consulting engagements where receivables tend to age longer than our typical engagements. We spent $2.8 million on capital spending for the full year of 2010 of which $700,000 was spent in the fourth quarter. Now the financing transactions that we accomplished in the third quarter of 2010 essentially refinanced the 3.125% convertible notes for the upcoming call date of June 1, 2011. With the issuance of the new 4.875% notes that are due October 1, 2015, we immediately retired $60 million of the $100 million balance on the 3.125% notes.

We used a portion of the proceeds to buy back stock and we also paid down bank debt with the balance of the proceeds. So, with the $118.9 million balance on our $275 million unsecured bank credit facility at December 31, 2010, we have the capacity to pay down the $40 million balance remaining on the 3.125% notes on the upcoming June 1, 2011 date. I should note that we have the necessary financing capacity to address future acquisition opportunities as they occur. During 2010, we closed on four new acquisitions. We are always reviewing a number of potential opportunities and we expect to close our normal three to five transactions again during 2011.

During 2010, we used approximately $53 million for acquisitions including earnout payments on acquisitions closed in prior years. Assuming a full earnout payment for acquisitions already closed through the end of 2010, future earnout payments are expected to be approximately $17.5 million in 2011, $29 million in 2012, and the remaining $5.5 million expected in 2013. Now, our cash flow is expected to continue to be strong as we look into 2011. In addition to funding future earnout payments that I just described, our priority and utilizing capital will continue to be focused on making new strategic acquisitions. Now also as a result of the share repurchase activities that occurred in the third quarter of 2010, share count for the full year of 2011 is expected to be approximately 50 million shares. a reduction from 58.2 million shares reported for the full year of 2010.

As mentioned earlier in 2010, the share purchase transactions that occurred in the third quarter are expected to have an accretive impact of approximately $0.05 per share in 2011. Now you will also note that the effective tax rate in

2010 was 37.6% and that's a result of a utilizing some net operating loss carry forwards that we previously announced and discussed at the end of the second quarter. The plan rate for 2011 calls for a 40% effective rate and that will negatively impact reported earnings per share by approximately $0.02 per share in 2011 compared with the effective rate that we just reported of 37.6% for 2010. Again, looking ahead to 2011, we expect a generally improving business environment for small and mid-sized businesses in the US. We think that today high unemployment levels will be slow to improve, however, we expect a moderate increase in expansion and business investment activity in 2011 that will result in modest growth opportunities within our Financial Services and Employee Services segments in 2011.

The level and mix of procedures impacting our MMP business appears to have stabilized through the second half of 2010. Although achieving revenue growth in this segment will be a challenge looking ahead into 2011 due to continuing pressures on reimbursement rates, particularly in the radiology specialization. As we have noted, we have carefully managed cost throughout our business during the past year. And these efforts position us to leverage our cost structure even as we expect modest revenue growth in 2011. We expect to achieve revenue growth at a modest rate within 2011, but we also expect to achieve growth in earnings per share within a range of 10% to 15% over what we will call the normalized $0.52 per share that we achieved in 2010.

Cash earnings per share in 2011 are expected to increase within the same 10% to 15% range over the $1.02 cash earnings per share reported in 2010. And so, with these comments I will turn it back over to Steve so we can wrap up our comments and open it up for questions.

Steven Gerard — *CBIZ, Inc — Chairman and CEO*

Thank you Ware. Let me reiterate a couple of points that Ware touched on. In terms of acquisitions, we expect our acquisition program to continue the way it has been, three to five transactions a year. The pricing on those haven't dramatically changed but we see many opportunities in the market place. I think we are far more optimistic as we sit here today than we were a year ago as to what the business prospects were. As I noted in the press release, our clients are feeling better about themselves, they are more optimistic. But I would caution everyone that the small to mid-sized companies have not yet decided to, or shown any willingness to, invest or expand, and that's what we are waiting to see.

So, if we look across our business segments, as Ware pointed out, we believe we are going to see some amount of modest improvement in revenue on our Financial Services side. We are going to see strengthening businesses on our Employee Services side. Our Medical Practice business, I would expect would continue to have a revenue challenge due to reimbursement rate changes, but we expect their bottom line contributions to be improved year-over-year. The one caution I would make to everyone is that in our Employee Services group we announced that we sold our Wealth Management business. That will have a $5 million to $6 million revenue impact in 2011 and it will have a negligible impact on operating earnings. But having year-over-year comparables in the Employee Services business may be a little bit more difficult because of that sale. With that, let me open it up for questions and come back with some final comments at the end.

QUESTION AND ANSWER

Operator

Thank you. We will now begin the question-and-answer session.

(Operator Instructions)

The first question comes from Josh Vogel from Sidoti & Co. Please go ahead.

Josh Vogel — *Sidoti & Company — Analyst*

Good morning Steve and Ware. Thanks for taking my questions. Steve, you just mentioned the year-over-year drag in employee services from the wealth management business. Was that really hit up in Q4? Because if you look at the prior three quarters revenue wasn't down that much year-over-year and I am curious why it accelerated in Q4? Or if there were maybe some one-time projects or work that hit up in fourth quarter of 09?

Steven Gerard — *CBIZ, Inc — Chairman and CEO*

Josh, there was absolutely no impact in 2010 in either the fourth quarter or the full year from the sale of the wealth management business. The decline in the employee services really had more to do with the continued unemployment issues, the pressures that they are facing, as well as some timing issues on the carrier bonuses, but it wasn't related in any way to wealth management.

Josh Vogel — *Sidoti & Company — Analyst*

Okay, shifting gears a little bit. Do you have an idea, regarding the full acquisition's completed in 2010, what you expect them to contribute to revenue in 2011? I just want to get a better sense of same unit trends.

Ware Grove — *CBIZ, Inc — CFO and SVP*

Well, yes, Josh, as we made four acquisitions in 2010, one was closed in January. So we will lap that and that becomes same unit growth in 2011 versus 2010. The Tampa acquisition that we announced was about $12 million in revenue minus the November, December stub, which is nominal. That will contribute to growth in 2011. The other two, one was made in January and the other one was made in midyear — it's very small, it's probably less than $1 million incremental value in 2011.

Josh Vogel — *Sidoti & Company — Analyst*

Okay. And I know now we are into the busy season here in the tax world. I was wondering if you could maybe comment on same unit revenue trends you saw through the first six weeks in financial services.

Steven Gerard — *CBIZ, Inc — Chairman and CEO*

We typically don't comment on month over month results. I would say this, that across CBIZ we are very comfortable with the way January came in.

Josh Vogel — *Sidoti & Company — Analyst*

Okay, great. And just lastly, bad debt expense in Q4 and your expectations for 2011? Do you have that Ware?

Ware Grove — *CBIZ, Inc — CFO and SVP*

Yes, Josh. You may remember when I talked about this in the past, typically bad debt expense is 65 basis points, more or less, and it was generally in that range for 2010. For the full year it was about 63 basis points of revenue and in the fourth quarter it was 61 basis points of revenue. And we expect generally that same level in 2011.

Josh Vogel — *Sidoti & Company — Analyst*

Okay. Thank you very much.

Steven Gerard — *CBIZ, Inc — Chairman and CEO*

Okay, let me follow up on a Josh's question. We have been saying all year that our clients remain stable. They just weren't growing. I think the fact that we recorded 60 basis points bad debt was further evidence of the fact that our clients actually came through the recession reasonably well from a collection standpoint. We are very comfortable with the 60 to 65 basis points because that's where the business should be in a more normal time. Next question.

Operator

The next question comes from Jim MacDonald from First Analysis. Please go ahead.

Jim MacDonald — *First Analysis Securities — Analyst*

Good morning. I hope you get your power back. On the MMP business, could you give a little more color on what you're seeing from the new reimbursement rates it?

Steven Gerard — *CBIZ, Inc — Chairman and CEO*

There continues to be pressure, Jim, on the radiology side of the business not made up by any uptick in ER or anesthesia. We are starting to see a recovery, or we saw in the third and fourth quarter a recovery of the higher modality procedures. So we are coming back to, we're not back to where we were two years ago, but we are heading in the right direction.

The first quarter tends to not give us a particularly good indication because of the preponderance of high deductible plans where people tend to put off the big operations and stuff until later in the year for whatever reason they may have. So, the point is that they're heading in the right direction, but it's too early to call yet what the full year impact is going to be. I think what we are comfortable in saying is that even on relatively flat revenue we expect a significant improvement in the bottom line.

Jim MacDonald — *First Analysis Securities — Analyst*

All right. And, moving over to the ES group, any recent view on the whole broker commission issue?

Steven Gerard — *CBIZ, Inc — Chairman and CEO*

Yes, the impact of the medical loss ratio on the Brokerage industry is still yet to be determined. It obviously will have some impact at some point. It isn't clear if it is going to have a dramatic impact on us this year because there's only one or two carriers that seem to be implementing anything in the short run. Everybody else is taking a wait and see attitude. In addition to which, we re-up our clients early, tend to be December re-up. So, it may not affect as quite as bad.

But most importantly our approach to the market has always been you pay for the consulting services that we give you, we're just not a broker that takes the percentage of premium. And that resonates with exactly the direction that this is going in. So, it's hard to — I wish I had a better answer. It's hard to tell at this point whether it will have an impact. I don't believe it will have a material impact in 2011.

And as you are aware, this whole question of what is included and what is not is under review anyway. So, at this point we are not giving any guidance that it will either help us or hurt us but it is certainly something we are paying very close attention

Jim MacDonald — *First Analysis Securities — Analyst*

Now I'll just ask you one more tough one. Any view on same-store sales this year that you can talk about when you're going to break back into positive?

Steven Gerard — *CBIZ, Inc — Chairman and CEO*

These aren't tough questions, these are the right questions. We are expecting to begin to compare positively this year. I'm not going to say it's going to be first quarter versus second quarter because we just don't know and so much of the business is first quarter driven. But the trends are such that we are clearly heading in the right direction and we should be posting positive comparables in most of our businesses in 2011 at some point.

Jim MacDonald — *First Analysis Securities — Analyst*

Thanks.

Operator

The next question comes from Bill Sutherland from Boenning & Scattergood. Please go ahead.

Bill Sutherland — *Boenning & Scattergood Inc. — Analyst*

Thanks and good morning everybody. Steve, or Ware, can you just clear up the issue with employee services and Q4 with the negative 4.5% same unit trend? Maybe you could rank order what caused it to tilt down that much?

Ware Grove — *CBIZ, Inc — CFO and SVP*

Yes, Jim, it's just been kind of lapping and had an increase in the impact on unemployment and the benefits and payroll impact that has on our Payroll and Benefits services. Property and Casualty continues to be a soft market. That's probably two thirds of the reduction right there.

Bill Sutherland — *Boenning & Scattergood Inc. — Analyst*

Ware, I'm sorry to interrupt you but it seems like those were the key issues when the decline was more moderate.

Ware Grove — *CBIZ, Inc — CFO and SVP*

Yes, I understand. The other thing, Bill, that exacerbated it in the fourth quarter was the timing, as Steve commented, some of the carrier commission payments that come in, come in around the end of the year or the first part of next year. We recognize those on a cash basis so the timing is critical and that also was responsible for a piece of it as well. So, that's just a timing issue.

Steven Gerard — *CBIZ, Inc — Chairman and CEO*

Yes, and I think it's also fair to add we've had some degree of pricing pressure as our clients are shopping business. We've had some degree of client loss. So, it's not totally external but it's primarily driven by those factors.

Bill Sutherland — *Boenning & Scattergood Inc. — Analyst*

Okay. Most of my others have been asked. Can you remind us, I guess, where the break down within employee services by the type of offerings? Just really rough, back of the envelope.

Steven Gerard — *CBIZ, Inc — Chairman and CEO*

Yes, about 40% of it is benefits, and about 15% to 20% is Property and Casualty. About the same percent as retirement advisory. So that's 70% to 80% of it right there. And then we have Payroll and HR Recruiting and other services like that round it out.

Bill Sutherland — *Boenning & Scattergood Inc. — Analyst*

Okay. And the last thing I was going to ask you is as you look at the acquisition picture, how is it looking as far as the number of deals and are you leading in one or more of the segments to acquire?

Steven Gerard — *CBIZ, Inc — Chairman and CEO*

The acquisition pipeline remains as strong as it normally is. We are typically going to do the 3 to 5 or 6 transactions we do each year. They will probably this year be primarily in Financial Services and Employee Services as there is nothing currently on the board for the MMP business. It's unlikely that we will see any impact to have a material effect in the first six months of the year, so any impact is probably at the back end. But also let me remind everyone that when we give guidance we don't include the impact of acquisitions.

Bill Sutherland — *Boenning & Scattergood Inc. — Analyst*

Right. Last one for you, Steve, was MMP and your confidence in the margin rebound. What are going to be the key factors for that if the revenues are flat or even softer?

Steven Gerard — *CBIZ, Inc — Chairman and CEO*

I think what you've seen in the second half of the year was a better balancing of our resources namely headcount and continued improvement we are getting out of the new systems that we've put in place. They go hand-in-hand but we are seeing a better utilization of resources to face off against any declines in revenue.

Bill Sutherland — *Boenning & Scattergood Inc. — Analyst*

Not an incremental step up in your push off-shore?

Steven Gerard — *CBIZ, Inc — Chairman and CEO*

No, I'm expecting it to come, quite frankly, more from the technology and the lower headcount. The off-shoring continues to be important to us, but I don't think it will be a significant step up in 2011.

Bill Sutherland — *Boenning & Scattergood Inc. — Analyst*

Great. Thanks everybody .

Operator

(Operator Instructions)

The next question comes from Vincent Colicchio from Noble Financial Group. Please go ahead.

Vincent Colicchio — *Noble Financial Group — Analyst*

Most of mine were answered. Steve, why was the substantial improvement in the MMP business quarter to quarter? Is there any noticeable improvements? Give us some color on that if you could.

Steven Gerard — *CBIZ, Inc — Chairman and CEO*

Yes, that's primarily the result of the cost measures that they put in place at midyear when it was clear that the trends that we saw in the first quarter were going to continue during the year, so that's really headcount reduction, better use of technology, which drove a better bottom line and....

Ware Grove — *CBIZ, Inc — CFO and SVP*

...and the revenue decline, Vince, was much more severe year over year in the first couple of quarters and that's really stabilized I think in the fourth quarter for the reasons that Steve talked about earlier.

Steven Gerard — *CBIZ, Inc — Chairman and CEO*

Yes, some of the high modality items, which Ware touched on, the MRI, CAT scan — some of the diagnostic stuff that were done, which really crashed in the first quarter of last year started to come back a little bit. Now it's not back to pre-2010 levels, but it is picking up so we are seeing a slightly higher number of procedures for the higher dollar amounts as well as the very effective cost containment program that they put in place midyear.

Vincent Colicchio — *Noble Financial Group — Analyst*

And, Ware do you have same unit revenue for national practices in this quarter?

Ware Grove — *CBIZ, Inc — CFO and SVP*

I do. It's a very small piece and remember, we have our Edward Jones contract in there which is fairly stable, but we also have a small healthcare consulting plus our merger acquisition advisory business which is very lumpy. So, for the fourth quarter, that segment was down 6.4% but that was only $486,000. Again, it's not a big piece of the total, for the full year, that segment was down 0.8%.

Vincent Colicchio — *Noble Financial Group — Analyst*

Okay, that's helpful. Thank you. That's all my questions.

Operator

There are no additional questions at this time. Please go ahead with any final remarks.

Steven Gerard — *CBIZ, Inc — Chairman and CEO*

Okay, I thank everybody for dialing in and I again, thank our staff for their hard work in 2010. I know it was a difficult year and a changing environment and so I appreciate all the support and all the efforts you — all of our staff has given. As we look out in 2011 we are, again, cautiously optimistic that the markets that we are in will be improving and that we will be able to take appropriate advantage of that. With that we sign off and we look forward to talking to you after the first quarter report. Thank you all.

Operator

Thank you for participating in the CBIZ fourth quarter and year end 2010 results conference call. This concludes the conference for today. You may all disconnect at this time.