NAHAD

Deadline
March 1, 2012

2012 Employee Compensation Survey

A survey of fiscal 2011 Wages & Benefits

NOTE! A spreadsheet version of this survey is available at www.profitplanninggroup.com/surveys

Purpose
NAHAD is a co-sponsor of the 2012 Employee Compensation Survey. This Profit Planning Group survey provides an analysis of management and employee pay scales, employee benefits and sales policies across a broad spectrum of wholesalers. The results of the survey will be especially valuable to executives who must demonstrate to the IRS that their compensation is "reasonable".

Cost
There is NO COST to participate in this survey.
Participants will receive a copy of the two volume Employee Compensation Report which includes NAHAD Results and Cross-Industry Results.

Filling out this survey
This form is also available in an EXCEL file at www.profitplanninggroup.com/surveys. Report annualized data as of year-end 2011. Note that a blank is NOT a zero! It is better to estimate than to leave a blank. Send questions to surveys@profitplanninggroup.com.

Submit completed forms directly to Profit Planning Group
Complete this survey then fax this form to 303.444.9245 or mail it to
Profit Planning Group, 1790 38th St. #204, Boulder, CO 80301

Name & Address (reports will be distributed only to this individual)

Name (only one)	
Title	
Firm	
Address Line 1	
Address Line 2	
City	
State or Province	
ZIP or Postal Code	
Telephone (only one)	
Fax (only one)	
Email Address (only one)	

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Profit Planning Group's Statement of Confidentiality

Your firm's data are highly confidential. Profit Planning Group has been authorized to confidentially process your data. Profit Planning Group enforces strict security measures to protect your data.

Major features of Profit Planning Group's secure data management include:

- Secure Storage
To protect against intrusion, your firm's data are purposely **not** stored in databases on internet servers.

- Anonymous Data
Your firm's identity is not stored with your firm's data. The data are identified only with a code number. A cross-reference of codes to firm names is maintained separately from the data.

- Restricted Access
Access to data is strictly limited to Profit Planning Group's staff only. Surveys are sent directly to Profit Planning Group. Profit Planning Group prepares and returns the reports directly to you.

- Aggregated Results
No individual firm's data can be identified in reports. Reports present aggregated results only. Strict masking rules are used to blank results for small samples.

- Document Destruction
Survey forms are destroyed after processing.

Confidentiality has been Profit Planning Group's top priority for over 25 years
Every year thousands of firms of all sizes entrust their confidential data to Profit Planning Group. Profit Planning Group has managed firms' confidential data without incident for over 25 years. Confidentiality is Profit Planning Group's top priority.

Firm Information

1. Ownership 1-2

1 Private company
2 Public company

2. Organization 1-6

1 Sole Proprietorship
2 Partnership
3 S Corporation
4 C Corporation
5 Limited Liability Corporation (LLC)
6 Limited Liability Partnership (LLP)

3. Operations 1-4

1 Local
2 Regional
3 National
4 International

4. 2011 annualized sales (enter numbers only, no text; do not truncate to 10s, 100s, 1000s, etc.)

5. Number of locations operated including the headquarters and all branches #

6. Employee Turnover

Report Full-Time Equivalents (FTEs). Convert part-time to FTE using a 40 hr. week worked all year (e.g. 20 hrs. = 0.5 FTE).

Total FTE employees at the beginning of the year		FTE
+ Number of employees hired during the year	+	FTE
– Number of employees who have left during the year for any reason	–	FTE
= Total number of FTE employees at the end of the year	=	FTE

Executive Compensation and Benefits

1. Total Annual 2011 Executive Compensation (estimate if necessary)

Enter data for each top executive. If an executive has multiple roles, use the single most applicable title.

	CEO/ President/ #1 Officer	COO/ Vice President/ #2 Officer	Chief Financial Officer	Chief Marketing Officer
Age				
Years with the company				
Company ownership (% of equity owned)	%	%	%	%
Company founder (y/n)				
Total compensation				
Minus base salary				
= Bonus (calculated)				
Change in total compensation from 2010 to 2011	%	%	%	%

2. Executive Benefits & Perquisites Offered (answer all y/n)

	CEO (y/n)	COO (y/n)	CFO (y/n)	CMO (y/n)
Company car & expenses				
Supplemental life insurance*				
Supplemental medical insurance*				
Tax return preparation				
Club dues & expenses				
Personal tax & financial planning				
Annual physical examination				
Low or no-interest loan				
Supplemental retirement plans*				
Deferred compensation				
First class air travel				
Use of corporate aircraft				

*Beyond customary company-wide benefits

3. a. Does the firm have an executive bonus program? (y/n) y/n

b. If YES, which of the following are used as a basis to allocate executive bonuses? (answer all y/n)

Discretionary	y/n
Achievement of sales or operating goals	y/n
Achievement of profit goals	y/n
Percentage of sales	y/n
Percentage of profit	y/n
Return on equity/assets/sales	y/n

Employee Compensation

1. **Which of these policies are used to determine employee raises? (answer all y/n)**
   - Cost of living adjustment (COLA) _____ y/n
   - Annual merit raise _____ y/n
   - Lump sum (in lieu of merit increase) _____ y/n
   - Variable pay plan (bonus awards, incentives, recognition bonuses) _____ y/n
   - No raises (salaries/wages are frozen at current level) _____ y/n
   - No set policy for raises, discretionary each year _____ y/n

2. **a. Does the firm pay employee bonuses? (y/n)** _____ y/n

   b. If YES, which of the following are used as a basis to allocate bonuses? (answer all y/n)
   - Special recognition bonus _____ y/n
   - Achievement of individual performance goals _____ y/n
   - Achievement of company/department/team goals _____ y/n
   - Cash profit sharing _____ y/n
   - CEO/Owner discretion _____ y/n

3. **Does the firm offer retention bonuses? (y/n)** _____ y/n

4. **a. Does the firm have a severance plan in place? (y/n)** _____ y/n

   b. If YES, how many years of service are required for eligibility? _____ years

   c. If YES, what is the maximum number of weeks of pay offered? _____ weeks

5. **Are any of the firm's employees represented by a union? (y/n)** _____ y/n

6. Total Annual 2011 Employee Compensation for Selected Positions (estimate if necessary)

- Only report employees that can be reasonably classified into these positions. Data for others are **not** collected.
- Report compensation for **only one typical full-time employee** in each position.
- In the first column, report the **total** number of FTE employees in each position at all locations.
- For each position, enter the typical total annual compensation first, then enter base salary (bonus is calculated).
- Do not include fringe benefits. Report annual W-2 (T-4) wages prior to employee deductions.
- If a position is filled with part-timers only, report compensation one employee would receive if they were full-time.

		Annual Compensation (unless noted) for **ONE Typical Full-time Employee** in each posttion			
NOTE: Report compensation for branch managers and inside and outside sales positions on the branches page.	**Number of FTE Employees** in each position	**Typical Total Compensation** for each position	=	**Typical Base Salary** for each position	+ **OT, Bonus, Commission, & Incentive** (calculated)
Sales & Service					
Sales Manager (not CMO)					
Sales Assistant (supports sales)					
Customer Service Rep					
Counter Salesperson					
Warehouse & Delivery					
Operations Mgr. (not COO)					
Warehouse Supervisor					
Warehouse Employee					
Driver/Delivery Personnel					
Information Technology					
Chief Information/Technology Officer (CIO/CTO)					
MIS/Data Processing Manager					
Systems Administrator					
IT Clerk					
General & Administrative					
Purchasing Manager					
Purchasing Agent/Buyer					
Controller (not CFO)					
Accountant/Bookkeeper					
Credit Manager					
Credit/Collections Clerk					
Human Resources Manager					
Office Manager					
Office/Clerical Personnel					

Employee Benefits

1. **Is a cafeteria plan offered that allows a choice between cash and qualified benefits? (y/n)** y/n
   (a "Section 125" flexible benefit program)
2. **Does the firm offer health benefits to employees? (y/n)** y/n
   If NO, skip to question 7.

3. **Which of these medical plans are offered?**

	Offered? Answer all y/n	% of Employees Covered
Traditional (indemnity health insurance)	y/n	%
HMO/EPO (Health Maintenance/Exclusive Provider Org.)	y/n	%
POS (Point of Service)	y/n	%
PPO (Preferred Provider Organization)	y/n	%
HDHP (High Deductible Health Plan)	y/n	%
Opt-Out of Coverage	y/n	%

4. **Typical plan coverage for a 35 year old male employee.**

		Premium $ monthly; employee + employer	Employer Paid %	Annual Deductible $ per Person
Traditional	Single, Employee Only		%	
	Employee+Family		%	
HMO/EPO	Single, Employee Only		%	
	Employee+Family		%	
POS	Single, Employee Only		%	
	Employee+Family		%	
PPO	Single, Employee Only		%	
	Employee+Family		%	
HDHP	Single, Employee Only		%	
	Employee+Family		%	

5. **Co-pay for office visits and drugs other than mail order**

	Office Visit Co-Pay $	Generic Drug Co-Pay $	Preferred Drug Co-Pay $	Non-Pref. Drug Co-Pay $
Traditional				
HMO/EPO				
POS				
PPO				
HDHP				

6. **Other health benefits offered (answer all y/n)**

Dental Plan	y/n
Vision/Optical Plan	y/n
Retiree Medical Insurance Coverage (FASB 106)	y/n
Prescription Drug Plan	y/n
Mail-Order Drug Plan	y/n
Group Term Life Insurance	y/n
Long-term Disability Insurance	y/n
Short-term Disability Insurance	y/n
Long-term Care Insurance	y/n
Employee Assistance Program*	y/n

*Program to handle personal & work related issues such as drug dependency, mental health, financial, legal, etc.

Employee Benefits

7. **a. Does the firm offer retirement plans to employees? (y/n)** y/n
   b. If YES, which of these plans are offered? (answer all y/n)
   - 401(k) Plan (with or without employer contribution) y/n
   - Profit Sharing Plan (discretionary employer contribution) y/n
   - Payroll Deduction/SEP/SIMPLE IRA (Group RRSP in Canada) y/n
   - Defined Benefit Plan (fixed, pre-established benefit) y/n
   - Money Purchase Plan (required employer contribution) y/n

8. **If the firm offers a 401(k) plan…**
   - **a.** What % of eligible employees are enrolled in the 401(k) plan? %
   - **b.** Are employees auto-enrolled in the plan? (y/n) y/n
   - **c.** Which 401(k) plans are offered? (answer all y/n)
     - Traditional 401(k) y/n
     - Safe Harbor 401(k) y/n
     - SIMPLE 401(k) y/n
   - **d.** Does the 401(k) plan provide for designated Roth contributions? (y/n) y/n
   - **e.** Are catch-up contributions allowed for eligible employees aged 50 and over? (y/n) y/n
   - **f.** Does the firm contribute to the employee's 401(k)? (y/n) y/n
     - If YES, what $ amount is contributed for a full-time employee for each $1 of their contribution?
     - If YES and if contributions are limited to a % of an employee's pay, what is the limit? %
     - If YES and if contributions are limited to an annual $ cap for each employee, what is the $ limit?

9. **Which of these is given to full-time employees at Christmas or year-end? (answer all y/n)**
   - Cash (nominal amount, not annual bonus) y/n
   - Gift (including gift certificates, food items, etc.) y/n
   - Party y/n
   - Year-end bonus (not tied to profits) y/n

10. **Which of these other employee benefit programs and policies apply? (answer all y/n)**
    - Flexible spending account for health expenses y/n
    - Flexible spending account for dependent care expenses y/n
    - Flexible spending account for adoption assistance y/n
    - Child care (allowance or facilities) y/n
    - Flexible work scheduling y/n
    - Educational assistance for employees y/n
    - Pre-retirement counseling y/n
    - Annual computerized benefits statement y/n
    - Smoking restrictions in the workplace y/n
    - Employee policy manual y/n

11. **Does the firm have a Personal Time Off (PTO) program? (y/n)** y/n
    (PTO programs combine vacation, sick days, and personal leave)

12. **If the firm DOES have a PTO program…**
    - **a.** How many days off are accrued per year by a full-time employee after 5 years? days
    - **b.** Can the accrued PTO be carried over to the following year? (y/n) y/n
    - **c.** Does the program include paid holidays? (y/n) y/n
      - If NO, how many paid holidays does the firm allow per year? days

13. **If the firm DOES NOT have a PTO program…**
    - **a.** Are paid sick days offered to SALARIED employees? (y/n) y/n
      - If YES, how many sick days are allowed for SALARIED employees each year? days
    - **b.** Are paid sick days offered to HOURLY employees? (y/n) y/n
      - If YES, how many sick days are allowed for HOURLY employees each year? days
    - **c.** How many paid holidays does the firm allow each year? days

14. **How many holidays does the firm observe annually (Christmas, New Year, Easter, etc.)?** days

15. **Which of these time off policies apply? (answer all y/n)**
    - Paid parental leave (maternity/paternity, adoption leave) y/n
    - Paid jury duty y/n
    - Paid military leave y/n

Sales Policies

Inside Sales

1. **a. Does the firm have inside/telemarketing salespeople on staff (not counter personnel)? (y/n)** y/n

   b. If YES, what method is most commonly used to compensate inside salespeople? 1-6
   - 1 Straight salary
   - 2 Hourly (including bonus/commission)
   - 3 Salary & commission
   - 4 Salary & bonus
   - 5 Salary & commission & bonus
   - 6 Other

Outside Sales (report the policies most commonly used at all locations)

2. **Does the firm have outside salespeople on staff (employees, not reps)? (y/n)** y/n

   If NO, skip the following sales policy questions up to and including question 11.

3. **Does the firm typically have a written employment contract with outside salespeople? (y/n)** y/n

4. **What method is most commonly used to compensate outside salespeople?** 1-8
   - 1 Straight salary
   - 2 Salary & bonus
   - 3 Salary & commission
   - 4 Salary & commission & bonus
   - 5 Straight commission (no salary)
   - 6 Commission & bonus (no salary)
   - 7 Draw (against commission) and commission
   - 8 Other

5. **If the firm does pay commissions…**

   a. What method is most commonly used to allocate commissions? 1-5
   - 1 Flat percentage of sales
   - 2 Escalating percentage of sales
   - 3 Flat percentage of gross margin
   - 4 Escalating percentage of gross margin
   - 5 Other

   b. Outside salespeople are eligible for commissions on which of the following? (answer all y/n)

Prompt payment or other billing discounts	y/n
Service	y/n
Repair parts	y/n
Accessories & tooling	y/n
Finance plans	y/n
Collection of cancellation charges	y/n

   c. For commission accounting purposes, when are sales most commonly credited to the salesperson? 1-4
   - 1 Order booked
   - 2 Order shipped
   - 3 Upon billing
   - 4 Payment received

   d. Does the firm incorporate a ceiling to prevent windfalls? (y/n) y/n

   e. Does the firm set a quota which must be exceeded before commissions are earned? (y/n) y/n

   f. Are new salespeople paid commission on the backlog in their territory? (y/n) y/n

   g. Are outside salespeople charged back for bad debts? (y/n) y/n

   h. Upon termination, are commissioned salespeople paid on existing backlog? (y/n) y/n

Sales Policies

6. a. Are sales contests typically used? 1-3

1 Never
2 Rarely
3 Regularly

b. If used, which of these prizes are typically awarded? (answer all y/n)

Cash y/n
Travel y/n
Merchandise y/n
Other y/n

7. a. Annual sales of the LOWEST volume outside salesperson in established territories

b. Gross profit ($) contribution of the lowest volume outside salesperson

8. a. Annual sales of the HIGHEST volume outside salesperson in established territories

b. Gross profit ($) contribution of the highest volume outside salesperson

9. What method is most commonly used to cover travel and entertainment expenses? 1-5

1 All expenses reimbursed
2 Per diem payment
3 Compensation covers expenses
4 Travel expenses only reimbursed
5 Fixed monthly expense allowance

10. a. What method is most commonly used to provide salespeople with cars? 1-4

1 None
2 Company-leased
3 Company-owned
4 Employee-owned reimbursement

b. If the method is employee-owned reimbursement, what basis is most commonly used? 1-3

1 Mileage — Mileage Rate (¢/mile) = ¢
2 Gas & oil
3 Monthly allowance

11. What method is most commonly used to provide salespeople with cell phones? 1-5

1 None
2 Company-provided phone for business-related calls
3 Reimburse employee for business calls on personal phone
4 Monthly phone allowance
5 Other

Complete this section even if the firm has only 1 location (the headquarters)
Fill out the primary location column and one for each branch (copy pages if needed).
Firms with over 17 branches may submit branch data in their own electronic format.
Contact Profit Planning Group at 303.444.6212 for more information.

For each position, enter the total compensation first, then enter the base salary, and finally the bonus.
Report compensation for **only one typical, full-time employee** in each position. Estimate if necessary.
Exclude fringe benefits. Report **annual W-2 (T-4) wages** prior to employee deductions.
If a position is filled with part-timers only, report what one employee would receive if they were full-time.

Annual Branch Compensation

	Primary Loc	Branch 1	Branch 2	Branch 3	Branch 4	Branch 5
1. Branch Information						
a. Branch ZIP (5 digits only) or Postal Code						
b. Your Branch ID Number (to uniquely identify the branch)						
c. 2011 annualized sales at the branch						
2. Branch Manager						
a. Total branch manager compensation						
Minus base salary						
= OT, Bonus, Commission, & Incentive (calculated)						
b. Is the branch manager eligible to receive a bonus? (y/n)						
c. If YES, which of these apply for bonus allocation? (answer all y/n)						
Discretionary						
Achievement of sales goals						
Achievement of gross margin $ goals						
Achievement of profit goals						
Percentage of sales						
Percentage of gross margin						
Percentage of profits						
Return on equity/assets/sales						
3. a. Number of Outside Salespeople (if none skip to Q4)						
b. Average length of employment of these salespeople (years)						
c. Senior Sales Consultant (more than 10 yrs. sales experience)						
Total Compensation						
Minus base salary						
= OT, Bonus, Commission, & Incentive (calculated)						
d. Typical Outside Salesperson (2 to 10 yrs. sales experience)						
Total Compensation						
Minus base salary						
= OT, Bonus, Commission, & Incentive (calculated)						
e. Beginning Outside Salesperson (less than 2 yrs. sales experience)						
Total Compensation						
Minus base salary						
= OT, Bonus, Commission, & Incentive (calculated)						
4. a. Number of Inside Salespeople (not counter personnel)						
b. Average length of employment of these salespeople (years)						
c. Typical Inside Salesperson (more than 2 yrs. sales experience)						
Total Compensation						
Minus base salary						
= OT, Bonus, Commission, & Incentive (calculated)						
d. Beginning Inside Salesperson (less than 2 yrs. sales experience)						
Total Compensation						
Minus base salary						
= OT, Bonus, Commission, & Incentive (calculated)						

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Annual Branch Compensation

	Branch 6	Branch 7	Branch 8	Branch 9	Branch 10	Branch 11
1. Branch Information						
a. Branch ZIP (5 digits only) or Postal Code						
b. Your Branch ID Number (to uniquely identify the branch)						
c. 2011 annualized sales at the branch						
2. Branch Manager						
a. Total branch manager compensation						
Minus base salary						
= OT, Bonus, Commission, & Incentive (calculated)						
b. Is the branch manager eligible to receive a bonus? (y/n)						
c. If YES, which of these apply for bonus allocation? (answer all y/n)						
Discretionary						
Achievement of sales goals						
Achievement of gross margin $ goals						
Achievement of profit goals						
Percentage of sales						
Percentage of gross margin						
Percentage of profits						
Return on equity/assets/sales						
3. a. Number of Outside Salespeople (if none skip to Q4)						
b. Average length of employment of these salespeople (years)						
c. Senior Sales Consultant (more than 10 yrs. sales experience)						
Total Compensation						
Minus base salary						
= OT, Bonus, Commission, & Incentive (calculated)						
d. Typical Outside Salesperson (2 to 10 yrs. sales experience)						
Total Compensation						
Minus base salary						
= OT, Bonus, Commission, & Incentive (calculated)						
e. Beginning Outside Salesperson (less than 2 yrs. sales experience)						
Total Compensation						
Minus base salary						
= OT, Bonus, Commission, & Incentive (calculated)						
4. a. Number of Inside Salespeople (not counter personnel)						
b. Average length of employment of these salespeople (years)						
c. Typical Inside Salesperson (more than 2 yrs. sales experience)						
Total Compensation						
Minus base salary						
= OT, Bonus, Commission, & Incentive (calculated)						
d. Beginning Inside Salesperson (less than 2 yrs. sales experience)						
Total Compensation						
Minus base salary						
= OT, Bonus, Commission, & Incentive (calculated)						

Complete this section even if the firm has only 1 location (the headquarters)
Fill out the primary location column and one for each branch (copy pages if needed).
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Annual Branch Compensation

	Branch 12	Branch 13	Branch 14	Branch 15	Branch 16	Branch 17
1. Branch Information						
a. Branch ZIP (5 digits only) or Postal Code						
b. Your Branch ID Number (to uniquely identify the branch)						
c. 2011 annualized sales at the branch						
2. Branch Manager						
a. Total branch manager compensation						
Minus base salary						
= OT, Bonus, Commission, & Incentive (calculated)						
b. Is the branch manager eligible to receive a bonus? (y/n)						
c. If YES, which of these apply for bonus allocation? (answer all y/n)						
Discretionary						
Achievement of sales goals						
Achievement of gross margin $ goals						
Achievement of profit goals						
Percentage of sales						
Percentage of gross margin						
Percentage of profits						
Return on equity/assets/sales						
3. a. Number of Outside Salespeople (if none skip to Q4)						
b. Average length of employment of these salespeople (years)						
c. Senior Sales Consultant (more than 10 yrs. sales experience)						
Total Compensation						
Minus base salary						
= OT, Bonus, Commission, & Incentive (calculated)						
d. Typical Outside Salesperson (2 to 10 yrs. sales experience)						
Total Compensation						
Minus base salary						
= OT, Bonus, Commission, & Incentive (calculated)						
e. Beginning Outside Salesperson (less than 2 yrs. sales experience)						
Total Compensation						
Minus base salary						
= OT, Bonus, Commission, & Incentive (calculated)						
4. a. Number of Inside Salespeople (not counter personnel)						
b. Average length of employment of these salespeople (years)						
c. Typical Inside Salesperson (more than 2 yrs. sales experience)						
Total Compensation						
Minus base salary						
= OT, Bonus, Commission, & Incentive (calculated)						
d. Beginning Inside Salesperson (less than 2 yrs. sales experience)						
Total Compensation						
Minus base salary						
= OT, Bonus, Commission, & Incentive (calculated)						