

## 2010 Employee Compensation Survey Based on 2009 Wages & Benefits

NOTE! A spreadsheet version of this survey form is available at [www.profitplanninggroup.com/surveys](http://www.profitplanninggroup.com/surveys)

**Purpose**

CTDA is a co-sponsor of the 2010 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**

The cost to participate is \$100. Payments should be made directly to the CTDA. Participants will receive a copy of the two volume Employee Compensation Report which includes CTDA Results and Cross-Industry Results.

**Filling out this survey form**

This form is also available in an EXCEL file at [www.profitplanninggroup.com/surveys](http://www.profitplanninggroup.com/surveys). Report annualized data as of year-end 2009. It is better to estimate than to leave a blank. If you have questions, please send them to [surveys@profitplanninggroup.com](mailto:surveys@profitplanninggroup.com).

**Submitting the completed survey**

Complete this survey form then fax it 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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**Statement of Confidentiality**

Owners of closely held firms rightly feel that their compensation data are highly confidential. Profit Planning Group is extremely sensitive to this and has developed methods to securely handle data submitted for benchmarking surveys.

Each year thousands of firms, with sales from under a million dollars to well over a billion dollars, send confidential data to Profit Planning Group. Strick measures are in place to insure that access to this data is limited to only the immediate and necessary staff of Profit Planning Group. Survey forms are destroyed after processing.

# Firm Information

## 1. Ownership

- 1 Private company
- 2 Public company

## 2. Organization

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

## 3. Scope of Operations

- 1 Local
- 2 Regional
- 3 National
- 4 International

## 4. 2009 Annualized Sales (enter numbers only, no text; do not truncate to 10s, 100s, 1000s, etc.)

## 5. How many locations does the firm operate 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

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

	<input type="text"/>
+	<input type="text"/>
-	<input type="text"/>
=	<input type="text"/>

# Executive Compensation and Benefits

**1. Total Annual 2009 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 2008 to 2009	%	%	%	%

**2. Which of these executive benefits and perquisites apply? (answer all y/n)**

	CEO	COO	CFO	CMO
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)**

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

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

# Employee Compensation

**1. Which of these policies are used to determine employee raises? (answer all y/n)**

- Cost of living adjustment (COLA)
- Annual merit raise
- Lump sum (in lieu of merit increase)
- Variable pay plan (bonus awards, incentives, recognition bonuses)
- No raises (salaries/wages are frozen at current level)
- No set policy for raises, discretionary each year


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

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

- Special recognition bonus
- Achievement of individual performance goals
- Achievement of company/department/team goals
- Cash profit sharing
- CEO/Owner discretion


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

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**4. a. Does the firm have a severance plan in place? (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)**

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# Employee Compensation

## 6. Total Annual 2009 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 <u>ONE</u> Typical Full-time Employee in each position					
		Number of FTE Employees in each position	Typical Total Compensation for each position	=	Typical Base Salary for each position	+	OT, Bonus, Commission, & Incentive  (calculated)
<b>NOTE:</b> Report compensation for branch managers and inside and outside sales positions on the branches page.							
<b>Sales &amp; Service</b>							
Sales Manager (not CMO)							
Sales Assistant (supports sales)							
Customer Service Rep							
Counter Salesperson							
<b>Warehouse &amp; Delivery</b>							
Operations Mgr. (not COO)							
Warehouse Supervisor							
Warehouse Employee							
Driver/Delivery Personnel							
<b>Information Technology</b>							
Chief Information/Technology Officer (CIO/CTO)							
MIS/Data Processing Manager							
Systems Administrator							
IT Clerk							
<b>General &amp; Administrative</b>							
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)**    
(a "Section 125" flexible benefit program)

**2. Does the firm offer health benefits to employees? (y/n)**    
If NO, skip to question 7.

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

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

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

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

\*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)**

**b. If YES, which of these plans are offered? (answer all y/n)**

- 401(k) Plan (with or without employer contribution)
- Profit Sharing Plan (discretionary employer contribution)
- Payroll Deduction/SEP/SIMPLE IRA (Group RRSP in Canada)
- Defined Benefit Plan (fixed, pre-established benefit)
- Money Purchase Plan (required employer contribution)


**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)**

**c. Which 401(k) plans are offered? (answer all y/n)**

- Traditional 401(k)
- Safe Harbor 401(k)
- SIMPLE 401(k)


**d. Does the 401(k) plan provide for designated Roth contributions? (y/n)**

**e. Are catch-up contributions allowed for eligible employees aged 50 and over? (y/n)**

**f. Does the firm contribute to the employee's 401(k)? (y/n)**

- If YES, what \$ amount is contributed for a full-time employee for each \$1.00 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)
- Gift (including gift certificates, food items, etc.)
- Party
- Year-end bonus (not tied to profits)


**10. Which of these other employee benefit programs and policies apply? (answer all y/n)**

- Flexible spending account for health expenses
- Flexible spending account for dependent care expenses
- Flexible spending account for adoption assistance
- Child care (allowance or facilities)
- Flexible work scheduling
- Educational assistance for employees
- Pre-retirement counseling
- Annual computerized benefits statement
- Smoking restrictions in the workplace
- Employee policy manual


**11. Does the firm have a Personal Time Off (PTO) program? (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)**

**c. Does the program include paid holidays? (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)**

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)**

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)
- Paid jury duty
- Paid military leave


# Sales Policies

## Inside Sales

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

b. If YES, what method is most commonly used to compensate inside salespeople?

- 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)

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)

4. What method is most commonly used to compensate outside salespeople?

- 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 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
- Service
- Repair parts
- Accessories & tooling
- Finance plans
- Collection of cancellation charges

c. For commission accounting purposes, when are sales most commonly credited to the salesperson?

- 1 Order booked
- 2 Order shipped
- 3 Upon billing
- 4 Payment received

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

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

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

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

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

# Sales Policies

- 6. a. Are sales contests typically used?**
- 1 Never
  - 2 Rarely
  - 3 Regularly
- b. If used, which of these prizes are typically awarded? (answer all y/n)**
- Cash
  - Travel
  - Merchandise
  - Other
- 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 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 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 Mileage Mileage Rate (¢/mile) =  ¢
  - 2 Gas & oil
  - 3 Monthly allowance
- 11. What method is most commonly used to provide salespeople with cell phones?**
- 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





