

# Welcome to the NCEO Executive Compensation Survey

Welcome to the NCEO's 2011 executive compensation questionnaire for ESOP companies.

By filling out this survey, you are contributing to a unique resource that contains executive compensation data specific to ESOP companies. For your participation, you will receive a summary of the data if you so request.

**All of your answers to this questionnaire will be completely anonymous. All identifying information will be removed from the data.** Anyone with access to the data will be subject to a strict confidentiality agreement. The final question in the survey asks for your email address so we can email you the advance copy of the results; email addresses will then be permanently removed from the database.

**Page 1** asks for background about your company and ESOP.

**Page 2** asks about your executive compensation.

**Page 3** asks about compensation mechanics and the process you use to determine executive compensation.

Many of the questions ask you to fill in compensation data for various executives. An estimated amount is acceptable. If there is more than one person in a category, please answer for the highest paid person in that category.

You do not have to be an NCEO member to take the survey. More information about us can be found at [www.nceo.org](http://www.nceo.org). The questionnaire will be open until **December 16th at 5:00 PM Pacific time**. If you would like to view a PDF version of the questionnaire before filling it out, click [here](#) (opens as a new window). Contact Camille Kerr ([ckerr@nceo.org](mailto:ckerr@nceo.org); 510-208-1310) with questions or concerns.

## Page 1: Company and ESOP Background

### 1. How many employees do you have? (count both full- and part-time employees)

- 100 or fewer
- 101 to 500
- 501 to 1,000
- More than 1,000

### 2. Which of the below best describes your industry?

- Manufacturing
- Retail
- Wholesale
- Financial, insurance, or real estate
- Engineering, architecture, and related fields
- Construction
- Technology (computers, biotechnology, software)
- Other (please specify)

### 3. Where is your company's headquarters?

- West (AK, CA, HI, NV, OR, WA)
- Midwest (MN, IA, MO, WI, IL, MI, IN, OH)
- Northeast (NY, ME, VT, NH, MA, CT, RI, PA, NJ)
- Mid-Atlantic / Southeast (KY, WV, DE, MD, DC, VA, TN, NC, AR, LA, MS, AL, GA, SC, FL)
- Mountains / Plains (ID, MT, ND, SD, WY, UT, CO, NE, KS, AZ, NM, OK, TX)

### 4. What was the company's average change in stock price over the past five years?

- Negative (we had a loss)
- 0-10%
- 11-20%
- 21% or higher

### 5. Which of the following best describes your pre-tax profits (as a percent of revenue) in the most recently completed fiscal year?

- Negative (we had a loss)
- 0-10%
- 11-20%
- 21% or higher

### 6. When did you start your ESOP?

(Answer with a 4-digit year)

### 7. What percentage of the company's shares is owned by the ESOP?

(Please enter a number between 0 and 100)

### 8. Is your company an S corporation or a C corporation?

- S corporation
- C corporation

### 9. Is your company's stock traded on a stock exchange?

- Yes
- No

**10. What was the dollar value of your company's revenues in the most recently completed fiscal year?**

- Up to \$10 million
- More than \$10 million, up to \$50 million
- More than \$50 million, up to \$200 million
- \$200 million or more

**11. Is your ESOP leveraged?**

- Yes, we are still paying off our ESOP loan.
- No, we had a loan but it is now fully repaid.
- No, we never had an ESOP loan.

**12. What is the approximate median W-2 compensation for employees at your company?**

**Page 2: Executive Compensation**

For the following questions, consider only amounts granted during that year: exclude payments made on compensation granted in earlier years. Provide all answers in dollars.

**13. Base pay (exclude bonuses, profit sharing, and all other incentive pay)**

CEO/President	<input type="text"/>
Chief Operating Officer	<input type="text"/>
Top Finance/Accounting Executive	<input type="text"/>
Top Sales/Marketing Executive	<input type="text"/>
Top Manufacturing/Products/Services Vice President	<input type="text"/>
Top Divisional Vice President	<input type="text"/>

**14. Cash incentive pay**

**This includes all forms of dollar-denominated incentive compensation payable in the most recently completed year, such as bonuses and profit sharing. Do not count deferred compensation, stock or stock-equivalent compensation.**

CEO/President	<input type="text"/>
Chief Operating Officer	<input type="text"/>
Top Finance/Accounting Executive	<input type="text"/>
Top Sales/Marketing Executive	<input type="text"/>
Top Manufacturing/Products/Services Vice President	<input type="text"/>
Top Divisional Vice President	<input type="text"/>

### 15. Deferred compensation

**This includes compensation denominated in dollars that was awarded in the most recent year and will be payable in a future year (excluding the ESOP and any other qualified retirement plans).**

CEO/President	<input type="text"/>
Chief Operating Officer	<input type="text"/>
Top Finance/Accounting Executive	<input type="text"/>
Top Sales/Marketing Executive	<input type="text"/>
Top Manufacturing/Products/Services Vice President	<input type="text"/>
Top Divisional Vice President	<input type="text"/>

### 16. Qualified retirement plans (excluding the ESOP).

CEO/President	<input type="text"/>
Chief Operating Officer	<input type="text"/>
Top Finance/Accounting Executive	<input type="text"/>
Top Sales/Marketing Executive	<input type="text"/>
Top Manufacturing/Products/Services Vice President	<input type="text"/>
Top Divisional Vice President	<input type="text"/>

### 17. Stock options

**Use the total fair value of the grants made during the last fiscal year, not just the amount expensed during the fiscal year. If you do not know or cannot find the fair value, you can use one-third of the grant price as an estimate.**

CEO/President	<input type="text"/>
Chief Operating Officer	<input type="text"/>
Top Finance/Accounting Executive	<input type="text"/>
Top Sales/Marketing Executive	<input type="text"/>
Top Manufacturing/Products/Services Vice President	<input type="text"/>
Top Divisional Vice President	<input type="text"/>

## 18. Stock appreciation rights

**Use the total fair value of the grants made during the last fiscal year, not just the amount expensed during the fiscal year. If you do not know or cannot find the fair value, you can use one-third of the grant price as an estimate.**

CEO/President	<input type="text"/>
Chief Operating Officer	<input type="text"/>
Top Finance/Accounting Executive	<input type="text"/>
Top Sales/Marketing Executive	<input type="text"/>
Top Manufacturing/Products/Services Vice President	<input type="text"/>
Top Divisional Vice President	<input type="text"/>

## 19. Restricted stock, restricted stock units, performance shares

**Use the value of the shares (based on the grant date face value) that were granted during the most recent fiscal year. Provide all answers in dollars.**

CEO/President	<input type="text"/>
Chief Operating Officer	<input type="text"/>
Top Finance/Accounting Executive	<input type="text"/>
Top Sales/Marketing Executive	<input type="text"/>
Top Manufacturing/Products/Services Vice President	<input type="text"/>
Top Divisional Vice President	<input type="text"/>

## 20. Phantom stock

**Use the value of the shares (based on the grant date face value) that were granted during the most recent fiscal year. Provide all answers in dollars.**

CEO/President	<input type="text"/>
Chief Operating Officer	<input type="text"/>
Top Finance/Accounting Executive	<input type="text"/>
Top Sales/Marketing Executive	<input type="text"/>
Top Manufacturing/Products/Services Vice President	<input type="text"/>
Top Divisional Vice President	<input type="text"/>

## 21. Please enter the percentage of payroll your company contributed to the ESOP:

In the most recently completed fiscal year	<input type="text"/>
On average over the past five years	<input type="text"/>

**22. Please indicate which (if any) of the following officers are NOT participants in the ESOP.**

- CEO/President
- Chief Operating Officer
- Top Finance/Accounting Executive
- Top Sales/Marketing Executive
- Top Manufacturing/Products/Services Vice President
- Top Divisional Vice President

**Page 3: Equity Ownership and Compensation Mechanics**

**23. What percentage of outstanding shares is owned by each of the following?**

**Consider shares that are owned directly, restricted shares, and ESOP shares. Please answer with a number from 0 to 100 showing the percent of all outstanding shares. Numbers should add to 100.**

CEO/President	<input type="text"/>
Chief Operating Officer	<input type="text"/>
Top Finance/Accounting Executive	<input type="text"/>
Top Sales/Marketing Executive	<input type="text"/>
Top Manufacturing/Products/Services Vice President	<input type="text"/>
Top Divisional Vice President	<input type="text"/>
Other offices	<input type="text"/>
Non-employee directors	<input type="text"/>
All other employees	<input type="text"/>
Outsiders (non-directors, non-employees)	<input type="text"/>

**24. What was the total equity value of your company at the end of the most recently completed fiscal year?**

**(NOTE: approximate values are acceptable.)**

**25. Prior to the ESOP, what percentage of outstanding shares was owned by each of the following?**

**Add in any shares purchase at fair market value after the ESOP was established. Please answer with a number from 0 to 100 showing the percent of all outstanding shares.**

CEO/President	<input type="text"/>
Chief Operating Officer	<input type="text"/>
Top Finance/Accounting Executive	<input type="text"/>
Top Sales/Marketing Executive	<input type="text"/>
Top Manufacturing/Products/Services Vice President	<input type="text"/>
Top Divisional Vice President	<input type="text"/>

**26. Please indicate how annual cash incentive pay is issued.**

Percentage based on discretion	<input type="text"/>
Percentage based on performance	<input type="text"/>

**27. Please indicate how deferred compensation is issued.**

Percentage based on discretion	<input type="text"/>
Percentage based on performance	<input type="text"/>

**28. Please indicate how stock and stock-equivalent awards are issued.**

Percentage based on discretion	<input type="text"/>
Percentage based on performance	<input type="text"/>

**29. In general, are your cash incentive awards subject to vesting? This includes deferred compensation, but excludes stock and stock-equivalent awards, the ESOP and other qualified retirement plans.**

- No
- Yes, based on service requirements
- Yes, based on achieving performance targets
- Yes, based on a combination of performance and service requirements

**30. In general, are your stock or stock-equivalent awards subject to vesting?**

- No
- Yes, based on service requirements
- Yes, based on achieving performance targets
- Yes, based on a combination of performance and service requirements

**31. Please indicate which, if any, of the following perquisites you provide your CEO. (Only select the answers where the CEO receives benefits beyond what is received by other employees.)**

- Top-hat retirement plans
- Life insurance
- Personal travel/transportation
- Entertainment
- Disability insurance
- Other

Please estimate the total value of these additional benefits (beyond what other employees receive):

**32. Please indicate which, if any, of the following perquisites you provide any other top executive as defined in the questions above. (Only select the answers where executives receive benefits beyond what is received by other employees.)**

- Top-hat retirement plans
- Life insurance
- Personal travel/transportation
- Entertainment
- Disability insurance
- Other

Please estimate the total value of these additional benefits (beyond what other employees receive):

**33. How is your compensation committee composed? (Independent directors have no affiliation with the company except in their capacity as a director.)**

- We do not have a compensation committee.
- None of the directors on our compensation committee is independent.
- At least one of the directors on our compensation committee is independent.
- All of the directors on our compensation committee are independent.

**34. When does your company use an outside compensation consultant?**

- Never
- When making changes to the executive team
- Annually, or more frequently
- Periodically, but less frequently than annually

## Closing

**35. Please describe your approach for using base salary, incentive compensation, and qualified retirement plans including the ESOP to design your executive compensation plan.**

**For example, if you seek to provide base salary that is at the median level versus the market, and use cash incentives or equity awards to provide total direct compensation that is above market norms, we would like to understand why you use this approach (i.e., your philosophy).**

**36. Your contact information.**

**You may leave this question blank if you prefer. However, you must provide us your email address if you would like an advance summary of the results of this survey. We will not use your email for any purpose other than follow-up to this survey, and we will remove your contact information from the database.**

Your name

Email address

**37. Check here if you would like to receive notification about the next edition of the NCEO's publication *Executive Compensation and ESOP Companies* or about custom analysis of the ESOP executive compensation data.**

- Notify me when *Executive Compensation in ESOP Companies* is published.
- Notify me when customized reports on executive compensation are available.

**38. Any comments?**

**The NCEO's goal is to make this survey as useful for ESOP companies as possible without asking a burdensome number of questions. Help us improve this survey by telling us which questions were most and least useful or by making suggestions for future surveys. We welcome your comments here and you can contact Camille Kerr at any time ([ckerr@nceo.org](mailto:ckerr@nceo.org); 510-208-1310).**