

IMPORTANT HAAPC AWARDS PROGRAM INFORMATION!

This mailing contains the HAAPC Awards Criteria and Nomination Ballots. This is the ONLY COPY your firm will receive. You are the person listed as the main contact for your firm. Your firm must be a member in good standing as of December 31, 2012 to participate. Please be sure to read this information and submit your nominations before the nomination deadline date: Friday, February 15, 2013.

The Awards Program offers you and your staff an opportunity to receive recognition for outstanding performance and enjoy a special celebration moment.

INTENT

It is the primary intent of the Houston Area Association of Personnel Consultants, through our annual awards program, to recognize outstanding performance in the area of placement production. It is an optional for all members, affiliate members and their guest to attend the awards programs.

REQUIREMENT FOR NOMINATION

The nominating period is January 1, 2012 through December 31, 2012 except for Rookie of the Year (please refer to Rookie of the Year criteria).

To be eligible to participate in the awards program, a firm must join HAAPC no later than December 31, 2012. All dues must be received in full on or before December 31, 2012. All nominees must be employed by member firms who are in good standing with HAAPC as of December 31, 2012.

If a nominee was previously employed by another member or non-member firm and was employed prior to December 31, 2012 by the nominating firm, his/her total net cash-in qualifying figures from both agencies are acceptable if:

1. The non-nominating firm provides a written statement of "cash-in" during the period the consultant was employed and clearly states their permission to use such figures.
2. It is decided by the two firms on an individual basis whether both firm names will be mentioned in the awards written materials and at the awards presentation. If both firm names are to be used, this must be clearly stated on the nomination ballot.
3. If a protest is lodged by either firm, cash-in figures from that firm will not be accepted and the individual may be disqualified.

INSTRUCTIONS AND CRITERIA

NET CASH-IN

Criteria for nomination will be based on "net cash-in" for each nominee. "Net cash-in" as defined herein shall mean all permanent placement fees collected during 2011, including fees billed prior to January 1, 2011 but actually collected in 2011. In addition, split fees may be included and calculated as defined under "SPLIT-FEE CRITERIA". Net cash-in must exclude fall-offs where monies were returned, contract or temporary fees, finders fees for salary surveys, resume' typing services, expenses reimbursed by client, management consulting fees, etc., or any fees not directly generated as a result of placing a person for permanent employment, except for non-refundable retained search fees actually collected in a permanent placement process.

Production of individuals who leave a firm during the course of the year may not be considered the manager's production or be credited to any other consultant who did not actually receive credit originally for the placement.

Ultimately, all permanent placement fees counted must be a direct result of the efforts of the nominee which can be verified through audit.

SPLIT-FEE CRITERIA

To calculate “net cash-in” involving any splits between consultants, the total cash-in credited to a nominee (production credit) must reflect only the designated portion of the fee collected, ie “job order” portion or “applicant” portion, (to a maximum of 70%) with the total of all portions not to exceed 100% of the total fee.

Production credit is the amount of the fee that is credited to each consultant involved in a placement. The same percentage used to determine production credit by each individual firm’s policy shall be used for reporting production credit for the Awards Program. The nominating firm must make available upon request accounting statements to support percentage of production credited to any individual nominee per placement.

Two different acceptable possibilities of accounting for a \$4,000 split fee can be as follows:

“Job Order” Consultant Credited	50% = \$2,000
“Applicant” Consultant Credited	<u>50% = \$2,000</u>
TOTAL	100% = \$4,000
“Job Order” Consultant Credited	40% = \$1,640
“Applicant” Consultant Credited	<u>60% = \$2,400</u>
TOTAL	100% = \$4,000

If a firm determines cash-in split fees on any other basis, in order to participate in the awards program, the nominees’ cash-in totals must be figured on a maximum 70%, either “job order” or “applicant” portion.

If a firm determines cash-in split fees which totals \$4,000 is as follows:

“Job Order” Consultant Credited	100% = \$4,000
“Applicant” Consultant Credited	<u>100% = \$4,000</u>
TOTAL FEE BECOMES	200% = \$8,000

ASSISTANTS

If an assistant(s), employed or contracted, regardless of title, is used for business development, recruiting of candidates, sourcing of candidates, or participates in the placement process of any degree, a maximum of 75% of that placement fee is to be counted towards the nominee’s cash-in figures.

PERMANENT PLACEMENT THROUGH TEMP TO PERM ARRANGEMENTS

Any fee that is collected as a result of temp to perm arrangement can be counted as a permanent fee as long as the fee reported is only the “Gross Profit Margin”. This means the exact amount of profit left after the employee’s salary and any costs and payroll burden or any other reimbursements billed to the client are deducted from the account received from the client. Those fees cannot be counted in both the permanent and contract/temporary services awards program. The nominating firm must decide whether the fee is in fact a temporary fee or a placement fee and then report it in the appropriate awards program.

CATEGORIES

ADMINISTRATIVE SUPPORT (Office Services): This category requires the qualifications that 80% of the total net cash-in production credit be within the administrative support area. A minimum of \$75,000 net cash-in is required for nomination. Billings for Light Industrial placements do not apply.

TECHNICAL/PROFESSIONAL: This category requires that 80% of the total net cash-in production credit be within the technical/professional area. A minimum of \$100,000 net cash-in is required for nomination.

ROOKIE OF THE YEAR: To qualify for Rookie of the Year nomination, an individual must have no less than eight months or more than one year experience in the permanent placement industry. The Rookie start date is the actual date of employment, regardless of when the Rookie started “working a desk” or producing billings. Probationary periods are included. If a Rookie is sent out to a third party for training, even the training period is considered to be part of the first year. All current and prior experience in the staffing industry must be included, regardless of whether it was in contract/temporary, direct hire (permanent placement) or blended services. An individual can be nominated for Rookie of the Year only once. NO MINIMUM NET CASH-IN IS REQUIRED FOR ROOKIE PARTICIPATION.

All net cash-in and split-fee criteria rules apply. The month in which the Rookie starts will be counted as a full month for the purpose of the annualized cash-in figures regardless of whether it is the first or last day of the month. The cash-in figures will be tabulated on a prorated basis according to the following formula:

$$\begin{aligned} \text{Total net cash-in} / \text{Months in Business} &= \text{Average monthly cash-in} \\ \times 12 \text{ months} &= \text{Annualized cash-in figure} \end{aligned}$$

Example 2011 Nominees:

Nominee begins employment on or before May 1, 2011. Reporting period is from the start date of employment to first year anniversary date, if the anniversary date is no later than December 31, 2011. These qualify for nomination now (2011).

$$\begin{aligned} \text{May 1, 2011 – December 31, 2011 reporting period} &= \text{2011 nominee} \\ \text{(Example) } \$80,000 / 8 &= \$10,000 \times 12 = \$120,000 \end{aligned}$$

Or

$$\begin{aligned} \text{September 21, 2010 – August 31, 2011 reporting period} &= \text{2010 nominee} \\ \text{(Example) } \$120,000 / 12 &= \$10,000 \times 12 = \$120,000 \end{aligned}$$

The production figures will be tabulated on a prorated basis.

The Rookie Award will be presented to one consultant in the Technical/Professional category and to one consultant in the Administrative Support category.

Consultants who qualify for the Rookie of the Year award can also be nominated for a regular award if they qualify. NO Rookie candidate will be automatically nominated for a regular award. If nominations are to be made in both the Rookie and regular categories, nomination fees must be paid for both entries, the nominee’s name must be submitted for both categories, and calculations must be made according to each category’s rules.