

## DEFINITION OF TERMS

<b>COMMISSION EXPENSE</b>	Commissions or overrides paid to producers not employed by the agency.	<b>OUTSIDE SERVICES</b>	Includes contract labor, motor vehicle reports, inspections
<b>COSTS OF EMPLOYMENT</b>	Included in this category are those items normally considered benefits (group programs). Also included in this category are payroll taxes and contributions to pension plans. (Note: education expenses, previously included in this category have now been assigned a separate line in operating expenses).	<b>EDUCATION</b>	Includes training and seminars
		<b># EMPLOYEES</b>	Use average number of employees per year
		<b>REVENUE PER EMPLOYEE</b>	Divide total revenue by average # of employees
		<b>COMPENSATION PER EMPLOYEE</b>	Divide total compensation by average number of employees
<b>OCCUPANCY</b>	Rent and utilities and any other cost associated with the occupancy of the agency	<b>SPREAD</b>	The difference between revenue per employee and compensation per employee
<b>PROFESSIONAL FEES</b>	Legal, accounting, consulting		