

GENERAL EMPLOYMENT ENTERPRISES INC
Form DEF 14A
January 15, 2009

SCHEDULE 14A INFORMATION

Proxy Statement Pursuant to Section 14(a) of the Securities Exchange Act of 1934

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

- Preliminary Proxy Statement
- Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))
- Definitive Proxy Statement
- Definitive Additional Materials
- Soliciting Material under Rule 14a-12

GENERAL EMPLOYMENT ENTERPRISES, INC.

(Name of Registrant as Specified in its Charter)

Payment of Filing Fee (Check the appropriate box):

- No fee required.
- Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.
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 - (4) Proposed maximum aggregate value of transaction: _____
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- Fee paid previously with preliminary materials.

 - Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.
 - (1) Amount Previously Paid: _____
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 - (3) Filing Party: _____
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GENERAL EMPLOYMENT ENTERPRISES, INC.

NOTICE OF ANNUAL MEETING OF SHAREHOLDERS

To be held Monday, February 23, 2009

To the Shareholders:

You are cordially invited to attend the Annual Meeting of Shareholders of General Employment Enterprises, Inc. which will be held in the Conference Center of the Oakbrook Terrace Tower, First Floor, One Tower Lane, in Oakbrook Terrace, Illinois 60181, on Monday, February 23, 2009, at 9:00 a.m., local time. Directions to the meeting can be obtained by contacting the Company's Investor Relations Department at One Tower Lane, Suite 2200, Oakbrook Terrace, Illinois 60181, or by calling (630) 954-0495.

The purpose of the meeting is:

1. To elect six directors of the Company; and
2. To act upon such other matters as may properly be brought before the meeting.

Shareholders of record at the close of business on December 30, 2008 will be entitled to vote at the meeting. Whether or not you are able to attend the meeting in person, please vote as soon as possible. You may vote by signing the enclosed proxy card and mailing it in the envelope provided.

For more information about the matters being considered at this meeting, we ask that you read the Proxy Statement on the following pages. The Company's 2008 Annual Report to Shareholders is enclosed with the Proxy Statement.

By Order of the Board of Directors

Nancy C. Frohmaier
Secretary

Oakbrook Terrace, Illinois

January 16, 2009

Important Notice Regarding the Availability of Proxy Materials for the Shareholder Meeting to be Held on February 23, 2009. The Proxy Statement and the 2008 Annual Report to Shareholders are available at www.genp.com/ir.htm.

YOUR VOTE IS IMPORTANT

Even if you plan to attend the Annual Meeting, you are urged to sign, date and promptly return your proxy in the enclosed postage paid envelope so that your shares can be voted in accordance with your wishes. If you attend the meeting, you may vote your shares in person, even though you have previously signed and returned your proxy. If your shares are held in the name of a bank or brokerage firm, you should check the voting instructions of that firm.

GENERAL EMPLOYMENT ENTERPRISES, INC.

Oakbrook Terrace Tower

One Tower Lane, Suite 2200

Oakbrook Terrace, Illinois 60181

PROXY STATEMENT

FOR THE 2009 ANNUAL MEETING OF SHAREHOLDERS

This statement and the accompanying proxy card, which are first being sent to shareholders on approximately January 16, 2009, are being furnished in connection with a solicitation of proxies by the Board of Directors of General Employment Enterprises, Inc. (the "Company"), an Illinois corporation, to be voted at the Annual Meeting of Shareholders to be held on Monday, February 23, 2009, at 9:00 a.m., local time, in the Conference Center of the Oakbrook Terrace Tower, First Floor, One Tower Lane, Oakbrook Terrace, Illinois 60181.

VOTING RIGHTS AND SOLICITATION

The voting securities of the Company entitled to be voted at the Annual Meeting are the shares of Common Stock, of which there were 5,165,265 outstanding on December 30, 2008, the record date for the Annual Meeting. Shareholders are entitled to one vote for each share held except that, in elections for directors, each shareholder has cumulative voting rights. When voting cumulatively, each shareholder has the number of votes equal to the number of directors to be elected (six) multiplied by the number of his or her shares. Such number of votes may be divided equally among all nominees, may be cumulated for one nominee, or may be distributed on any basis among as many nominees as is desired.

Each proxy that is properly signed and received before the Annual Meeting will, unless such proxy has been revoked, be voted in accordance with the instructions on such proxy. **If no instruction is indicated on the proxy card, the shares will be voted for election of the six nominees for director listed in this proxy statement.** The persons authorized to vote shares represented by executed proxies in the enclosed form (if authority to vote for the election of directors is not withheld) will have full discretion and authority to vote cumulatively and to allocate votes among any or all of the listed nominees for director as they may determine or, if authority to vote for a specified candidate or candidates has been withheld, among those nominees for whom authority to vote has not been withheld. In any case, and notwithstanding the foregoing, the proxies may be voted for less than the entire number of nominees if any situation arises which, in the opinion of the proxy holders, makes such action necessary or desirable.

Quorum and Vote Required

A quorum of shareholders is necessary to take action at the Annual Meeting. A majority of the total outstanding shares of Common Stock of the Company, represented in person or by proxy, will constitute a quorum for purposes of the meeting. Abstentions or broker non-votes will be treated as shares of Common Stock that are present for purposes of determining the presence of a quorum. "Broker non-votes" refers to a broker or other nominee not voting on a proposal because the broker or other nominee does not have discretionary voting power regarding that item and has not received instructions from the beneficial owner.

Directors are elected by the affirmative vote of a majority of the shares represented at the meeting, in person or by proxy, and entitled to vote. Withheld votes will have the effect of votes against the directors. Broker non-votes will not affect the outcome of the vote.

Voting Procedure, Revoking Proxies

Shareholders whose shares are registered in their own names may vote by mailing a completed proxy card as an alternative to voting in person at the Annual Meeting. To vote by mailing a proxy card, shareholders should sign and return the enclosed proxy card in the enclosed prepaid and addressed envelope.

If shares are registered in the name of a bank or brokerage firm (record holder), shareholders will receive instructions from their record holder that must be followed in order for the record holder to vote the shares in accordance with the shareholder's instructions. If shares are held through a bank or brokerage firm and the shareholder wishes to be able to vote in person at the Annual Meeting, the shareholder must obtain a legal proxy from the brokerage firm, bank or other holder of record and present it to the inspector of election with the shareholder's ballot.

Registered shareholders may revoke or change a previously delivered proxy at any time before the Annual Meeting by delivering another proxy with a later date or by delivering written notice of revocation of their proxy to the Secretary of the Company at its principal executive offices before the beginning of the Annual Meeting. Shareholders may also revoke their proxy by attending the Annual Meeting and voting in person, although attendance at the Annual Meeting will not, in and of itself, revoke a valid proxy that was previously delivered. If shares are held through a bank or brokerage firm, shareholders must contact that bank or brokerage firm to revoke any prior voting instructions. Shareholders may also vote in person at the Annual Meeting if a legal proxy is obtained, as described in the preceding paragraph.

Manner and Costs of Solicitation

The cost of preparing, assembling and mailing the proxy materials and of reimbursing brokers, nominees and fiduciaries for the out-of-pocket expenses of transmitting copies of the proxy materials to the beneficial owners of shares held of record by such persons will be borne by the Company. The Company intends to solicit proxies by the use of mail, but certain officers and regular employees of the Company or its subsidiary, without additional compensation, may use their personal efforts by telephone or otherwise, to obtain proxies. The Company also reserves the right to retain and compensate a professional solicitor to assist in the solicitation of proxies.

ELECTION OF DIRECTORS

Six directors are to be elected at the Annual Meeting, to serve until the 2010 Annual Meeting of Shareholders, or until their successors are elected and qualified. Proxies will be voted, unless otherwise indicated, for the election of the nominees named below. The persons authorized to vote shares represented by executed proxies in the enclosed form (if authority to vote for the election of directors is not withheld) will have full discretion and authority to vote cumulatively and to allocate votes among any or all of the listed nominees for director as they may determine or, if authority to vote for a specified candidate or candidates has been withheld, among those nominees for whom authority to vote has not been withheld. In any case, and notwithstanding the foregoing, the proxies may be voted for less than the entire number of nominees if any situation arises which, in the opinion of the proxy holders, makes such action necessary or desirable.

Director Nominees

The following information is furnished with respect to each nominee for election as a director. Each nominee has agreed to serve, if elected.

DENNIS W. BAKER, age 62 – Director of the Company since 2000. Formerly with CF Industries Holdings, Inc., Long Grove, Illinois, where he had been employed for more than 30 years in various financial capacities, and was Treasurer when he retired in April of 2007.

SHELDON BROTTMAN, age 74 – Director of the Company since 1991; is an attorney, and for more than ten years, has operated a real estate management and development business.

EDWARD O. HUNTER, age 61 – Attorney and corporate governance specialist, Robinson & Robinson, LLP since 2002; and has been an international business lawyer for more than 30 years. Mr. Hunter is also a director of En Pointe Technologies, Inc. and International Stem Cell Corporation.

HERBERT F. IMHOFF, JR., age 59 – Director of the Company since 1986; named Chairman of the Board and Chief Executive Officer in 2001; has been President since 1997 and had previously been Executive Vice President since 1986; has served as the Company's General Counsel since 1982.

THOMAS G. KOSNIK, age 48 – President of VISUS, Inc., a management consulting firm, since 1999; is a business consultant specializing in organizational development, improving company profits and work culture transformation; has worked extensively with companies in the staffing industry.

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KENT M. YAUCH, age 62 – Director of the Company since 2001; was named Vice President in 2001 and has served as Chief Financial Officer and Treasurer of the Company since 1996; had previously been Treasurer and Controller since 1991.

**THE BOARD OF DIRECTORS RECOMMENDS A VOTE FOR THE ELECTION
OF EACH OF THE INDIVIDUALS NOMINATED FOR ELECTION AS A DIRECTOR.**

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DIRECTORS AND EXECUTIVE OFFICERS

The following information is furnished with respect to current directors who will not stand for re-election at the Annual Meeting:

ANDREW DAILEY, age 39 – Director of the Company since 2007. Managing Director of Headlands Advisors, a strategic advisory and consulting firm since 2004; has been a partner of Stenmark Capital, an investment management firm, since 2007; was a partner at Jetstream Group, a technology management consulting firm from 2002 to 2004, and from 2001 to 2002, was head of U.S. research for Hagstromer & Qviberg, a Scandinavian investment bank.

DELAIN G. DANEHEY, age 74 – Director of the Company since 1995; formerly with the auditing firm of Ernst & Young LLP for 31 years, and was a partner when he retired from the firm in 1991.

Executive Officers

The executive officers of the Company are as follows:

<u>Name</u>	<u>Age</u>	<u>Position</u>
Herbert F. Imhoff, Jr.	59	Chairman of the Board, Chief Executive Officer and President
Marilyn L. White	58	Vice President
Kent M. Yauch	62	Vice President, Chief Financial Officer and Treasurer

Ms. White was elected Vice President in 1996, and is responsible for the Company's branch operations.

All executive officers are elected annually by the Board of Directors at the first meeting of the board held following each Annual Meeting of Shareholders, and they hold office until their successors are elected and qualified.

Compliance with Section 16(a) of the Exchange Act

Directors and officers of the Company are required to report to the Securities and Exchange Commission, by a specified date, their transactions related to General Employment Enterprises, Inc. Common Stock. Based solely on a review of the copies of these reports furnished to the Company and written representation that no other reports were required, the Company believes that during the 2008 fiscal year, all filing requirements applicable to its officers, directors and greater than ten percent beneficial owners were complied with.

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CORPORATE GOVERNANCE

Director Independence

The Board of Directors has determined that each director and each nominee for director, other than Mr. Imhoff, Jr. and Mr. Yauch, is an independent director under the listing standards of the NYSE Alternext US stock exchange. In addition, the Board of Directors has determined that each current member of the Audit Committee meets the additional independence criteria required for audit committee membership under the listing standards of the NYSE Alternext US stock exchange and Rule 10A-3 of the Securities Exchange Act of 1934.

Mr. Kosnik is the President of VISUS, Inc. The Company entered into an agreement in December 2008, whereby VISUS, Inc. will provide advisory services to the Company on a month-to-month basis at the rate of \$8,000 per month. The agreement was approved in advance by the Company's Board of Directors.

Board and Committee Meetings

The Board of Directors meets on a regularly scheduled basis to review significant developments affecting the Company and to act on matters requiring Board approval. It also holds special meetings when an important matter requires Board action between scheduled meetings. The Board held seven meetings during the last fiscal year. No director of the Company attended fewer than 75% of the total meetings of the Board and Committee meetings on which such Board members served during this period.

The members of the Board of Directors are expected to attend the Company's Annual Meeting of Shareholders. All of the current directors were present at the prior year's Annual Meeting, which was held on February 25, 2008.

There are three standing committees of the Board of Directors, which are the Nominating Committee, the Audit Committee and the Compensation Committee.

Nominating Committee

The Nominating Committee is presently composed of four non-employee directors: Andrew Dailey (Chairman), Dennis W. Baker, Sheldon Brottman, and Delain G. Danehey. The Board of Directors has adopted a written charter for the Nominating Committee, a copy of which was attached as an appendix to the proxy statement prepared in connection with the February 25, 2008 Annual Meeting of Shareholders.

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The functions of the Nominating Committee are to assist the Board of Directors in identifying, interviewing and recommending to the Board of Directors qualified candidates to fill positions on the board. The Nominating Committee met once during fiscal 2008.

In evaluating candidates to serve on the Company's Board of Directors, consideration is given to the level of experience, financial literacy and business acumen of the candidate. In addition, qualified candidates for director are those who, in the judgment of the committee, have significant decision-making responsibility, with business, legal or academic experience. The Nominating Committee will consider recommendations for board candidates that are received from various sources, including directors and officers of the Company, other business associates and shareholders, and all candidates will be considered on an equal basis, regardless of source.

Shareholders may contact the Nominating Committee to make such recommendations by writing in care of the Secretary of the Company, at One Tower Lane, Suite 2200, Oakbrook Terrace, Illinois 60181. Submissions must include: (a) a statement that the writer is a shareholder and is proposing a candidate for consideration by the Nominating Committee; (b) the name, address and number of shares beneficially owned by the shareholder; (c) the name, address and contact information of the candidate being recommended; (d) a description of the qualifications and business experience of the candidate; (e) a statement detailing any relationships between the candidate and the Company and any relationships or understandings between the candidate and the proposing shareholder; and (f) the written consent of the candidate that the candidate is willing to serve as a director if nominated and elected.

In connection with director nominees for the 2009 Annual Meeting, Mr. Hunter was recommended to the Nominating Committee by a shareholder, and Mr. Kosnik was recommended to the Nominating Committee by a non-management director.

Audit Committee

The Audit Committee is presently composed of four non-employee directors: Dennis W. Baker (Chairman), Sheldon Brottman, Andrew Dailey and Delain G. Danehey. The Board of Directors has determined that Messrs. Dailey, Danehey and Baker are each an "audit committee financial expert" as defined by rules of the Securities and Exchange Commission. The Board of Directors has adopted a written charter for the Audit Committee, a copy of which is attached as an appendix to this proxy statement.

The Audit Committee is primarily concerned with the effectiveness of the Company's accounting policies and practices, its financial reporting and its internal accounting controls. In addition, the Audit Committee reviews and approves the scope of the annual audit of the Company's books, reviews the findings and recommendations of the independent registered public accounting firm at the completion of their audit, and approves annual audit fees and the selection of an auditing firm. The Audit Committee met four times during fiscal 2008. In addition, the Chairman of the Audit Committee participated in three quarterly meetings in fiscal 2008, to review earnings press releases and the Company's filings on Form 10-QSB with members of management and the Company's independent registered public accounting firm.

Compensation Committee

The Compensation Committee is presently composed of four non-employee directors: Sheldon Brottman (Chairman), Dennis W. Baker, Andrew Dailey, and Delain G. Danehey. The Board of Directors has adopted a written charter for the Compensation Committee, a copy of which was attached as an appendix to the proxy statement prepared in connection with the February 25, 2008 Annual Meeting of Shareholders. The Compensation Committee has the sole responsibility for approving and evaluating the officer compensation plans, policies and programs. It may not delegate this authority. It meets as often as necessary to carry out its responsibilities. The committee has the authority to retain compensation consultants, but has not done so. The Compensation Committee met two times during fiscal 2008.

In the past, the committee has met each September to consider the compensation of the Company's executive officers, including the establishment of base salaries and performance targets for the succeeding year, and the consideration of stock option awards. Management provides the committee with such information as may be requested by the committee, which in the past has included historical compensation information of the executive officers, tally sheets, internal pay equity statistics, and market survey data. Under the guidelines of the NYSE Alternext US stock exchange, the chief executive officer may not be present during the committee's deliberations regarding his compensation. If requested by the committee, the chief executive officer may provide recommendations regarding the compensation of the other officers.

The Compensation Committee also has the responsibility to make recommendations to the Board of Directors regarding the compensation of directors.

Shareholder Communications

The Board of Directors has established a procedure by which shareholders of the Company can communicate with the Board of Directors. Shareholders interested in communicating with the Board as a group or with individual directors may do so, in writing. Correspondence to the directors should be sent by regular mail c/o the Secretary, General Employment Enterprises, Inc., One Tower Lane, Suite 2200, Oakbrook Terrace, Illinois 60181. Any such correspondence will be reviewed by the Secretary, who will then forward it to the appropriate parties. Communications that are solicitations or deemed to be irrelevant to the Board's responsibilities may be discarded, at the discretion of the Secretary.

Nominations for Directors

The By-Laws of the Company establish procedures for the nomination of candidates for election to the Board of Directors. The By-Laws provide that the nominations may be made by the Board of Directors or by a committee appointed by the Board of Directors. Any shareholder entitled to vote in the election of directors generally may make nominations for the election of directors to be held at an Annual Meeting of Shareholders, provided that such shareholder has given actual written notice of his intent to make such nomination or nominations to the Secretary of the Company not less than ninety days nor more than one hundred twenty days prior to the anniversary date of the immediately preceding Annual Meeting of Shareholders. Each such notice must set forth (a) the name and address of the shareholder who intends to make the nomination and of the person or persons to be nominated; (b) a representation that the shareholder is a holder of record of stock of the Company entitled to vote at such meeting and intends to appear in person or by proxy at the meeting to nominate the person or persons specified in the notice; (c) a description of all arrangements or understandings involving any two or more of the shareholders, each such nominee and any other person or persons (naming such person or persons) pursuant to which the nomination or nominations are to be made by the shareholder or relating to the Company or its securities or to such nominee's service as a director if elected; (d) such other information regarding such nominee proposed by such shareholder as would be required to be included in a proxy statement filed pursuant to the proxy rules of the Securities and Exchange Commission had the nominee been nominated, or intended to be nominated, by the Board of Directors; and (e) the consent of each nominee to serve as a director of the Company, if so elected.

SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

Listed in the following table is information concerning persons known to the Company to be beneficial owners of more than five percent of the Company's outstanding Common Stock. Unless noted otherwise, the named persons have sole voting and dispositive power over the shares listed. Except as noted otherwise, the information is as of December 30, 2008.

<u>Name and Address of Beneficial Owner</u>	<u>Amount and Nature of Beneficial Ownership</u>	<u>Percent of Class</u>
Herbert F. Imhoff, Jr. One Tower Lane, Suite 2200 Oakbrook Terrace, IL 60181	641,678 (1)	11.98%
Daniel Zeff 50 California Street, Suite 1500 San Francisco, CA 94111	513,580 (2)	9.94

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Spectrum Galaxy Fund Ltd.	288,731 (3)	5.59
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50 California Street, Suite 1500

San Francisco, CA 94111

Timothy John Staboz	276,831 (4)	5.36
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1307 Monroe Street

LaPorte, IN 46350

- (1) Includes 10,161 shares held by Mr. Imhoff, Jr.'s son and 192,193 option shares exercisable by Mr. Imhoff, Jr. within 60 days of record date.
- (2) Based on Schedule 13D/A dated May 22, 2008 filed with the Securities and Exchange Commission. According to the Schedule 13D/A, Mr. Zeff beneficially owns 513,580 shares, which includes 288,731 shares held by Spectrum Galaxy Fund Ltd.
- (3) Based on Schedule 13D/A dated May 22, 2008 filed with the Securities and Exchange Commission.
- (4) Based on Schedule 13D dated June 6, 2008 filed with the Securities and Exchange Commission.

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The following information is furnished as of December 30, 2008, to indicate the beneficial ownership of the Company's outstanding Common Stock by each director and named executive officer, as defined below, individually, and all directors and executive officers as a group. Unless noted otherwise, the named individuals have sole voting and dispositive power over the shares listed.

<u>Name of Beneficial Owner</u>	<u>Amount and Nature of Beneficial Ownership</u>	<u>Percent of Class</u>
Dennis W. Baker	26,000(1)	*%
Sheldon Brotzman	76,851(2)	1.48
Andrew Dailey	15,000(1)	*
Delain G. Danehey	43,456(3)	*
Herbert F. Imhoff, Jr.	641,678(4)	11.98
Marilyn L. White	81,098(5)	1.55
Kent M. Yauch	76,005(6)	1.45
All directors and executive officers as a group (seven persons)	960,088(7)	18.08

*Represents less than 1%.

- (1) Includes 15,000 option shares exercisable within 60 days of record date.
- (2) Includes 40,731 option shares exercisable within 60 days of record date.
- (3) Includes 28,731 option shares exercisable within 60 days of record date.
- (4) Includes 10,161 shares held by Mr. Imhoff, Jr.'s son and 192,193 option shares exercisable by Mr. Imhoff, Jr. within 60 days of record date.
- (5) Represents option shares exercisable within 60 days of record date.
- (6) Includes 72,005 option shares exercisable within 60 days of record date.
- (7) Includes 10,161 shares held by Mr. Imhoff, Jr.'s son, and 444,758 option shares exercisable by members of the group within 60 days of record date.

EXECUTIVE COMPENSATION**Summary Compensation Table**

The following table summarizes all compensation awarded to, earned by or paid to the Company's principal executive officer and the next two most highly compensated executive officers, for all services rendered to the Company during the 2008 and 2007 fiscal years. These individuals are referred to throughout this proxy statement as the "named executive officers."

Summary Compensation Table

Name and Principal Position	Year	Salary (\$)	Bonus (\$)	Option Awards (\$)	Non-Equity Incentive Plan Compensation (\$)	All Other Compensation (\$)	Total (\$)
Herbert F. Imhoff, Jr. Chairman of the Board, Chief Executive Officer and President	2008	450,000	—	7,500	—	67,239	524,739
	2007	450,000	—	22,500	6,103	64,438	543,041
Marilyn L. White Vice President	2008	200,000	—	8,700	—	23,957	232,657
	2007	190,000	—	11,250	12,180	22,624	236,054
Kent M. Yauch Vice President, Chief Financial Officer and Treasurer	2008	190,000	—	8,700	—	23,188	221,888
	2007	180,000	10,000	11,250	—	21,888	223,138

Employment Agreement

The Company has an employment agreement with Mr. Imhoff, Jr. to serve as Chairman of the Board, Chief Executive Officer and President. It provides for a continuous three-year term of employment, at a minimum annual base salary of \$450,000. Under the terms of the agreement, Mr. Imhoff, Jr. is also eligible to earn an annual performance bonus and is entitled to receive certain perquisites and benefits.

Option Awards

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The option awards column represents the amount of compensation expense recognized during the fiscal year under FASB Statement of Financial Accounting Standards No. 123 (revised 2004), "Share-Based Payment," with respect to options granted in fiscal 2007 and prior years (none granted in 2008). Compensation expense is measured as the fair value of the stock options on the date of grant and is amortized over the vesting periods. The methods and assumptions used to determine the fair value of stock options granted are disclosed in "Stock Option Plans" in the notes to consolidated financial statements in the Company's Annual Report for fiscal 2008 accompanying this proxy statement.

All stock options awarded to the named executive officers during fiscal 2007 were at option prices that were equal to the market price on the date of grant, had vesting dates two years after the date of grant, and had expiration dates ten years after the date of grant.

Non-Equity Incentive Plan Compensation

The Company has two incentive compensation plans designed to provide annual performance-based incentives to certain named executive officers. The non-equity incentive plan compensation column represents cash awards earned by the named executive officers for performance during the fiscal year under the Chief Executive Officer Bonus Plan and the Operational Vice President Bonus Plan.

During fiscal 2008 and 2007, Mr. Imhoff, Jr. participated in the Company's Chief Executive Officer Bonus Plan. Under the plan, the executive is eligible to receive an annual cash bonus equal to a percentage of his base salary in effect during the year. The percentage is determined by reference to a combination of two factors: (1) the Company's consolidated income before income taxes for the fiscal year, to the extent that it exceeds an annual threshold amount, and (2) the amount of improvement in such income compared with the preceding fiscal year. The annual threshold amount is determined by the Compensation Committee prior to the beginning of each fiscal year. The cash bonus is required to be paid to the executive within 2.5 months of the close of the Company's fiscal year.

During fiscal 2008 and 2007, Ms. White participated in the Company's Operational Vice President Bonus Plan. Under the plan, the executive is eligible to receive an annual cash bonus equal to a percentage of her base salary in effect during the year. The percentage is determined by reference to a combination of two factors: (1) the income before income taxes of the operating divisions supervised by the executive for the fiscal year, to the extent that it exceeds an annual threshold amo