ERI’s Platform Library

The latest release of ERI’s Platform Library (CD) is scheduled for April 1999 release and will be shipped to all Assessor Series subscribers. New to this Spring edition are:

- Executive compensation data through 03/1999, derived from ~10,000 proxies.
- BLS NCS data through 04/01/1999 and BLS OES survey data released for 1999 use (1998 data is no longer accepted).
- International Tax Codes/Laws related to compensation and benefits for 230 countries complementing the Library’s 73 U.S. and Canadian state, province, and territory Codes/Laws datasets.
- Maps for all locations, now totalling 7,200 city/areas.
- Results from ERI’s new, on-line Internet salary, COL, and benefit surveys (domestic & international).
- Browser connections to ERI’s website and on-line access to ERI databases (for further examination of geographic, relocation or salary issues/questions).
- Relocation Assessor incorporation of the Euro, the IRS’S 1999 $.31/mile allowance, state/province tax rate changes, and cost-of-living data for ~300 new locations.
- Sample tables from ERI’s new Executive Compensation Assessor, including incentive pay and direct comparisons to proxy source data.
- ERI’s new Geographic Assessor for Windows edition, including an Immigration Analysis Table (formerly the Salary Assessor’s Prevailing Wage Table), allowing a search of surveys by job title and viewing of regression lines and analyses compared to actual survey data plots.

April 1999 Dataset Updates

April 1999 datasets will be accessible via the 04/1999 release of ERI’s Platform Library (CD). ERIPL will search your hard drive for the previous quarter’s datasets and ask if you wish to update. Assessor Series subscribers may also download self-extracting Assessor quarterly update datasets via the Internet (as a substitute for diskette installation) or request quarterly update diskettes. Please note that several Assessor Tables require access to the large ERIPL databases (the CD must be in the drive for access).

Research Activities

Each year, ERI develops new and useful research products based upon subscriber requests and suggestions. 1999 is our most ambitious year with the introduction of:

- Executive Compensation Analyses directly tied to SEC Edgar proxy compilations and Compensation Tables.
- ERI’s new Geographic Assessor for Windows95/98 edition with a new “by position” search capability (e.g., “What surveys publish data for position title X?”).
- International and domestic on-line salary surveys and Internet retrieval access with an ultimate goal of retrieving “raw data” for illustration purposes with any Assessor analysis and application.
- International and domestic Internet COL surveys and Internet retrieval access (when raw data is required).
- U.S./Canadian Employee Benefit survey with Internet retrieval access option.
- International Reference Report (hardcopy summary) derived from ERI Internet surveys, ERIRA data, and ERI research focused on “information needed to open a branch office and/or sell products within any of 232 countries”.
- Subscriber Administrative Intranet sites providing access to specific Assessor updates and Internet surveys datasets.

All of this is offered in addition to our daily/regular schedule of:

- Collecting and analyzing all available salary surveys.
- Collecting and analyzing cost-of-living data for 5,800 U.S./Canada and 1,400 international locations.
- Programming, database management, new product design and testing, and collection of H.R., demographic, and benefit cost data useful to pay practice decision makers.

We recognize that none of the above would ever be possible without our subscribers’ comments, critiques, and continued subscription support. Thank you to all of our subscribers!
Basic Application
Subscribers use the Salary Assessor (ERISA) to assess the competitive rate for a position in today’s $s. ERISA is a “virtual, real-time” analysis as compared to a “historical report card” approach of traditional salary surveys.

Development - New Applications
During the past year, ERI has developed two new applications: Executive Compensation Analyses (for Board of Directors’ use and Tax Court purposes) and Immigration Analyses (for legal counsel and corporate application submission purposes). These new applications are included in the 1999 Salary Assessor subscription databases until year end so that as many subscribers as possible might test them and provide comments.

Immigration Analyses will be included with the 2000 Geographic Assessor for Windows. Immigration regulations do not allow use of size, industry, time, or other pay differentials, and confusion between ERISA calculated salaries versus data allowed by immigration regs will be avoided in future (1/1/2000) by moving the Immigration (previously “Prevailing Wage”) Table to ERIGA.

Likewise, Executive Compensation Analyses will be shifted to a new program in 2000 so that variable pay, long-term and short-term incentives, stock options, and other compensation data may be profiled, while ERISA will continue to provide base salary information only. (Note: this new Executive Compensation Assessor will display proxy data directly accessible from ERI’s Platform Library.)

Data Sources
Listings of available salary survey data sources (not all are utilized in Institute analyses) may be accessed via ERI’s website, ERPL or ERISA. *Participant-only survey data is not used in ERI Assessor analyses.

Executive Compensation
Note that in the 04/01/1999 release of the Salary Assessor, proxy data for 10,000 public corporations has been incorporated into Executive Compensation analyses. This unprecedented addition of compensation data to our analyses has resulted in industry regrouping that in some cases significantly impacts estimated pay for executive positions. Our ability to track executive compensation is greatly enhanced by the addition of this new data.

Historical Interpretations
Also note that comparisons of base pay data reported in this quarterly update of the Salary Assessor and previous versions will for the most part be inappropriate. Position descriptions and data collection have been extensively refined with each new quarterly update. With the addition of hundreds of new salary surveys each year, the data population also changes from release to release. It is recommended that you always utilize the most current quarterly update and trend salaries forward and backwards with the Salary Planning Date, rather than comparing analyses generated by different quarterly updates. If the Institute utilized the same survey population each quarter, then trending might be inferred, but the combined realities of population changes (with the addition of new survey data and dropping of old survey data on an ongoing basis) and methodology enhancements make quarter-to-quarter comparisons inadvisable.

New Positions
Based upon customer requests, the following new positions are included in the 4/1/1999 ERISA release: Wellness Manager, Call Center Representative I, Call Center Representative II, Call Center Representative III, Co-pilot Non Jet (all Pilot and Co-pilot descriptions now specify that the average flight time per year of experience is 900 hours which allows those who track pay by flight time to convert years of experience to flight time hours).

Search Surveys by Position Title
The “Search” button in the Survey Input tab of the Immigration Analysis (and for 1999 in the Salary Assessor for Win95/NT), provides a listing of surveys reporting any specified position.
Immigration Application Analyses

The 04/01/1999 releases of the Geographic Assessor, Salary Assessor, and ERI's Platform Library include a crosswalk function to the 1999 Occupational Employment Statistics ("OES") surveys. For immigration applications OES data may not always, however, be appropriate. GAL 2-98 and other Regulations state that a Service Contract Act ("SCA") employee (Level I employees, entry level, and/or not working independently) or Davis Bacon Act ("DBA") worker (labor contract) wage SHALL be used, if available. It does not matter if the SCA or DBA wage is higher or lower than an OES wage, it has priority. ERI staff understand the ranked acceptability for immigration submission to be:

1. SCA/DBA
2. Union agreements, if applicable
3. OES
4. Outside surveys, i.e. "employer-supplied"

A major difference between SCA and DBA concerns “maintenance” and “construction.” DBA covers new construction; SCA covers maintenance work. Carpet layers installing new carpet in a new facility are covered by DBA. If they are putting the same carpet in an existing building, they are covered by SCA. By some logic Computer Programmers, Operators, and Systems Analysts are covered by SCA. SCA uses a different coding than either DOT (Dictionary of Occupational Titles) or OES. For example, a Computer Programmer in the DOT is 030-167.014, the OES is 25105, and the SCA is 03101. Also, SCA has Computer Programmers I, II, III, IV, V. To further complicate matters, Davis Bacon Act wages have their own coding system and descriptions.

There is a commercially available U.S. “crosswalk” source for SCA and DOT cross referencing, but it contains an interesting idiosyncrasy. For any DOT code not easily matched, the assigned SCA code is consistently: “Boatswain Mate.” (There is a certain section of the below-decks Navy who firmly believe that Bosuns can do anything....) This source is not used by ERI, and the new Assessors crosswalk only ERI, DOT, NOC, and OES codes.

New!

“Search” Surveys by Position Title

During the first half of 1999, ERI researchers have been compiling lists of positions reported by the thousands of salary survey editions available to the public. Using the “Search” button in the Survey Input tab of the Prevailing Wage analysis (now found in the Geographic Assessor for Win95/NT and retained for 1999 in the Salary Assessor for Win95/NT), subscribers may review a listing of surveys that report data for any selected position. Since the use of this feature is for immigration application purposes, surveys shown will typically be those published in the last 24 months and with data no more than 48 months old.

Internet Search “Submit” Capability

Each Assessor (Salary, Relocation, and Geographic Windows versions) now includes a “Browse Internet Source” or “Submit” button that will allow access to survey databases maintained by ERI and/or third-party survey firms. H.R. Intranet Administrative sites are available as a service to ERI subscribers and provide access to these databases.

The “Submit” button on the Salary and Geographic Assessors and the "Browse Internet Source" button shown on the next page will not be interactive as of the release of this April ERI Update. They are shown for illustration purposes with the development goal of being "active" as of the AMA National Exposition (late April 1999 - Anaheim) or the ACA International Conference (early May 1999 - Boston).
RELOCATION ASSESSOR NOTES

Auto Allowances
In late December 1998, Rev. Proc. 98-63 was amended to provide for $.31/mile standard Business mileage rate (down from $.325 in 1998). As of 01/01/1999, this lower rate’s implementation was delayed until 04/01/1999. Consequently, ERIRA 01/01/1999 reflected the $.325/mile which has now dropped in ERIRA 04/01/1999 to $.31/mile). For some analyses, there is a significant impact to overall transportation allowances and costs.

Per Diems
For 04/01/1999, significant changes to U.S. Per Diem Rate sources have also been implemented, the overall result being a significant lowering of per diems in many areas. The GSA has separated rates between local and surrounding areas in major metropolitan areas for the first time, so that rates now differ within a county. For the past ten years, the Relocation Assessor has illustrated a “shortfall” in major cities and the GSA change now reflects actual costs more accurately; i.e., city center costs exceed costs in surrounding suburbs.

Basic Application
The Relocation Assessor (ERIRA) provides detailed two-city cost-of-living comparisons. Additional tables display graph comparisons, benchmark listing comparisons of summary cost-of-living differentials, and per diem rates in up to ninety-nine cities at a time as compared to one base area (e.g. headquarters) or National Average (U.S. or Canadian) for any of 7,200 cities.

Research Focus
Institute researchers save our customers time and expense by collecting and analyzing cost-of-living data. ERIRA saves time and effort by allowing modeling based upon spending, family size, tax, and home rent versus ownership patterns.

ERI’s Relocation Assessor software reports unlimited combinations of two-city relocation analyses using the most current research data available. Subscribers create relocation reports in-house, selecting from over 5,800 U.S. and Canadian cities and 1,400 international locations. Data is adjusted according to user specifications for earnings/spending level, home size, home ownership (U.S. and Canada only) or rental, family size, number of automobiles, miles driven, and automobile value.

ERIRA assists precise evaluations of area cost-of-living differentials and is the only source of its kind which reports data compiled from all available surveys and reports, as well as Internet based data collection. Cities may be compared individually, or grouped into user-defined averages. Relocation Assessor databases are updated daily, and software quarterly updates are released in January, April, July, and October of each calendar subscription year. Tables are displayed and printed according to user specifications, and may be ranked, sorted, saved, loaded, and written to printers or files.

International Internet COL Survey
Last February, ERI assisted in programming and implementing an Internet based cost-of-living survey, collecting data via subscribers and one time data inquirers. This survey collects the cost of: consumables, automobiles/travel, health care services, and housing.

While sales, property, and value added taxes are collected and factored in to ERIRA methodology, ERI assumes employee’s personal income taxes equalized to either U.S. or Canadian base city levels. That is, ERIRA calculates effective income tax differentials for U.S. and Canadian citizens only. ERIRA does not provide international hypo income taxes nor employee tax gross-ups.

Personalize Your Reports
All Assessors allow subscribers to input Firm’s name and address for inclusion on print reports. This is especially useful to consultants who are preparing Assessor reports for individual clients, who will call you directly with questions.
Focus

ERI’s International Reference Report assists organizations wishing to establish international branch offices or to create a market for their products or services in any one of 232 countries. It is a hardcopy composite summary of Assessor Series® databases and ERI Internet surveys. Data includes salaries for twenty-four Local National benchmark positions, sixteen U.S. Expatriate positions, cost-of-living, human resource practices, laws, and codes, city, and demographic data for over 100 countries. Most of this data is publicly available; Institute researchers save our customers time and expense by collecting and analyzing wage/salary and cost-of-living information and presenting collected data in a single compendium. The 1999 International Reference presents data for 351 international cities (up to three cities in each country) and reports cost-of-living differentials previously found only in the Relocation Assessor.

The International Reference presents a range of international compensation and benefit topics to save time and expense when making human resource decisions for both Local National and U.S. Expatriate employees. The initial draft is scheduled for release this Spring of 1999, with a completed edition later this year, coinciding with ERC’s International Relocation Convention (New Orleans).

Data Sources

ERI’s International Reference Report includes a collection of data gathered from both internal and external sources:

- **Private Sources.** Local salary and cost-of-living surveys, Association data, Chambers of Commerce, and various consulting firms and their regional and national surveys.
- **ERI Survey Information.** Information collected by our research staff’s visits, phone, and subscriber correspondence.
Executive Assessor Notes

Research Focus

ERI’s researchers compile the most recent proxy filings and present summary findings on a quarterly basis. These prose files are used for two purposes:

1) **ERI’s Platform Library** lists this data more quickly and easily for subscribers than the SEC Edgar Internet site now allows and

2) Compiled proxy data are used in ERI multiple linear regression analyses with consensus results reported by the **Direct Compensation Table**.

For those of our subscribers who have performed these kinds of analyses, we note that 10-K and other additional sources are cross-referenced to extract “size” dimensions (usually revenue), industry codes, addresses, and other predictive variables.

Top management competitive annual base salaries, incentives, and capital accumulation are to be reported by industry, date, organization size, and geographic area. Incumbent “n”s are reported for these positions, based upon the availability of proxy data by industry and executive position (the beta test includes only salary and bonus amounts reported).

Comparables

A new graph features ERI plots (the actual proxy data points with varying sized points to indicate the closeness of each match). The **Maximum Reasonable Compensation Table** illustrates comparables for Board & Tax Planning. The **Comparables Plotting** features allow subscribers to click on any data point on the **Executive Compensation** graph and view the calculation (update percentage applied to proxy values). In addition, if utilized interactively with ERI’s Platform Library, subscribers may load and review source proxy data by organization. You may select any comparable organization’s data desired and print it along with the **Executive Compensation** Report.

Basic Application

A spin-off program from ERI’s **Salary Assessor**: the **Executive Compensation Assessor (ERIAXA)** is scheduled for 01/01/2000 release. **ERIAXA will ultimately report competitive total compensation** for top management positions by industry. Data may be adjusted for geographic area, industry, organization size, and compensation valuation date. The **Executive Assessor** will assist precise valuations of market pay and is the only source of its kind which analyzes data compiled from all publicly available executive compensation surveys, along with direct analyses of all U.S. SEC Edgar proxy data. When used interactively with ERI’s **Platform Library**, subscribers may review actual proxy data utilized to create the **ERIAXA** projected weighted averages and ranges. (The 04/01/1999 **Salary Assessor** includes a beta test of the **Executive Compensation Assessor**.)

Executive Positions


**ERI’s researchers compile the most recent proxy filings and present summary findings on a quarterly basis.**

**Comparables**

A new graph features ERI plots (the actual proxy data points with varying sized points to indicate the closeness of each match). The **Maximum Reasonable Compensation Table** illustrates comparables for Board & Tax Planning. The **Comparables Plotting** features allow subscribers to click on any data point on the **Executive Compensation** graph and view the calculation (update percentage applied to proxy values). In addition, if utilized interactively with ERI’s **Platform Library**, subscribers may load and review source proxy data by organization. You may select any comparable organization’s data desired and print it along with the **Executive Compensation** Report.

**Basic Application**

A spin-off program from ERI’s **Salary Assessor**: the **Executive Compensation Assessor (ERIAXA)** is scheduled for 01/01/2000 release. **ERIAXA will ultimately report competitive total compensation** for top management positions by industry. Data may be adjusted for geographic area, industry, organization size, and compensation valuation date. The **Executive Assessor** will assist precise valuations of market pay and is the only source of its kind which analyzes data compiled from all publicly available executive compensation surveys, along with direct analyses of all U.S. SEC Edgar proxy data. When used interactively with ERI’s **Platform Library**, subscribers may review actual proxy data utilized to create the **ERIAXA** projected weighted averages and ranges. (The 04/01/1999 **Salary Assessor** includes a beta test of the **Executive Compensation Assessor**.)

**Executive Positions**


1) **ERI’s Platform Library** lists this data more quickly and easily for subscribers than the SEC Edgar Internet site now allows and

2) Compiled proxy data are used in ERI multiple linear regression analyses with consensus results reported by the **Direct Compensation Table**.

For those of our subscribers who have performed these kinds of analyses, we note that 10-K and other additional sources are cross-referenced to extract “size” dimensions (usually revenue), industry codes, addresses, and other predictive variables.

Top management competitive annual base salaries, incentives, and capital accumulation are to be reported by industry, date, organization size, and geographic area. Incumbent “n”s are reported for these positions, based upon the availability of proxy data by industry and executive position (the beta test includes only salary and bonus amounts reported).

**Comparables**

A new graph features ERI plots (the actual proxy data points with varying sized points to indicate the closeness of each match). The **Maximum Reasonable Compensation Table** illustrates comparables for Board & Tax Planning. The **Comparables Plotting** features allow subscribers to click on any data point on the **Executive Compensation** graph and view the calculation (update percentage applied to proxy values). In addition, if utilized interactively with ERI’s **Platform Library**, subscribers may load and review source proxy data by organization. You may select any comparable organization’s data desired and print it along with the **Executive Compensation** Report.

**Basic Application**

A spin-off program from ERI’s **Salary Assessor**: the **Executive Compensation Assessor (ERIAXA)** is scheduled for 01/01/2000 release. **ERIAXA will ultimately report competitive total compensation** for top management positions by industry. Data may be adjusted for geographic area, industry, organization size, and compensation valuation date. The **Executive Assessor** will assist precise valuations of market pay and is the only source of its kind which analyzes data compiled from all publicly available executive compensation surveys, along with direct analyses of all U.S. SEC Edgar proxy data. When used interactively with ERI’s **Platform Library**, subscribers may review actual proxy data utilized to create the **ERIAXA** projected weighted averages and ranges. (The 04/01/1999 **Salary Assessor** includes a beta test of the **Executive Compensation Assessor**.)

**Executive Positions**


1) **ERI’s Platform Library** lists this data more quickly and easily for subscribers than the SEC Edgar Internet site now allows and

2) Compiled proxy data are used in ERI multiple linear regression analyses with consensus results reported by the **Direct Compensation Table**.

For those of our subscribers who have performed these kinds of analyses, we note that 10-K and other additional sources are cross-referenced to extract “size” dimensions (usually revenue), industry codes, addresses, and other predictive variables.

Top management competitive annual base salaries, incentives, and capital accumulation are to be reported by industry, date, organization size, and geographic area. Incumbent “n”s are reported for these positions, based upon the availability of proxy data by industry and executive position (the beta test includes only salary and bonus amounts reported).

**Comparables**

A new graph features ERI plots (the actual proxy data points with varying sized points to indicate the closeness of each match). The **Maximum Reasonable Compensation Table** illustrates comparables for Board & Tax Planning. The **Comparables Plotting** features allow subscribers to click on any data point on the **Executive Compensation** graph and view the calculation (update percentage applied to proxy values). In addition, if utilized interactively with ERI’s **Platform Library**, subscribers may load and review source proxy data by organization. You may select any comparable organization’s data desired and print it along with the **Executive Compensation** Report.
Guidelines for Using Assessor Software

Installing Windows Assessors
ERI is a 16-bit application and may be installed and run using Windows 3.1, 95, 98 or NT. ERISA, ERIGA and ERIXA are 32-bit applications, and may be installed and run using Windows 95, 98 or NT.

Using Windows 3.1: Go to File Manager, select the 3.5” disk drive (usually A:) and double-click the installe.exe file. Always keep your diskettes as backup.

Using Windows 95, 98 or NT: Go to Start, select Run, type a:\install.exe and click OK. Follow the instructions for installation. Keep your diskettes as backup.

You may also refer to the Technical Support FAQ page at www.erieri.com.

Downloading Data from the Internet
All current year subscribers may also download Assessor dataset updates (for April, July, and October) via a general Internet site. At www.erieri.com/clients select Download ERI Data and then select the Assessor you wish to update. This use of the Internet is not required, but offered as a 1999 subscription enhancement (diskettes will be sent via the mail as in past years). If you have lost, misplaced, or did not receive your quarterly diskettes, please contact ERI Customer Service at (800) 627-3697.

Running Windows Assessors
Using Windows 3.1: Go to File Manager, select the drive and folders of your Assessor (i.e., C: | ERI | ERISAWIN), double-click on the Assessor *.exe file (Example: erisawin.exe).

Using Windows 95/98/NT: Go to Start, select Programs, select Economic Research Institute, select the Assessor, OR go to Windows Explorer, select the drive and folders of your installed Assessor files (i.e., C: | ERI | ERISAWIN), double-click on the Assessor *.exe file (Example: erisawin.exe).

Using ERI’s Platform Library: If an Assessor is installed, but a data expired message appears, use the right mouse button to assign the correct directory.

ERI’s Platform Library CD-ROM
ERI’s Platform Library supports the Assessor Series with a compendium of datasets: Maps, DOT Position Descriptions, NCS and OES survey data, Compensation Related Tax and Law Codes, Census Data, and Executive Compensation Tables compiled from thousands of corporate proxies and 10-K reports.

Assessors for Windows95/98/NT (32 bit)
ERISA, ERIGA, and ERIXA for Windows require installation to your hard drive and may not be run from the diskettes or CD. Some data used by the program remains on the ERIPL CD (to save hard drive space). Please refer to on-line help menus. Several analyses alternatives are included in the Windows versions that are not included in the DOS editions. Analyses which require access to the ERIPL in your cd drive: Immigration Analyses for immigration wage comparisons; OES survey data reference; Maximum Reasonable Executive Compensation tables/analyses.

Macintosh Users
Power Mac users may not access ERI Assessor Series software without first partitioning the hard drive and adding DOS. We note that ERI has not received sufficient demand from Macintosh users to warrant programming Apple versions of Assessor Series software.

Running DOS Assessors
Using DOS: Change the DOS directory to the directory where your Assessor files are located (i.e., A:|A: or C:|A:) and type the Assessor’s short name (erisa, erixa, eriga, erica) then press Enter. Please note: When running a DOS program from diskette, DO NOT remove the diskette from the floppy drive or turn off your PC until you have completely exited the program. In 2000, all Assessor Series DOS versions will be sold as a single subscription package via the Consultants’ Assessor.

Human Resource Administrative Intranet
All Assessor and Reference subscribers are provided an Internet site that allows branch office communication, sharing of files, and establishing the basis for employee benefit communications. Subscribers’ Internet addresses are determined by their ERI account #, allowing channeling of specific Assessor datasets and free access to ERI’s Internet International and Domestic Survey datasets. Call ERI (800) 627-3697, any extension, for your H.R. Intranet address: www.erieri.com/clients?id=0xxxxxxx.

Y2K
Assessor Series software meets Year 2000 compliance requirements, utilizing the four-digit year format. Y2K compliance may be tested in the Salary Assessor by trending salary data to a date later than 12/31/1999 (Salary Planning Date field). Please use this statement as ERI’s Certificate of Y2K Compliance.

ERI Economic Research Institute is a small business corporation; WOB; U.S. EIN 33-0356443 www.erieri.com info@erieri.com

ERI’s continuing mission is to provide consistently excellent market pricing information and research relating to compensation and benefits issues.

Copyright © 1999 ERI Economic Research Institute, Inc. All rights reserved. ERI, the ERI logo, and Assessor Series research products are registered trademarks of ERI Economic Research Institute in the United States and/or other countries. All other trademarks, trade names, or company names referenced herein are used for identification only and are the property of their respective companies.