

About ERI

ERI Economic Research Institute was founded in 1987 to provide compensation, benefits, talent management and competencies research for private and public organizations in the form of published reports and software database products. Revenues for ERI are earned solely from these software and publication sales. In March of 2005, ERI won the patent for online interactive salary surveys (system and method for retrieving and displaying data relating to salaries, cost of living and employee benefits). ERI does not provide fee-for-service consulting.

ERI's research database software subscriptions are available to management, analysts and consultants and are now widely used by client organizations (over 7,000 annual corporate and consulting subscribers and 10,000 periodic subscribers, affecting over 100,000 organizations' pay practices). Subscribers include corporate compensation, relocation, human resources, other professionals, and independent consultants as well as counselors and public sector administrators (including military, law enforcement, city/county, state/provincial, and federal government pay administrators). Because of ERI's creation of the **enhanced Dictionary of Occupational Titles**[®] (eDOT/eDOT+ now managed by PAQ Services), vocational rehabilitation counselors, forensic economists, immigration attorneys and other niche professionals are now joining as subscribers. ERI analyses are not available to the general public.

ERI's Founder first developed the concepts related to the use of regression models for area wage and salary differentials in 1974. ERI's present multiple regression techniques were developed in the late 1980s and are continuously refined each year. Cost-of-living models originated in 1989 as the result of subscriber requests that ERI research and report area cost differentials in addition to wage differentials. ERI methodology has benefited greatly in recent years due to the refinement of analyses as well as the increasing availability of data relating to wages, benefits, and costs. Founded as an outsource of salary survey analyses, ERI has evolved into a geographic and industry specific salary, executive compensation, cost-of-living, and benchmark survey firm. Data inputted by survey participants, eDOT Skills Project participants, web services, job boards, leased datasets (including GuideStar's 20 million unique incumbent datapoints), and field PAQ job analyses (with over 1 million records), provide ERI data on over 70 million US jobs (roughly half of the employed workforce).

ERI's research software database applications are available for purchase on an annual subscription basis. This software includes the following listing and **ERI's Platform Library**[®] and **DLC Wizard**[®], which also contain complimentary resource data and application tools to assist research analyses. **ERI Salary Surveys** may be purchased for archival purposes.

The **Geographic Assessor**[®] & **Pay Survey (GA/GA+)** software and databases calculate salary and cost-of-living differentials between any of over 8,200+ US and Canadian cities and neighborhoods. It also summarizes both percentage and dollar differentials between any base city and up to 9,999 comparison cities at a time. Research for the **Geographic Assessor & Pay Survey** software and databases focus on the presentation of wage and salary structures for each geographic area based upon consensus regression analyses of salary surveys and also incorporates summary cost-of-living data from the **Relocation Assessor**[®] & **COL Survey (RA/RA+)** software and databases. Immigration Prevailing Wage Reports can be created with Internet links to online surveys, and an analysis of potential overpayment created by use of the US OES survey is included. EEO-1 statistics can be created utilizing trended US 1990 and 2000 Census data. A UK/European edition of **GA** is also available.

The **Salary Assessor**[®] & **Survey (SA/SA+)** software and databases provide "consensus" wage and base salary (mean and median) ranges for 6,000+ different position titles as compiled from available published survey sources. Estimates may be adjusted for user inputs of salary planning date, metro area, industry, and company size. The **Salary Assessor & Survey** software and databases include position descriptions for job matching. Benchmark listings for jobs by industry, as well as multiple area listings for a single job in up to 99 metro areas, are provided in summary listings. The **Salary Assessor & Survey** includes reliability statistics to meet a Daubert challenge, position descriptions, and a salary planning tool, helping to simplify a manager's or HR professional's job (with crosswalks to other sources' position codes, descriptions, and industry codes). A UK/European edition is also available. Subscriptions may be limited to only non-management jobs (excluding illustrations of competitive executive compensation

norms).

The **Relocation Assessor® & COL Survey** software and databases provide cost-of-living comparisons and reports between any of 11,500 locations worldwide. This application provides necessary information useful for permanent transfers or temporary COL allowances. User inputs include: annual earnings, currency, living areas, home rental or ownership (mortgage specifications), home size, family size, tax residency, and number of automobiles, miles driven per year, and total value. It allows rent versus home ownership analyses and provides income tax analyses for 200+ countries. Like all Assessor products, it allows one to personalize reports to show them as being derived from a subscriber's office. The Plant Relocation module allows users to perform labor and cost analyses for an organization considering a total plant/office relocation (or the starting of a new enterprise).

The **Executive Compensation Assessor® & Survey (XA/XA+)** reports competitive salaries and bonuses for more than 500+ top management position titles as found within multiple industries. Executive compensation data may be adjusted for geographic area, industry, organization size, pay strategy, and compensation valuation or planning date. **XA** software assists with precise evaluations of market pay and executive salaries and is the only source of its kind that analyzes data compiled from all publicly available executive compensation surveys. ERI's database includes SEC proxy data, 8-K, and 10-K reports, as well as UK/EU annual reports and Canadian Information Circulars. For tax-exempt compensation data, see **ERI's Nonprofit Comparables Assessor (CA)** software. **XA** data has been utilized successfully by valuation expert witnesses in US Tax Court for purposes of estimating reasonable compensation. The **XA+ Consultant Edition** provides base salary, incentive, and total remuneration data for an additional 2,100 UK and EU publicly traded corporations. **XA** now reports data for more than 5,900 US corporations (from the over 9,200 US proxies collected for 2008), plus nearly 1,400 Canadian corporations' data under license from SEDAR.

The **Nonprofit Comparables Assessor™ (CA/CA+)** derives independent survey analyses for US IRC 4958 Intermediate Sanctions analysis and reporting. It is easy to view tax-exempt data and/or for-profit UK or US data (direct cash, benefits, and other/allowances) and analyze similar NTEE industries in "the same or similar communities for similar services." Subscribers can also retrieve source documents, customize, blend, and analyze a selection of comparables, tax-exempt and taxable combined. Comprised of compensation data from IRS Form 990/PF/EZ/EOs filed by public charities and foundations plus for profit company data from SEC filings, this is the largest salary survey ever created (with all source data retrievable with an Internet connection), with well over 30 million datapoints (representing unique positions). The nonprofit data, updated continuously as data comes in monthly, is provided under lease from GuideStar and also through ERI's OCR and digitization processes.

These programs and databases also serve as the example applications used in all **ERI Distance Learning Center Courses** found at <http://www.eridlc.com>. Using **ERI's Platform Library** and **DLC Wizard**, the speed of retrieving references, workshop examples, and analyses is greatly accelerated. Courses may be taken for continuing education credit by agents, CPAs or attorneys (credit varies by state and province). The ERI Distance Learning Center was initiated with courses designed to refresh professionals' knowledge for continuing education credit and/or train analysts in compensation and benefit matters that relate to ERI **Assessor Series®** analyses. Our **Internet Based Benefit & Compensation Administration** textbook is complimentary and can be found at <http://www.eridlc.com>.

PAQ's marketed **Occupational Assessor®**, also called **eDOT®**, combines the updated and rewritten prose of the now discontinued US edition and new consensus descriptions developed from thousands of salary surveys and worker characteristic measures from **ERI's eDOT Project**. The Occupational Assessor is derived from: the eDOT Project's Raw Database (see eDOT Project/Raw Data tab), made up in part of a read-only "old" DOT last revised in 1991, job analyses databases derived from Field Job Analysts' input and 16 other sources, ERI's Job Availability Survey created from over 20 Internet visitor sources (see <http://www.eri-salary-survey.com>) and ERI's Potential Employers eSpideri database tracking job postings to over millions of US employers. The original DOT "construct" of 64 work characteristics is maintained, along with crosswalks to over 50 other industry and job code sources, from military, Canadian, UK, European and member states of the UN. eDOT added 35 additional work measures, including 22 "stress" metrics and over 800 skill measures. Job measure data is provided with field audit

counts, standard deviations and videos for litigation support purposes. Two modules exist: a Professional Edition for US FLSA overtime estimations and review of the Archive DOT and a Consultant Edition providing data for disability determinations; both include the free Job Search module found in the eDOT demo. In July of 2004, eDOT was much enhanced with the addition of over 100,000 PAQ subject matter expert field job analyses from the past 15 years. The Consultant Edition (Disability Determination module) provides listings of potential employers, job board posting evidence, earnings data, job availability estimates, and much more.

ERI provides several research sites free of charge: <http://www.salaryexpert.com> (a presentation of the latest OES salary survey data), HR Tax Codes & Laws found on the CareerJournal.com website, and ERI's historical library of Form 990, proxy, and 10-K forms. See <http://www.erieri.com> (this data is also available via the WorldatWork and CareerJournal Internet sites). Both WorldatWork and SHRM grant maintenance and recertification credit for continuing education through the **ERI Distance Learning Center**.

Security Clearance for US and Canada technical data: ERI has received certification from the US/Canada Joint Certification Program (Certification# 0038784). Certification is required for US or Canadian contractors that wish to obtain access to unclassified technical data disclosing militarily critical technology with military or space application that is under the control of, or in the possession of the US Department of Defense (DOD) or the Canadian Department of National Defense (DND). Certification under the US/Canada Joint Certification Program establishes the eligibility of a US or Canadian contractor to receive technical data governed, in the US, by DOD Directive 5230.25.

ERI Economic Research Institute primarily serves private industry (the public sector, the IRS, and libraries comprise approximately 20% of our subscribers). Our salary structure analyses have been in use since 1974, the PC software to extract competitive wage and salary rates since 1987, and our COL analyses since 1989. ERI does not provide consulting services. EIN 33-0356443, Duns # 60977744, CAGE code OXP39, FedLink ER.

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