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Mr. Cecil Wooten, President
International Churches of Christ
3530 Wilshire Blvd., Suite 1750
Los Angeles, CA 90010

— VIA FACSIMILE —
213-385-5730
AND FIRST CLASS MAIL

Re: (379-4) International Churches of Christ
Analysis of Employee Compensation

Dear Cecil:

Several months ago, you asked us to conduct a comprehensive review of the compensation provided to the employees of all U.S. churches and church-related organizations affiliated with the International Churches of Christ ("ICC affiliates"), and to advise you whether this compensation was fair and reasonable. We compared the 1997 compensation of all 1445 U.S. employees of ICC affiliates to compensation provided for comparable positions in similar organizations, using ICC job classifications, job descriptions, and total compensation. Based on this comparison, the compensation of ICC affiliate employees appears overall to be fair and reasonable.

During the course of our review we noted that the compensation of your ministry leadership tends to be less than what is provided for comparable positions in churches of similar size and location. In addition, we found that other employees, such as administrative, secretarial, and other staff positions, were compensated on the higher side of the reasonable range. The result appears to be a more equitable compensation structure than is typical of comparable organizations.

Thank you for the opportunity to serve the International Churches of Christ.

Yours truly,


Peter F. Rathbun
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