



Compensation Decision Support Tool

Frequently Asked Questions

ACCESSING THE TOOL

How do I access the tool?

There are two separate links to get into the tool.

- To access the LCMS Schools tool the link is: <https://tc.cbiz.com/CompToolCPSEd/Login.aspx>
- To access the LCMS Church tool the link is: <https://tc.cbiz.com/CompToolCPS/Login.aspx>

What is the User ID and Password to access the tool?

The User ID and Password for both tools is "CPS".

Does it cost the ministry money to access the tool?

No. Ministries or districts are not charged for utilizing the tool and may run as many estimates as they need or want.

Can any ministry access the tool or is it only for ministries that have benefits with Concordia Plans?

Any Lutheran Church–Missouri Synod ministry can access the tool even if the ministry does not currently participate in any of the benefit offerings through Concordia Plans.

I put my ministry's ZIP code in the tool, but my ministry isn't listed. Why isn't it listed?

Some ministries have multiple ZIP codes e.g., physical address, PO Box, or a few campuses. If you have more than one ZIP code, try entering other ZIP codes in the tool.

If you have a new ministry that opened after the data was pulled, your ministry may not be in the tool until the following year.

If you have had an update to your ministry and it hasn't been updated with LCMS, it may not be correct in our system. If you need help finding a comparable ministry to run an estimate CPS can assist you in the interim.

ABOUT THE TOOL

Why was the tool created?

The tool was requested by a HR sub-committee of the LCMS Joint Business Managers.

When were these tools launched?

The church tool was launched to support pastor pay decisions in 2016. In 2018 it was expanded to include additional commissioned minister roles within a church body. In 2018 a school tool was added to cover educational positions.

How often is this tool used? Are other ministries using the tool often?

Since the tools have launched nearly 40,000 estimates have been run to assist ministries with compensation planning and each year more and more ministries are using the tool.

What vendor was used to analyze the data?

CBIZ is the vendor CPS partnered with to analyze our LCMS data and look at external data to provide comprehensive data points and recommendations. CBIZ is a national firm that has over 90,000 clients. For additional information on CBIZ you can visit their website at: www.cbiz.com.

Where does the data come from in the tool?

For internal data, CPS uses information that comes from LCMS' Rosters & Statistics and through CPS' databases. The information was analyzed by role, ministry size, experience, education, commission status etc. to look for trends across districts.

For external data CBIZ analyzed the market by utilizing published and statistically validated survey data from major consulting and surveying firms. They do not use unreliable data sources such as self-reported, DOL, or most free internet data. Published survey sources utilized include but are not limited to:

- CompAnalyst Market Data
 - > The world's largest compensation database with 600 million data points and growing.
 - > Data is collected from hundreds of professionally conducted surveys run by corporate HR departments every year.
- MinistryPay – Full-Time Employee Reports
 - > Contains data for more than 100 ministry job titles from churches representing a wide range of locations, denominations, budgets and membership sizes.
- CBIZ – Public School District Compensation Survey
 - > Contains a compilation of recent public-school custom surveys, primarily in the Midwest.
 - > Only used to supplement data for a few positions not found in other surveys.
- Economic Research Institute – Salary Assessor
 - > A highly reputable survey with data on over 7,000 positions, 9,000 locations and 1,000 industries.
- WorldatWork – Total Salary Increase Budget
 - > The predominant survey for salary increase trends.
 - > Represents multiple industries and geographies.
- Bureau of Labor Statistics – Occupational Employment Statistics
 - > National government survey data.

How often is the tool updated?

The tool is reviewed annually in the summer and any updates to the tool or new salary information is updated by January of the next calendar year.

Do the recommended ranges automatically increase every year?

No, they don't automatically increase but generally we do see them to continue to rise over time. CBIZ analyzes both external data and LCMS data each year to determine if an adjustment would be needed.

Why did the geographic differential change from last year?

The geographic factor is analyzed each year. They do sometimes change and even decrease. While cost of living and cost of labor are contributors, the factor is not necessarily representative of those general averages. Rather, the factor is demonstrating how your geographic location compares to other locations. Some locations increase at higher or lower rates than others.

What factors impact the recommended pay?

Each position is analyzed based on market data and LCMS patterns to see if a factor influences the pay range. Ministry size (average worship weekly attendance, number of students enrolled), ZIP code of the ministry location, role or position the candidate would be entering, type of ministry, experience level or education level of the candidate, and commissioned status can all impact the recommended pay range. However, not all factors are relevant for each role. The tool does provide guidance in these areas as to how it can impact salary. If you hover over underlined words in the calculator it will provide you with some additional details on how it could impact the salary range. Your printout will also show you the factors that adjusted the recommended range. Fluctuations in the pool of workers also has a great influence on those numbers. As workers retire (with higher salaries and experience) and new workers (with lower salaries and experience) are added to the pool the salary recommendations will likely change from year to year.

Should the recommended salary figures align with cost of living?

While cost of living is certainly a factor in cost of labor and does influence the figures, the end result of the salary recommendation will likely not align to the exact reported national or regional cost of living increase.

INFORMATION IN THE TOOL

What roles are included in the tool?

The LCMS Schools tool provides salary information and recommendations on the following roles; Elementary, Middle and High School Teachers, Preschool Teacher and Assistant Teacher, Childcare Teacher and Assistant Teacher, Head Administrator/Principal, Assistant Administrator/Principal, Early Childhood Director, Athletic Director, Director of Finance, Director of Development/Advancement and Director of Admissions.

The LCMS Churches tool provides salary information and recommendations on the following roles; Sole Pastor, Senior Pastor, Associate Pastor, Director of Christian Education, Director of Christian Outreach, Deaconess, Director of Family Life Ministry, Director of Parish Music, Director of Church Ministry, Business Manager I and Business Manager II.

Can other roles be added?

CPS continuously assesses ministry needs. If there are additional roles needed, that are common across ministries, we could potentially add them, however it will be dependent upon having enough data to analyze and make confident recommendations.

Can we use this tool for district positions?

District positions generally have distinct differences in job descriptions and duties than the positions that are currently analyzed. For example, if you have a Pastor in the district office their general duties likely are very different than a Pastor called to a specific church, therefore the tool may not be effective at generating the best recommendations based on their actual duties.

What other resources could we use for positions that aren't included in the tool e.g., treasurer, janitor or maintenance worker, administrative assistant?

For many positions that are common the Bureau of Labor Statistics has free information on over 800 occupations. You can review national and state averages. While it doesn't adjust salaries based on ZIP code, size of the organization, or individual candidate education or experience level, it would give you a general starting point. You can access that site at: <https://www.bls.gov/oes/home.htm>

If your ministry contracts with an entity for Human Resource services, you may want to inquire with them to see if they provide compensation guidance as part of their contracted services.

If your ministry has the desire and budget to pay for an individual assessment(s) for roles not in the tool, there are a variety of reputable compensation firms that you can hire. Cost to run an estimate generally vary greatly depending on the quantity you want to purchase and the complexity of the analysis you want run. Two examples of firms you could consider are Ministry Pay or Payscale.

On the LCMS Schools tool, you must select a commissioned status, but you don't have to do that on the LCMS Church tool. Why is that different?

In the LCMS Church tool all the positions are traditionally commissioned workers, so it wasn't necessary to differentiate. Many of the workers at LCMS schools are non-commissioned, so it was important for the tool to be able to call out the difference.

Do most schools really offer the 7.65% that is built in the tool for commissioned workers? Do they pay commissioned workers more than lay?

LCMS data did show that most schools do offer a premium for the commissioned workers to offset the expected self-employment tax those school workers would need to pay. If it was not offered commissioned workers would be at a disadvantage to non-commissioned workers.

Yes, LCMS data revealed most schools do pay their commissioned workers more than the lay workers. There are many factors that can contribute to this. Many schools are giving commissioned workers money to offset their self-employment tax, some value the commissioned worker status and reward those that are called with a higher compensation than those that are lay, and salaries can be higher because commissioned workers generally stay employed with LCMS schools longer than those that are not called.

How can you determine a salary if a candidate has a dual role?

There is a resource document embedded in the tool. Click on the blue "More Information" button under the Additional Factor Adjustment Percentage section. The resource document provides additional information on how you could compensate for a dual role or for additional responsibilities. There is some additional data on the range that districts had been using in that document that may help you in discussions with your calling or hiring body.

How should we treat previous work experience if someone is switching careers? Should we give them any credit for previous work?

There is some variability in how ministries have treated previous careers but generally, if the previous work experience is complementary to the new position many ministries would provide some credit for the previous work experience. Two examples of this would be a second career pastor or hiring an administrator/principal who had previous teacher experience. Some districts have recommended that these workers could be granted one half of the years spent in the previous position while some have recommended a one-to-one ratio.

Do we have to pay the mid-point?

The numbers in the chart provide you with information so you can make an educated decision for the ministry. The mid-point, shaded in green, is the halfway point for salaries. It is a bell curve for the factors you entered for your ministry and the candidate so half of the salaries are above it and half are below it. You should consider what you want your compensation strategy should be (or what you can afford) to determine if you want to be at the midpoint or perhaps if you want to be closer to the lower or higher pay. Some ministries could have goals to be a percentage of the midpoint.

Our ministry is paying much lower than the mid-point or the lower pay, but we cannot afford to correct it, what should we do?

If your ministry is paying significantly below the recommended range it may be advantageous to discuss a long-term plan with your decision-making body that determines salary planning. Ministries could consider a multiyear approach to start making progress to increase workers closer to the range over time.

Our ministry is paying more than the mid-point or the higher pay, does that mean we're paying our worker too much? Should we take money away?

It doesn't mean that you are necessarily paying too much. There are data points above even the higher pay, there are just fewer and fewer the further you get from the mid-point. There are a variety of circumstances that could warrant someone being paid on the higher end (e.g., extra duties not typical in the role, a compensation strategy that desires to and can afford paying on the higher end, a below average benefit package that requires the worker to contribute more to their insurance or retirement benefits, exceptional performance). Generally, it is not a best practice to reduce salary unless there are extenuating circumstances (e.g., dire budgetary concerns, significant demotion).

Is the lower pay and the higher pay a floor and ceiling?

No, they aren't a floor or ceiling. There are data points above the higher pay and below the lower pay but the further you move away from the average/mid-point there are less and less.

Is it true the tool only provides a recommendation on salaries and it doesn't consider the benefits package?

Correct. The tool is a deep analysis on salaries only. You can use the printout to think about your total compensation package (salary and benefits) to determine how generous your overall package is. The printout lists possible benefits your ministry may have, and that list could help you put together your call documents, extend an offer letter or have a discussion with a candidate on the whole picture.

There are a lot of differences in the benefits offered across the LCMS. Some ministries offer the pension, some offer the pension plus a match in the 403(b) (some have a high match, some have a low match), some don't offer a pension or retirement benefit, some pay a generous portion or all of the premium for spouse and family members on their health insurance plans, some don't pay much towards family members. Some ministries have very generous vacation packages or other fringe benefits, and some don't. It is best practice to think of your total compensation (salary and benefits) like a teeter-totter. If you do not have a competitive benefits package you may need to offer a higher starting salary (i.e., if the ministry doesn't have a pension or pay a high percentage of the premium for health insurance the ministry could consider offering a higher salary since the worker has to pay for more out of their salary).

If you would like to discuss benefit packages and best practices, please reach out to your CPS Account Manager at 888-927-7526, ext. 6020.

How do you determine the appropriate amount for a housing allowance or parsonage?

In the LCMS Church tool when you are inputting information for your candidate there is a blue “More Information” button next to the Parsonage Amount section. This links you to the Treasurer’s Church Manual that the LCMS produces, and it gives guidance on factors to consider to determine the value of a parsonage or housing allowance. If you have additional questions on this, you could contact a tax professional or your district office or also reference [Administrative Information for Treasurers and Business Managers](#).

If a ministry wants to budget or plan for raises over the next few years, would it be inappropriate to get the number from the tool and use a multiplier for the next few years to simplify their salary adjustments?

If a ministry wanted to simplify the calculations and budget a specific percentage for the next year or two, they certainly could, but it is recommended they rerun the tool if something significant changes (duties/role change, achieved a higher degree, significant change in ministry size, or a significant change in the supply/demand for the role occurred). It would be a good idea to run it again for your existing workers if you hire or call someone new, i.e., if you are calling an Associate Pastor, you should spot check the Senior Pastor to make sure they’re appropriately paid too.

How much would you recommend to budget for increases to salaries each year?

For budgeting purposes, for the last several years, organizations have typically not budgeted for more than a 2-3% increase. However, largely due to inflation, frozen salaries during the Global Pandemic, worker shortages and the continued increased rate of growth of market salaries, a recommendation of 3-5% is suggested if your goal is to maintain your current market position. An increase of 5-8% may be more appropriate if you’re trying to improve your market position. Best practice is to provide an increase even if the new figures only went up a small amount. It is also recommended to run estimates on a regular basis to spot check where your workers are in relation to the market.

Teachers are generally working a ten-month contract. Are the salary ranges that are recommended for teachers based on a ten-month contract? Is it appropriate to take 10/12 of the salary that is recommended if they work ten months?

It is very common that teachers are only expected to work ten months or have the summers off and their salary data is used to calculate the ranges. While some schools may take 10/12 of the number, neither CBIZ nor CPS recommends doing that; especially if you wish to pay competitively. If you wish to differentiate between teachers who work 12 months versus 10 months, you could consider adding money to the 12-month teachers rather than taking money away from the 10-month teachers.