



Associated Baptist Press

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August 12, 1999

SOUTHERN BAPTIST HISTORICAL
LIBRARY AND ARCHIVES
Nashville, Tennessee

(99-66)

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Baptist Foundation of Arizona officials resign amid state probe

By Bob Allen

PHOENIX, Ariz. (ABP) -- Three top officials of the Baptist Foundation of Arizona have resigned in light of charges the agency violated state law by inadequately disclosing its financial condition to potential investors.

Trustees of the agency of the Arizona Southern Baptist Convention also placed a temporary freeze on the withdrawal of invested funds, continuing to pay only interest and distribution of Individual Retirement Accounts. And state officials accepted an offer by the Phoenix-based Foundation to stop selling investment products.

The Arizona Corporation Commission, the state agency which oversees public utilities and securities, issued an order Aug. 10 requiring the Foundation and two subsidiary corporations to "cease and desist" from offering or selling investment products in violation of the Arizona Securities Act.

The order said a yearlong investigation by the commission and the Arizona Attorney General's Office found the Baptist organization did not disclose its "true financial condition" to the investing public. The commission concluded the three corporations "offered and sold securities within or from Arizona through material misrepresentations and omissions of material fact."

Trustees of the Baptist Foundation of Arizona consented to the cease-and-desist order without admitting or denying the commission's findings. The state commission said the three Baptist corporations have cooperated fully with the investigation, and a spokesman for the Foundation said they would continue to do so.

"We're doing everything we can to find a solution to this situation and plan to keep investors informed very regularly, while continuing to cooperate with the state investigation," Berry Norwood, chairman of the Foundation board, said in a press release.

President Bill Crotts, General Counsel Tom Grabinski and Controller Don Deardoff stepped down from their jobs voluntarily July 22, according to a trustee letter sent to clients Aug. 7.

Trustees set up two committees for oversight of policies and day-to-day administration and retained services of a lawyer and accounting firm, according to the trustee letter.

The Foundation will continue to make ongoing interest payments and IRA distributions but has for the time being suspended redemption of all investment products, the trustee letter said. "Please understand that this could change after we have completed our evaluation of this situation," the letter said.

While emphasizing neither condition is "imminent," the trustees warned that if they are unable to satisfy Arizona officials, the state may pursue a receivership, and the Foundation may have to pursue restructuring alternatives, such as bankruptcy, if trustees are unable to protect funds under current conditions.

"This was a soul-wrenching letter for us to write," Norwood said. "Our investors are also our friends, our family, BFA employees, board members -- we are all affected. We pray for a successful resolution to this situation."

According to a news story in the Arizona Republic, state investigators found the Foundation, which acted as custodian of funds contained in Individual Retirement Accounts, couldn't invest funds in its own investment products, so it set up two affiliates. The affiliate corporations, Arizona Southern Baptist New Church Ventures, Inc., and Christian Financial Partners, Inc., sold various investment products.

According to state investigators, 13,000 people have invested \$483 million in the Foundation or its affiliates. State investigators say the investments haven't made money, and in fact there isn't enough money in the Foundation's accounts to cover people's investments, according to the Phoenix newspaper.

Board members of the Foundation and its affiliates and agency employees have more than \$12 million invested with the three corporations, according to trustees. Baptist churches have invested another \$22 million.

The 50-year-old Foundation provides estate planning and financial services for Arizona Baptists. According to Baptist Press, it is one of the few foundations affiliated with a Baptist state convention to allow individuals, in addition to churches, to invest funds.

An alternative Phoenix newspaper last year ran a series of investigative reports questioning the value of property investments by the Foundation and its standards of accountability. Foundation officials said at the time the reporter did not understand how Baptists function and that the agency's aggressive policies were necessary in Arizona, where Baptists are not as well-established as in larger and older state conventions where foundations are more conservative.

Organized in 1928, the Arizona Southern Baptist Convention includes about 400 churches.

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Rulings impact on distribution of voter guides in churches debated

By Kenny Byrd

WASHINGTON (ABP) -- A decision by a federal court clearing the Christian Coalition of all but two counts of violating election laws has left organization officials and its critics at odds over whether the coalition's voter guides may be distributed in churches.

The Aug. 2 ruling ends a three-year dispute between the Federal Election Commission and the conservative Christian advocacy group.

But Marcus Owens, director of the Internal Revenue Service's Exempt Organizations Division, said the ruling deals narrowly with federal election laws. Churches should not look to rulings on election laws for guidance on compliance with federal tax laws, he said. "Election laws and tax laws are different sets of rules."

Federal campaign laws prohibit corporations from making contributions -- in cash or in kind -- to a

candidate for federal office. But they permit independent expenditures that are related to a campaign, so long as it is not for communications that expressly advocate the election or defeat of a candidate.

U.S. District Judge Joyce Hens Green ruled that in all but two instances the coalition steered clear of expressly advocating the election or defeat of a candidate for federal office or from coordinating expenditures on voter guides and get-out-the-vote efforts with Republican candidates and campaign committees.

Green ruled, however, that the FEC is entitled to a civil penalty for the coalition's "express advocacy of House Speaker Newt Gingrich's re-election in 1994" and providing a "valuable mailing list" to Oliver North's senatorial campaign. The election commission had argued that coalition expenditures amounted to "in-kind" campaign contributions that should have been reported as such.

But Green ruled in favor of the coalition on all other FEC charges. She acknowledged she was bound by Supreme Court rulings that rendered the Federal Election Campaign Act's limitations on expenditures such as the coalition's "largely toothless."

Many charges hinged largely on whether the coalition officials "coordinated" their efforts with GOP officials. "It appears that the coalition avoided impermissible coordination of its voter guide and (get-out-the-vote) expenditures, although not for a lack of trying," the judge said. She added that was primarily so because GOP campaign officials "armed with foreknowledge of the coalition's plans, chose not to respond to the coalition's implicit offers to discuss or negotiate those plans."

Christian Coalition officials said Green's ruling means the voter guides are nonpartisan and can be distributed in churches.

The ruling "allows Christian Coalition of America and its state affiliates the continued right to distribute voter-education material -- voter guides -- in churches and in the public square as a way of educating voters about candidates' positions on issues of interest to religious conservative voters," the group said in a statement.

But critics of the coalition said churches should still be wary of the guides.

Barry Lynn, executive director of Americans United for Separation of Church and State, said churches that "join the coalition's partisan political machine still risk losing their tax-exempt status."

"This decision still provides plenty of evidence that the Christian Coalition is a hardball, partisan, political operation," Lynn said. "The judge paints a detailed portrait of the coalition's long track record of blatantly partisan electioneering on behalf of Republican candidates."

Lynn said tax laws are tougher than election laws, which he called "the Swiss cheese of American politics -- so many holes and no teeth." He said the ruling clearly indicates the voter guides should not be distributed in churches or other tax-exempt religious organizations.

Owens said the IRS could not comment on the Christian Coalition case.

But he agreed tax laws have more teeth than election laws. "Federal election laws are designed to regulate money in federal campaigns rather than political involvement," he said. "Tax rules are very broad and are written to focus on much more than the shifting of money."

He also said that the tax code does not rely on narrow standards such as "express advocacy" or "coordinating" expenditures, which were the basis of the FEC charges against the coalition.

Tax laws apply "when there is campaign intervention, and that intervention can be direct or indirect," Owens said. "The IRS looks behind an action to see whether it is being done in a way to influence a campaign." He said the timing of the voter guides as well as the breadth of the issues covered in the guides are important to determining whether they violate tax law.

"A good rule of thumb is for churches to stand back and ask could this action -- whatever it is -- be reasonably interpreted as endorsing or opposing a candidate?" Owens said. "If that's the message that is being delivered, the church ought to be aware of the prohibitions."

Green's ruling on the FEC case cleared the coalition of acting in coordination with Bush-Quayle 1992

campaign committees, when it made expenditures for get-out-the-vote efforts and for distributing approximately 28 million voter guides in connection with the 1992 presidential campaign.

She also ruled in favor of the Christian Coalition on allegations of coordinated efforts with the 1990 Senate race of Sen. Jesse Helms, R-N.C.; the 1992 House race of Rep. Bob Inglis, R-S.C.; and the 1994 House race of Rep. J. D. Hayworth, R-Ariz.

In another victory for the coalition, Green ruled that distributing the voter guides in 1990 did not amount to an "in-kind" contribution to the National Republican Senatorial Committee, because they were not created in "coordination" with the GOP committee.

Moreover, the judge determined that the coalition's scorecards and voter guides would not amount to what the FEC would have to show was "express advocacy."

"A communication can be held to contain express advocacy only if no reasonable person could understand the speech in question -- and in particular the verbs in question -- to, in effect, contain an explicit directive to take electoral action in support of the election or defeat of a clearly identified candidate," Green ruled.

However, in ruling against the coalition for supporting the election of Gingrich in 1994, Green said the Georgia affiliate of the Christian Coalition did cross the line into express advocacy in a letter to coalition supporters. "The unmistakable meaning of the letter is that because Newt Gingrich has voted as the coalition would have wanted him to on every vote the coalition considered significant, the reader should vote for him in the primary election," Green ruled.

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American Baptist regions challenge ouster of churches over homosexuality

By Bob Allen

VALLEY FORGE, Pa. (ABP) -- The June expulsion of four American Baptist churches over homosexuality has been put on hold, pending an appeal of the ruling by six regional bodies.

Six American Baptist regions have requested "adjudication" of a June 21 decision by the denomination's General Board to deny appeals of four California churches that were removed from their region over their "welcoming and affirming" stance toward gays. Adjudication is a formal process for resolving differences between cooperating parties in the 1.5-million-member American Baptist Churches, USA.

Meeting on the eve of the convention's June 22-25 biennial meeting in Des Moines, Iowa, American Baptist leaders narrowly voted to deny separate appeals by four California churches that were earlier dismissed from the American Baptist Churches of the West.

The churches -- First Baptist Church in Berkeley, Lakeshore Baptist Church in Oakland, New Community of Faith in San Jose and San Leandro Community Church in San Francisco -- all belong to the Association of Welcoming and Affirming Baptists. The association, organized in 1993, has about 30 member churches that open their membership to gay, lesbian and bisexual persons.

The June General Board votes upheld traditional American Baptist polity recognizing at the national level only churches that are also in good standing with their region.

In written requests for adjudication, however, representatives of six regions accused the General Board of denying due process, violating local-church autonomy and failing to prove the four churches had violated "common criteria" to which all cooperating churches subscribe.

The regions requesting adjudication are American Baptist Churches of Metro Chicago, Metropolitan New York, Connecticut, Massachusetts and the Rochester/Genesee Region and Philadelphia Baptist Association, according to American Baptist News Service.

American Baptist General Secretary Daniel Weiss said July 21 he had, on the advice of an attorney, notified the four churches their status as a cooperating church would be maintained pending resolution of the adjudication process.

While adjudication normally would be assigned to the General Board's executive committee, the General Board is one of the "differing parties" in the dispute. Therefore, Weiss said, the issue falls under jurisdiction of the General Executive Council. The council is comprised of members of the national executive council, regional executive-ministers council, associate national secretaries and executives of a number of related organizations.

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James Dunn named to receive ABP Religious Freedom Award

By Philip Poole

JACKSONVILLE, Fla. (ABP) -- Veteran religious-liberty advocate James Dunn will receive the Religious Freedom Award from Associated Baptist Press Sept. 2.

Broadcast journalist Bill Moyers, a long-time friend of Dunn, will present the award during ceremonies at The Freedom Forum's Media Studies Center in New York City. The awards banquet is being held in conjunction with ABP's fall board of directors meeting.

Dunn will become the sixth recipient of the ABP award, which was established in 1994 by directors of the independent, national news service based in Jacksonville, Fla. It honors individuals whose achievements advance the principle and practice of religious freedom.

Dunn is completing a distinguished 18-year career as executive director of the Washington-based Baptist Joint Committee on Public Affairs, a religious-liberty consortium of nine Baptist conventions and conferences in the United States. This fall, Dunn will join the faculty of the new Wake Forest University Divinity School in Winston-Salem N.C., as visiting professor of Christianity and public policy. He will continue to serve as a part-time consultant with the BJC.

"James Dunn has epitomized religious liberty, not just for Baptists but for people of faith everywhere," said Greg Warner, ABP's executive editor. "He has been a tireless advocate for soul freedom in the halls of government and in the pulpits of this country. There is no finer choice for the Religious Freedom Award, and there is no more appropriate presenter than Bill Moyers, who also has a lifelong commitment to the principles we are honoring."

Prior to assuming his role at the BJC in 1981, Dunn served 12 years as director of the Texas Baptist Christian Life Commission in Dallas. He also has been a pastor and campus minister. He is a graduate of Texas Wesleyan College and Southwestern Baptist Theological Seminary, both in his native Fort Worth, Texas.

Previous Religious Freedom Award recipients are Southern Baptist journalists Jack Brymer of Birmingham, Ala., and Walker Knight of Atlanta; author and civil-rights activist Will Campbell; New York Times journalist Gustav Niebuhr and the religion-reporting staff of the Dallas Morning News.

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-- Photos of James Dunn are available by contacting the Baptist Joint Committee on Public Affairs at (202) 544-4226 or through e-mail at 70420.54@compuserve.com

'Just do it,' leaders suggest at Glorieta prayer conference

By Mark Wingfield

GLORIETA, N.M. (ABP) -- Talk about prayer is cheap, but actually doing the costly work of prayer is what brings results, speakers said during the Glorieta Prayer Conference Aug. 1-5.

"We talk a lot about praying, but how much do we actually pray?" asked Gary Dyer, pastor of First Baptist Church of Midland, Texas, in the conference's opening session.

In that session and the four additional days of the conference, about 240 participants not only learned practical ways to pray more effectively but also spent time in focused prayer. The conference was sponsored by the Baptist General Convention of Texas and LifeWay Conference Center at Glorieta, N.M.

In small-group seminars and in corporate worship times, the group knelt in prayer, rose up in praise and often wept as they shared prayer concerns and interceded on behalf of a world of needs.

In one small-group session on praying for a prodigal child, led by Rick and Tracy Lineberger of Grapevine, Texas, participants spontaneously ended the session in an emotional time of prayer. After the planned presentation, Rick Lineberger called the group together for a closing prayer. But before the prayer began, one woman raised her hand to request specific prayer for her child who has wandered away from the Christian faith. Then another called out the name of a prodigal child, and another and another, until Lineberger had written down a list of nearly a dozen names.

The group then put into practice what they had just learned, weeping as they prayed for God to protect these prodigal children, lead them into godly relationships and bring them back to the faith of their families.

Similar experiences happened each night in the Glorieta chapel, as leaders guided worshippers through extended times of prayer for families, government leaders, non-Christians, church leaders and other specific groups.

The evening sessions also featured an extended time of praise and worship music, led by the praise team of Harvest Baptist Church in Wautaga, Texas. Preachers in the evening sessions were Dyer; Lineberger, pastor of First Baptist Church of Grapevine; and Duane Brooks, pastor of Tallowood Baptist Church in Houston.

Morning Bible studies on spiritual warfare were led by D.L. Lowrie, pastor of First Baptist Church of Lubbock, Texas.

Dyer reminded the group that they didn't need to go home and start "a bunch of new organizations" as a result of attending the conference. Rather, the proof of their experience would be found in their improved prayer lives, he said.

"It is a simple matter of priority. If you want to mobilize for prayer, you will," Dyer said.

Pastors and lay people alike struggle to make prayer a priority, he confessed. "Typically, preachers like me are much more versed in telling people how they ought to pray than in doing it ourselves."

But even Christians who feel inadequate to the task can make a difference in prayer, he said, because "we know the power of prayer."

Dyer urged Baptists to imitate the early church, which prayed with Peter and John in Jerusalem until the house where they were meeting was shaken (Acts 4).

These early Christians were "unintimidated" in their praying, he said. When faced with opposition from the Jewish leaders in Jerusalem, they didn't start a boycott or a petition drive protesting the poor treatment of believers, Dyer explained. "Instead, they prayed."

They also were undivided in their prayer, he added, noting that "the church family that prays together stays together."

Finally, the early Christians were unselfish in their prayer, Dyer said, explaining that they didn't pray only to get out of trouble. "Earth-shaking prayer is unselfish enough to take on more trouble if needed."

Such a commitment to prayer will restore the passion missing in the lives of many Christians and churches, Lineberger said in a later message.

"There are no gimmicks, there are no shortcuts to victory in the Christian life," he said. "If passion is missing from your life, it would have to be because passion is missing from your prayer life."

When Christians become passionate about prayer, they will find their relationship with God takes priority over their service for God, Lineberger said.

This connection with God's Spirit through prayer is the only thing that will make a difference in America's cities and towns, Brooks said in his message based on the Old Testament account of Ezekiel praying for God to breathe life into a valley of dry bones.

To bring life into a dead world, Christians first must be full of life themselves, he said.

Any vision for God's future must be received from God himself, said Minette Drumwright in one of 20 small-group sessions offered during the conference. Drumwright, who now lives in Fort Worth, Texas, is the retired coordinator of prayer ministries for the Southern Baptist International Mission Board.

"Prayer begins with God," she declared. "Prayer is his idea. Prayer is our response to God's initiative."

"Have you ever thought of God having prayer requests for us?" she asked, adding that the most effective prayers are those prompted by God's Spirit in the mind of the believer. "The question is, 'Are we listening?'"

Prayer is the "most crucial work" a Christian can do, Drumwright said. "And it is work."

Through prayer, God builds a relationship with his children and demonstrates his glory, she said. "The most important thing about prayer is not prayer. The most important thing about prayer is God and his glory."

Ultimately, people of seasoned prayer will find their lives molded into God's desire, Drumwright said. "God does not just answer our prayers; he answers our lives."

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National movement urges Christians to pray 5 minutes for five neighbors

By Mark Wingfield

GLORIETA, N.M. (ABP) -- It may be one of the simplest concepts ever put forth as an organized initiative in Baptist churches. No intensive training is required. No special materials are necessary. You don't even have to leave home to participate.

Baptists are joining a nationwide movement calling Christians to pray five minutes a day, five days a week, for five neighbors or co-workers.

This is a simple, non-threatening ministry that any Christian can do, said Alvin Vander Griend, director of Houses of Prayer Everywhere, a cross-denominational ministry based in Grand Rapids, Mich. Vander Griend explained the Houses of Prayer concept during a small-group session at the Glorieta Prayer Conference Aug. 1-5.

This simple prayer strategy already has proven effective across the United States, Vander Griend said, explaining that in some cases the act of prayer alone has drawn unbelievers to seek out their Christian neighbors and ask faith questions.

For example, Johnny Jones, a pastor in Walnut Creek, Calif., committed to pray for his neighbors before introducing his congregation to the Houses of Prayer concept. He did not make special visits to his neighbors or even tell them he was praying for them. Yet within a few weeks, a single woman who lives across the street knocked on his door, explaining that she felt led to ask him how to have a personal relationship with Jesus Christ.

That woman prayed to commit her life to Christ. Soon after, her brother, a drug dealer, also showed up on his doorstep. He wanted to get out of crime but was afraid, he explained. The pastor told the man he had been praying for him and would continue to pray for him and help him in this transition. He also became a believer.

Within the following weeks, other neighbors also showed up on Jones' doorstep with questions that gave him opportunities to share the love of Christ with them.

This is an example of the power focused prayer unleashes, Vander Griend said. "When we begin to release God's power and grace on a society, amazing things happen.

"The fundamental theological principle we're working from is very simple: God chooses to work through the prayers of his people."

The goal of Houses of Prayer Everywhere is to have a house of prayer on every street in America and an intercessor for every person in America.

While the concept sounds simple, achieving it will take a renewed commitment on the part of Christians, Vander Griend said. "The average American does not know the name of his three closest neighbors. And most evangelical Christians have not thought a lot about their neighbors."

Further, he said, "the average Christian in America prays no more than five minutes a day, and that's usually for himself, his family and maybe a few of the sick and afflicted."

Christians must realize that "the neighbors we have are not our neighbors by accident," he asserted. "God has placed us there for a reason."

At this juncture in American history, non-Christians are extremely open to others praying for them, Vander Griend said. "This is a very new phenomenon. God has opened a door and given us new opportunities."

This is a natural opening for effective ministry and evangelism, he said, because "prayer releases God's grace and power in the lives of our neighbors."

Further, Christians who pray for their neighbors in a focused way tend to become more caring toward their neighbors and more likely to share their faith with their neighbors, he said.

Houses of Prayer Everywhere, also known as Lighthouses of Prayer, suggests an acrostic on the word "bless" as a way to remember five primary things for which to pray concerning your neighbors:

- Body, including their health, energy and physical needs.
- Labor, meaning their work, income and security.
- Emotions, including prayers for joy, peace and hope.
- Social, meaning their marriage, family and friends.
- Spiritual, including prayers for salvation, faith and grace.